

## **BILL ANALYSIS**

Senate Research Center

S.B. 402  
By: Averitt  
State Affairs  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

According to the Texas State Auditor's Office, the voluntary turnover rate in state agency positions in the 2006 fiscal year was 10.6 percent, significantly higher than the United States Department of Labor's national average of 8.2 percent for state and local governments. Furthermore, the highest turnover rates involve employees with less than two years of tenure and those in the state's Schedule A classification. Turnover costs associated with recruiting, loss of productivity, and training expenditures cost the state in excess of a quarter of a billion dollars annually.

As proposed, S.B. 402 requires eight of the largest state agencies to incorporate a selection instrument measuring job-related criteria into the hiring process for entry-level positions with a goal of reducing turnover.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 21.452, Labor Code, as follows:

Sec. 21.452. DEVELOPMENT AND IMPLEMENTATION OF PERSONNEL POLICIES AND PROCEDURES. (a) Creates this subsection from existing text.

(b) Requires the personnel selection procedures of certain state agencies to incorporate job-related objective criteria, including a selection instrument that matches job-related interests, behavioral characteristics, and cognitive abilities of applicants to a particular job or class of jobs.

(c) Requires certain state agencies to use a selection instrument that conforms to federal Equal Employment Opportunity Commission uniform guidelines on employee selection procedures to measure the interests, behavioral characteristics, and cognitive abilities of applicants.

(d) Specifies that Subsections (b) and (c) apply only to entry-level positions compensated under the Schedule A classification salary schedule.

SECTION 2. Effective date: September 1, 2007.