

## **BILL ANALYSIS**

C.S.H.B. 2791

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Trade, Workforce & Economic Development  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

The 88th Legislature passed S.B. 24, which updated statutes governing the Health and Human Services Commission (HHSC) and removed references to now-defunct entities. However, the bill author has informed the committee that these recently enacted revisions removed critical statutory connections that have allowed the Texas Workforce Commission to exercise its authority regarding vocational rehabilitation programs with respect to the procurement of goods and services for the provision of vocational rehabilitation services. C.S.H.B. 2791 seeks to remedy this situation by making the applicable provisions of the Labor Code consistent with the revised statutes governing HHSC.

### **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 Texas Workforce Commission in SECTION 1 of this bill.

### **ANALYSIS**

C.S.H.B. 2791 amends the Labor Code to authorize the Texas Workforce Commission (TWC) to enter into contracts for goods and services related to TWC's provision of vocational rehabilitation services as necessary to perform any of TWC's powers or duties relating to such services. The bill authorizes TWC to acquire vocational rehabilitation goods or services by any procurement method approved by TWC that provides the best value to TWC. The bill requires TWC, in determining the best value, to consider all relevant factors, including the following, and requires TWC to document that all the relevant factors were considered in making the acquisition:

- any installation costs;
- the delivery terms;
- the quality and reliability of the vendor's goods or services;
- the extent to which the goods or services meet the needs of the individuals receiving vocational rehabilitation services from TWC;
- indicators of probable value vendor performance under the contract such as past vendor performance, the vendor's financial resources and ability to perform, the vendor's experience and responsibility, and the vendor's ability to provide reliable maintenance agreements;
- the impact on the ability of TWC to comply with laws and rules relating to historically underutilized businesses or relating to the procurement of goods and services from persons with disabilities;
- the total long-term cost to TWC of acquiring the vendor's goods or services;

- the cost of any employee training associated with the acquisition;
- the effect of an acquisition on TWC productivity;
- the acquisition price; and
- any other factor relevant to determining the best value for TWC in the context of a particular acquisition.

C.S.H.B. 2791 authorizes TWC to adopt rules and procedures for the acquisition of vocational rehabilitation goods and services, including rules that allow TWC to purchase the services through an open-enrollment contracting method if TWC determines that the best interests of the state are served by enrolling multiple vendors. If TWC does not receive any responsive bids on an open market solicitation for goods or services for the vocational rehabilitation program in a specific area of Texas, TWC may, after making a written determination that an open market award is not available, negotiate with and award the contract to any qualified vendor who meets the requirements of the original solicitation at a price consistent with the current market value of the goods or services and for a term not to exceed five years. The bill applies only to the acquisition of goods or services made on or after the bill's effective date.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2025.

### **COMPARISON OF INTRODUCED AND SUBSTITUTE**

While C.S.H.B. 2791 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 replaces the introduced version's authorization for TWC to enter into contracts for vocational rehabilitation services with an authorization for TWC to enter into contracts for goods or services related to TWC's provision of those services. The substitute replaces the provisions that appeared in the introduced version as follows:

- replaces the requirement for TWC to acquire such goods and services by any procurement method approved by and providing the best value to TWC with an authorization for TWC to do so;
- replaces the authorization for TWC to consider all relevant factors in determining the best value with a requirement for TWC to do so; and.
- replaces such required consideration of the extent to which the goods or services meet the needs of the participants of vocational rehabilitation services with required consideration of the extent to which the goods or services meet the needs of the individuals receiving vocational rehabilitation services from TWC.

Whereas both the introduced and the substitute require TWC to adopt rules allowing TWC to purchase vocational rehabilitation services through an open-enrollment contracting method if the best interests of the state are served by enrolling multiple vendors, the substitute specifies that TWC is required to adopt such rules if TWC determines that the best interests of the state are served in that manner.

The substitute replaces the vocational rehabilitation program, as in the introduced, with TWC as the entity authorized to negotiate with and award a contract to any qualified vendor who meets the requirements of an applicable solicitation if TWC does not receive any responsive bids on the solicitation in a specific area of Texas. With respect to that authorization, the substitute makes the applicable solicitation an open market solicitation for goods or services for TWC, whereas the introduced made the applicable solicitation an open market solicitation for hospital goods or services for the vocational rehabilitation program.

The substitute includes a provision absent from the introduced establishing that the bill's provisions apply only to the acquisition of goods or services made on or after the bill's effective date.