

BILL ANALYSIS

Senate Research Center

C.S.S.B. 781
By: Ellis
Finance
4-8-97
Committee Report (Substituted)

DIGEST

Currently, the federal Personal Responsibility and Reconciliation Act of 1996 requires states to provide 20 hours of work activities for 25 percent of their public assistance recipients in fiscal year 1997. In five years states must have 50 percent of welfare recipients working at least 30 hours a week. This bill creates a Texans Work on-the-job training program (program) for recipients of public assistance, establishes the Texas Employment and Training Account to pool business donations to the program, and directs the Texas Workforce Commission and the Skill Standards Board to work with participating businesses to develop skills standards for their training programs.

PURPOSE

As proposed, C.S.S.B. 781 creates a Texans Work on-the-job training program (program) for recipients of public assistance, establishes the Texas Employment and Training Account to pool business donations to the program, and directs the Texas Workforce Commission and the Skill Standards Board to work with participating businesses to develop skills standards for their training programs.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the Texas Workforce Commission in SECTION 1 (Section 308.005, Labor Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Title 4B, Labor Code, by adding Chapter 308, as follows:

CHAPTER 308. TEXANS WORK PROGRAM

Sec. 308.001. LEGISLATIVE INTENT. Sets forth the intent of the legislature.

Sec. 308.002. DEFINITIONS. Defines "division," "employer," "JOBS training program," "local workforce development board," "program," "trainee," and "training course."

Sec. 308.003. TEXANS WORK PROGRAM. Provides for the eligibility of the Texans Work Program (program). Requires the program to be considered a means-tested program and operated through courses conducted by participating employers and to offer direct work experience and skills training. Requires the program to be offered in certain areas.

Se. 308.004. TRAINING COURSES; APPROVAL. Sets forth requirements and procedures for each training course.

Sec. 308.005. POWERS AND DUTIES OF COMMISSION: DIVISION; GUIDELINES FOR TRAINING COURSE APPROVAL. Requires the Texas Workforce Commission (commission) to adopt certain rules to implement the program and develop guidelines for the approval of employer training courses. Sets forth guidelines for training course approval.

Sec. 308.006. POWERS AND DUTIES OF TEXAS DEPARTMENT OF HUMAN SERVICES. Requires the Texas Department of Human Services to provide certain

information to the commission and the local workforce development board.

Sec. 308.007. RIGHTS AND DUTIES OF PARTICIPATING EMPLOYER. Sets forth rights and duties of the employer. Provides that a trainee is considered an employee of the employer for purposes of Section 401.012.

Sec. 308.008. RIGHTS OF REGULAR EMPLOYEES. Prohibits not more than 20 percent of an employer's workforce from consisting of trainees under the program, except as provided by Subsection (b). Provides that Subsection (a) does not apply to an employer who has fewer than 50 employees. Sets forth rights of regular employees.

Sec. 308.009. RIGHTS AND DUTIES OF PARTICIPATING TRAINEES. Sets forth rights and duties of the trainee.

Sec. 308.010. ACCOUNT. Sets forth the creation, composition and use of the Texas employment training account.

Sec. 308.011. TRAINING STIPEND. Sets forth requirements and procedures for a training stipend for trainees.

Sec. 308.012. REPORT; RECORDS. Requires the commission to collect certain information, which is a public record. Requires the commission to report to the 76th Legislature no later than January 31, 1999, regarding the information collected under Subsection (a). Provides that this subsection expires March 1, 1999.

SECTION 2. Amends Chapter 31A, Human Resources Code, by adding Section 31.0037, as follows:

Sec. 31.0037. EARNED INCOME FROM WORK PROGRAM. Prohibits the Texas Department of Human Services from considering any income earned by a recipient of financial assistance under the Texans Work program established under Chapter 308, Labor Code, for certain purposes.

SECTION 3. Amends Section 401.012(b), Labor Code, to redefine "employee." Makes conforming changes.

SECTION 4. Requires a state agency to request a waiver or authorization and may delay implementing a provision until a waiver or authorization is granted, if before implementing any provision of this Act, a state agency determines that a waiver or authorization from a federal agency is necessary.

SECTION 5. Makes application of this Act prospective.

SECTION 6. Effective date: September 1, 1997.

SECTION 7. Emergency clause.

SUMMARY OF COMMITTEE CHANGES

SECTION 1.

Amends Chapter 308, Title 4B, Labor Code, Section 308.001 with regard to legislative intent. Amends Section 308.003, Labor Code, with regard to the Texans work program. Amends Section 308.00, Labor Code, with regard to guidelines for training course approval. Amends Section 308.006, Labor Code, with regard to powers and duties of the Texas Department of Human Services. Amends Section 308.007, Labor Code, with regard to rights and duties of a participating employer. Amends Section 308.008, Labor Code, with regard to rights of regular employees. Amends Section 308.009, Labor Code, with regard to rights and duties

of a participating trainees. Amends Section 308.010, Labor Code, to make a conforming change. Amends Section 308.011, Labor Code, with regard to a training stipend and reports and records. Makes conforming changes.

SECTION 3.

Amends Section 401.012(b), Labor Code, to redefine "employee." Makes conforming changes. Redesignates proposed SECTIONS 3-6 as SECTIONS 4-7.