

BILL ANALYSIS

Senate Research Center
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H.B. 2563
By: Lewis, Glenn (Ellis)
Human Services
5/10/1999
Engrossed

DIGEST

Currently, there are special matched savings accounts for low-income families and individuals called individual development accounts. Such accounts accumulate savings for high return investments in education or job training, home ownership, and microenterprise. H.B. 2563 creates a pilot program to establish individual development accounts for certain low-income individuals.

PURPOSE

As proposed, H.B. 2563 creates a pilot program for an account for employed low-income individuals.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the Texas Workforce Commission in SECTION 1 (Section 301.068(b), Labor Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 301D, Labor Code, by adding Section 301.068, as follows:

Sec. 301.068. DEVELOPMENT ACCOUNTS FOR CERTAIN LOW-INCOME INDIVIDUALS; PILOT PROGRAM. Defines "nonprofit organization." Requires the Texas Workforce Commission (TWC), by rule, to develop and implement a pilot program involving an account for employed low-income individuals (account). Requires TWC to contract with a nonprofit organization to establish and administer the account in accordance with commission rules. Requires TWC to take certain actions in the process of adopting pilot program rules. Requires TWC to contract with an institution of higher education to evaluate the program and prepare a report of its findings, by a certain deadline. Requires TWC to submit a status report, including recommendations for statewide program implementation, to the legislature by January 1, 2005. Provides that this section expires September 1, 2005.

SECTION 2. (a) Effective date: September 1, 1999.

(b) Requires TWC to develop and implement the required pilot program as soon as possible after the effective date of this Act.

SECTION 3. Emergency clause.