

1-1 By: Longoria (Senate Sponsor - Johnson) H.B. No. 4553
 1-2 (In the Senate - Received from the House May 3, 2023;
 1-3 May 4, 2023, read first time and referred to Committee on Business
 1-4 & Commerce; May 10, 2023, reported favorably by the following vote:
 1-5 Yeas 11, Nays 0; May 10, 2023, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to the eligibility of certain entities for services and
 1-22 commodity items provided by the Department of Information Resources
 1-23 and statewide technology centers.

1-24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-25 SECTION 1. Subchapter C, Chapter 2054, Government Code, is
 1-26 amended by adding Section 2054.0525 to read as follows:

1-27 Sec. 2054.0525. CUSTOMERS ELIGIBLE FOR DEPARTMENT
 1-28 SERVICES. If the executive director determines that participation
 1-29 is in the best interest of this state, the following entities are
 1-30 eligible customers for services the department provides:

- 1-31 (1) a state agency;
- 1-32 (2) a local government;
- 1-33 (3) the legislature or a legislative agency;
- 1-34 (4) the supreme court, the court of criminal appeals,
 1-35 or a court of appeals;
- 1-36 (5) a public hospital owned or operated by this state
 1-37 or a political subdivision or municipal corporation of this state,
 1-38 including a hospital district or hospital authority;
- 1-39 (6) an independent organization certified under
 1-40 Section 39.151, Utilities Code, for the ERCOT power region;
- 1-41 (7) the Texas Permanent School Fund Corporation;
- 1-42 (8) an assistance organization, as defined by Section
 1-43 2175.001;
- 1-44 (9) an open-enrollment charter school, as defined by
 1-45 Section 5.001, Education Code;
- 1-46 (10) a private school, as defined by Section 5.001,
 1-47 Education Code;
- 1-48 (11) a private or independent institution of higher
 1-49 education, as defined by Section 61.003, Education Code;
- 1-50 (12) a public safety entity, as defined by 47 U.S.C.
 1-51 Section 1401;
- 1-52 (13) a volunteer fire department, as defined by
 1-53 Section 152.001, Tax Code; and
- 1-54 (14) a governmental entity of another state.

1-55 SECTION 2. Section 2054.375(1), Government Code, is amended
 1-56 to read as follows:

1-57 (1) "Eligible [Governmental] entity" means an entity
 1-58 listed in Section 2054.0525 [a state agency or local government].

1-59 SECTION 3. Sections 2054.376(a), (a-1), and (b), Government
 1-60 Code, are amended to read as follows:

1-61 (a) This subchapter applies to all information resources

2-1 technologies, other than telecommunications services governed by
 2-2 Chapter 2170 [~~service, advanced communications services, or~~
 2-3 ~~information service, as those terms are defined by 47 U.S.C.~~
 2-4 ~~Section 153~~], that are:
 2-5 (1) obtained by a state agency using state money; or
 2-6 (2) used by a participating eligible entity [~~state~~
 2-7 ~~agency, or~~
 2-8 [~~(3) used by a participating local government~~].
 2-9 (a-1) Notwithstanding Subsection (a), this subchapter
 2-10 applies to electronic messaging service and outsourced managed
 2-11 services that are:
 2-12 (1) obtained by a state agency using state money; or
 2-13 (2) used by a participating eligible entity [~~state~~
 2-14 ~~agency, or~~
 2-15 [~~(3) used by a participating local government~~].
 2-16 (b) This subchapter does not apply to:
 2-17 (1) [~~the Department of Public Safety's use for~~
 2-18 ~~criminal justice or homeland security purposes of a federal~~
 2-19 ~~database or network,~~
 2-20 [~~(2) a Texas equivalent of a database or network~~
 2-21 ~~described by Subdivision (1) that is managed by the Department of~~
 2-22 ~~Public Safety,~~
 2-23 [~~(3)~~] the uniform statewide accounting system, as that
 2-24 term is used in Subchapter C, Chapter 2101;
 2-25 (2) [~~(4)~~] the state treasury cash and treasury
 2-26 management system;
 2-27 (3) [~~(5)~~] a database or network managed by the
 2-28 comptroller to:
 2-29 (A) collect and process multiple types of taxes
 2-30 imposed by the state; or
 2-31 (B) manage or administer fiscal, financial,
 2-32 revenue, and expenditure activities of the state under Chapter 403
 2-33 and Chapter 404; or
 2-34 (4) [~~(6)~~] a database or network managed by the
 2-35 Department of Agriculture.
 2-36 SECTION 4. Section 2054.3771, Government Code, is amended
 2-37 to read as follows:
 2-38 Sec. 2054.3771. ELIGIBLE ENTITIES [~~LOCAL GOVERNMENTS~~]. The
 2-39 department may establish or expand a statewide technology center to
 2-40 include participation by an eligible entity [~~a local government~~].
 2-41 The executive director and the department have all the powers
 2-42 necessary or appropriate, consistent with this chapter, to
 2-43 accomplish that purpose.
 2-44 SECTION 5. Section 2054.378(a), Government Code, is amended
 2-45 to read as follows:
 2-46 (a) The department may operate statewide technology centers
 2-47 to provide participating eligible [~~two or more governmental~~]
 2-48 entities, on a cost-sharing basis, services relating to:
 2-49 (1) information resources and information resources
 2-50 technology; and
 2-51 (2) the deployment, development, and maintenance of
 2-52 software applications.
 2-53 SECTION 6. Section 2054.380(a), Government Code, is amended
 2-54 to read as follows:
 2-55 (a) The department shall set and charge a fee to each
 2-56 participating eligible [~~governmental~~] entity that receives a
 2-57 service from a statewide technology center in an amount sufficient
 2-58 to cover the direct and indirect cost of providing the service.
 2-59 SECTION 7. Section 2054.382(a), Government Code, is amended
 2-60 to read as follows:
 2-61 (a) The department shall manage the operations of statewide
 2-62 technology centers that provide data center services or disaster
 2-63 recovery services for two or more participating eligible entities
 2-64 [~~state agencies~~], including management of the operations of the
 2-65 center on the campus of Angelo State University.
 2-66 SECTION 8. The heading to Section 2054.3851, Government
 2-67 Code, is amended to read as follows:
 2-68 Sec. 2054.3851. ELIGIBLE ENTITY [~~LOCAL GOVERNMENT~~]
 2-69 PARTICIPATION AND SELECTION.

3-1 SECTION 9. Sections 2054.3851(a), (b), (c), and (d),
 3-2 Government Code, are amended to read as follows:
 3-3 (a) An eligible entity listed in Section 2054.0525, other
 3-4 than a state agency, [A local government] may submit a request to
 3-5 the department to receive services or operations through a
 3-6 statewide technology center. The eligible entity [local
 3-7 government] shall identify its particular requirements, operations
 3-8 costs, and requested service levels.
 3-9 (b) On receipt of the request, the department shall conduct
 3-10 a cost and requirements analysis for the eligible entity [local
 3-11 government].
 3-12 (c) If the department selects the eligible entity [local
 3-13 government] for participation in a statewide technology center, the
 3-14 department shall provide notice to the eligible entity [local
 3-15 government] that includes:
 3-16 (1) the scope of the services to be provided to the
 3-17 eligible entity [local government];
 3-18 (2) a schedule of anticipated costs for the eligible
 3-19 entity [local government]; and
 3-20 (3) the implementation schedule for the eligible
 3-21 entity [local government].
 3-22 (d) If selected to participate in a statewide technology
 3-23 center, an eligible entity [a local government] may contract with
 3-24 the department to receive the identified services and have the
 3-25 identified operations performed through the statewide technology
 3-26 center.

3-27 SECTION 10. Section 2059.001, Government Code, is amended
 3-28 by adding Subdivision (2-a) and amending Subdivision (4) to read as
 3-29 follows:
 3-30 (2-a) "Local government" has the meaning assigned by
 3-31 Section 2054.003.
 3-32 (4) "State agency" has the meaning assigned by Section
 3-33 2054.003 [2151.002].

3-34 SECTION 11. Section 2059.058, Government Code, is amended
 3-35 to read as follows:
 3-36 Sec. 2059.058. AGREEMENT TO PROVIDE NETWORK SECURITY
 3-37 SERVICES TO ENTITIES OTHER THAN STATE AGENCIES. [~~(a) In this~~
 3-38 ~~section, a "special district" means:~~
 3-39 ~~[(1) a school district,~~
 3-40 ~~[(2) a hospital district,~~
 3-41 ~~[(3) a water district, or~~
 3-42 ~~[(4) a district or special water authority, as defined~~
 3-43 ~~by Section 49.001, Water Code.~~
 3-44 ~~[(b)]~~ In addition to the department's duty to provide
 3-45 network security services to state agencies under this chapter, the
 3-46 department by agreement may provide network security services to:
 3-47 (1) each house of the legislature and a legislative
 3-48 agency;
 3-49 (2) a local government;
 3-50 (3) the supreme court, the court of criminal appeals,
 3-51 or a court of appeals;
 3-52 (4) a public hospital owned or operated by this state
 3-53 or a political subdivision or municipal corporation of this state,
 3-54 including a hospital district or hospital authority;
 3-55 (5) the Texas Permanent School Fund Corporation;
 3-56 (6) an open-enrollment charter school, as defined by
 3-57 Section 5.001, Education Code;
 3-58 (7) a private school, as defined by Section 5.001,
 3-59 Education Code;
 3-60 (8) a private or independent institution of higher
 3-61 education, as defined by Section 61.003, Education Code;
 3-62 (9) a volunteer fire department, as defined by Section
 3-63 152.001, Tax Code; and
 3-64 (10) ~~[an agency that is not a state agency, including a~~
 3-65 ~~legislative agency,~~
 3-66 ~~[(3) a political subdivision of this state, including~~
 3-67 ~~a county, municipality, or special district,~~
 3-68 (4) an independent organization certified under [7
 3-69 as defined by] Section 39.151, Utilities Code, for the ERCOT power

4-1 region [~~and~~
4-2 [~~(5) a public junior college~~].

4-3 SECTION 12. Section 2059.201, Government Code, is amended
4-4 to read as follows:

4-5 Sec. 2059.201. ELIGIBLE PARTICIPATING ENTITIES. A state
4-6 agency or an entity listed in Section 2059.058 [~~Sections~~
4-7 ~~2059.058(b)(3)-(5)~~] is eligible to participate in cybersecurity
4-8 support and network security provided by a regional network
4-9 security center under this subchapter.

4-10 SECTION 13. Section 2157.001, Government Code, is amended
4-11 by adding Subdivisions (3) and (4) to read as follows:

4-12 (3) "Local government" has the meaning assigned by
4-13 Section 2054.003.

4-14 (4) "State agency" has the meaning assigned by Section
4-15 2054.003.

4-16 SECTION 14. Sections 2157.068(a), (d), and (j), Government
4-17 Code, are amended to read as follows:

4-18 (a) In this section, "commodity items" means commercial
4-19 software, hardware, or technology services, other than
4-20 telecommunications services, that are generally available to
4-21 businesses or the public and for which the department determines
4-22 that a reasonable demand exists from an eligible entity, as defined
4-23 by Section 2054.375 [~~two or more customers, including state~~
4-24 ~~agencies and political subdivisions of this state, entities~~
4-25 ~~described by Subsection (j), and governmental entities of another~~
4-26 ~~state], that purchases [~~purchase~~] the items through the department.
4-27 The term includes seat management, through which an eligible entity
4-28 [~~a customer~~] transfers its personal computer equipment and service
4-29 responsibilities to a private vendor to manage the personal
4-30 computing needs for each desktop of the eligible entity [~~customer~~],
4-31 including all necessary hardware, software, and support services.~~

4-32 (d) The department may charge a reasonable administrative
4-33 fee to a state agency, local government [~~political subdivision of~~
4-34 ~~this state~~], or governmental entity of another state that purchases
4-35 commodity items through the department in an amount that is
4-36 sufficient to recover costs associated with the administration of
4-37 this section. Revenue derived from the collection of fees imposed
4-38 under this subsection may be appropriated to the department for:

4-39 (1) developing statewide information resources
4-40 technology policies and planning under Chapters 2054 and 2059; and

4-41 (2) providing shared information resources technology
4-42 services under Chapter 2054.

4-43 (j) An eligible entity, as defined by Section 2054.375, [~~The~~
4-44 ~~following entities~~] may purchase commodity items through the
4-45 department, and be charged a reasonable administrative fee, as
4-46 provided by this section[~~+~~

4-47 [~~(1) the Electric Reliability Council of Texas,~~

4-48 [~~(2) the Lower Colorado River Authority,~~

4-49 [~~(3) a private school, as defined by Section 5.001,~~
4-50 ~~Education Code,~~

4-51 [~~(4) a private or independent institution of higher~~
4-52 ~~education, as defined by Section 61.003, Education Code,~~

4-53 [~~(5) a volunteer fire department, as defined by~~
4-54 ~~Section 152.001, Tax Code,~~

4-55 [~~(6) subject to Section 418.193, a public safety~~
4-56 ~~entity, as defined by 47 U.S.C. Section 1401,~~

4-57 [~~(7) subject to Section 418.193, a county hospital,~~
4-58 ~~public hospital, or hospital district, or~~

4-59 [~~(8) the Texas Permanent School Fund Corporation, if~~
4-60 ~~incorporated under Section 43.052, Education Code].~~

4-61 SECTION 15. Section 2170.001(a), Government Code, is
4-62 amended by adding Subdivision (4) to read as follows:

4-63 (4) "State agency" has the meaning assigned by Section
4-64 2054.003.

4-65 SECTION 16. Section 2170.004, Government Code, is amended
4-66 to read as follows:

4-67 Sec. 2170.004. CONTRACTS WITH ENTITIES OTHER THAN STATE
4-68 AGENCIES. The department may contract for use of the consolidated
4-69 telecommunications system with:

- 5-1 (1) each house of the legislature;
- 5-2 (2) a legislative agency;
- 5-3 (3) the supreme court, the court of criminal appeals,
- 5-4 or a court of appeals;
- 5-5 (4) a state governmental entity other than [an agency
- 5-6 that is not] a state agency [as defined by Section 2151.002];
- 5-7 (5) a local government, as defined by Section 2054.003
- 5-8 [~~(4)~~ a political subdivision, including a county, municipality,
- 5-9 or district];
- 5-10 (6) [~~(5)~~ a private institution of higher education
- 5-11 [~~accredited by a recognized accrediting agency], as defined by~~
- 5-12 Section 61.003, Education Code[~~, that:~~
- 5-13 [~~(A) engages in distance learning, as defined by~~
- 5-14 Section 57.021, Utilities Code, and
- 5-15 [~~(B) receives federal funds for distance~~
- 5-16 learning initiatives];
- 5-17 (7) [~~(6)~~ an assistance organization, as defined by
- 5-18 Section 2175.001;
- 5-19 (8) [~~(7) subject to Section 418.194,~~] a public safety
- 5-20 entity, as defined by 47 U.S.C. Section 1401;
- 5-21 (9) [~~and~~
- 5-22 [~~(8) subject to Section 418.194,~~] a governmental
- 5-23 entity of another state;
- 5-24 (10) a public hospital owned or operated by this state
- 5-25 or a political subdivision or municipal corporation of this state,
- 5-26 including a hospital district or hospital authority;
- 5-27 (11) an independent organization certified under
- 5-28 Section 39.151, Utilities Code, for the ERCOT power region;
- 5-29 (12) the Texas Permanent School Fund Corporation;
- 5-30 (13) an open-enrollment charter school, as defined by
- 5-31 Section 5.001, Education Code;
- 5-32 (14) a private school, as defined by Section 5.001,
- 5-33 Education Code;
- 5-34 (15) a private or independent institution of higher
- 5-35 education, as defined by Section 61.003, Education Code; and
- 5-36 (16) a volunteer fire department, as defined by
- 5-37 Section 152.001, Tax Code.
- 5-38 SECTION 17. Sections 418.193 and 418.194, Government Code,
- 5-39 are repealed.
- 5-40 SECTION 18. This Act takes effect September 1, 2023.

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