

BILL ANALYSIS

Senate Research Center

S.B. 886
By: Ratliff
Finance
3-3-97
As Filed

DIGEST

Currently, when the 1996-97 appropriations bill was passed, the Job Opportunities and Basic Skills (JOBS) program was funded through Title IV-A. Title IV-A matched state dollars with federal dollars and provided for enhanced match rates for states that met JOBS' performance measures. In August of 1996, Congress passed the Personal Responsibility and Work Opportunity Reconciliation Act and, consequently, replaced Title IV-A with the federal Temporary Assistance to Needy Families (TANF) block grant. This Act did away with the matched funding arrangements upon which the 1996-97 general revenue appropriations were based. The Department of Human Services (DHS) is the agency designated by the federal government to receive and distribute TANF funds. This bill would authorize DHS to release TANF funds to the Texas Workforce Commission (TWC) in the amount of \$5,106,092 to come close to achieving the enhanced match rate anticipated in the 1996-97 general revenue appropriations bill. This bill would also authorize DHS to release TANF funds in the amount of \$450,282 to the Employees Retirement System of Texas, and \$264,451 to the comptroller, both for the payment of employee benefit costs associated with the implementation of the appropriation made to TWC.

Additionally, a funding shortage exists in regard to payment of workers' compensation benefits because of an increase in claims costs from one biennium to another and insufficient funding to cover 75 percent of each agency's compensation costs. This bill would authorize an emergency appropriation of \$10,827,069 to the Office of the Attorney General to cover this shortfall. Additionally, this bill would authorize an emergency appropriation of \$1,500,000 to the Office of the Attorney General for temporary cash flow purposes. This bill would require this latter appropriation to be reimbursed by the Office of the Attorney General to the General Revenue Fund by December 31, 1997.

Finally, the Telecommunications Infrastructure Board (board) is authorized to pay nine employees. The board has requested that the Legislative Budget Board authorize an increase to 18 employees. This bill would provide an emergency appropriation to authorize the board to pay up to 18 employees out of funds previously appropriated and approved.

PURPOSE

As proposed, S.B. 886 sets forth emergency appropriations.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. WORKFORCE COMMISSION: JOBS PROGRAM. Provides that the sum of \$5,106,092, consisting of federal funds from the Temporary Assistance for Needy Families (TANF) block grant, is appropriated to the Texas Workforce Commission for the two-year period beginning on the effective date of this Act for the purpose of providing services in the Job Opportunities and Basic Skills (JOBS) program and related transportation expenses of program participants.

SECTION 2. ERS AND COMPTROLLER: WORKFORCE COMMISSION EMPLOYEE BENEFIT COSTS. Provides the sum of \$450,282, consisting of federal funds from the TANF block

grant, is appropriated to the Employees Retirement System of Texas; and the sum of \$264,451, consisting of federal funds from the TANF block grant, is appropriated to the comptroller. Provides that the appropriations made by this section are for the two-year period beginning on the effective date of this Act for the payment of employee benefit costs associated with the implementation of the appropriation made by SECTION 1.

SECTION 3. WORKERS' COMPENSATION PAYMENTS. Provides that the sum of \$10,827,069 is appropriated out of the general revenue fund to the office of the attorney general for the two-year period beginning on the effective date of this Act for the payment of workers' compensation benefits. Provides that the sum of \$1,500,000 is appropriated out of the general revenue fund to the office of the attorney general for the period beginning on the effective date of this Act and ending December 31, 1997, for the purposes of resolving a cash-flow shortfall incurred in administering Section 75, Article IX, Chapter 1063, Acts of the 74th Legislature, Regular Session, 1995 (the General Appropriations Act). Requires the office of the attorney general to reimburse the general revenue fund, by December 31, 1997, for the full amount of this latter appropriation. Requires the comptroller to credit the reimbursements to the unappropriated balances of the general revenue fund.

SECTION 4. TELECOMMUNICATIONS INFRASTRUCTURE FUND BOARD. Authorizes the Telecommunications Infrastructure Fund Board, notwithstanding Section 160, Article IX, Chapter 1063, Acts of the 74th Legislature, Regular Session, 1995 (the General Appropriations Act), to pay the salaries, out of funds previously appropriated and approved, of not more than 18 full-time equivalent employees during the current fiscal biennium.

SECTION 5. Emergency clause.
Effective date: upon passage.