relating to wage requirements for community rehabilitation
programs participating in the purchasing from people with
disabilities program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 122, Human Resources Code, is amended by
adding Sections 122.0075 and 122.0076 to read as follows:

Sec. 122.0075. INCREASE IN WAGES; PLAN. (a) This section
applies to a community rehabilitation program that:

(1) is participating in the program administered under
this chapter; and

(2) pays workers with disabilities employed by the
program wages that are less than the federal minimum wage under

(b) The workforce commission shall assist:

(1) a community rehabilitation program in developing a
plan to increase the wages paid to its workers with disabilities to
the federal minimum wage not later than September 1, 2019, for work
relating to any products or services purchased from the community
rehabilitation program through the program administered under this
chapter; and

(2) a community rehabilitation program and any worker
with a disability, on request, to ensure the increase in wages paid
to a worker with a disability does not affect the worker's
eligibility to receive any federal benefits the worker received or was eligible to receive before the wage increase.

(c) Each community rehabilitation program shall, to the maximum extent possible, ensure that each worker with a disability remains employed by the program after the program increases the wages paid to those employees in accordance with the plan developed under Subsection (b).

(d) If a community rehabilitation program is unable to employ all workers with a disability after the program increases the wages paid to those employees to the federal minimum wage, the community rehabilitation program shall work with the workforce commission and any other governmental entity to seek and obtain any job training that may be suitable for those former employees to find other employment that pays at least the federal minimum wage.

(e) In addition to the assistance described by Subsection (d), the workforce commission may, at the worker's request, assist a worker with a disability not retained by a community rehabilitation program to secure employment in a position that pays at least the federal minimum wage.

(f) On request of a community rehabilitation program, the workforce commission may extend the period for compliance with the program participation requirements of Section 122.0076 for not more than 12 months if the community rehabilitation program:

(1) requests the extension not later than July 1, 2019;

(2) has demonstrated to the commission that an extension would be in the best interest of the program's employees.
with disabilities;

(3) has worked with the commission to develop a transition plan and made meaningful progress towards meeting the program participation requirements of Section 122.0076; and

(4) submits a revised transition plan to the commission detailing how an extension will allow the program to meet the program participation requirements of Section 122.0076.

(g) The workforce commission shall make a decision on a request for an extension under Subsection (f) not later than September 1, 2019. The commission may not grant more than one extension to a community rehabilitation program.

(h) Not later than January 31, 2019, the workforce commission shall report to the legislature regarding the implementation of this section. The report must include any recommendations for legislative or agency rule changes necessary to assist the commission and community rehabilitation program in performing their duties under this section.

(i) This section expires September 1, 2021.

Sec. 122.0076. WAGE REQUIREMENTS. (a) A community rehabilitation program may not participate in the program administered under this chapter unless each worker with a disability employed by the program is paid at least the federal minimum wage under Section 6, Fair Labor Standards Act of 1938 (29 U.S.C. Section 206), for any work relating to any products or services purchased from the community rehabilitation program through the program administered under this chapter.

(b) The workforce commission, at the request of a community
rehabilitation program or any worker with a disability, may exempt
the community rehabilitation program from the requirements of this
section with respect to a worker with a disability if the workforce
commission determines, based on the program's circumstances, that
requiring the program to pay the worker at the federal minimum wage
would result in the program not being able to hire or retain the
worker with a disability and the worker, based on the worker's
circumstances, such as commuting to a particular job site, would
not be able to obtain employment at a higher wage than the program
would be able to pay the worker notwithstanding the requirements of
this section.

(c) To the extent of a conflict between this section and
Chapter 62, Labor Code, this section controls.

(d) This section does not apply to a community
rehabilitation program's eligibility to participate in the program
administered under this chapter before the later of:

(1) September 1, 2019; or
(2) the date an extension granted under Section
122.0075(f) expires.

(e) This subsection and Subsection (d) expire September 1,
2021.

SECTION 2. This Act takes effect September 1, 2017.