

BILL ANALYSIS

C.S.H.B. 2029
By: Deshotel
Economic Development
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The Wagner-Peyser Act became law in 1933 and the nationwide public employment service was established. This is a federally funded labor exchange program developed to match up employers with qualified, unemployed applicants. It is linked to the unemployment compensation program, thus helping applicants who are filing for unemployment benefits to find new employment opportunities.

Currently, the Texas Workforce Commission (TWC) has over 600 employees funded by the Wagner-Peyser Act that assist Texans in finding work. Most of these employees are housed in the local one-stop workforce centers and they work alongside contractor staff.

A contractor's staff is paid from sources including the Workforce Investment Act, Childcare, and Temporary Assistance for Needy Families (TANF) funds that are allocated to the local workforce development boards.

In light of recent federal discussions that may adversely affect the TWC, as well as the success of this program, C.S.H.B. 2029 includes employment service in the programs or functions that may not be block granted, except by state law.

RULEMAKING AUTHORITY

It is the opinion of the committee that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. Amends Section 302.062(g), Labor Code, to include employment service in the functions or programs that may not be block-granted, except by state law. It also removes the reintegration of offenders program and the trade adjustment assistance program, as they are currently block-granted.

SECTION 2. States the effective date for this Act

EFFECTIVE DATE

Upon passage or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.

COMPARISON OF ORIGINAL TO SUBSTITUTE

C.S.H.B. 2029 modifies the original by removing the reintegration of offenders program and the trade adjustment assistance program from the functions or programs that may not be block-granted, as they are currently block-granted.