

By: Gallego

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 STATE AGENCIES; OUTSOURCING. A state agency with fewer than 500 full-time equivalent employees but more than 100 full-time equivalent employees shall:

(1) adjust the agency's human resources staff to

1 achieve a human resources employee to staff ratio of not more than
2 one human resources employee for every 100 staff members; or

3 (2) contract with a private entity to perform the
4 human resources functions of the agency, if the State Council on
5 Competitive Government determines that the agency's contracting
6 with a private entity is cost-effective.

7 Sec. 670.004. HUMAN RESOURCES STAFFING FOR SMALL STATE
8 AGENCIES; OUTSOURCING. (a) The State Council on Competitive
9 Government shall determine the cost-effectiveness of contracting
10 with private entities to perform the human resources functions of
11 state agencies that employ 100 or fewer full-time equivalent
12 employees.

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

17 (c) The council shall determine which human resources
18 functions shall be subject to the contract and which functions the
19 agency may select to perform itself.

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

22 SECTION 2. (a) Not later than November 1, 2003, each state
23 agency with fewer than 500 full-time equivalent employees but more
24 than 100 full-time equivalent employees shall report to the
25 comptroller and the State Council on Competitive Government the
26 option chosen by the agency to comply with Section 670.003,
27 Government Code, as added by this Act.

1 (b) Not later than November 1, 2003, the State Council on
2 Competitive Government shall conduct an initial feasibility study
3 to determine the cost-effectiveness of contracting with private
4 entities to perform human resources functions under Section
5 670.004, Government Code, as added by this Act.

6 (c) Not later than January 1, 2004, each state agency with
7 500 or more full-time equivalent employees shall comply with the
8 human resources employee to staff ratio requirements in Section
9 670.002, Government Code, as added by this Act.

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