

## **BILL ANALYSIS**

C.S.S.B. 212  
By: Birdwell  
Human Services  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

The Texas State Use Program (program) is a partnership between government and private nonprofit entities designed to assist people with disabilities in achieving independence through productive employment activities. The program also provides state agencies with a method for complying with the purchasing preference the legislature grants to goods and services provided by people with disabilities. The Texas Council on Purchasing from People with Disabilities (TCPPD) serves as the oversight and policymaking body for the program and contracts with a central nonprofit agency, currently TIBH Industries, to administer it. TIBH contracts with local community rehabilitation programs (CRPs) that hire people with disabilities to provide goods and services through the program. The office of the comptroller of public accounts of the State of Texas (comptroller) provides legal and administrative support to TCPPD.

TCPPD is subject to the Texas Sunset Act and will be abolished on September 1, 2015, unless continued by the legislature. The Texas Sunset Advisory Commission determined that TCPPD lacks the expertise and resources needed to effectively oversee the program as evidenced by its long-term lack of performance information and inability to show whether the supposed benefits of the program outweigh its additional cost to the state. C.S.S.B. 212 abolishes TCPPD and transfers responsibility for the program to the Texas Workforce Commission (TWC) to strengthen oversight and ensure that the program benefits people with disabilities. C.S.S.B. 212 requires TWC to establish an advisory committee to help set goals for the program and makes other statutory modifications as a result of the Sunset review.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority previously granted to the Texas Council on Purchasing from People with Disabilities is transferred to the Texas Workforce Commission in SECTIONS 14, 20, and 26 of this bill.

### **ANALYSIS**

#### ***Abolishes The Texas Council on Purchasing from People with Disabilities (TCPPD) and transfers its functions to the Texas Workforce Commission (TWC)***

C.S.S.B. 212 abolishes TCPPD, transfers all powers and duties of TCPPD to TWC, including the requirement to prepare an annual financial report, and makes related conforming changes throughout the bill. C.S.S.B. 212 specifies a rule, form, policy, procedure, or decision of TCPPD continues in effect until superseded by an act of TWC, and that the validity of an action taken by

or in connection with the authority of TCPPD before it is abolished is not affected by the abolition. C.S.S.B. 212 transfers all money, contracts, leases, rights, bonds, and obligations of TCPPD to TWC, and stipulates all personal property, including records, in the custody of TCPPD becomes the property of TWC. C.S.S.B. 212 removes the provisions that specify the comptroller is the depository for all records concerning TCPPD's operations and that TCPPD is subject to Chapter 552, Government Code. Once the selection process for contracting with one or more central nonprofit agencies is completed, C.S.S.B. 212 allows, rather than requires, TWC to contract with a central nonprofit agency to perform specified functions related to the administration of the program.

C.S.S.B. 212 removes TCPPD's separate sunset date and subjects TWC's authority to administer and oversee the program to the Texas Sunset Act, stipulating that this authority expires September 1, 2021 unless continued by the legislature. C.S.S.B. 212 repeals sections of law related to TCPPD, including its membership; standards of conduct; training; ability to hire staff; rulemaking and alternative dispute resolution procedures; technology policy; and public testimony and subcommittee requirements. C.S.S.B. 212 removes requirements that the comptroller assist, provide legal and other necessary support, and assign an upper-level management employee to TCPPD. C.S.S.B. 212 specifies all funds appropriated by the legislature to TCPPD are transferred to TWC and that a reference in law to TCPPD means the Texas Workforce Commission.

C.S.S.B. 212 maintains certain functions at the office of the comptroller, including processing requisitions for products and services required by state agencies; including the State Use Program in the comptroller's procurement policy manual; reviewing agencies' compliance with the program; and preparing a list of all items purchased through an acceptable exception to the State Use Program. C.S.S.B. 212 requires state agencies to report to TWC, in addition to the comptroller, the purchase of products and services available through the program, but purchased from another business that is not a CRP or a central nonprofit agency. C.S.S.B. 212 requires TWC to review and analyze the information in these and other specified reports. C.S.S.B. 212 removes the provision that requires the comptroller to post the agencies' reports on its website, but requires the comptroller to assist TWC in reviewing and analyzing the reports.

C.S.S.B. 212 requires the comptroller to cooperate with and provide any necessary support to TWC in accordance with legislative appropriation, including providing information and resources necessary for TWC to set the fair market price of all products and services for sale through the program.

***Requires TWC to establish an advisory committee***

C.S.S.B. 212 removes the authorization for TCPPD to establish an advisory committee and related provisions, and requires TWC to establish an advisory committee to assist TWC in establishing performance goals for the program and criteria for certifying a CRP for participation in the program. C.S.S.B. 212 specifies the advisory committee's membership; appointments and terms, including filling vacancies; duties; and meeting and other requirements. C.S.S.B. 212 requires TWC to appoint members to the advisory committee on or as soon as possible after the effective date of this Act. C.S.S.B. 212 authorizes the committee to request administrative support from TWC and requires TWC to provide the requested assistance. C.S.S.B. 212 specifies that the advisory committee is not subject to Chapter 2110, Government Code, but stipulates that it is subject to the requirements of the open meetings law, Chapter 551, Government Code; the open records law, Chapter 552, Government Code; and Chapter 2001, Government Code.

C.S.S.B. 212 requires the advisory committee to establish specific objectives for the program that are appropriate given the program's status as one of several employment-related services this state offers to persons with disabilities, and to recommend criteria for certifying CRPs for participation in the program. C.S.S.B. 212 requires the advisory committee to develop

performance measures that may be used by TWC to evaluate whether the program is meeting the objectives of the program, and requires the advisory committee to consider specified factors applicable to the program in developing the performance measures. C.S.S.B. 212 requires the advisory committee to meet at the call of the presiding officer at least once each fiscal year to review, and if necessary, recommend changes to the program objective, performance measures, and criteria. C.S.S.B. 212 requires the advisory committee to provide input to TWC in adopting rules applicable to the program relating to specified employment-first policies.

***Requires TWC to determine the best method to structure the management fee***

C.S.S.B. 212 requires TWC to determine the best method to structure the maximum management fee rate charged by a central nonprofit agency for its services. C.S.S.B. 212 removes the requirement that the fee rate charged by a central nonprofit agency for its services be computed as a percentage of the selling price of the product or the contract price of a service, included in the selling price or contract price, and paid at the time of sale, and the requirement that the management rate fee be approved by TCPPD. C.S.S.B. 212 requires the percentage of the management fee paid to TWC to be set by TWC in the amount to reimburse the general revenue fund for direct and reasonable costs incurred by both the comptroller and TWC in administering the program, including any costs associated with providing support to the advisory committee.

***Conforming changes to S.B. 219***

S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, was signed by the Governor on April 2, 2015, giving effect to the bill on that date. C.S.S.B. 212 makes conforming changes to align with the changes in law enacted by S.B. 219.

***Repealers***

C.S.S.B. 212 repeals the following provisions of the Human Resources Code:

- Section 122.002(4);
- Section 122.003;
- Section 122.004;
- Section 122.005;
- Section 122.0055;
- Section 122.006;
- Section 122.007(b);
- Section 122.013(b);
- Section 122.0206;
- Section 122.021;
- Section 122.025; and
- Section 122.027.

**EFFECTIVE DATE**

September 1, 2015.

**COMPARISON OF SENATE ENGROSSED AND SUBSTITUTE**

While C.S.S.B. 212 may differ from the engrossed in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the engrossed and committee substitute versions of the bill.

SENATE ENGROSSED	HOUSE COMMITTEE SUBSTITUTE
SECTION 1. Sections 2155.138(a) and (b),	SECTION 1. Sections 2155.138(a) and

Government Code, are amended to read as follows:

(a) The competitive bidding provisions of this chapter do not apply to a state purchase of goods or services that:

(1) are made or provided by blind or visually impaired persons;

(2) are offered for sale to a state agency through efforts made under Chapter 122, Human Resources Code [~~law by the Texas Council on Purchasing from People with Disabilities~~];

(3) meet state specifications for quantity, quality, delivery, and life cycle costs; and

(4) cost not more than the fair market price of similar items.

(b) The comptroller [~~council~~] shall test the goods and services to the extent necessary to ensure quality. The comptroller [~~council~~] may enter into a contract with a private or public entity to assist with testing.

SECTION 2. The heading to Chapter 122, Human Resources Code, is amended.

No equivalent provision.

No equivalent provision.

(b), Government Code, are amended to read as follows:

(a) The competitive bidding provisions of this chapter do not apply to a state purchase of goods or services that:

(1) are made or provided by blind or visually impaired persons;

(2) are offered for sale to a state agency through efforts made under Chapter 122, Human Resources Code [~~law by the Texas Council on Purchasing from People with Disabilities~~];

(3) meet state specifications for quantity, quality, delivery, and life cycle costs; and

(4) cost not more than the fair market price of similar items.

(b) The Texas Workforce Commission [~~council~~] shall test the goods and services to the extent necessary to ensure quality. The Texas Workforce Commission [~~council~~] may enter into a contract with a private or public entity to assist with testing.

SECTION 2. Same as engrossed version.

SECTION 3. Section 122.0012, Human Resources Code, is amended to read as follows:

Sec. 122.0012. SUNSET PROVISION.

(a) The comptroller's authority to perform any act under this chapter that relates to state purchasing is subject to Chapter 325, Government Code (Texas Sunset Act). Notwithstanding any other law, that authority expires September 1, 2021, unless continued in existence as provided by Chapter 325, Government Code.

(b) The Texas Workforce Commission's authority to administer and oversee the program administered under this chapter is subject to Chapter 325, Government Code (Texas Sunset Act). Notwithstanding any other law, that authority expires September 1, 2021, unless continued in existence as provided by Chapter 325, Government Code.

SECTION 4. Section 122.002, Human Resources Code, is amended by adding Subdivision (6) to read as follows:

(6) "Workforce commission" means the Texas Workforce Commission.

SECTION 3. Section 122.0057, Human Resources Code, is amended to read as follows:

Sec. 122.0057. ADVISORY COMMITTEE.

(a) The **comptroller** shall [council may] establish an advisory committee to assist the **comptroller** in establishing:

(1) performance goals for the program administered under this chapter; and  
(2) criteria for certifying a community rehabilitation program for participation in the program administered under this chapter [if the council considers the committee necessary. The membership of the committee is determined by the council].

(b) The advisory committee consists of 13 members appointed by the **comptroller** as follows:

(1) four representatives from community rehabilitation programs that participate in the program administered under this chapter;

(2) four representatives from organizations that advocate for persons with disabilities;

(3) one representative from a state agency that provides vocational rehabilitation services to persons with disabilities; and

(4) four persons with disabilities, two of whom is employed by a community rehabilitation program that participates in the program administered under this chapter [The council shall specify the purpose and duties of the advisory committee, which must include:

[(1) reviewing the effectiveness of the program administered under this chapter; and

[(2) recommending procedures to create higher skilled and higher paying employment opportunities].

(c) Members of the [an] advisory committee serve at the will of the **comptroller** [council. The council may dissolve an advisory committee when appropriate].

(d) The **comptroller** shall appoint a presiding officer from among the advisory committee

SECTION 5. Section 122.0057, Human Resources Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, is amended to read as follows:

Sec. 122.0057. ADVISORY

COMMITTEE. (a) The **workforce commission** shall [council may] establish an advisory committee to assist the **workforce commission** in establishing:

(1) performance goals for the program administered under this chapter; and

(2) criteria for certifying a community rehabilitation program for participation in the program administered under this chapter [if the council considers the committee necessary. The membership of the committee is determined by the council].

(b) The advisory committee consists of 13 members appointed by the **workforce commission** as follows:

(1) four representatives from community rehabilitation programs that participate in the program administered under this chapter;

(2) four representatives from organizations that advocate for persons with disabilities;

(3) one representative from a state agency that provides vocational rehabilitation services to persons with disabilities; and

(4) four persons with disabilities, of whom two are employed by a community rehabilitation program that participates in the program administered under this chapter [The council shall specify the purpose and duties of the advisory committee, which must include:

[(1) reviewing the effectiveness of the program administered under this chapter; and

[(2) recommending procedures to create higher skilled and higher paying employment opportunities].

(c) Members of the [an] advisory committee serve at the will of the **workforce commission** [council. The council may dissolve an advisory committee when appropriate].

(d) The **workforce commission** shall appoint a presiding officer from among the

~~members [The council shall make reasonable attempts to have balanced representation on all advisory committees, including attempting to seek representation from:~~

- ~~[(1) the Lighthouse for the Blind and Visually Impaired community rehabilitation programs;~~
- ~~[(2) the Goodwill community rehabilitation programs;~~
- ~~[(3) other community rehabilitation programs;~~
- ~~[(4) representatives from central nonprofit agencies;~~
- ~~[(5) representatives of disability advocacy groups;~~
- ~~[(6) government purchasing agents with knowledge of this chapter;~~
- ~~[(7) private industry representatives with knowledge of this chapter; and~~
- ~~[(8) private citizens with disabilities who have knowledge of the sale of products and services].~~

~~(e) The members of the advisory committee serve staggered four-year terms, with the terms of either four or five members expiring February 1 of each odd-numbered year. A member may not serve more than two terms.~~

~~(f) A vacancy on the committee shall be filled in the same manner as the original appointment for that position.~~

~~(g) The advisory committee shall meet semi-annually.~~

~~(h) The advisory committee shall:~~

~~(1) establish specific objectives for the program administered under this chapter that are appropriate given the program's status as one of several employment-related services this state offers to persons with disabilities;~~

~~(2) develop performance measures that may be used by the comptroller to evaluate whether the program is meeting the objectives established under Subdivision (1); and~~

~~(3) recommend criteria for certifying community rehabilitation programs for participation in the program.~~

~~(i) In developing the performance measures under Subsection (h), the advisory committee must consider the following factors as applicable to the program administered under this chapter:~~

~~(1) the percentage of total sales revenue~~

~~advisory committee members [The council shall make reasonable attempts to have balanced representation on all advisory committees, including attempting to seek representation from:~~

- ~~[(1) the Lighthouse for the Blind and Visually Impaired community rehabilitation programs;~~
- ~~[(2) the Goodwill community rehabilitation programs;~~
- ~~[(3) other community rehabilitation programs;~~
- ~~[(4) representatives from central nonprofit agencies;~~
- ~~[(5) representatives of disability advocacy groups;~~
- ~~[(6) government purchasing agents with knowledge of this chapter;~~
- ~~[(7) private industry representatives with knowledge of this chapter; and~~
- ~~[(8) private citizens with disabilities who have knowledge of the sale of products and services].~~

~~(e) The members of the advisory committee serve staggered four-year terms, with the terms of either six or seven members expiring February 1 of each odd-numbered year. A member may not serve more than two terms.~~

~~(f) A vacancy on the committee shall be filled in the same manner as the original appointment for that position.~~

~~(g) The advisory committee shall meet semiannually.~~

~~(h) The advisory committee shall:~~

~~(1) establish specific objectives for the program administered under this chapter that are appropriate given the program's status as one of several employment-related services this state offers to persons with disabilities;~~

~~(2) develop performance measures that may be used by the workforce commission to evaluate whether the program is meeting the objectives established under Subdivision (1); and~~

~~(3) recommend criteria for certifying community rehabilitation programs for participation in the program.~~

~~(i) In developing the performance measures under Subsection (h), the advisory committee must consider the following factors as applicable to the program administered under this chapter:~~

~~(1) the percentage of total sales revenue~~

attributable to the program:

(A) paid in wages to persons with disabilities; and

(B) spent on direct training and professional development services for persons with disabilities;

(2) the average hourly wage earned by a person participating in the program;

(3) the average annual salary earned by a person participating in the program;

(4) the number of persons with disabilities participating in the program paid less than minimum wage;

(5) the average number of hours worked each week by a person with a disability who participates in the program;

(6) the percentage of persons with disabilities who participate in the program and who are placed into competitive positions, including competitive management or administrative positions within community rehabilitation programs; and

(7) the percentage of work performed by persons with disabilities who participate in the program that is purely repackaging labor.

(j) The advisory committee shall meet at the call of the presiding officer at least once each fiscal year to review and, if necessary, recommend changes to program objectives, performance measures, and criteria established under Subsection (h).

(k) The advisory committee shall provide input to the comptroller in adopting rules applicable to the program administered under this chapter relating to the employment-first policies described by Sections 531.02447 and 531.02448, Government Code.

(l) The advisory committee may request administrative support from the comptroller. The comptroller shall provide the requested assistance.

(m) The advisory committee is not subject to Chapter 2110, Government Code.

SECTION 4. Chapter 122, Human Resources Code, is amended.

SECTION 5. Sections 122.007(a), (c), and (d), Human Resources Code, are amended to read as follows:

attributable to the program:

(A) paid in wages to persons with disabilities; and

(B) spent on direct training and professional development services for persons with disabilities;

(2) the average hourly wage earned by a person participating in the program;

(3) the average annual salary earned by a person participating in the program;

(4) the number of persons with disabilities participating in the program paid less than minimum wage;

(5) the average number of hours worked each week by a person with a disability who participates in the program;

(6) the percentage of persons with disabilities who participate in the program and who are placed into competitive positions, including competitive management or administrative positions within community rehabilitation programs; and

(7) the percentage of work performed by persons with disabilities who participate in the program that is purely repackaging labor.

(j) The advisory committee shall meet at the call of the presiding officer at least once each fiscal year to review and, if necessary, recommend changes to program objectives, performance measures, and criteria established under Subsection (h).

(k) The advisory committee shall provide input to the workforce commission in adopting rules applicable to the program administered under this chapter relating to the employment-first policies described by Sections 531.02447 and 531.02448, Government Code.

(l) The advisory committee may request administrative support from the workforce commission. The workforce commission shall provide the requested assistance.

(m) The advisory committee is not subject to Chapter 2110, Government Code.

SECTION 6. Same as engrossed version.

SECTION 7. Sections 122.007(a) and (c), Human Resources Code, and Section 122.007(d), Human Resources Code, as

(a) The comptroller [~~council~~] shall determine the fair market price of all products and services manufactured or provided by persons with disabilities and offered for sale to the various agencies and departments of the state and its political subdivisions by a community rehabilitation program participating in the program administered under this chapter. The comptroller [~~council~~] shall ensure that the products and services offered for sale offer the best value for the state or a political subdivision.

(c) The comptroller [~~council~~] shall revise the prices periodically to reflect changing market conditions.

(d) Before offering for sale products and services manufactured or provided by persons with disabilities to state agencies and political subdivisions, the comptroller [~~council~~] shall test the goods and services in accordance with Section 2155.069, Government Code, to the extent necessary to ensure quality. The comptroller [~~council~~] may enter into a contract with a private or public entity to assist with testing. The comptroller shall make awards under this section based on proposed goods and services meeting formal state specifications developed by the comptroller or meeting commercial specifications approved by the comptroller.

SECTION 6. Section 122.008, Human Resources Code, is amended to read as follows:

Sec. 122.008. **PROCUREMENT AT DETERMINED PRICE.** A suitable product or service that meets applicable specifications established by the state or its political subdivisions and that is available within the time specified must be procured from a community rehabilitation program at the price determined by the comptroller [~~council~~] to be the fair market price under Section 122.007.

amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, are amended to read as follows:

(a) The workforce commission [~~council~~] shall determine the fair market price of all products and services manufactured or provided by persons with disabilities and offered for sale to the various agencies and departments of the state and its political subdivisions by a community rehabilitation program participating in the program administered under this chapter. The workforce commission [~~council~~] shall ensure that the products and services offered for sale offer the best value for the state or a political subdivision. The

comptroller shall provide the workforce commission with the information and resources necessary for the workforce commission to comply with this subsection.

(c) The workforce commission [~~council~~] shall revise the prices periodically to reflect changing market conditions.

(d) Before offering for sale products and services manufactured or provided by persons with disabilities to state agencies and political subdivisions, the workforce commission [~~council~~] shall test the goods and services in accordance with Section 2155.069, Government Code, to the extent necessary to ensure quality. The workforce commission [~~council~~] may enter into a contract with a private or public entity to assist with testing. The comptroller shall make awards under this section based on proposed goods and services meeting formal state specifications developed by the comptroller or meeting commercial specifications approved by the comptroller

SECTION 8. Section 122.008, Human Resources Code, is amended to read as follows:

Sec. 122.008. **PROCUREMENT AT DETERMINED PRICE.** A suitable product or service that meets applicable specifications established by the state or its political subdivisions and that is available within the time specified must be procured from a community rehabilitation program at the price determined by the workforce commission [~~council~~] to be the fair market price under Section 122.007.



SECTION 7. Sections 122.009(a) and (b), Human Resources Code, are amended to read as follows:

(a) The records of the comptroller [~~council~~] and of a central nonprofit agency shall, to the extent that the records pertain specifically to state purchases of the products and services of persons with disabilities, be made available upon request to the inspection of representatives of the state auditor, the governor's budget office, or the Legislative Budget Board. The inspection of the records shall be conducted with due regard to the privacy rights of persons with disabilities. A document that is available for inspection under this subsection is an open record for purposes of Chapter 552, Government Code.

~~(b) The comptroller shall maintain [is the depository for] all records concerning the comptroller's [council's] operations under this chapter.~~

SECTION 8. Sections 122.0095(a) and (e), Human Resources Code, are amended to read as follows:

(a) Each state agency that purchases products or services through a program under this chapter shall:

(1) designate an agency employee to ensure that the agency complies with this chapter; and

(2) report to the comptroller [~~and the council~~] the purchase of products or services available from a central nonprofit agency or community rehabilitation program under this chapter, but purchased from another business that is not a central nonprofit agency or community rehabilitation program under this chapter.

(e) The comptroller [~~council~~] shall review and analyze the information contained in the reports under this section and Sections 122.012 and 122.016 [~~The comptroller shall~~].

SECTION 9. Section 122.009, Human Resources Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, is amended to read as follows:

Sec. 122.009. RECORDS.

~~(a)~~ The records of the workforce commission [~~council~~] and of a central nonprofit agency shall, to the extent that the records pertain specifically to state purchases of the products and services of persons with disabilities, be made available upon request to the inspection of representatives of the state auditor, the governor's budget office, or the Legislative Budget Board. The inspection of the records shall be conducted with due regard to the privacy rights of persons with disabilities. A document that is available for inspection under this subsection is an open record for purposes of Chapter 552, Government Code.

~~(b) The comptroller is the depository for all records concerning the council's operations.~~

~~(c) The council is subject to Chapter 552, Government Code.~~

SECTION 10. Sections 122.0095(a) and (e), Human Resources Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, are amended to read as follows:

(a) Each state agency that purchases products or services through a program under this chapter shall:

(1) designate an agency employee to ensure that the agency complies with this chapter; and

(2) report to the comptroller and the workforce commission [~~council~~] the purchase of products or services available from a central nonprofit agency or community rehabilitation program under this chapter, but purchased from another business that is not a central nonprofit agency or community rehabilitation program under this chapter.

(e) The workforce commission [~~council~~] shall review and analyze the information contained in the reports under this section and Sections 122.012 and 122.016. The

~~assist the council in reviewing and analyzing the reports]~~ in order to improve state agency compliance with this chapter.

SECTION 9. Section 122.010, Human Resources Code, is amended to read as follows:

Sec. 122.010. COOPERATION WITH DEPARTMENT OF CRIMINAL JUSTICE.

The comptroller ~~[council]~~ may cooperate with the Texas Department of Criminal Justice to accomplish the purposes of this chapter and to contribute to the economy of state government. The comptroller ~~[council]~~ and the department may enter into contractual agreements, cooperative working relationships, or other arrangements necessary for effective coordination and the realization of the objectives of both entities.

SECTION 10. Section 122.011, Human Resources Code, is amended to read as follows:

Sec. 122.011. CORRELATION WITH RELATED FEDERAL PROGRAMS. The comptroller ~~[council]~~ may adopt procedures, practices, and standards used for federal programs similar to the state program established in this chapter.

SECTION 11. Sections 122.012(a), (b), and (e), Human Resources Code, are amended to read as follows:

(a) The comptroller shall perform the comptroller's duties under this chapter with assistance from the advisory committee established under Section 122.0057 ~~[provide legal and other necessary support to the council]~~ in accordance with legislative appropriation~~].—The comptroller shall assign an upper level management employee to ensure that the comptroller meets the requirements of this chapter].~~

(b) State agencies responsible for the provision of rehabilitation and related services to persons with disabilities shall

comptroller shall assist the workforce commission ~~[council]~~ in reviewing and analyzing the reports in order to improve state agency compliance with this chapter.

SECTION 11. Section 122.010, Human Resources Code, is amended to read as follows:

Sec. 122.010. COOPERATION WITH DEPARTMENT OF CRIMINAL JUSTICE.

The workforce commission ~~[council]~~ may cooperate with the Texas Department of Criminal Justice to accomplish the purposes of this chapter and to contribute to the economy of state government. The workforce commission ~~[council]~~ and the department may enter into contractual agreements, cooperative working relationships, or other arrangements necessary for effective coordination and the realization of the objectives of both entities.

SECTION 12. Section 122.011, Human Resources Code, is amended to read as follows:

Sec. 122.011. CORRELATION WITH RELATED FEDERAL PROGRAMS. The workforce commission ~~[council]~~ may adopt procedures, practices, and standards used for federal programs similar to the state program established in this chapter.

SECTION 13. Sections 122.012(a), (b), and (e), Human Resources Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, are amended to read as follows:

(a) The comptroller shall cooperate with, and provide any [legal and other] necessary support to, the workforce commission ~~[council]~~ in accordance with legislative appropriation~~].—The comptroller shall assign an upper level management employee to ensure that the comptroller meets the requirements of this chapter].~~

(b) State agencies responsible for the provision of rehabilitation and related services to persons with disabilities shall

cooperate with the comptroller [~~council~~] in the operation of the program. The Department of Assistive and Rehabilitative Services and other state human services agencies responsible for assisting persons with disabilities may, through written agreements or interagency contracts, provide space, storage, logistical support, consultation, expert services, communications services, or financial assistance with respect to any function or responsibility of the comptroller under this chapter [~~council~~].

(e) After any audit or review the comptroller conducts with regard to state agency compliance with purchasing laws and procedures, the comptroller shall assist [~~report to the council~~] a state agency that is not complying with this chapter to comply with this chapter.

SECTION 12. Sections 122.013(a) and (c), Human Resources Code, are amended to read as follows:

(a) The comptroller [~~council~~] shall adopt rules for the implementation, extension, administration, or improvement of the program authorized by this chapter in accordance with Chapter 2001, Government Code.

(c) The comptroller [~~council~~] shall adopt rules to:

- (1) address possible conflicts of interest for central nonprofit agencies and community rehabilitation programs;
- (2) establish a process for the certification of community rehabilitation programs;
- (3) establish a minimum percentage of disabled labor an organization must employ to be considered a community rehabilitation program under this chapter; and

(4) define the terms "value-added" and "direct labor" for products manufactured and services provided that are offered for sale under this chapter.

SECTION 13. Section 122.015(a), Human Resources Code, is amended to read as follows:

(a) In determining the fair market value of

cooperate with the workforce commission [~~council~~] in the operation of the program. The Department of Assistive and Rehabilitative Services and other state human services agencies responsible for assisting persons with disabilities may, through written agreements or interagency contracts, provide space, storage, logistical support, consultation, expert services, communications services, or financial assistance with respect to the program administered under this chapter [~~any function or responsibility of the council~~].

(e) After any audit or review the comptroller conducts with regard to state agency compliance with purchasing laws and procedures, the comptroller shall report to the workforce commission [~~council~~] a state agency that is not complying with this chapter.

SECTION 14. Sections 122.013(a) and (c), Human Resources Code, are amended to read as follows:

(a) The workforce commission [~~council~~] shall adopt rules for the implementation, extension, administration, or improvement of the program authorized by this chapter in accordance with Chapter 2001, Government Code.

(c) The workforce commission [~~council~~] shall adopt rules to:

- (1) address possible conflicts of interest for central nonprofit agencies and community rehabilitation programs;
- (2) establish a process for the certification of community rehabilitation programs;
- (3) establish a minimum percentage of disabled labor an organization must employ to be considered a community rehabilitation program under this chapter; and

(4) define the terms "value-added" and "direct labor" for products manufactured and services provided that are offered for sale under this chapter.

SECTION 15. Section 122.015, Human Resources Code, is amended by amending Subsection (a) and adding Subsection (d) to read as follows:

(a) In determining the fair market value of

products or services offered for sale under this chapter, the comptroller [~~subcommittee established under Section 122.007(b) and the council~~] shall give due consideration to the following type of factors:

- (1) to the extent applicable, the amounts being paid for similar articles in similar quantities by federal agencies purchasing the products or services under the authorized federal program of like effect to the state program authorized by this chapter;
- (2) the amounts which private business would pay for similar products or services in similar quantities if purchasing from a reputable corporation engaged in the business of selling similar products or services;
- (3) to the extent applicable, the amount paid by the state in any recent purchases of similar products or services in similar quantities, making due allowance for general inflationary or deflationary trends;
- (4) the actual cost of manufacturing the product or performing a service at a community rehabilitation program offering employment services on or off premises to persons with disabilities, with adequate weight to be given to legal and moral imperatives to pay workers with disabilities equitable wages; and
- (5) the usual, customary, and reasonable costs of manufacturing, marketing, and distribution.

SECTION 14. Section 122.016(b), Human Resources Code, is amended to read as follows:

(b) Each month, the comptroller shall prepare [~~provide the council with~~] a list of all items purchased under the exception provided by Subsection (a). The comptroller [~~council~~] shall adopt the form in which the list is to be provided and may include in [~~require~~] the list [~~to include~~] the date of requisition, the type of product or service

products or services offered for sale under this chapter, the workforce commission [~~subcommittee established under Section 122.007(b) and the council~~] shall give due consideration to the following type of factors:

- (1) to the extent applicable, the amounts being paid for similar articles in similar quantities by federal agencies purchasing the products or services under the authorized federal program of like effect to the state program authorized by this chapter;
- (2) the amounts which private business would pay for similar products or services in similar quantities if purchasing from a reputable corporation engaged in the business of selling similar products or services;
- (3) to the extent applicable, the amount paid by the state in any recent purchases of similar products or services in similar quantities, making due allowance for general inflationary or deflationary trends;
- (4) the actual cost of manufacturing the product or performing a service at a community rehabilitation program offering employment services on or off premises to persons with disabilities, with adequate weight to be given to legal and moral imperatives to pay workers with disabilities equitable wages; and
- (5) the usual, customary, and reasonable costs of manufacturing, marketing, and distribution.

(d) The comptroller shall provide the workforce commission with the information and resources necessary for the workforce commission to comply with this section.

SECTION 16. Section 122.016(b), Human Resources Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, is amended to read as follows:

(b) Each month, the comptroller shall provide the workforce commission [~~council~~] with a list of all items purchased under the exception provided by Subsection (a). The workforce commission [~~council~~] shall adopt the form in which the list is to be provided and may require the list to include the date of requisition, the

requested, the reason for purchase under the exception, and any other information that the comptroller ~~[council]~~ considers relevant to a determination of why the product or service was not purchased in accordance with Section 122.014.

SECTION 15. Section 122.019, Human Resources Code, is amended to read as follows:

Sec. 122.019. CENTRAL NONPROFIT AGENCY. (a) The comptroller ~~[council]~~ may select and contract with one or more central nonprofit agencies through a request for proposals for a period not to exceed five years. Once the selection process is completed, the comptroller ~~[council]~~ shall contract with a central nonprofit agency to:

- (1) recruit and assist community rehabilitation programs in developing and submitting applications for the selection of suitable products and services;
  - (2) facilitate the distribution of orders among community rehabilitation programs;
  - (3) manage and coordinate the day-to-day operation of the program, including the general administration of contracts with community rehabilitation programs;
  - (4) promote increased supported employment opportunities for persons with disabilities; and
  - (5) recruit and assist qualified nonprofit organizations that are managed by members of racial minorities, women, or persons with disabilities and that are in the process of qualifying as community rehabilitation programs.
- (b) The services of a central nonprofit agency may include marketing and marketing support services, such as:
- (1) assistance to community rehabilitation programs regarding solicitation and negotiation of contracts;
  - (2) direct marketing of products and services to consumers;
  - (3) research and development of products and services;
  - (4) public relations activities to promote the program;
  - (5) customer relations;

type of product or service requested, the reason for purchase under the exception, and any other information that the workforce commission ~~[council]~~ considers relevant to a determination of why the product or service was not purchased in accordance with Section 122.014.

SECTION 17. Section 122.019, Human Resources Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, is amended to read as follows:

Sec. 122.019. CENTRAL NONPROFIT AGENCY. (a) The workforce commission ~~[council]~~ may select and contract with one or more central nonprofit agencies through a request for proposals for a period not to exceed five years. Once the selection process is completed, the workforce commission may ~~[council shall]~~ contract with a central nonprofit agency to:

- (1) recruit and assist community rehabilitation programs in developing and submitting applications for the selection of suitable products and services;
  - (2) facilitate the distribution of orders among community rehabilitation programs;
  - (3) manage and coordinate the day-to-day operation of the program, including the general administration of contracts with community rehabilitation programs;
  - (4) promote increased supported employment opportunities for persons with disabilities; and
  - (5) recruit and assist qualified nonprofit organizations that are managed by members of racial minorities, women, or persons with disabilities and that are in the process of qualifying as community rehabilitation programs.
- (b) The services of a central nonprofit agency may include marketing and marketing support services, such as:
- (1) assistance to community rehabilitation programs regarding solicitation and negotiation of contracts;
  - (2) direct marketing of products and services to consumers;
  - (3) research and development of products and services;
  - (4) public relations activities to promote the program;
  - (5) customer relations;

- (6) education and training;
- (7) accounting services related to purchase orders, invoices, and payments to community rehabilitation programs; and
- (8) other duties designated by the comptroller [council].

(c) Each year, the comptroller [council] shall review services provided by a central nonprofit agency and the revenues required to accomplish the program to determine whether each agency's performance complies with contractual specifications. Not later than the 60th day before the review, the comptroller [council] shall publish in the Texas Register a request for comment on the services of a central nonprofit agency that participates in community rehabilitation programs.

(d) At least once during each five-year period, the comptroller [council] may review and renegotiate the contract with a central nonprofit agency. Not later than the 60th day before the date the comptroller [council] adopts or renews a contract, the comptroller [council] shall publish notice of the proposed contract in the Texas Register.

(e) The comptroller shall determine the best method to structure the maximum management fee rate charged by a central nonprofit agency for its services [~~must be computed as a percentage of the selling price of the product or the contract price of a service, must be included in the selling price or contract price, and must be paid at the time of sale~~]. The management fee rate must be [~~approved by the council and must be~~] reviewed on an annual basis.

(f) A percentage of the management fee described by Subsection (e) shall be paid to the comptroller [council] and is subject to Section 122.023. The percentage shall be set by the comptroller [council] in the amount necessary to reimburse the general revenue fund for direct and reasonable costs incurred by the comptroller [~~the council, and the council staff~~] in administering the comptroller's [council's] duties under this chapter, including any costs associated with providing support to the advisory committee.

- (6) education and training;
- (7) accounting services related to purchase orders, invoices, and payments to community rehabilitation programs; and
- (8) other duties designated by the workforce commission [council].

(c) Each year, the workforce commission [council] shall review services provided by a central nonprofit agency and the revenues required to accomplish the program to determine whether each agency's performance complies with contractual specifications. Not later than the 60th day before the review, the workforce commission [council] shall publish in the Texas Register a request for comment on the services of a central nonprofit agency that participates in community rehabilitation programs.

(d) At least once during each five-year period, the workforce commission [council] may review and renegotiate the contract with a central nonprofit agency. Not later than the 60th day before the date the workforce commission [council] adopts or renews a contract, the workforce commission [council] shall publish notice of the proposed contract in the Texas Register.

(e) The workforce commission shall determine the best method to structure the maximum management fee rate charged by a central nonprofit agency for its services [~~must be computed as a percentage of the selling price of the product or the contract price of a service, must be included in the selling price or contract price, and must be paid at the time of sale~~]. The management fee rate must be [~~approved by the council and must be~~] reviewed on an annual basis.

(f) A percentage of the management fee described by Subsection (e) shall be paid to the workforce commission [council] and is subject to Section 122.023. The percentage shall be set by the workforce commission [council] in the amount necessary to reimburse the general revenue fund for direct and reasonable costs incurred by the comptroller and [~~the workforce commission~~] workforce commission [council, and the council staff] in administering the comptroller's and workforce commission's [council's] duties under this chapter, including any costs associated with providing support to the advisory committee.

(g) The comptroller [eouncil] may terminate a contract with a central nonprofit agency if:

(1) the comptroller [eouncil] finds substantial evidence of the central nonprofit agency's noncompliance with contractual obligations; and

(2) the comptroller [eouncil] has provided at least 30 days' notice to the central nonprofit agency of the termination of the contract.

(h) The comptroller [eouncil] may request an audit by the state auditor of:

(1) the management fee set by a central nonprofit agency; or

(2) the financial condition of a central nonprofit agency.

(i) A person may not operate a community rehabilitation program and at the same time contract with the comptroller [eouncil] as a central nonprofit agency.

SECTION 16. Section 122.020, Human Resources Code, is amended to read as follows:

Sec. 122.020. CONSUMER INFORMATION; COMPLAINTS.

(a) The comptroller [eouncil] shall prepare information of consumer interest describing the activities of the comptroller under this chapter [eouncil] and describing the comptroller's [eouncil's] procedures by which consumer complaints are filed with and resolved by the comptroller under this chapter [eouncil]. The comptroller [eouncil] shall make the information available to the general public and appropriate state agencies.

(b) The comptroller [eouncil] shall keep an information file about each complaint filed with the comptroller [eouncil]. The file must include:

(1) the name of the person who filed the complaint;

(2) the date the complaint is received by the comptroller [eouncil];

(3) the subject matter of the complaint;

(4) the name of each person contacted in relation to the complaint;

(5) a summary of the results of the review or investigation of the complaint; and

(g) The workforce commission [eouncil] may terminate a contract with a central nonprofit agency if:

(1) the workforce commission [eouncil] finds substantial evidence of the central nonprofit agency's noncompliance with contractual obligations; and

(2) the workforce commission [eouncil] has provided at least 30 days' notice to the central nonprofit agency of the termination of the contract.

(h) The workforce commission [eouncil] may request an audit by the state auditor of:

(1) the management fee set by a central nonprofit agency; or

(2) the financial condition of a central nonprofit agency.

(i) A person may not operate a community rehabilitation program and at the same time contract with the workforce commission [eouncil] as a central nonprofit agency.

SECTION 18. Section 122.020, Human Resources Code, is amended to read as follows:

Sec. 122.020. CONSUMER INFORMATION; COMPLAINTS.

(a) The workforce commission [eouncil] shall prepare information of consumer interest describing the activities of the workforce commission under this chapter [eouncil] and describing the workforce commission's [eouncil's] procedures by which consumer complaints are filed with and resolved by the workforce commission under this chapter [eouncil]. The workforce commission [eouncil] shall make the information available to the general public and appropriate state agencies.

(b) The workforce commission [eouncil] shall keep an information file about each complaint filed with the workforce commission [eouncil]. The file must include:

(1) the name of the person who filed the complaint;

(2) the date the complaint is received by the workforce commission [eouncil];

(3) the subject matter of the complaint;

(4) the name of each person contacted in relation to the complaint;

(5) a summary of the results of the review or investigation of the complaint; and

(6) an explanation of the reason the file was closed, if the comptroller [council] closed the file without taking action other than to investigate the complaint.

(c) If a written complaint is filed with the comptroller [council], the comptroller [council], at least as frequently as quarterly and until final disposition of the complaint, shall notify the parties to the complaint of the status of the complaint unless the notice would jeopardize an undercover investigation.

(d) The comptroller [council] shall provide to the person filing the complaint and to each person who is a subject of the complaint a copy of the comptroller's [council's] policies and procedures relating to complaint investigation and resolution.

SECTION 17. Sections 122.0205(a) and (c), Human Resources Code, are amended to read as follows:

(a) A dispute between the comptroller [council] and a central nonprofit agency or a community rehabilitation program shall first be submitted to alternative dispute resolution.

(c) This section does not limit the comptroller's [council's] ability to request opinions from the attorney general.

SECTION 18. Section 122.0215, Human Resources Code, is amended to read as follows:

Sec. 122.0215. ACCESS TO INFORMATION AND RECORDS; INSPECTION. (a) The comptroller [council] and the comptroller's [council's] staff may access financial or other information and records from a central nonprofit agency or a community rehabilitation program if the comptroller [council] determines the information and records are necessary for the effective administration of this chapter and rules adopted under this chapter.

(b) Information and records must be obtained under Subsection (a) in recognition of the privacy interest of persons employed by central nonprofit agencies or community

(6) an explanation of the reason the file was closed, if the workforce commission [council] closed the file without taking action other than to investigate the complaint.

(c) If a written complaint is filed with the workforce commission [council], the workforce commission [council], at least as frequently as quarterly and until final disposition of the complaint, shall notify the parties to the complaint of the status of the complaint unless the notice would jeopardize an undercover investigation.

(d) The workforce commission [council] shall provide to the person filing the complaint and to each person who is a subject of the complaint a copy of the workforce commission's [council's] policies and procedures relating to complaint investigation and resolution.

SECTION 19. Sections 122.0205(a) and (c), Human Resources Code, are amended to read as follows:

(a) A dispute between the workforce commission [council] and a central nonprofit agency or a community rehabilitation program shall first be submitted to alternative dispute resolution.

(c) This section does not limit the workforce commission's [council's] ability to request opinions from the attorney general.

SECTION 20. Section 122.0215, Human Resources Code, is amended to read as follows:

Sec. 122.0215. ACCESS TO INFORMATION AND RECORDS; INSPECTION. (a) The workforce commission [council ~~and the council's staff~~] may access financial or other information and records from a central nonprofit agency or a community rehabilitation program if the workforce commission [council] determines the information and records are necessary for the effective administration of this chapter and rules adopted under this chapter.

(b) Information and records must be obtained under Subsection (a) in recognition of the privacy interest of persons employed by central nonprofit



rehabilitation programs. The information and records may not be released or made public on subpoena or otherwise, except that release may be made:

- (1) for statistical purposes, but only if a person is not identified;
- (2) with the consent of each person identified in the information released; or
- (3) regarding a compensation package of any central nonprofit agency employee or subcontractor if determined by the comptroller [eouneih] to be relevant to the administration of this chapter.

(c) The comptroller [eouneih] shall adopt rules establishing procedures to ensure that the information and records maintained by the comptroller [eouneih] under this chapter are kept confidential and protected from release to unauthorized persons.

(d) The comptroller [eouneih] or a central nonprofit agency at the comptroller's [eouneih's] direction may inspect a community rehabilitation program for compliance with certification criteria established under Section [Sections 122.003(j) and] 122.013(c). [The committee designated under Section 122.003(j) shall review the inspection results and recommend appropriate action to the council.]

SECTION 19. Section 122.022, Human Resources Code, is amended to read as follows:

Sec. 122.022. REPORTS. (a) On or before November 1 of each year, the comptroller [eouneih] shall prepare an annual financial report in the form prescribed by Section 2101.011, Government Code, relating to the comptroller's activities under this chapter and file the report with the governor and the presiding officer of each house of the legislature [a copy of the annual financial report prepared by the council under Section 2101.011, Government Code].

(b) As part of the report filed under Subsection (a), the comptroller [eouneih]

agencies or community rehabilitation programs. The information and records may not be released or made public on subpoena or otherwise, except that release may be made:

- (1) for statistical purposes, but only if a person is not identified;
- (2) with the consent of each person identified in the information released; or
- (3) regarding a compensation package of any central nonprofit agency employee or subcontractor if determined by the workforce commission [eouneih] to be relevant to the administration of this chapter.

(c) The workforce commission [eouneih] shall adopt rules establishing procedures to ensure that the information and records maintained by the workforce commission [eouneih] under this chapter are kept confidential and protected from release to unauthorized persons.

(d) The workforce commission [eouneih] or a central nonprofit agency at the workforce commission's [eouneih's] direction may inspect a community rehabilitation program for compliance with certification criteria established under Section [Sections 122.003(j) and] 122.013(c). [The committee designated under Section 122.003(j) shall review the inspection results and recommend appropriate action to the council.]

SECTION 21. Section 122.022, Human Resources Code, as amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, is amended to read as follows:

Sec. 122.022. REPORTS. (a) On or before November 1 of each year, the workforce commission [eouneih] shall prepare an annual financial report in the form prescribed by Section 2101.011, Government Code, relating to the workforce commission's activities under this chapter and file the report with the governor and the presiding officer of each house of the legislature [a copy of the annual financial report prepared by the council under Section 2101.011, Government Code].

(b) As part of the report filed under Subsection (a), the workforce commission

shall provide:

- (1) the number of persons with disabilities, according to their type of disability, who are employed in community rehabilitation programs participating in the programs established by this chapter or who are employed by businesses or workshops that receive supportive employment from community rehabilitation programs;
- (2) the amount of annual wages paid to a person participating in the program;
- (3) a summary of the sale of products offered by a community rehabilitation program;
- (4) a list of products and services offered by a community rehabilitation program;
- (5) the geographic distribution of the community rehabilitation programs;
- (6) the number of workers without disabilities who are employed in community rehabilitation programs under this chapter; and
- (7) the average and range of weekly earnings for workers with disabilities and workers without disabilities who are employed in community rehabilitation programs under this chapter.

SECTION 20. Section 122.023, Human Resources Code, is amended to read as follows:

Sec. 122.023. COMPTROLLER ~~[COUNCIL]~~ FUNDS. All money paid to the comptroller ~~[council]~~ under this chapter is subject to Subchapter F, Chapter 404, Government Code.

SECTION 21. Section 122.024, Human Resources Code, is amended to read as follows:

Sec. 122.024. STRATEGIC PLAN; FINAL OPERATING PLAN. The comptroller ~~[council]~~ shall prepare a [an agency] strategic plan and a final operating plan relating to the comptroller's activities under this chapter as required by Subchapter E, Chapter 2054, Government Code.

SECTION 22. Section 122.028, Human Resources Code, is amended to read as

~~[council]~~ shall provide:

- (1) the number of persons with disabilities, according to their type of disability, who are employed in community rehabilitation programs participating in the programs established by this chapter or who are employed by businesses or workshops that receive supportive employment from community rehabilitation programs;
- (2) the amount of annual wages paid to a person participating in the program;
- (3) a summary of the sale of products offered by a community rehabilitation program;
- (4) a list of products and services offered by a community rehabilitation program;
- (5) the geographic distribution of the community rehabilitation programs;
- (6) the number of workers without disabilities who are employed in community rehabilitation programs under this chapter; and
- (7) the average and range of weekly earnings for workers with disabilities and workers without disabilities who are employed in community rehabilitation programs under this chapter.

SECTION 22. Section 122.023, Human Resources Code, is amended to read as follows:

Sec. 122.023. ~~[COUNCIL]~~ FUNDS. All money paid to the workforce commission ~~[council]~~ under this chapter is subject to Subchapter F, Chapter 404, Government Code.

SECTION 23. Section 122.024, Human Resources Code, is amended to read as follows:

Sec. 122.024. STRATEGIC PLAN; FINAL OPERATING PLAN. The workforce commission ~~[council]~~ shall prepare a [an agency] strategic plan and a final operating plan relating to the workforce commission's activities under this chapter as required by Subchapter E, Chapter 2054, Government Code.

SECTION 24. Section 122.028, Human Resources Code, is amended to read as

follows:

Sec. 122.028. PROGRAM PROMOTION. The comptroller [eouneit] shall establish procedures for the promotion of the program administered under this chapter.

SECTION 23. Section 122.029, Human Resources Code, is amended to read as follows:

Sec. 122.029. DUTIES OF STATE AUDITOR. (a) As part of an audit of a state agency authorized under Section 2161.123, Government Code, the state auditor shall:

- (1) conduct an audit of a state agency for compliance with this chapter; and
  - (2) report to the comptroller [eouneit] a state agency that is not complying with this chapter.
- (b) If the state auditor reports to the comptroller [eouneit] that a state agency is not complying with this chapter, the comptroller [eouneit] shall assist the agency in complying.

SECTION 24. Section 122.030, Human Resources Code, is amended to read as follows:

Sec. 122.030. MANAGEMENT FEE RATE; REVIEW PROCESS. (a) The comptroller [eouneit] shall develop a formal review process for the annual review conducted under Section 122.019(e). The review process must include:

- (1) notice to affected parties, including community rehabilitation programs;
  - (2) solicitation of public comment; and
  - (3) documentation provided by a central nonprofit agency in support of a proposed management fee rate change.
- (b) Before making a decision relating to the management fee rate, the comptroller [eouneit] shall consider:
- (1) any public comment received;
  - (2) documentation provided by a central nonprofit agency; and
  - (3) any documentation provided by a community rehabilitation program or the public.
- (c) The comptroller [eouneit] shall adopt

follows:

Sec. 122.028. PROGRAM PROMOTION. The workforce commission [eouneit] shall establish procedures for the promotion of the program administered under this chapter.

SECTION 25. Section 122.029, Human Resources Code, is amended to read as follows:

Sec. 122.029. DUTIES OF STATE AUDITOR. (a) As part of an audit of a state agency authorized under Section 2161.123, Government Code, the state auditor shall:

- (1) conduct an audit of a state agency for compliance with this chapter; and
  - (2) report to the workforce commission [eouneit] a state agency that is not complying with this chapter.
- (b) If the state auditor reports to the workforce commission [eouneit] that a state agency is not complying with this chapter, the workforce commission [eouneit] shall assist the agency in complying.

SECTION 26. Section 122.030, Human Resources Code, is amended to read as follows:

Sec. 122.030. MANAGEMENT FEE RATE; REVIEW PROCESS. (a) The workforce commission [eouneit] shall develop a formal review process for the annual review conducted under Section 122.019(e). The review process must include:

- (1) notice to affected parties, including community rehabilitation programs;
  - (2) solicitation of public comment; and
  - (3) documentation provided by a central nonprofit agency in support of a proposed management fee rate change.
- (b) Before making a decision relating to the management fee rate, the workforce commission [eouneit] shall consider:
- (1) any public comment received;
  - (2) documentation provided by a central nonprofit agency; and
  - (3) any documentation provided by a community rehabilitation program or the public.
- (c) The workforce commission [eouneit]

rules to implement this section.

SECTION 25. The following provisions of the Human Resources Code are repealed:

- (1) Section 122.002(4);
- (2) Section 122.003;
- (3) Section 122.004;
- (4) Section 122.005;
- (5) Section 122.0055;
- (6) Section 122.006;
- (7) Section 122.007(b);
- (8) Section 122.009(c);
- (9) Section 122.013(b);
- (10) Section 122.0206;
- (11) Section 122.021;
- (12) Section 122.025; and
- (13) Section 122.027.

SECTION 26. (a) The Texas Council on Purchasing from People with Disabilities is abolished.

(b) The validity of an action taken by or in connection with the authority of the Texas Council on Purchasing from People with Disabilities before it is abolished is not affected by the abolition.

SECTION 27. (a) All powers and duties of the Texas Council on Purchasing from People with Disabilities are transferred to the comptroller of public accounts.

(b) A rule, form, policy, procedure, or decision of the Texas Council on Purchasing from People with Disabilities continues in effect as a rule, form, policy, procedure, or decision of the comptroller of public accounts until superseded by an act of the comptroller of public accounts or the comptroller of public accounts' staff.

(c) A reference in law to the Texas Council on Purchasing from People with Disabilities means the comptroller of public accounts.

(d) Any action or proceeding before the Texas Council on Purchasing from People with Disabilities is transferred without change in status to the comptroller of public accounts, and the comptroller of public

shall adopt rules to implement this section.

SECTION 27. The following provisions of the Human Resources Code, including provisions amended by S.B. 219, Acts of the 84th Legislature, Regular Session, 2015, are repealed:

- (1) Section 122.002(4);
- (2) Section 122.003;
- (3) Section 122.004;
- (4) Section 122.005;
- (5) Section 122.0055;
- (6) Section 122.006;
- (7) Section 122.007(b);
- (8) Section 122.013(b);
- (9) Section 122.0206;
- (10) Section 122.021;
- (11) Section 122.025; and
- (12) Section 122.027.

SECTION 28. Same as engrossed version.

SECTION 29. (a) All powers and duties of the Texas Council on Purchasing from People with Disabilities are transferred to the Texas Workforce Commission.

(b) A rule, form, policy, procedure, or decision of the Texas Council on Purchasing from People with Disabilities continues in effect as a rule, form, policy, procedure, or decision of the Texas Workforce Commission until superseded by an act of the Texas Workforce Commission.

(c) A reference in law to the Texas Council on Purchasing from People with Disabilities means the Texas Workforce Commission.

(d) Any action or proceeding before the Texas Council on Purchasing from People with Disabilities is transferred without change in status to the Texas Workforce Commission and the Texas Workforce

**accounts** assumes, without a change in status, the position of the Texas Council on Purchasing from People with Disabilities in any action or proceeding to which the Texas Council on Purchasing from People with Disabilities is a party.

(e) All money, contracts, leases, rights, bonds, and obligations of the Texas Council on Purchasing from People with Disabilities are transferred to the **comptroller of public accounts**.

(f) All personal property, including records, in the custody of the Texas Council on Purchasing from People with Disabilities becomes the property of the **comptroller of public accounts**.

(g) All funds appropriated by the legislature to the Texas Council on Purchasing from People with Disabilities are transferred to the **comptroller of public accounts**.

SECTION 28. The terms of the current members of the advisory committee amended by this Act expire on the effective date of this Act. On that date or as soon as possible after that date, the **comptroller** shall appoint new members to the advisory committee in accordance with the requirements of Section 122.0057, Human Resources Code, as amended by this Act. The **comptroller** shall designate the **four** members of the committee whose terms expire on February 1, 2017, and the **five** members of the committee whose terms expire on February 1, 2019.

SECTION 29. This Act takes effect September 1, 2015.

**Commission** assumes, without a change in status, the position of the Texas Council on Purchasing from People with Disabilities in any action or proceeding to which the Texas Council on Purchasing from People with Disabilities is a party.

(e) All money, contracts, leases, rights, bonds, and obligations of the Texas Council on Purchasing from People with Disabilities are transferred to the **Texas Workforce Commission**.

(f) All personal property, including records, in the custody of the Texas Council on Purchasing from People with Disabilities becomes the property of the **Texas Workforce Commission**.

(g) All funds appropriated by the legislature to the Texas Council on Purchasing from People with Disabilities are transferred to the **Texas Workforce Commission**.

SECTION 30. The terms of the current members of the advisory committee amended by this Act expire on the effective date of this Act. On that date or as soon as possible after that date, the **Texas Workforce Commission** shall appoint new members to the advisory committee in accordance with the requirements of Section 122.0057, Human Resources Code, as amended by this Act. The **Texas Workforce Commission** shall designate the **six** members of the committee whose terms expire on February 1, 2017, and the **seven** members of the committee whose terms expire on February 1, 2019.

SECTION 31. Same as engrossed version.