

1-1 By: Madla S.B. No. 998  
1-2 (In the Senate - Filed March 4, 2005; March 14, 2005, read  
1-3 first time and referred to Committee on Business and Commerce;  
1-4 April 18, 2005, reported favorably by the following vote: Yeas 9,  
1-5 Nays 0; April 18, 2005, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to contracts with local workforce development boards.

1-9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-10 SECTION 1. Subsection (e), Section 2308.264, Government  
1-11 Code, is amended to read as follows:

1-12 (e) In consultation with local workforce development  
1-13 boards, the Texas Workforce Commission by rule shall establish  
1-14 contracting guidelines for boards under this section, including  
1-15 guidelines designed to:

1-16 (1) ensure that each independent contractor that  
1-17 contracts to provide one-stop workforce services under this section  
1-18 has sufficient insurance, bonding, and liability coverage for the  
1-19 overall financial security of one-stop workforce services funds and  
1-20 operations;

1-21 (2) prevent potential conflicts of interest between  
1-22 boards and entities that contract with boards under this section;  
1-23 [~~and~~]

1-24 (3) ensure that if a board acts as a fiscal agent for  
1-25 an entity that contracts with the board to provide one-stop  
1-26 workforce services, the board does not deliver the services or  
1-27 determine eligibility for the services; and

1-28 (4) ensure that an entity that contracts with a board  
1-29 under this section may use, display, and advertise the entity's  
1-30 name when providing workforce services for the board.

1-31 SECTION 2. The Texas Workforce Commission shall adopt rules  
1-32 as required by Subdivision (4), Subsection (e), Section 2308.264,  
1-33 Government Code, as added by this Act, as soon as practicable after  
1-34 the effective date of this Act. Rules adopted by the Texas  
1-35 Workforce Commission under Subdivision (4), Subsection (e),  
1-36 Section 2308.264, Government Code, as added by this Act, apply to  
1-37 any existing contract for one-stop workforce services.

1-38 SECTION 3. This Act takes effect immediately if it receives  
1-39 a vote of two-thirds of all the members elected to each house, as  
1-40 provided by Section 39, Article III, Texas Constitution. If this  
1-41 Act does not receive the vote necessary for immediate effect, this  
1-42 Act takes effect September 1, 2005.

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