

BILL ANALYSIS

C.S.H.B. 3924
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State Affairs
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Turnover among state employees has risen dramatically in recent years, with a turnover rate for fiscal year 2022 that was the highest in at least 10 years according to the State Auditor's Office. Without a qualified workforce, state agencies face difficulties in providing Texans with effective, efficient, and timely services. As reported by the Center for American Progress, federal census data shows that state and local governments lag almost every private sector industry in filling jobs—only hiring 0.31 people for every available job. With a tight labor market in Texas as shown by low unemployment rates and record-breaking job growth, state agencies need solutions in order to be competitive in attracting and retaining qualified talent. C.S.H.B. 3924 seeks to adopt certain hiring practices used by employers in the private sector to expand the pool of qualified talent for their jobs. Specifically, the bill seeks to create an optional, standardized aptitude assessment to serve as an alternative to education or experience requirements for certain state jobs, allowing a Texan to demonstrate their mastery of skills relevant to certain state jobs. With over two and a half million Texans having some college experience but no credentials according to the National Student Clearinghouse Research Center, the bill would make state employment more accessible for Texans who have the skills, but not necessarily the education or experience, to perform and excel in a state job.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the State Auditor's Office in SECTION 2 of this bill.

ANALYSIS

C.S.H.B. 3924 amends the Government Code to require each applicable executive or judicial branch state agency to review at least once each calendar year each classified position in the agency to determine the skills needed for each position. The bill requires the agency to compile a list of those skills for each position and submit the list to the State Auditor's Office (SAO). The bill requires the SAO to review each list of skills for each position submitted and then take the following actions:

- determine the skills shared across state agency classified positions; and
- develop, in consultation with the agencies, a standardized aptitude test, defined by the bill as the uniform assessment that measures the skill set of a job applicant, to determine whether a job applicant has the shared skills.

C.S.H.B. 3924 requires the Texas Workforce Commission (TWC) to make the standardized aptitude test available on the online state agency employment applications system and authorizes the SAO to contract with a person that specializes in certification of occupation-based skills

assessments to develop, certify, or evaluate the results of the standardized aptitude test. The bill requires each agency, not later than December 1, 2024, to complete the initial review and submit the list of applicable skills for each position to the SAO.

C.S.H.B. 3924 requires an agency that determines a specialized aptitude test would improve the agency's hiring process to consult with the Tri-Agency Workforce Initiative to align the career education and training programs and state workforce development strategies with the competencies and skills measured by the test. The bill defines a "career education and training program" by reference as the following:

- career and technology education program offered by a public school;
- a career technical or workforce education program, as defined by the Texas Higher Education Coordinating Board, offered by an institution of higher education;
- a program administered by TWC relating to jobs training, skills development, or adult education and literacy; and
- a work-based learning program, such as an apprenticeship or internship program, that receives state funding or is administered by TWC.

The bill defines "specialized aptitude test" as an assessment of the competencies and skills needed for a specific state agency position that are not measured by the standardized aptitude test, including a skills demonstration, skills-based questionnaire, skills-based interview, and any other valid skills measurement strategy.

C.S.H.B. 3924 prohibits an agency from considering the fact that an applicant for employment did not complete the standardized aptitude test in making a hiring determination. The bill authorizes the SAO to adopt rules necessary to implement the bill provisions regarding aptitude tests, including rules that require a state agency to accept the standardized aptitude test as an alternative to a hiring requirement that relates to an applicant's education or experience, as determined appropriate by the SAO.

C.S.H.B. 3924 revises statutory provisions relating to the online state agency applications system to, as follows:

- require the system to allow an applicant for employment to complete the standardized aptitude test online and enter the test into an online database from which the applicant may electronically send the test to multiple state agencies;
- require TWC to prescribe a standard electronic format for the standardized aptitude test and to ensure that the system allows an applicant to submit and a state agency to receive the test;
- establish that the provisions do not prohibit a state agency from accepting the standardized aptitude test or a specialized aptitude test in a manner other than the manner described those provisions;
- require the system to inform an applicant that the applicant is not required to complete the standardized aptitude test to apply for an employment opening; and
- require the system to list the classified positions for which the standardized aptitude test will be accepted.

EFFECTIVE DATE

September 1, 2023.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.B. 3924 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute changes the agency responsible for collecting the lists of skills for each applicable position from other state agencies and developing the aptitude assessment from TWC, as in the

introduced, to the SAO. The substitute makes additional related updates to the language in the introduced to reflect this change.

The substitute includes language absent from the introduced specifying that the list of skills submitted to the SAO for review is a list of skills for each applicable position.

The bill includes a requirement absent from the introduced for the rules adopted to include rules that require a state agency to accept the standardized aptitude test as an alternative to a hiring requirement that relates to an applicant's education or experience, as determined appropriate by the SAO.