

Amend CSHB 1 (house committee printing) as follows:

1. Strike Rider 57 in the Health and Human Services Commission's bill pattern, page II-78.

2. In Article II, add the following rider for the Health and Human Services Commission:

_____ . Staffing and Capital Authorization in Lieu of Contracted Responsibilities. (a) Notwithstanding any other provision in this Act, if the executive commissioner of the Health and Human Services Commission determines that a service performed as of the effective date of this Act under a contract would be more effectively performed by state personnel, the executive commissioner is authorized to adjust the agency's FTE limitation to the extent necessary to ensure the successful assumption of such contracted duties. The commission must make corresponding adjustments in the scope of duties and responsibilities in the affected contract. An increase in agency staffing resulting from the executive commissioner's determination under this section is subject to the following requirements:

1. The commission must notify the Legislative Budget Board and the Governor at least 10 days prior to adjusting the budgeted FTE levels.

2. The commission must report on a quarterly basis beginning December 1, 2007 to the Legislative Budget Board and the Governor the number of eligibility and related support staff and any related costs in Strategy A.1.2, Integrated Eligibility and Enrollment.

(b) Notwithstanding any other provision in this Act, if the executive commissioner of the Health and Human Services Commission determines that a service performed as of the effective date of this Act under a contract would be more effectively performed by state personnel, the Health and Human Services Commission is authorized to exceed the capital authority limitation provided elsewhere in this Act to the extent necessary to acquire hardware, software, office space, or other capital items to support any assumed contracted duties. The commission must make corresponding adjustments in the scope of the affected contract. An increase in a capital project is subject to the following requirements:

1. The commission must notify the Legislative Budget Board and the Governor at least 10 days prior to acquiring capital equipment.

2. The commission must include capital acquisitions in required financial reporting to the Legislative Budget Board and the Governor.

Justification: This provision would authorize HHSC to exceed the agency's FTE cap and capital budget authority during the 2008-09 biennium for purposes related to eligibility determination and related supports that would be performed by state workers in lieu of outsourced functions.