By: Coleman

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H.B. No. 2528

## A BILL TO BE ENTITLED

## AN ACT

2 relating to personnel, employment, and other human resources 3 functions of the Health and Human Services Commission and health 4 and human services agencies.

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

6 SECTION 1. Section 531.0055, Government Code, is amended by 7 amending Subsections (e) and (f) and adding Subsections (f-1) and 8 (f-2) to read as follows:

Notwithstanding 9 (e) any other law, the executive commissioner shall adopt rules and policies for the operation of 10 and provision of health and human services by the health and human 11 12 services agencies. In addition, the executive commissioner, as necessary to perform the functions described by Subsections (b), 13 14 (c), and (d) in implementation of applicable policies established for an agency by the executive commissioner, shall: 15

16 (1) <u>subject to Subsection (f-1)</u>, manage and direct the 17 operations of each health and human services agency;

18 (2) supervise and direct the activities of each agency19 director; and

20 (3) be responsible for the administrative supervision 21 of the internal audit program for all health and human services 22 agencies, including:

(A) selecting the director of internal audit;
(B) ensuring that the director of internal audit

1 reports directly to the executive commissioner; and

2 (C) ensuring the independence of the internal3 audit function.

4 (f) Except as provided by Subsection (f-1), the [The] 5 operational authority and responsibility of the executive 6 commissioner for purposes of Subsection (e) at each health and 7 human services agency includes authority over and responsibility 8 for the:

9 (1) management of the daily operations of the agency, 10 including the organization and management of the agency and agency 11 operating procedures;

12 (2) allocation of resources within the agency,13 including use of federal funds received by the agency;

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(3) [personnel and employment policies;

15 [(4)] contracting, purchasing, and related policies, 16 subject to this chapter and other laws relating to contracting and 17 purchasing by a state agency;

18 (4) [(5)] information resources systems used by the 19 agency;

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(5) [(6)] location of agency facilities; and

21 <u>(6)</u> [<del>(7)</del>] coordination of agency activities with 22 activities of other state agencies, including other health and 23 human services agencies.

24 (f-1) The executive commissioner has authority over and 25 responsibility for personnel and employment policies and human 26 resources functions at the commission, but does not have authority 27 over or responsibility for those policies and functions with

respect to the health and human services agencies, notwithstanding 1 2 any other law. The commissioners of each of those agencies shall make recommendations to the executive commissioner regarding any 3 personnel or employment policies with respect to which rulemaking 4 5 is necessary, and the executive commissioner shall adopt rules to 6 implement those recommendations. 7 (f-2) The executive commissioner may not contract with a private entity to perform any human resources functions for the 8 9 commission or the health and human services agencies. SECTION 2. Section 1001.052, Health and Safety Code, is 10 amended by amending Subsection (b) and adding Subsection (e) to 11 read as follows: 12 The [executive] commissioner shall prepare and the 13 (b) 14 executive commissioner by rule shall adopt personnel standards as 15 provided by Section 531.0055(f-1), Government Code. (e) The commissioner shall establish a human resources 16 17 division within the department. The division is responsible for personnel, recruiting, hiring, and other human resources 18 The division shall assist the commissioner in 19 functions. developing policies and procedures related to recruitment, hiring, 20 21 and other human resources functions that are in compliance with state and federal law. 22 SECTION 3. Section 40.032, Human Resources Code, is amended 23 24 by adding Subsections (h) and (i) to read as follows: (h) The commissioner shall prepare and the executive 25 26 commissioner by rule shall adopt personnel standards as provided by Section 531.0055(f-1), Government Code. 27

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(i) The commissioner shall establish a human resources 1 2 division within the department. The division is responsible for personnel, recruiting, hiring, and other human resources 3 functions. The division shall assist the commissioner in 4 5 developing policies and procedures related to recruitment, hiring, 6 and other human resources functions that are in compliance with 7 state and federal law. SECTION 4. Section 117.052, Human Resources Code, 8 is 9 amended by amending Subsection (b) and adding Subsection (e) to read as follows: 10 (b) The [executive] commissioner shall prepare and the 11 12 executive commissioner by rule shall adopt personnel standards as provided by Section 531.0055(f-1), Government Code. 13 (e) The commissioner shall establish a human resources 14 15 division within the department. The division is responsible for personnel, recruiting, hiring, and other human resources 16 17 functions. The division shall assist the commissioner in developing policies and procedures related to recruitment, hiring, 18 19 and other human resources functions that are in compliance with state and federal law. 20 SECTION 5. Section 161.052, Human Resources Code, 21 is amended by amending Subsection (b) and adding Subsection (e) to 22 read as follows: 23 24 (b) The [executive] commissioner shall prepare and the 25 executive commissioner by rule shall adopt personnel standards as provided by Section 531.0055(f-1), Government Code. 26 27 (e) The commissioner shall establish a human resources

division within the department. The division is responsible for
personnel, recruiting, hiring, and other human resources
functions. The division shall assist the commissioner in
developing policies and procedures related to recruitment, hiring,
and other human resources functions that are in compliance with
state and federal law.

SECTION 6. On and after the effective date of this Act, the executive commissioner of the Health and Human Services Commission may not enter into or renew a contract with a private entity for the performance of personnel, employment, or other human resources functions for the commission or a health and human services agency, as defined by Section 531.001, Government Code.

SECTION 7. A reference in law to the executive commissioner 13 14 of the Health and Human Services Commission or to the commission 15 with respect to a power, duty, function, or program related to personnel, recruiting, hiring, or other human resources functions 16 17 related to a health and human services agency, as defined by Section 531.001, Government Code, means the agency to which the reference 18 is related or the chief executive officer of that agency, as 19 applicable. 20

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SECTION 8. On the effective date of this Act:

(1) all powers, duties, functions, programs, and activities related to personnel, recruiting, hiring, or other human resources functions at a health and human services agency, as defined by Section 531.001, Government Code, transfer from the Health and Human Services Commission to that agency;

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(2) all property and records in the custody of the

1 commission that relate to a transferred power, duty, function, 2 program, or activity and all funds appropriated by the legislature 3 for the power, duty, function, program, or activity, are 4 transferred to that health and human services agency; and

5 (3) a rule or form adopted by the executive 6 commissioner of the Health and Human Services Commission that 7 relates to the transferred power, duty, function, program, or 8 activity is a rule or form applicable to that agency and remains in 9 effect until modified by the executive commissioner as provided by 10 Section 531.0055(f-1), Government Code, as added by this Act.

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SECTION 9. This Act takes effect September 1, 2007.