

Amend **SB 563** by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Subchapter D, Chapter 301, Labor Code, is amended by adding Section 301.068 to read as follows:

Sec. 301.068. EFFICIENCY PILOT PROGRAM. (a) The commission shall establish a pilot program to:

(1) improve the efficiency and quality of commission operations while reducing costs; and

(2) adopt a structured approach for identifying the wasteful use of state resources and improving commission processes.

(b) In implementing the pilot program, the commission shall use:

(1) a methodology that includes a define, measure, analyze, improve, and control structure for reviewing project management;

(2) a continuous improvement technique that:  
(A) identifies value and a value stream;  
(B) creates a flow for activities;  
(C) allows consumers to pull products or services through the process; and

(D) allows for the process to be perfected over time; and

(3) a measurement system analysis to evaluate data.

(c) The commission shall conduct an internal performance audit to assess the effectiveness of the pilot program implemented under this section.

(d) Not later than August 1, 2012, the commission shall submit a written report of the results of the performance audit to the:

(1) governor;  
(2) lieutenant governor;  
(3) speaker of the house of representatives;  
(4) Senate Committee on Government Organization;  
(5) House Government Efficiency and Reform Committee;  
and  
(6) house and senate committees with primary

jurisdiction over state affairs.

(e) The commission shall implement the pilot program from available funds that may be used for that purpose.

(f) A state agency, other than the commission, may implement the pilot program established under this section with respect to the agency. An agency that implements the pilot program shall:

(1) conduct the performance audit and submit the written report in the time and manner described by Subsections (c) and (d); and

(2) use available resources to fund the pilot program.

(g) A report required by this section may be submitted electronically.

(h) This section expires September 1, 2013.