

BILL ANALYSIS

Senate Research Center

S.B. 1732
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State Affairs
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As Filed

DIGEST

Currently, many state agencies are reducing the number of employees to comply with budget reductions and efficiency measures. State agencies are also privatizing functions formerly provided by state employees. There are concerns that because state agencies are a significant part of many local economies, a large reduction in force (RIF) or privatization effort could have a major impact on communities in Texas. This bill requires state agencies to provide a hiring preference for state employees who lose their jobs because of RIF or privatization of state services and provides certain benefits for those state employees who retire.

PURPOSE

As proposed, S.B. 1732 provides assistance or benefits to state employees who lose their jobs as a result of a reduction in force (RIF) or the privatization of state services, or who retire.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Title 6B, Government Code, by adding Chapter 666, as follows:

CHAPTER 666. EMPLOYMENT PREFERENCES FOR FORMER STATE EMPLOYEES

Sec. 666.001. DEFINITION. Defines "state agency."

Sec. 666.002. STATE EMPLOYMENT PREFERENCE. Sets forth a provision stating that certain former state employees are entitled to a preference in employment with or appointment to a state agency.

Sec. 666.003. OUTPLACEMENT SERVICES. Requires the Texas Workforce Commission to establish a program to offer outplacement services to former employees of certain state agencies. Requires the outplacement services offered under Subsection (a) to include certain services.

SECTION 2. Amends Chapter 814B, Government Code, by adding Section 814.1041, as follows:

Sec. 814.1041. RETIREMENT INCENTIVE FOR EMPLOYEE CLASS. Sets forth the criteria for retirement of a member of the employee class. Sets forth the eligibility requirements for an employee to retire under this section. Requires the Employees Retirement System of Texas (retirement system) to report to the comptroller certain information. Requires the retirement system to submit reports under this subsection at a certain time and in the manner the comptroller provides. Sets forth certain duties for the comptroller with regard to the legislative appropriations of the entity by which the retiring member was employed. Provides that this section expires September 1, 1999.

SECTION 3. Amends Chapter 2252, Government Code, by adding Subchapter D, as follows:

SUBCHAPTER D. PRIVATIZATION OF STATE SERVICES

Sec. 2252.091. DEFINITION. Defines "state agency."

sec. 2252.092. CONTRACTS. Requires a contract between a state agency and a private entity that contracts to provide services formerly provided by state employees to require the private entity to provide certain compensation.

SECTION 4. Effective date: September 1, 1997.

SECTION 5. Emergency clause.