

AN ACT

relating to member restrictions for commissioners of the Texas Workforce Commission.

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

SECTION 1. Section 301.003, Labor Code, is amended to read as follows:

Sec. 301.003. MEMBER RESTRICTIONS. (a) In this section:

(1) "Business" does not mean personal investment in real property, financial instruments or tangible assets, or the provision of personal services, other than workforce services in the State of Texas, as an independent contractor.

(2) [7] "Texas trade association" means a cooperative and voluntarily joined statewide association of business or professional competitors in this state designed to assist its members and its industry or profession in dealing with mutual business or professional problems and in promoting their common interest.

(b) A member of the commission or the member's spouse may not be employed by [engage in] any [other] business[7-vocation7] or other organization receiving money from the commission [employment] during the member's term on the commission.

(c) A person may not be a member of the commission or an employee of the commission employed in a "bona fide executive, administrative, or professional capacity," as that phrase is used

1 for purposes of establishing an exemption to the overtime
2 provisions of the federal Fair Labor Standards Act of 1938 (29
3 U.S.C. Section 201 et seq.), and its subsequent amendments, if:

4 (1) the person is an officer, employee, or paid
5 consultant of a Texas trade association in the field of labor,
6 business, workforce development, child care, or career schools and
7 colleges; or

8 (2) the person's spouse is an officer, manager, or paid
9 consultant of a Texas trade association in the field of labor,
10 business, workforce development, child care, or career schools and
11 colleges.

12 (d) A person may not serve as a member of the commission if
13 the person or the person's spouse:

14 (1) is employed by or participates in the management
15 of a career school or college or a business entity or other
16 organization receiving money from the commission;

17 (2) owns or controls, directly or indirectly, more
18 than a 10 percent interest in a career school or college or a
19 business entity or other organization receiving money from the
20 commission; or

21 (3) is registered, certified, licensed, permitted, or
22 otherwise authorized by the commission; for purposes of this
23 subdivision, "registered, certified, licensed, permitted, or
24 otherwise authorized by the commission" does not include the
25 following:

26 (A) the commission's role under Subtitle A; or

27 (B) employment of domestic service workers under

1 Section 201.027.

2 (e) If a member of the commission or the member's spouse is
3 engaged in any other employment, the member of the commission shall
4 refrain from voting on or participating in any commission decision
5 that involves the other employment.

6 (f) A member of the commission or the member's spouse may
7 not enter into a contract, either directly with a local workforce
8 development board or with an entity that contracts with a local
9 workforce development board, under which the member or the member's
10 spouse receives compensation for services provided by the member or
11 the member's spouse.

12 SECTION 2. This Act takes effect immediately if it receives
13 a vote of two-thirds of all the members elected to each house, as
14 provided by Section 39, Article III, Texas Constitution. If this
15 Act does not receive the vote necessary for immediate effect, this
16 Act takes effect September 1, 2005.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1309 passed the Senate on April 21, 2005, by the following vote: Yeas 30, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 1309 passed the House on May 12, 2005, by the following vote: Yeas 122, Nays 0, one present not voting.

Chief Clerk of the House

Approved:

Date

Governor