

By: Gallego

H.B. No. 906

Substitute the following for H.B. No. 906:

By: Swinford

C.S.H.B. No. 906

A BILL TO BE ENTITLED

AN ACT

relating to the human resources staff and functions of state agencies.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle B, Title 6, Government Code, is amended by adding Chapter 670 to read as follows:

CHAPTER 670. HUMAN RESOURCES STAFFING AND FUNCTIONS

Sec. 670.001. DEFINITION. In this chapter, "state agency" means a department, commission, board, office, authority, council, or other governmental entity in the executive branch of government that is created by the constitution or a statute of this state and has authority not limited to a geographical portion of the state. The term does not include a university system or institution of higher education as defined by Section 61.003, Education Code.

Sec. 670.002. HUMAN RESOURCES STAFFING FOR LARGE STATE AGENCIES. A state agency with 500 or more full-time equivalent employees shall adjust the agency's human resources staff to achieve a human resources employee to staff ratio of not more than one human resources employee for every 100 staff members.

Sec. 670.003. HUMAN RESOURCES STAFFING FOR MEDIUM-SIZED AND SMALL STATE AGENCIES; OUTSOURCING. (a) The State Council on Competitive Government shall determine the cost-effectiveness of consolidating the human resources functions of or contracting with private entities to perform the human resources functions of state

1 agencies that employ fewer than 500 full-time equivalent employees.

2 (b) If the council determines that contracting with private  
3 entities is cost-effective, the council shall issue a request for  
4 proposals for vendors to perform the human resources functions of  
5 the agencies.

6 (c) The council shall determine which human resources  
7 functions are subject to the contract and which functions the  
8 agency may select to perform itself.

9 (d) Each agency shall pay for the contracts for human  
10 resources functions out of the agency's human resources budget.

11 (e) A state agency may appeal to the Legislative Budget  
12 Board for a waiver from the decision of the State Council on  
13 Competitive Government to require the state agency to consolidate  
14 the human resources functions of the agency or to contract with a  
15 private entity to perform the human resources functions of the  
16 agency. The Legislative Budget Board may grant a waiver if the  
17 Legislative Budget Board determines, based on the facts and  
18 circumstances of the state agency, that it would not be  
19 cost-effective for the agency to consolidate the human resources  
20 functions of the agency or to contract with a private entity to  
21 perform the human resources functions of the agency. A state agency  
22 that receives a waiver under this subsection is exempt from the  
23 requirements of this section.

24 SECTION 2. (a) Not later than September 1, 2003, each state  
25 agency with 500 or more full-time equivalent employees shall comply  
26 with the human resources employee to staff ratio requirements in  
27 Section 670.002, Government Code, as added by this Act.

1           (b) Not later than January 1, 2004, the State Council on  
2 Competitive Government shall conduct an initial feasibility study  
3 to determine the cost-effectiveness of consolidating the human  
4 resources functions of or contracting with private entities to  
5 perform human resources functions of state agencies under Section  
6 670.003, Government Code, as added by this Act.

7           SECTION 3. This Act takes effect September 1, 2003.