

BILL ANALYSIS

Senate Research Center

H.B. 3596
By: McClendon (Ellis)
Economic Development
5/14/1999
Engrossed

DIGEST

During the 74th legislative session, legislation was passed to place decision-making power about employment related services in the hands of local government through local workforce development boards (boards). Boards are required to contract with "an appropriate entity" for the provision of those services. The legislative intent was to allow boards the option to have state employees continue to provide the services delegated to the boards. Currently, the Texas Workforce Commission (commission) has adopted a policy restricting state employees from providing services delegated to the boards. While some local boards have willingly chosen private firms or local government agencies to provide services, others have expressed a desire to continue services provided by state employees. H.B. 3596 authorizes local workforce development boards, notwithstanding any other provision of this chapter, to contract with the commission to provide workforce development services, including any service the provision of which is delegated to the board. This bill authorizes the director of the division of workforce development of the commission to contract with local workforce development boards.

PURPOSE

As proposed, H.B. 3596 requires workforce development services to be provided by the Texas Workforce Commission or a private vendor under a contract with a local workforce development board.

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 Section 2308.303, Government Code, by adding Subsection (e), to require a local workforce development board (board) to enter into contracts with private vendors for the provision of work development services, including any service the provision of which is delegated to the board under Section 302.023, Labor Code. Authorizes the board to contract with the Texas Workforce Commission for the provision of a workforce development services or to administer the competitive procurement process, if a private vendor is unavailable, or if the contracts submitted by private vendors to provide services are not acceptable to the board.

SECTION 2. Amends Section 302.002, Labor Code, by adding Subsection (f), to authorize the executive director to contract with local workforce development boards as necessary to implement Section 2308.303, Government Code.

SECTION 3. Effective date: September 1, 1999.

SECTION 4. Emergency clause.