

BILL ANALYSIS

Senate Research Center

H.B. 2463
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Business & Commerce
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

According to interested parties, state agencies without succession plans in place risk losing valuable institutional knowledge and training when an experienced employee leaves the agency. H.B. 2463 seeks to minimize the loss of such knowledge and training by requiring executive branch state agencies other than public institutions of higher education to develop written succession plans to ensure the transfer of that knowledge to succeeding employees.

H.B. 2463 amends current law relating to requiring state agencies to develop written succession plans.

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 Chapter 321, Government Code, by adding Section 321.024, as follows:

Sec. 321.024. STATE AGENCY'S SUCCESSION PLAN. (a) Defines "state agency."

(b) Requires the state auditor to include in the state auditor's annual report on classified employee turnover:

(1) a list of each state agency that has submitted a written succession plan (plan) under Section 651.011 to the state auditor and each state agency that has failed to submit a plan under that section; and

(2) a thorough and comprehensive summary of the types and extent of succession planning completed by state agencies.

SECTION 2. Amends Chapter 651, Government Code, by adding Section 651.011, as follows:

Sec. 651.011. SUCCESSION PLAN. (a) Defines "state agency."

(b) Requires a state agency to develop a plan:

(1) identifying and developing mechanisms to ensure the transfer of institutional knowledge from experienced and retiring employees who are not appointed by the governor or the governing body of the state agency to succeeding employees; and

(2) identifying the skills and abilities necessary for the development of the succeeding employees.

(c) Requires the state agency to update the plan developed under Subsection (b) at least annually. Requires that the updated plan include a report on the

implementation of the mechanisms, skills, and abilities identified and developed in the previous plan.

(d) Requires a state agency to include in the state agency's legislative appropriations request a provision stating whether the state agency has developed a plan as required by Subsection (b).

(e) Requires a state agency, not later than September 1 of each year, to submit the required plan to the state auditor and post the plan on the state agency's Internet website.

SECTION 3. Requires a state agency under Section 651.011, Government Code, as added by this Act, not later than September 1, 2018, to submit the agency's initial succession plan as required by that section.

SECTION 4. Effective date: September 1, 2017.