

BILL ANALYSIS

Senate Research Center

S.B. 1693
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As Filed

DIGEST

Currently, while Texas law requires private providers to give preference to state employees, there is no mandate that private providers hire state employees. Private companies may, in some parts of the state, take over services currently provided by state agencies in order to eliminate duplication of services and positions and, as a result, save state and federal money. However, the authors of H.B. 1863 have expressed that they did not intend for private companies to increase their profit by cutting wages and benefits of those working in job training. S.B. 1693 would provide certain state employees who are displaced by privatization of job training services currently provided by the state with additional retirement benefits, and to ensure that employees of private job training providers provide employee benefits comparable to those of state employees.

PURPOSE

As proposed, S.B. 1693 outlines provisions regarding retirement benefits for certain state employees whose state jobs are lost as a result of contracts to provide services previously provided by the state and to benefits under the contracts.

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 Chapter 814B, Government Code, by adding Section 814.1041, as follows:

Sec. 814.1041. SERVICE RETIREMENT ELIGIBILITY AND BENEFITS FOR TEXAS WORKFORCE COMMISSION EMPLOYEES. Outlines provisions regarding service retirement eligibility and benefits for Texas Workforce Commission employers. Defines "career development center" and "local workforce development board."

SECTION 2. Amends Section 2308.264, Government Code, by adding Subsection (e), to provide that a local workforce development board that contracts with a private entity to perform services required to be provided at a career development center under Section 2308.312 shall require as a term of the contract that employees of the entity be entitled to receive employee benefits comparable to those of state employees. Defines "employee benefits."

SECTION 3. Makes application of this Act prospective.

SECTION 4. Emergency clause.
Effective date: upon passage.