

**SUBJECT:** Membership of local workforce development boards

**COMMITTEE:** Economic Development — committee substitute recommended

**VOTE:** 6 ayes — Solis, Clark, Deshotel, Homer, McClendon, Yarbrough  
0 nays  
3 absent — Keffer, Luna, Seaman

**WITNESSES:** For — John A. Brieden, III, The American Legion; William W. McLemore, Texas Coalition of State Veterans Organization; *Registered but did not testify:* Michael Palmquist, The American Legion  
Against — None  
On — Diane Rath and Leslie Geballe, Texas Workforce Commission

**BACKGROUND:** In 1995, the 74th Legislature enacted HB 1863 by Hilderbran et al. to restructure the state's welfare and workforce development programs. The bill consolidated the state's workforce development and employment services into the Texas Workforce Commission (TWC) and encouraged local workforce development boards to contract with private companies to provide these services.

Local workforce development boards oversee the delivery of workforce training and services in a workforce development area. Boards are charged with administering the Job Training Partnership Act, Job Opportunities and Basic Skills program, Food Stamp Employment and Training program, child care services, and the Employment Service program.

Board members are appointed by locally elected officials. The size of boards vary from region to region, but all boards must have representatives from the private sector, organized labor and community based organizations, and educational, vocational rehabilitation, public assistance and economic development agencies, public employment services, local literacy councils and adult-based and continuing-education organizations.

The federal Workforce Investment Act (WIA) created a similar system of local boards to provide workforce development programs. Because Texas' system was in place prior to enactment of the WIA, certain provisions of state law were grandfathered under the federal law, including the composition of the local workforce development boards. Changes to these provisions could cause Texas to lose its grandfathered status.

**DIGEST:** CSHB 218 would require that at least one member of a local workforce development board be a veteran. If the change in law that would be made by the bill conflicted with federal law, or would have the effect of invalidating a waiver granted under federal law, the bill's provisions would be nullified.

The bill would take effect September 1, 2001, and would apply to new members appointed to an existing board and to a new board created on or after that date.

**SUPPORTERS SAY:** CSHB 218 would ensure that veterans were represented on local workforce development boards. Veterans often face added difficulties integrating back into the workforce upon their return from service, and consequently, veterans have a higher unemployment rate than the average. By requiring that local workforce development boards have a veteran as a member, the bill would ensure that these boards have the necessary expertise to ensure that the needs of veterans were addressed.

The bill would not cause Texas to lose its grandfathered status under the federal Workforce Investment Act. If the provisions in the bill were to jeopardize that status, the bill clearly states that the bill's provisions would be of no effect. The bill only would make a change in current law if it could be accommodated within Texas' grandfathered status.

**OPPONENTS SAY:** No apparent opposition.

**NOTES:** The committee substitute added a clause which would invalidate the bill's provisions if they conflicted with federal law or would cause the state to lose its grandfathered status.