

BILL ANALYSIS

S.B. 281
By: Nelson
Economic Development
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Council on Workforce and Economic Competitiveness is subject to the Sunset Act and will be abolished on September 1, 2003, unless continued by the Texas Legislature. SB 281 continues the council as the Texas Workforce Investment Council until September 1, 2015, and provides for several statutory modifications.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

ARTICLE 1. CONTINUATION AS TEXAS WORKFORCE INVESTMENT COUNCIL

SECTION 1.01. Amends the heading of Chapter 2308, Government Code, to read as follows:

CHAPTER 2308. WORKFORCE INVESTMENT ACT

SECTION 1.02. Amends Section 2308.001, Government Code, to make a conforming change.

SECTION 1.03. Amends Section 2308.002(1), Government Code, to redefine "council."

SECTION 1.04. Amends Section 2308.005, Government Code, as follows:

Sec. 2308.005. APPLICATION OF SUNSET ACT. Provides that the Texas Workforce Investment Council (TWIC), rather than the Council on Workforce and Economic Competitiveness, is subject to Chapter 325 (Texas Sunset Act). Provides that unless continued in existence as provided by that chapter, the council is abolished September 1, 2015, rather than 2003.

SECTION 1.05. Amends Section 2308.006(a), Government Code, to prohibit the TWIC, if a change in law made by House Bill 3431, Acts of the 76th Legislature, Regular Session, 1999, would have the effect of invalidating an exemption granted under the Workforce Investment Act of 1998 (Pub. L. No. 105-220), from operating under that change in law but requires it to, instead, operate under the law as it existed before September 1, 1999, rather than the effective date of this Act.

ARTICLE 2. COUNCIL MEMBERSHIP AND TRAINING

SECTION 2.01. Amends Section 2308.052, Government Code, by amending Subsections (b) and (c) and adding Subsection (e), as follows:

(b) Provides that the council is composed of certain members, including one voting member

who represents community-based organizations.

(c) Requires the membership of the council to represent the geographic diversity of this state.

(e) Requires appointments to the council to be made without regard to the race, color, disability, sex, religion, age, or national origin of the appointees.

SECTION 2.02. Amends Section 2308.053(a), Government Code, to require the governor to designate one of the business or labor representatives on the council as the presiding officer of the council to serve in that capacity at the pleasure of the governor.

SECTION 2.03. Amends Section 2308.054(a), Government Code, to provide that approximately one-third of these members' terms expire in each odd-numbered year.

SECTION 2.04. Amends Sections 2308.056(a) and (c), Government Code, as follows:

(a) Provides for grounds of removal from the council for a member who is not an ex officio member under certain conditions.

(c) Requires the presiding officer to notify the governor and the attorney general that a potential ground for removal exists. Requires the executive director, if the potential ground for removal involves the presiding officer, to notify the next highest ranking officer of the council, who shall then notify the governor and the attorney general that a potential ground for removal exists.

SECTION 2.05. Amends Section 2308.158, Government Code, as follows:

Sec. 2308.158. COUNCIL TRAINING; STANDARDS OF CONDUCT INFORMATION. (a) Prohibits a person who is appointed to and qualifies for office as a council member from voting, deliberating, or being counted as a member in attendance at a meeting of the council until the person completes a training program that complies with this section.

(b) Requires the training program to provide the person with certain information.

(c) Created from existing text.

(d) Requires the executive director to provide to the council's members and employees, as often as necessary, information regarding the requirements, rather than their qualifications, for office or employment under this chapter, including information regarding a person's responsibilities under applicable laws relating to standards of conduct for state officers and employees.

SECTION 2.06. (a) Provides that of the positions on TWIC that must be filled by a member who represents community-based organizations, the position of the member whose term on the council is next scheduled to expire is abolished on September 1, 2003.

(b) Provides that if, of the positions on TWIC that must be filled by a member who represents community-based organizations, two members have terms that are next scheduled to expire, one of the positions is abolished on September 1, 2003. Requires both of the members, on or before September 1, 2003, to determine by unanimous agreement or by lot which of the positions shall be abolished on September 1, 2003, and to inform the presiding officer of TWIC of that determination.

SECTION 2.07. Provides that the ex officio members of TWIC begin serving on the council as soon

as practicable after the effective date of this Act.

SECTION 2.08. Makes application of the changes made regarding TWIC members prospective.

ARTICLE 3. COUNCIL DUTIES

SECTION 3.01. Amends Section 2308.101, Government Code, by adding Subsection (c) to require the members of the council to develop and implement certain policies.

SECTION 3.02. Amends Subchapter C, Chapter 2308, Government Code, by adding Section 2308.1015, as follows:

Sec. 2308.1015. **DUTY TO FACILITATE DELIVERY OF INTEGRATED WORKFORCE SERVICES.** (a) Requires the council, to facilitate the seamless delivery of integrated workforce services in this state, to perform certain tasks.

(b) Requires the council to include in the council's annual report to the governor and to the legislature certain information.

(c) Requires the long-range strategies developed by the council under Subsection (a) to perform certain acts.

SECTION 3.03. Amends Section 2308.102, Government Code, as follows:

Sec. 2308.102. **ASSUMPTION OF DUTIES AND RESPONSIBILITIES.** (a) Requires the council to assume certain duties.

(b) Requires the council to assume the responsibilities formerly exercised by the Apprenticeship and Training Advisory Committee. Deletes text requiring the council to assume responsibilities assigned under eight federal laws and text requiring the council to assume responsibilities formerly exercised by three state advisory councils.

SECTION 3.04. Amends Section 2308.104, Government Code, by adding Subsection (h), to require the council to include in the strategic plan long-range strategies developed by the council under Section 2308.1015 to facilitate the seamless delivery of integrated workforce services in this state.

SECTION 3.05. Amends Subchapter C, Chapter 2308, Government Code, by adding Sections 2308.107 and 2308.108, as follows:

Sec. 2308.107. **COMPLAINTS AGAINST COUNCIL.** (a) Requires the council to maintain a file on each written complaint filed with the council. Requires the file to include certain information.

(b) Requires the council to provide to the person filing the complaint and to each person who is a subject of the complaint a copy of the council's policies and procedures relating to complaint investigation and resolution.

(c) Requires the council, at least quarterly until final disposition of the complaint, to notify the person filing the complaint and each person who is a subject of the complaint of the status of the investigation unless the notice would jeopardize an undercover investigation.

Sec. 2308.108. **POLICY ON TECHNOLOGICAL SOLUTIONS.** Requires the members of the council to develop and implement a policy requiring the executive director and council employees to research and propose appropriate technological solutions to improve the

council's ability to perform its functions. Requires the technological solutions to meet certain criteria.

SECTION 3.06. Amends Subchapter D, Chapter 2308, Government Code, by adding Section 2308.159, as follows:

Sec. 2308.159. STATE EMPLOYEE INCENTIVE PROGRAM INFORMATION AND TRAINING. Requires the executive director or the executive director's designee to provide to council employees information and training on the benefits and methods of participation in the state employee incentive program.

SECTION 3.07. Requires TWIC to implement Sections 2308.101, 2308.1015, 2308.104, 2308.108, and 2308.159, Government Code, as amended or added by this article, not later than February 1, 2004.

SECTION 3.08. Provides that Section 2308.107, Government Code, as added by this article, applies only to a written complaint filed with TWIC on or after the effective date of this Act, regardless of whether the conduct or act that is the subject of the complaint occurred or was committed before, on, or after the effective date of this Act.

ARTICLE 4. TRANSFER OF MAINTENANCE OF WORKFORCE DEVELOPMENT EVALUATION SYSTEM FROM COUNCIL TO TEXAS WORKFORCE COMMISSION

SECTION 4.01. Amends the heading of Section 2308.151, Government Code, to read as follows:

Sec. 2308.151. ESTABLISHMENT OF FUNDING FORMULA FOR EVALUATION
SYSTEM.

SECTION 4.02. Amends Section 2308.151(c), Government Code, to require the council to establish, with the approval of the governor, a funding formula to determine the level of support each agency administering a workforce program must provide to operate the automated follow-up and evaluation system administered by the Texas Workforce Commission (TWC) under Subchapter E, Chapter 302, Labor Code.

SECTION 4.03. Amends Chapter 302, Labor Code, by adding Subchapter E, as follows:

SUBCHAPTER E. WORKFORCE DEVELOPMENT EVALUATION SYSTEM

Sec. 302.081. MAINTENANCE AND OPERATION OF WORKFORCE
DEVELOPMENT EVALUATION SYSTEM. (a) Requires TWC to maintain and operate
an automated follow-up and evaluation system derived from appropriate available information,
including certain records.

(b) Requires the agencies represented on the council to fund the maintenance and
operation of the evaluation system by using funds available to the agencies for
evaluation of each agency's workforce development programs.

Sec. 302.082. INFORMATION AND DATA FOR EVALUATION SYSTEM. (a)
Requires each state agency represented on the council to provide information to support the
TWC's follow-up and evaluation system as requested.

(b) Requires evaluation data in the system to include certain information.

(c) Authorizes TWC to develop a method for collecting occupational information to

supplement wage record information collected by the commission. Authorizes TWC to request employers, providers, and other appropriate sources to provide placement, employment, and earnings information to the commission.

Sec. 302.083. ANALYSIS. (a) Requires TWC, at least annually, to issue an analysis, by occupation and by the provider of the job placement performance, of each workforce development program for the previous one-year, three-year, and five-year periods to certain individuals and entities.

(b) Requires TWC to post each analysis issued under Subsection (a) on the TWC's Internet website in a format that is readily accessible to and understandable by a member of the public.

Sec. 302.084. USE BY TEXAS HIGHER EDUCATION COORDINATING BOARD. Requires the Texas Higher Education Coordinating Board (THECB) to use the job placement information received under this subchapter and other information to perform certain actions.

Sec. 302.085. USE BY COUNCIL AND WORKFORCE DEVELOPMENT BOARD. Requires the council and each local workforce development board to use the information developed under this subchapter and other information to determine whether a specific workforce training and services program administered by or funded by the local board is effective and whether to continue the training and services program.

Sec. 302.086. USE OF EVALUATION SYSTEM. Requires the follow-up and evaluation system to be used to assist the commission, the council, local workforce development boards, institution boards, THECB, the Texas Education Agency, and other agencies in evaluating the labor market success and effectiveness of workforce development in this state.

SECTION 4.04. Requires TWIC, as soon as practicable after the effective date of this Act, to transfer all records and information relating to the maintenance and operation of the workforce development evaluation system to TWC.

ARTICLE 5. REPEALER

SECTION 5.01. Repealer: Sections 2308.151(a) and (b) (Establishment of Evaluation System; Funding), Government Code.

SECTION 5.02. Repealer: Section 2308.152 (Use of Evaluation System), Government Code; Section 2308.153 (Information and Data for Evaluation System), Government Code; Section 2308.154 (Analysis), Government Code; Section 2308.155 (Use by Texas Higher Education Coordinating Board), Government Code; and Section 2308.156 (Use by Council and Local Workforce Development Board), Government Code.

ARTICLE 6. CONFORMING AMENDMENTS

SECTION 6.01. Amends Section 19.011, Education Code, as follows:

Sec. 19.011. COORDINATION WITH OTHER STATE AGENCIES. (a) Requires the district with the cooperation of the Health and Human Services Commission, TWIC, the Texas Department of Economic Development, and the department, in order to achieve the goals stated in Section 19.003, to provide persons confined or imprisoned in the department certain information.

(b) Makes a conforming change.

SECTION 6.02. Amends Section 30.103, Education Code, as follows:

Sec. 30.103. MEMORANDUM OF UNDERSTANDING. Requires the Texas Youth Commission (TYC) with the assistance of TWC and TWIC to by rule adopt a memorandum of understanding that establishes the respective responsibility of those entities to provide through local workforce development boards job training and employment assistance programs to children committed or formerly sentenced to TYC.

SECTION 6.03. Amends Section 61.051(f), Education Code, to make a conforming change.

SECTION 6.04. Amends Section 61.077, Education Code, to make conforming and gender changes.

SECTION 6.05. Amends Sections 76.014(a) and (c), Government Code, to make conforming changes.

SECTION 6.06. Amends Section 481.168(a), Government Code, to make a conforming change.

SECTION 6.07. Amends Section 497.094(b), Government Code, to make a conforming change.

SECTION 6.08. Amends Section 31.0126(f), Human Resources Code, to redefine “local workforce development board.”

SECTION 6.09. Amends Sections 301.001(d)(3) and (6), Labor Code, to redefine “council” and “local workforce development board.”

SECTION 6.10. Amends Sections 306.007(a) and (b), Labor Code, as follows:

(a) Requires the commission through Project RIO, to assist in the reintegration into the labor force of persons formerly sentenced to the institutional division or the state jail division, and to provide certain information.

(b) Makes conforming changes.

SECTION 6.11. Amends Section 313.025(c), Tax Code, to make a conforming change.

ARTICLE 7. TRANSITION PROVISIONS; EFFECTIVE DATE

SECTION 7.01. Provides that the name of the Council on Workforce and Economic Competitiveness is changed to TWIC. Provides that any reference in law to the Council on Workforce and Economic Competitiveness means TWIC.

SECTION 7.02. Provides that all appropriations made by the legislature for the use and benefit of the Council on Workforce and Economic Competitiveness are available for the use and benefit of TWIC.

SECTION 7.03. Effective date: September 1, 2003.

EFFECTIVE DATE

September 1, 2003.