

By: Ellis S.B. No. 22  
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COMMITTEE SUBSTITUTE FOR S.B. No. 22 By: Armbrister

A BILL TO BE ENTITLED  
AN ACT

relating to the organization, board membership, and functions of certain state agencies and to the transfer of certain functions to other state agencies; providing penalties.

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

PART 1. CREATION OF LEGISLATIVE INFORMATION SERVICES BOARD;  
ABOLITION OF TEXAS LEGISLATIVE COUNCIL AND TRANSFER OF ITS  
FUNCTIONS

SECTION 1.01. Subtitle C, Title 3, Government Code, is amended by adding Chapter 327 to read as follows:

CHAPTER 327. LEGISLATIVE INFORMATION SERVICES BOARD

Sec. 327.001. DEFINITIONS. In this chapter:

(1) "Board" means the Legislative Information Services Board.

(2) "Director" means the director of the board.

Sec. 327.002. CREATION. The Legislative Information Services Board is an agency of the legislative branch of state government.

Sec. 327.003. LEGISLATIVE INFORMATION SERVICES BOARD.  
(a) The board consists of:

(1) the lieutenant governor;  
(2) the speaker of the house of representatives;  
(3) the chairs of the senate and house administration committees;

(4) five other senators from various areas of the state appointed by the lieutenant governor; and

(5) five other members of the house of representatives from various areas of the state appointed by the speaker.

(b) The lieutenant governor and the speaker of the house of representatives serve alternate terms as the chairman and vice chairman of the board. The terms are for two years and expire on February 1 of each odd-numbered year.

(c) Members of the board serve without compensation but are entitled to reimbursement for actual and necessary expenses incurred in attending meetings and performing official functions.

(d) Actual and necessary expenses are paid from funds appropriated to the board.

Sec. 327.004. DIRECTOR. (a) The board shall appoint a director to serve at the pleasure of the board.

(b) The board shall set the salary of the director.

Sec. 327.005. PERSONNEL. (a) The director, with the approval of the board, may employ professional and clerical personnel.

(b) The board shall set the salaries of the personnel employed by the director.

Sec. 327.006. GIFTS AND GRANTS. (a) The board may accept gifts, grants, and donations from any organization described in Section 501(c)(3), Internal Revenue Code of 1986, for the purposes of funding any activity under this chapter.

(b) All gifts, grants, and donations must be accepted in an open meeting by a majority of the voting members of the board and reported in the public record of the board with the name of the donor and purpose of the gift, grant, or donation.

Sec. 327.007. DUTIES. The board shall provide computer support services to the legislative branch of state government,

including:

- (1) installing and maintaining computer equipment;
- (2) testing new software and hardware;
- (3) developing custom software;
- (4) maintaining a local area network; and
- (5) providing computer training and assistance.

Sec. 327.008. ELECTRONIC AVAILABILITY OF LEGISLATIVE INFORMATION THROUGH THE INTERNET. (a) In this section:

(1) "Internet" means the largest nonproprietary nonprofit cooperative public computer network, popularly known as the Internet.

(2) "Legislative information" means:

(A) a list of all the members of each house of the legislature;

(B) a list of the committees of the legislature and their members;

(C) the full text of each bill as filed and as subsequently amended, substituted, engrossed, or enrolled in either house of the legislature;

(D) the full text of each amendment or substitute adopted by a legislative committee for each bill filed in either house of the legislature;

(E) the calendar of each house of the legislature, the schedule of legislative committee hearings, and a list of the matters pending on the floor of each house of the legislature;

(F) detailed procedural information about how a bill filed in either house of the legislature becomes law, including detailed timetable information concerning the times under the constitution or the rules of either house when the legislature may take certain actions on a bill;

(G) the district boundaries or other identifying information for the following types of districts in Texas:

(i) house of representatives districts;

(ii) senate districts;

(iii) State Board of Education districts;

and

(iv) United States congressional

districts; and

(H) other information related to the legislative process that in the board's opinion should be made available through the Internet.

(b) The board, to the extent it considers it to be feasible and appropriate, may make legislative information available to the public through the Internet.

(c) The board may make available to the public through the Internet any documentation that describes the electronic digital formats of legislative information.

(d) The access to legislative information provided for under this section:

(1) is in addition to the public's access to the information through other electronic or print distribution of the information;

(2) does not alter, diminish, or relinquish any copyright or other proprietary interest or entitlement of the State of Texas or a private entity under contract with the state; and

(3) is subject to Section 327.009.

Sec. 327.009. COMPUTER ACCESS, INFORMATION, AND USE.

(a) The board shall consider each application for direct access to a computer under its control in which confidential information is stored or processed or that is connected with another computer in which confidential information is stored or processed and solely shall determine whether or not to permit direct access by the applicant. Direct access to such a computer may not be permitted unless protection of confidential information is ensured.

(b) If public information of the board is stored in a computer-readable form, the board has exclusive authority to determine the form in which the information will be reproduced for the requestor of the information.

(c) Notwithstanding Subchapter F, Chapter 552, the board has exclusive authority to determine the charge for direct access to a computer under its control and the charge for information reproduced for a requestor.

(d) The board may consider the needs of persons with disabilities when making decisions regarding the formats in which information is made available under this chapter.

Sec. 327.010. COMPUTER SECURITY; PENALTY. (a) A person commits an offense if the person intentionally or knowingly gains access to information stored or maintained by a computer under the control of the board and the person is not authorized by the board to have access to that information.

(b) A person commits an offense if the person intentionally, knowingly, or recklessly damages, destroys, deletes, or alters or impairs access to or use of information stored or maintained by a computer under the control of the board and the person is not authorized by the board to do so.

(c) Subsection (b) does not apply to an interruption of utility service or other service that causes the damage, destruction, deletion, or alteration of or impairment of access to or use of the information unless the interruption was intended to have that result.

(d) An offense under this section is a Class A misdemeanor.

SECTION 1.02. The following laws are repealed:

- (1) Section 276.008, Election Code;
- (2) Chapter 323, Government Code;
- (3) Section 2053.004, Government Code; and
- (4) Section 6.14, Tax Code.

PART 2. TRANSFER OF FINANCIAL AUDIT FUNCTIONS FROM STATE AUDITOR TO LEGISLATIVE BUDGET BOARD

SECTION 2.01. Chapter 322, Government Code, is amended by adding Section 322.002 to read as follows:

Sec. 322.002. DEFINITIONS. In this chapter:

- (1) "Board" means the Legislative Budget Board.
- (2) "Department" includes every department, agency, board, bureau, institution, or commission of the state.

SECTION 2.02. Chapter 322, Government Code, is amended by adding Sections 322.0155 through 322.026 to read as follows:

Sec. 322.0155. FINANCIAL AND COMPLIANCE AUDITS: POWERS AND DUTIES. (a) The board shall conduct financial audits of all departments, including institutions of higher education, as specified in the audit plan required under Subsection (c). The board may conduct an audit or investigation of any entity receiving funds from the state.

(b) The board shall conduct the audits in accordance with generally accepted auditing standards as prescribed by the American Institute of Certified Public Accountants, the Governmental Accounting Standards Board, the United States General Accounting Office, or other professionally recognized entities that prescribe auditing standards.

(c) The board shall devise an audit plan for the state for each fiscal year. In the plan, the board shall consider recommendations concerning coordination of agency functions made by representatives of the Performance Review Commission. The board shall also consider the extent to which a department has received a significant increase in appropriations, including a significant increase in federal or other money passed through to the department, and shall review procurement activities for compliance with Section 2161.123. The plan shall provide for the auditing of federal programs at least once in each fiscal biennium and shall ensure that audit requirements of all bond covenants and other credit or financial agreements are satisfied.

(d) At any time during an audit or investigation, the board may require the assistance of the administrative head, official, auditor, accountant, or other employees of the entity being audited or investigated.

(e) The board is entitled to access to all of the books, accounts, confidential or unconfidential reports, vouchers, or other records of information in any department or entity subject to

audit, including access to all electronic data.

(f) The board has access to information and data the release of which is restricted under federal law only with the approval of the appropriate federal administrative agency. The board shall have access to copyrighted or restricted information obtained by the office of the comptroller under subscription agreements and used in the preparation of economic estimates only for audit purposes.

(g) The board may conduct compliance and financial audits as defined by Sections 322.016 and 322.017 and specified in the audit plan.

(h) To the extent that the performance of the powers and duties of the board under law is not impeded, the board shall make reasonable efforts to coordinate requests for employee assistance under Subsection (d) or requests for access to books, accounts, vouchers, records, or data under Subsection (e) or (f) so as not to hinder the daily operations of the audited entity.

(i) The board may not conduct audits of private entities concerning collection or remittance of taxes or fees to the state if the entity is subject to audit by another state agency for the taxes or fees.

(j) If the board determines that a change in an accounting system is necessary, the board shall consider the present system of books, records, accounts, and reports to ensure that the transition will be gradual and that the past and present records will be coordinated into the new system.

Sec. 322.016. COMPLIANCE AUDIT. A compliance audit is an audit to determine:

(1) whether the audited entity has obligated, expended, received, and used state funds in accordance with the purpose for which those funds have been appropriated or otherwise authorized by law;

(2) whether the audited entity has obligated, expended, received, and used state funds in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law on those obligations, expenditures, receipts, or uses;

(3) in the case of a local or private entity or agency, whether the records, books, and accounts of the audited entity fairly and accurately reflect the entity's financial and fiscal operations relating to the obligation, receipt, expenditure, and use of state funds or funds represented as being collected for a state purpose;

(4) whether the collections of state revenues and receipts by the audited entity are in accordance with applicable laws and regulations; and

(5) whether money or negotiable securities or similar assets handled by the audited entity on behalf of the state or received from the state and held in trust by the audited entity have been properly and legally administered.

Sec. 322.017. FINANCIAL AUDIT. A financial audit is an audit to determine:

(1) in the case of the state or a department, whether the records, books, and accounts of the audited entity accurately reflect its financial and fiscal operations;

(2) whether the audited entity is maintaining effective accounting control over revenues, obligations, expenditures, assets, and liabilities;

(3) whether the accounting and record-keeping of collections of state revenues and receipts by the audited entity are fair, accurate, and in accordance with law;

(4) whether the accounting and record-keeping of money or negotiable securities or similar assets handled by the audited entity on behalf of the state or received from the state and held in trust by the audited entity are proper, accurate, and in accordance with law; and

(5) whether financial reports of the audited entity are fairly presented.

Sec. 322.018. FINANCIAL AND COMPLIANCE AUDIT REPORTS.

(a) The board shall prepare a written report for each financial or compliance audit conducted by the board.

(b) The written report must include a management letter with comments about internal controls, compliance with state or federal laws, and recommendations for improving operations or program effectiveness, as applicable. The report must also include an opinion on fair presentation of financial statements if the board considers an opinion to be necessary.

(c) The board shall file a copy of each report prepared under this section with:

- (1) the governor;
- (2) the lieutenant governor;
- (3) the speaker of the house of representatives;
- (4) the secretary of state;
- (5) the Legislative Reference Library;
- (6) each member of the governing body and the administrative head of each entity that is the subject of the report; and
- (7) members of the legislature on a committee with oversight responsibility for the entity or program that is the subject of the report.

(d) The board shall maintain a complete file containing:

- (1) copies of each audit report; and
- (2) audit work papers and other evidence relating to the work of the board.

(e) The board shall maintain the files required by Subsection (d) for at least eight years after the date on which the information is filed.

(f) Each audited department or entity shall report on the manner in which the department or entity addressed the findings and recommendations that are included in a report prepared by the board under this section. The board shall prescribe the form and schedule for a report by the department or entity under this subsection.

(g) If a department or entity does not implement a change recommended by the board's report, the department or entity shall file a report with the persons specified by Subsection (c). The report must:

- (1) identify the recommendation the department or entity did not implement; and
- (2) state the reason the department or entity did not implement the recommendation.

Sec. 322.019. IMPROPER PRACTICES AND ILLEGAL TRANSACTIONS.

(a) If in the course of an audit the board finds evidence of improper practices of financial administration, inadequate fiscal records, or uneconomical use of resources, the board, after consulting with the head of the department being audited, shall immediately report the evidence to the governor and to the administrative head and the chairman of the governing body of the affected department.

(b) If in the course of an audit the board finds evidence of an illegal transaction, the board, after consulting with the head of the department, shall immediately report the transaction to the governor and the appropriate legal authority.

(c) Immediately after receiving a report alleging improper practices of financial administration or uneconomical use of resources, the board shall review the report and shall consult with and may hold hearings with the administrative head and the chairman of the governing body of the affected department regarding the report.

(d) If the administrative head or the governing body of the affected department refuses to make the changes recommended by the board at a hearing under Subsection (c) or refuses to provide any additional information or reports requested, the board shall report the refusal to the legislature.

Sec. 322.020. REVIEW AND OVERSIGHT OF FUNDS AND ACCOUNTS

RECEIVING COURT COSTS. (a) The board may review each fund and account into which money collected as a court cost is directed by law to be deposited to determine whether:

- (1) the money is being used for the purpose for which

the money is collected; and

(2) the amount of the court cost is appropriate, considering the purpose for which the cost is collected.

(b) The board may perform reviews under this section as specified in the audit plan developed under Section 322.0155.

(c) The board shall make the findings of a review performed under this section available to the public and shall report the findings to the governor, the chief justice of the supreme court, and the presiding judge of the court of criminal appeals. The report may include the board's recommendations for legislation or policy changes.

Sec. 322.021. SUBPOENAS. (a) The board may subpoena witnesses or any books, records, or other documents reasonably necessary to conduct an examination under this chapter.

(b) Each subpoena must be signed by the chairman or the secretary of the board.

(c) On the request of the chairman or the secretary of the board, the sergeant at arms or an assistant sergeant at arms of either house of the legislature or any peace officer shall serve the subpoena in the manner prescribed for service of a district court subpoena.

(d) If the person to whom a subpoena is directed fails to comply, the board may bring suit in district court to enforce the subpoena. If the court determines that good cause exists for the issuance of the subpoena, the court shall order compliance. The court may modify the requirements of a subpoena that the court determines are unreasonable. Failure to comply with the order of the district court is punishable as contempt.

(e) The board may provide for the compensation of subpoenaed witnesses. The amount of compensation may not exceed the amount paid to a witness subpoenaed by a district court in a civil proceeding.

Sec. 322.022. INTERFERENCE WITH AUDIT OR INVESTIGATION. (a) An officer or employee of this state or of an entity subject to audit or investigation by the board commits an offense if the officer or employee:

(1) refuses to immediately permit the board to examine or have access to the books, accounts, reports, vouchers, papers, documents, or electronic data to which the board is entitled under Section 322.0155(e) or (f) or other law, or access to the cash drawer or cash from the officer's or employee's department;

(2) interferes with an examination by the board; or

(3) refuses to make a report required by this chapter.

(b) An offense under this section is a Class A misdemeanor.

Sec. 322.023. COORDINATION OF CERTAIN AUDITS. (a) Notwithstanding any other law, a state agency, or a corporation that is dedicated to the benefit of a state agency and that meets the criteria specified by Section B, Article 2.23B, Texas Non-Profit Corporation Act (Article 1396-2.23B, Vernon's Texas Civil Statutes), may employ a private auditor to audit the state agency or corporation only if:

(1) the agency or corporation is authorized to do so by law or through a delegation of authority from the board;

(2) the scope of the proposed audit has been submitted to the board for review and comment; and

(3) the services of the private auditor are procured through a competitive selection process in a manner allowed by law.

(b) At the joint direction of the lieutenant governor and the speaker of the house of representatives, the board shall provide contract management services to the agency or corporation for an audit described by this section.

Sec. 322.024. GIFTS AND GRANTS. (a) The board may accept gifts, grants, and donations from any organization described in Section 501(c)(3), Internal Revenue Code of 1986, for the purpose of funding any activity under this chapter.

(b) All gifts, grants, and donations must be accepted in an open meeting by a majority of the voting members of the board and reported in the public record of the committee with the name of the donor and purpose of the gift, grant, or donation.

7-1        Sec. 322.025. COORDINATION OF INVESTIGATIONS. (a) If the  
 7-2 administrative head of a department or entity that is subject to  
 7-3 audit by the board has reasonable cause to believe that money  
 7-4 received from the state by the department or entity or by a client  
 7-5 or contractor of the department or entity may have been lost,  
 7-6 misappropriated, or misused or that other fraudulent or unlawful  
 7-7 conduct has occurred in relation to the operation of the department  
 7-8 or entity, the administrative head shall report the reason and  
 7-9 basis for the belief to the board. The board may investigate the  
 7-10 report or may monitor any investigation conducted by the department  
 7-11 or entity.

7-12        (b) The board, in consultation with state agencies and  
 7-13 institutions, shall prescribe the form, content, and timing of a  
 7-14 report required by this section.

7-15        (c) All records of a communication by or to the board  
 7-16 relating to a report to the board under Subsection (a) are audit  
 7-17 working papers of the board.

7-18        (d) In this section, "audit working papers" means all  
 7-19 documentary and other information prepared or maintained in  
 7-20 conducting an audit or investigation, including all intra-agency  
 7-21 and interagency communications relating to an audit or  
 7-22 investigation and all draft reports or portions thereof.

7-23        Sec. 322.026. SEAL. The board shall obtain a seal with  
 7-24 "Legislative Budget Board, State of Texas" engraved around the  
 7-25 margin and a five-pointed star in the center to be used to  
 7-26 authenticate official documents issued by the board.

7-27        SECTION 2.03. Chapter 321, Government Code, is repealed.

7-28        PART 3. CREATION OF PERFORMANCE REVIEW COMMISSION; ABOLITION OF  
 7-29 SUNSET ADVISORY COMMISSION AND TRANSFER OF FUNCTIONS TO PERFORMANCE  
 7-30 REVIEW COMMISSION

7-31        SECTION 3.01. Section 325.002, Government Code, is amended  
 7-32 to read as follows:

7-33        Sec. 325.002. DEFINITIONS. In this chapter:

7-34        (1) [~~"State agency" means an agency expressly made~~  
 7-35 ~~subject to this chapter.~~

7-36        [~~(2)~~] "Advisory committee" means a committee,  
 7-37 council, commission, or other entity created under state law whose  
 7-38 primary function is to advise a state agency.

7-39        (2) [~~(3)~~] "Commission" means the Performance Review  
 7-40 [~~Sunset Advisory~~] Commission.

7-41        (3) "Department" includes every department, agency,  
 7-42 board, bureau, institution, or commission of the state.

7-43        (4) "State agency" means an agency expressly made  
 7-44 subject to this chapter.

7-45        SECTION 3.02. Section 325.003, Government Code, is amended  
 7-46 by amending the section heading and Subsections (a), (d), and (i) to  
 7-47 read as follows:

7-48        Sec. 325.003. PERFORMANCE REVIEW [~~SUNSET ADVISORY~~]  
 7-49 COMMISSION.

7-50        (a) The Performance Review [~~Sunset Advisory~~] Commission  
 7-51 consists of the lieutenant governor and three other [~~four~~] members  
 7-52 of the senate and one public member appointed by the lieutenant  
 7-53 governor and the speaker of the house of representatives and three  
 7-54 other [~~four~~] members of the house of representatives and one public  
 7-55 member appointed by the speaker of the house. [~~Each appointing~~  
 7-56 ~~authority may designate himself as one of the legislative~~  
 7-57 ~~appointees.~~]

7-58        (d) Legislative members other than the lieutenant governor  
 7-59 and the speaker of the house of representatives serve four-year  
 7-60 terms, with terms staggered so that the terms of one-half of the  
 7-61 legislative members appointed by the lieutenant governor and the  
 7-62 terms of one-half of the legislative members appointed by the  
 7-63 speaker expire September 1 of each odd-numbered year. The [~~If the~~]  
 7-64 lieutenant governor and [~~or~~] the speaker shall serve [~~serves~~]  
 7-65 on the commission[~~, he continues to serve~~] until resignation from the  
 7-66 commission or until the lieutenant governor or speaker [~~he~~] ceases  
 7-67 to hold the office. Public members serve two-year terms expiring  
 7-68 September 1 of each odd-numbered year.

7-69        (i) The speaker of the house of representatives is the

~~chairman of the commission [shall have a chairman and vice-chairman as presiding officers. The chairmanship and vice-chairmanship must alternate every two years between the two membership groups appointed by the lieutenant governor and the speaker. The chairman and vice-chairman may not be from the same membership group. The lieutenant governor shall designate a presiding officer from his appointed membership group and the speaker shall designate the other presiding officer from his appointed membership group].~~

SECTION 3.03. Subsection (a), Section 325.008, Government Code, is amended to read as follows:

(a) Before September 1 of the even-numbered year before the year in which a state agency subject to this chapter and its advisory committees are abolished, the commission shall:

(1) review and take action necessary to verify the reports submitted by the agency under Section 325.007;

(2) consult the Legislative Budget Board, the Governor's Budget and Planning Office, ~~[the State Auditor,]~~ and the comptroller of public accounts, or their successors, on the application to the agency of the criteria provided in Section 325.011;

(3) conduct a performance evaluation of the agency based on the criteria provided in Section 325.011 and prepare a written report; and

(4) review the implementation of commission recommendations contained in the reports presented to the legislature during the preceding legislative session.

SECTION 3.04. Chapter 325, Government Code, is amended by adding Sections 325.0081 through 325.0086 to read as follows:

Sec. 325.0081. OTHER POWERS AND DUTIES. (a) The commission shall conduct performance audits of all departments, including institutions of higher education, as specified in the audit plan developed under Subsection (c).

(b) The commission shall conduct the audits in accordance with generally accepted auditing standards as prescribed by the American Institute of Certified Public Accountants, the Governmental Accounting Standards Board, the United States General Accounting Office, or other professionally recognized entities that prescribe auditing standards.

(c) The commission shall develop and approve an audit plan for the state for each fiscal year. In devising the plan, the commission shall consider recommendations concerning coordination of agency functions made jointly by representatives of the commission and the Legislative Budget Board.

(d) At any time during an audit the commission may require the assistance of the administrative head, official, auditor, accountant, or other employees of the entity being audited.

(e) The commission is entitled to access to all of the books, accounts, confidential or unconfidential reports, vouchers, or other records of information in any department or entity subject to audit, including access to all electronic data except as provided by Subsection (f).

(f) The commission has access to information and data the release of which is restricted under federal law only with the approval of the appropriate federal administrative agency. The commission shall have access to copyrighted or restricted information obtained by the comptroller under subscription agreements and used in the preparation of economic estimates only for audit purposes.

(g) The commission may conduct economy and efficiency audits and effectiveness audits as defined by this chapter and specified in the audit plan.

(h) To the extent that the performance of the powers and duties of the commission under law is not impeded, the commission shall make reasonable efforts to coordinate requests for employee assistance under Subsection (d) or requests for access to books, accounts, vouchers, records, or data under Subsection (e) or (f) so as not to hinder the daily operations of the audited entity.

Sec. 325.0082. ECONOMY AND EFFICIENCY AUDIT. An economy and efficiency audit is an audit to determine:



(1) whether the audited entity is managing or utilizing its resources, including personnel, property, equipment, and space, in an economical and efficient manner;

(2) causes of inefficiencies or uneconomical practices, including inadequacies in management information systems, internal and administrative procedures, organizational structure, use of resources, allocation of personnel, purchasing, policies, and equipment; and

(3) whether program and statistical reports of the audited entity contain useful data and are fairly presented.

Sec. 325.0083. EFFECTIVENESS AUDIT. An effectiveness audit is an audit to determine, according to established or designated program objectives, responsibilities or duties, statutes and regulations, program performance criteria, or program evaluation standards:

(1) whether the objectives and intended benefits are being achieved efficiently and effectively; and

(2) whether the program duplicates, overlaps, or conflicts with another state program.

Sec. 325.0084. IMPROPER PRACTICES AND ILLEGAL TRANSACTIONS. (a) If in the course of an audit the commission finds evidence of uneconomical use of resources or ineffective program performance, the commission, after consulting with the head of the department, shall immediately report the evidence to the governor and the administrative head and the chairman of the governing body of the affected department.

(b) If in the course of an audit the commission finds evidence of an illegal transaction, the commission, after consulting with the head of the department, shall immediately report the transaction to the governor and the appropriate legal authority.

(c) The commission shall review a report alleging uneconomical use of resources or ineffective program performance immediately. The commission shall consult with and may hold hearings with the administrative head and the chairman of the governing body of the affected department regarding the report.

(d) If the administrative head or the governing body of the affected department refuses to make the changes recommended by the commission at the hearing or provide any additional information or reports requested, the commission shall report the refusal to the legislature.

Sec. 325.0085. REVIEW OF INTERSCHOLASTIC COMPETITION. The commission may periodically review and analyze the effectiveness and efficiency of the policies, management, fiscal affairs, and operations of an organization that is a component or part of a state agency or institution and that sanctions or conducts interscholastic competition. The commission shall report the findings to the governor, lieutenant governor, and speaker of the house of representatives. The legislature may consider the commission's reports in connection with the legislative appropriations process.

Sec. 325.0086. RECORDS MANAGEMENT REVIEW. (a) The commission may periodically review and analyze the effectiveness and efficiency of the policies and management of a state governmental committee or state agency that is involved in:

(1) analyzing and recommending improvements to the state's system of records management; and

(2) preserving the essential records of this state, including records relating to financial management information.

(b) In this section, "state agency" has the meaning assigned by Section 2056.001.

#### PART 4. POWERS AND FUNCTIONS OF THE STATE PRESERVATION BOARD

SECTION 4.01. Section 443.007, Government Code, is amended by adding Subsection (e) to read as follows:

(e) The board may adopt any management or oversight method or procedure reasonably necessary to ensure that the requirements under Subsection (a) are met in the most economical and efficient manner.

SECTION 4.02. Chapter 443, Government Code, is amended by

adding Section 443.0232 to read as follows:

Sec. 443.0232. CONSULTATION WITH THE LEGISLATIVE INFORMATION SERVICES BOARD. (a) The board shall consult with the Legislative Information Services Board regarding the installation of information technology equipment in the Capitol, the General Land Office Building, and their grounds. The interest of preservation must be balanced against the need of the legislative branch of state government for computer hardware and other types of office machinery and communication tools.

(b) The consultation under Subsection (a) shall include an analysis of:

(1) the extent of any permanent changes in the appearance of the buildings or their grounds likely to be caused by the installation of information technology equipment, including wiring and antennas;

(2) methods for minimizing the impact of the installation on the appearance of the buildings or grounds; and

(3) ways to ensure that any necessary alterations in the appearance of the buildings or grounds conform, to the extent reasonably practicable, with the architectural and historical integrity of the buildings or grounds.

#### PART 5. CREATION OF LEGISLATIVE POLICY COUNCIL

SECTION 5.01. Subtitle C, Title 3, Government Code, is amended by adding Chapter 331 to read as follows:

#### CHAPTER 331. LEGISLATIVE POLICY COUNCIL

Sec. 331.001. LEGISLATIVE POLICY COUNCIL. The Legislative Policy Council is an agency in the legislative branch of state government.

Sec. 331.002. MEMBERSHIP. (a) The council is composed of the lieutenant governor, four members of the senate appointed by the lieutenant governor, the speaker of the house of representatives, and four members of the house of representatives appointed by the speaker.

(b) The lieutenant governor is the chairman of the council and the speaker is the vice chairman.

Sec. 331.003. QUORUM; MEETINGS. (a) A majority of the members of the council from each house constitutes a quorum to transact business.

(b) The council shall meet at the call of the chairman or on written petition of a majority of the members of the council from each house.

(c) The council shall meet in Austin, except that if a majority of the members of the council from each house agree, the council may meet in any location determined by the council.

(d) Each member of the legislature is entitled to attend and present the member's views in any meeting of the council. A legislator who is not a member of the council may not vote.

Sec. 331.004. EXECUTIVE DIRECTOR; PERSONNEL. (a) The council may employ an executive director.

(b) The executive director, with the approval of the council, may employ necessary personnel.

Sec. 331.005. COUNCIL EXPENDITURES; SALARIES. (a) The amount of allowable expenditures for the council is determined by legislative appropriation.

(b) The council shall determine the salaries of its employees.

Sec. 331.006. GIFTS AND GRANTS. (a) The council may accept gifts, grants, and donations from any organization described in Section 501(c)(3), Internal Revenue Code of 1986, as amended, for the purpose of funding any activity under this chapter.

(b) All gifts, grants, and donations must be accepted in an open meeting by a majority of the voting members of the council and reported in the minutes of the council meeting with the name of the donor and purpose of the gift, grant, or donation.

Sec. 331.007. DUTIES. The council staff shall perform policy analysis and related empirical analysis and research at the direction of the council regarding issues and matters identified by the council that may affect state revenue or appropriations or that may be the subject of legislation or proposed amendments to the

11-1 Texas Constitution.

11-2 Sec. 331.008. AGENCY COOPERATION. Each state agency in any  
 11-3 branch of state government shall cooperate with the council in  
 11-4 providing the council with the information the council requires to  
 11-5 perform its duties.

11-6 PART 6. CONFORMING AMENDMENTS

11-7 SECTION 6.01. Subsection (a), Section 81.113, Government  
 11-8 Code, is amended to read as follows:

11-9 (a) Except as provided by Subsection (b), the state bar  
 11-10 shall credit an attorney licensed in this state with meeting the  
 11-11 minimum continuing legal education requirements of the state bar  
 11-12 for a reporting year if during the reporting year the attorney is  
 11-13 employed full-time as an attorney by:

- 11-14 (1) the senate;
- 11-15 (2) the house of representatives;
- 11-16 (3) a committee, division, department, or office of  
 11-17 the senate or house;
- 11-18 (4) ~~[the Texas Legislative Council,~~
- 11-19 ~~[(5)]~~ the Legislative Budget Board;
- 11-20 (5) ~~[(6)]~~ the Legislative Reference Library;
- 11-21 ~~[(7)] the office of the state auditor,~~ or
- 11-22 (6) ~~[(8)]~~ the Performance Review ~~[Sunset Advisory]~~  
 11-23 Commission.

11-24 SECTION 6.02. Subsection (a), Section 301.021, Government  
 11-25 Code, is amended to read as follows:

11-26 (a) If for any reason it is necessary to obtain assistance  
 11-27 in addition to the services provided by the Legislative Budget  
 11-28 Board ~~[State Auditor]~~, attorney general, ~~[Texas Legislative~~  
 11-29 ~~Council]~~ or Department of Public Safety, each general  
 11-30 investigating committee may employ and compensate assistants to  
 11-31 assist in any investigation, audit, or legal matter.

11-32 SECTION 6.03. Subsection (a), Section 301.028, Government  
 11-33 Code, is amended to read as follows:

11-34 (a) Each standing committee, including a general  
 11-35 investigating committee, may request necessary assistance from all  
 11-36 state agencies, departments, and offices, including:

- 11-37 (1) the Legislative Budget Board ~~[State Auditor]~~;
- 11-38 (2) ~~[the Texas Legislative Council,~~
- 11-39 ~~[(3)]~~ the Department of Public Safety; and
- 11-40 (3) ~~[(4)]~~ the attorney general.

11-41 SECTION 6.04. Subsections (a) and (d), Section 301.041,  
 11-42 Government Code, are amended to read as follows:

11-43 (a) A duly appointed senator's or representative's  
 11-44 membership on the Legislative Budget Board, Legislative Library  
 11-45 Board, ~~[Legislative Audit Committee, Texas]~~ Legislative  
 11-46 Information Services Board ~~[Council]~~, or any other interim  
 11-47 committee terminates if the member:

- 11-48 (1) resigns the membership;
- 11-49 (2) ceases membership in the legislature for any  
 11-50 reason; or
- 11-51 (3) fails to be nominated or elected to the  
 11-52 legislature for the next term.

11-53 (d) In filling a vacancy created under this section, the  
 11-54 lieutenant governor or the speaker may appoint a senator or  
 11-55 representative, as appropriate, other than a committee chairman  
 11-56 designated by law to serve as a member of the Legislative Budget  
 11-57 Board, Legislative Library Board, ~~[Legislative Audit Committee,~~  
 11-58 ~~Texas]~~ Legislative Information Services Board ~~[Council]~~, or any  
 11-59 other interim committee. An appointment made under this subsection  
 11-60 does not constitute an appointment to any position other than that  
 11-61 of a member of a board~~[, council]~~ or committee covered by this  
 11-62 section.

11-63 SECTION 6.05. Section 302.032, Government Code, is amended  
 11-64 to read as follows:

11-65 Sec. 302.032. LEGISLATIVE BRIBERY: PROMISES OR THREATS. A  
 11-66 person commits an offense if, with the intent to influence a member  
 11-67 of or candidate for the house of representatives in casting a vote  
 11-68 for speaker of the house of representatives, the person:

- 11-69 (1) promises or agrees to cause:

(A) the appointment of a person to a chairmanship or vice-chairmanship of a house committee or subcommittee;

(B) the appointment of a person to a particular house committee or subcommittee, the Legislative Budget Board, the ~~[Texas]~~ Legislative Information Services Board ~~[Council]~~, the Legislative Library Board, ~~[the Legislative Audit Committee]~~, or any other position the speaker appoints;

(C) preferential treatment on any legislation or appropriation;

(D) the employment of a person; or

(E) economic benefit to a person; or

(2) threatens to cause:

(A) the failure to appoint a person to a chairmanship or vice-chairmanship of a house committee or subcommittee;

(B) the failure to appoint a person to a particular house committee or subcommittee, the Legislative Budget Board, the ~~[Texas]~~ Legislative Information Services Board ~~[Council]~~, the Legislative Library Board, ~~[the Legislative Audit Committee]~~, or any other position the speaker appoints;

(C) unfavorable treatment on any legislation or appropriation;

(D) the refusal of or removal from employment of a person; or

(E) the withholding of economic benefit from a person.

SECTION 6.06. Section 302.033, Government Code, is amended to read as follows:

Sec. 302.033. LEGISLATIVE BRIBERY: ACCEPTING BENEFITS. A member of or candidate for the house of representatives commits an offense if, on the representation or understanding that the member or candidate will cast a vote for a particular person for speaker of the house of representatives, the member or candidate solicits, accepts, or agrees to accept:

(1) the appointment of or refusal to appoint a person to a chairmanship or vice-chairmanship of a house committee or subcommittee;

(2) the appointment of or refusal to appoint a person to a particular house committee or subcommittee, the Legislative Budget Board, the ~~[Texas]~~ Legislative Information Services Board ~~[Council]~~, the Legislative Library Board, ~~[the Legislative Audit Committee]~~, or any other position the speaker appoints;

(3) preferential or unfavorable treatment on any legislation or appropriation;

(4) the employment of, refusal of employment of, or removal from employment of a person; or

(5) economic benefit to or withholding of economic benefit from a person.

SECTION 6.07. Section 306.007, Government Code, is amended to read as follows:

Sec. 306.007. MINUTES AND REPORTS ELECTRONICALLY AVAILABLE TO LEGISLATURE. A state officer or board, commission, or other agency in the executive branch of state government, and an agency in the judicial branch of state government other than a court, shall make reports required by law and minutes of meetings of the agency's governing body available to members of the legislature and to agencies in the legislative branch of state government in an electronic format determined by the ~~[Texas]~~ Legislative Information Services Board ~~[Council]~~.

SECTION 6.08. Section 326.001, Government Code, is amended to read as follows:

Sec. 326.001. DEFINITION. In this chapter, "legislative agency" means:

(1) the senate;

(2) the house of representatives;

(3) a committee, division, department, or office of the senate or house;

(4) the ~~[Texas]~~ Legislative Information Services Board ~~[Council]~~;

13-1 (5) the Legislative Budget Board;  
 13-2 (6) the Legislative Reference Library; or  
 13-3 (7) ~~[the office of the State Auditor, or~~  
 13-4 ~~[(8)]~~ any other agency in the legislative branch of  
 13-5 state government.

13-6 SECTION 6.09. Subsections (a) and (b), Section 326.003,  
 13-7 Government Code, are amended to read as follows:

13-8 (a) The ~~[State Auditor's Office,]~~ Legislative Budget  
 13-9 Board~~[,]~~ and the Performance Review ~~[Sunset Advisory]~~ Commission  
 13-10 shall form a committee to make recommendations relating to the  
 13-11 coordination of the agencies' functions.

13-12 (b) The committee shall meet on a regular basis at least  
 13-13 quarterly. The director of the Legislative Budget Board ~~[State~~  
 13-14 ~~Auditor]~~ shall call each meeting.

13-15 SECTION 6.10. Subsection (b), Section 468.003, Government  
 13-16 Code, is amended to read as follows:

13-17 (b) The ~~[Texas]~~ Legislative Information Services Board  
 13-18 ~~[Council]~~ shall provide office space and other support in Austin  
 13-19 necessary for the state demographer to perform the demographer's  
 13-20 duties for the legislature.

13-21 SECTION 6.11. Subsection (d), Section 531.203, Government  
 13-22 Code, is amended to read as follows:

13-23 (d) The committee may use staff of standing committees in  
 13-24 the senate and house of representatives with appropriate  
 13-25 jurisdiction, the Department of Information Resources, ~~[the state~~  
 13-26 ~~auditor, the Texas Legislative Council,]~~ and the Legislative Budget  
 13-27 Board in carrying out its responsibilities.

13-28 SECTION 6.12. Subdivision (11), Section 572.002,  
 13-29 Government Code, is amended to read as follows:

13-30 (11) "State employee" means an individual, other than  
 13-31 a state officer, who is employed by:

13-32 (A) a state agency;  
 13-33 (B) the Supreme Court of Texas, the Court of  
 13-34 Criminal Appeals of Texas, a court of appeals, or the Texas Judicial  
 13-35 Council; or

13-36 (C) either house of the legislature or a  
 13-37 legislative agency, council, or committee, including the  
 13-38 Legislative Budget Board, the ~~[Texas]~~ Legislative Information  
 13-39 Services Board ~~[Council]~~, ~~[the State Auditor's Office,]~~ and the  
 13-40 Legislative Reference Library.

13-41 SECTION 6.13. Subsection (a), Section 660.203, Government  
 13-42 Code, is amended to read as follows:

13-43 (a) An individual is entitled to reimbursement for the  
 13-44 actual expense of meals and lodging incurred while performing the  
 13-45 duties of the individual's office or employment if the individual  
 13-46 is:

13-47 (1) a judicial officer;  
 13-48 (2) a chief administrative officer of a state agency,  
 13-49 subject to Subsection (c);

13-50 (3) ~~[the executive director of the Texas Legislative~~  
 13-51 ~~Council,]~~

13-52 ~~[(4)]~~ the secretary of the senate;

13-53 (4) ~~[(5)]~~ a member of the Texas Natural Resource  
 13-54 Conservation Commission, the Texas Workforce Commission, the  
 13-55 Public Utility Commission of Texas, the Board of Pardons and  
 13-56 Paroles, or the Sabine River Compact Administration; or

13-57 (5) ~~[(6)]~~ a full-time member of a board and receives a  
 13-58 salary from the state for service on that board.

13-59 SECTION 6.14. Section 660.206, Government Code, is amended  
 13-60 to read as follows:

13-61 Sec. 660.206. REPRESENTATION OF CERTAIN OFFICERS AND  
 13-62 EMPLOYEES. (a) A state employee who is designated by a member of  
 13-63 the legislature, a judicial officer, a chief administrator of a  
 13-64 state agency, ~~[the executive director of the Texas Legislative~~  
 13-65 ~~Council,]~~ the secretary of the senate, or a board member to  
 13-66 represent the designating party at a particular meeting or  
 13-67 conference is entitled to reimbursement for the actual expense of  
 13-68 meals and lodging on the trip.

13-69 (b) A member of the legislature, a judicial officer, a chief

14-1 administrator of a state agency, ~~[the executive director of the~~  
 14-2 ~~Texas Legislative Council,]~~ the secretary of the senate, and a  
 14-3 board member may authorize a state employee traveling with the  
 14-4 authorizing party to a particular meeting or conference to receive  
 14-5 reimbursement for the actual expense of the employee's meals and  
 14-6 lodging on the trip.

14-7 SECTION 6.15. Subsection (a), Section 762.003, Government  
 14-8 Code, is amended to read as follows:

14-9 (a) The commission is composed of:

14-10 (1) nine members appointed by the governor; and  
 14-11 (2) ~~[the executive director of the Texas Legislative~~  
 14-12 ~~Council or a person designated by the executive director, and~~  
 14-13 ~~[(3)]~~ in addition to the persons described by  
 14-14 Subdivision [Subdivisions] (1) ~~[and (2)]~~, residents of this state  
 14-15 who have long service in the cause of uniformity in state  
 14-16 legislation as shown by:

14-17 (A) at least 20 years of service representing the  
 14-18 state as an associate member of the national conference;

14-19 (B) election as a life member of the national  
 14-20 conference; or

14-21 (C) at least 15 years of service as a member of  
 14-22 the commission and at least five years of combined service as a  
 14-23 judge or justice of a trial or appellate court of this state.

14-24 SECTION 6.16. Section 762.011, Government Code, is amended  
 14-25 to read as follows:

14-26 Sec. 762.011. SUPPORT SERVICES. The ~~[Texas]~~ Legislative  
 14-27 Information Services Board ~~[Council]~~ shall provide accounting,  
 14-28 clerical, and other support services necessary for the commission  
 14-29 to carry out its duties.

14-30 SECTION 6.17. Subsection (c), Section 2052.0021,  
 14-31 Government Code, is amended to read as follows:

14-32 (c) A state agency shall make each report required by law  
 14-33 available to members of the legislature in an electronic format  
 14-34 determined by the ~~[Texas]~~ Legislative Information Services Board  
 14-35 ~~[Council]~~. The agency shall promptly send a suitable printed copy  
 14-36 of the report to a member of the legislature at the request of the  
 14-37 member.

14-38 SECTION 6.18. Subsection (d), Section 2056.002, Government  
 14-39 Code, is amended to read as follows:

14-40 (d) A state agency shall send two copies of each plan to both  
 14-41 the Legislative Reference Library and the state publications  
 14-42 clearinghouse of the Texas State Library and one copy each to:

14-43 (1) the governor;  
 14-44 (2) the lieutenant governor;  
 14-45 (3) the speaker of the house of representatives;  
 14-46 (4) the Legislative Budget Board;  
 14-47 (5) the Performance Review ~~[Sunset Advisory]~~  
 14-48 Commission; and

14-49 (6) ~~[the state auditor, and~~  
 14-50 ~~[(7)]~~ the comptroller.

14-51 SECTION 6.19. Section 2056.010, Government Code, is amended  
 14-52 to read as follows:

14-53 Sec. 2056.010. AGENCY CONFORMANCE TO STRATEGIC PLAN. The  
 14-54 Performance Review Commission, the comptroller, ~~[the Sunset~~  
 14-55 ~~Advisory Commission,]~~ the ~~[state auditor, the]~~ Legislative Budget  
 14-56 Board, or another agency that conducts performance audits of a  
 14-57 state agency shall consider in the evaluation of an agency the  
 14-58 extent to which the agency conforms to the agency's strategic plan.

14-59 SECTION 6.20. Section 2102.009, Government Code, is amended  
 14-60 to read as follows:

14-61 Sec. 2102.009. ANNUAL REPORT. The internal auditor shall  
 14-62 prepare an annual report and submit the report before November 1 of  
 14-63 each year to the governor, the Legislative Budget Board, the  
 14-64 Performance Review ~~[Sunset Advisory]~~ Commission, the ~~[state~~  
 14-65 ~~auditor, the]~~ state agency's governing board, and the  
 14-66 administrator. The Legislative Budget Board ~~[state auditor]~~ shall  
 14-67 prescribe the form and content of the report~~[, subject to the~~  
 14-68 ~~approval of the legislative audit committee]~~.

14-69 SECTION 6.21. Subsections (a) and (c), Section 2102.0091,

Government Code, are amended to read as follows:

(a) A state agency shall file with the Performance Review ~~[Sunset Advisory]~~ Commission, the budget division of the governor's office, ~~[the state auditor]~~, and the Legislative Budget Board a copy of each report submitted to the state agency's governing board or the administrator of the state agency if the state agency does not have a governing board by the agency's internal auditor.

(c) In addition to the requirements of Subsection (a), a state agency shall file with the budget division of the governor's office ~~[the state auditor]~~, and the Legislative Budget Board any action plan or other response issued by the state agency's governing board or the administrator of the state agency if the state agency does not have a governing board in response to the report of the state agency's internal auditor.

SECTION 6.22. Section 2155.203, Government Code, is amended to read as follows:

Sec. 2155.203. PURCHASES BY LEGISLATURE AND LEGISLATIVE AGENCIES. A house of the legislature, or an agency, council, or committee of the legislature, including the Legislative Budget Board, the ~~[Texas]~~ Legislative Information Services Board ~~[Council]~~, ~~[the state auditor's office]~~, and the Legislative Reference Library, may use the commission's purchasing services for purchasing goods and services, including items covered by Section 21, Article XVI, Texas Constitution.

SECTION 6.23. Section 2158.065, Government Code, is amended to read as follows:

Sec. 2158.065. DISTRIBUTION OF PRINTED LAWS. The secretary of state shall distribute the printed laws of each session of the legislature as follows:

- (1) one copy each to:
  - (A) the governor;
  - (B) the lieutenant governor;
  - (C) the speaker of the house of representatives;
  - (D) each court of appeals; and
  - (E) each county law library;
- (2) ~~[10 copies to the Texas Legislative Council]~~, ~~[3]~~ 15 copies to the Legislative Reference Library;
- (3) ~~[4]~~ 30 copies to the State Law Library; and
- (4) ~~[5]~~ 60 copies to the Texas State Library.

SECTION 6.24. Subsection (c), Section 201.403, Transportation Code, is amended to read as follows:

(c) Not later than February 1 of each year, the director shall report to the commission, each house of the legislature, and the Performance Review ~~[Sunset Advisory]~~ Commission on the department's progress in the recruitment and hiring of women and minority applicants.

SECTION 6.25. Subsection (c), Section 41.060, Utilities Code, is amended to read as follows:

(c) The commission shall prepare a report for the Performance Review ~~[Sunset Advisory]~~ Commission that includes information submitted and responses by electric cooperatives in accordance with the Performance Review ~~[Sunset Advisory]~~ Commission's schedule for reviewing the commission.

SECTION 6.26. Subsection (a), Section 12, Chapter 357, Acts of the 64th Legislature, Regular Session, 1975 (Article 4413(32e), Vernon's Texas Civil Statutes), is amended to read as follows:

(a) The ~~[Texas Legislative Council, the]~~ Legislative Budget Board, ~~[the Legislative Audit Committee]~~, the Advisory Commission on Intergovernmental Relations, and the Division of Planning Coordination shall, through their respective administrative officers, furnish staff assistance to the committee upon request.

SECTION 6.27. Subsection (a), Section 11, Chapter 672, Acts of the 65th Legislature, Regular Session, 1977 (Article 4413(42a), Vernon's Texas Civil Statutes), is amended to read as follows:

(a) The ~~[Texas Legislative Council, the]~~ Legislative Budget Board, ~~[the Legislative Audit Committee]~~, the Texas Advisory Commission on Intergovernmental Relations, and the Division of Planning Coordination shall, through their respective administrative officers, furnish staff assistance to the committee

upon request.

#### PART 7. TRANSITION

SECTION 7.01. (a) The Texas Legislative Council is abolished effective November 1, 2003.

(b) On November 1, 2003:

(1) all functions and activities assigned to or performed by the information systems division of the Texas Legislative Council immediately before that date are transferred to the Legislative Information Services Board;

(2) all funds, obligations, contracts, property, and records of the Texas Legislative Council relating to the services performed by the information systems division of the Texas Legislative Council are transferred to the Legislative Information Services Board;

(3) all employees of the information systems division of the Texas Legislative Council become employees of the Legislative Information Services Board;

(4) all of the property and records of the Texas Legislative Council relating to the services performed by the legal and research divisions of the Texas Legislative Council are transferred to either the senate or the house of representatives, as determined by the lieutenant governor and the speaker of the house of representatives;

(5) all employees of the legal and research divisions of the Texas Legislative Council become employees of either the senate or house of representatives, as determined by the lieutenant governor and the speaker of the house of representatives; and

(6) a reference in law to the Texas Legislative Council that relates to the services performed by the information systems division of the Texas Legislative Council means the Legislative Information Services Board.

SECTION 7.02. (a) The office of state auditor and the legislative audit committee are abolished but continue in effect until December 1, 2003, for the sole purpose of transferring to the Legislative Budget Board and the Performance Review Commission all the rights, powers, duties, and functions exercised by the state auditor and the legislative audit committee immediately before the effective date of this Act. The transfer must be completed not later than December 1, 2003.

(b) All the funds, contracts, property, personnel, and records of the office of the state auditor and the legislative audit committee are transferred to the Legislative Budget Board and the Performance Review Commission, as determined by the lieutenant governor and the speaker of the house of representatives, for the purpose of performing the audit functions that the state auditor was authorized or required to perform immediately before the effective date of this Act.

(c) A reference in law or in an administrative rule to the state auditor or the office of the state auditor or the legislative audit committee means the Legislative Budget Board, or the Performance Review Commission for the purposes of administering Chapter 325, Government Code (Texas Sunset Act), as amended by this Act.

(d) A reference in law to a financial or compliance audit under Chapter 321, Government Code, as repealed by this Act, means an audit under Chapter 322, Government Code, as amended by this Act.

(e) A reference in law to an efficiency audit, an economy audit, or a program audit under Chapter 321, Government Code, as repealed by this Act, means an audit under Chapter 325, Government Code (Texas Sunset Act), as amended by this Act.

SECTION 7.03. (a) The Sunset Advisory Commission is abolished and the offices of the members of the commission serving on the effective date of this Act are abolished. Members of the commission serving immediately prior to the effective date of this Act are eligible for reappointment to the Performance Review Commission. Prior service on the Sunset Advisory Commission shall not disqualify a member of the legislature or a member of the public from appointment to the Performance Review Commission. In making initial appointments to the Performance Review Commission, the



lieutenant governor and the speaker of the house of representatives, to comply with Chapter 325, Government Code (Texas Sunset Act), as amended by this Act, shall stagger the appointments of legislative members by specifying two-year and four-year terms for those members. The chairman of the Performance Review Commission shall be designated by the speaker of the house of representatives, and the vice chairman of the commission shall be designated by the lieutenant governor.

(b) The validity of an action taken by the Sunset Advisory Commission before it is abolished under Subsection (a) of this section is not affected by the abolishment.

#### SECTION 7.04. On November 1, 2003:

(1) a rule, standard, or form adopted by the Sunset Advisory Commission is a rule, standard, or form of the Performance Review Commission and remains in effect until changed by the Performance Review Commission;

(2) a reference in law to the Sunset Advisory Commission means the Performance Review Commission;

(3) all money, contracts, leases, rights, and obligations of the Sunset Advisory Commission are transferred to the Performance Review Commission;

(4) all property, including records, in the custody of the Sunset Advisory Commission becomes the property of the Performance Review Commission;

(5) all employees of the Sunset Advisory Commission become employees of the Performance Review Commission;

(6) the executive director of the Sunset Advisory Commission shall serve as the executive director of the Performance Review Commission until such time as the commission convenes to either continue the employment of that executive director or appoint another executive director; and

(7) all funds appropriated by the legislature to the Sunset Advisory Commission are transferred to the Performance Review Commission.

SECTION 7.05. On November 1, 2003, the lieutenant governor shall assume the chairmanship of the Legislative Information Services Board and the speaker of the house of representatives shall assume the vice chairmanship of the board. The initial terms of the lieutenant governor and the speaker of the house of representatives expire February 1, 2005.

#### PART 8. EFFECTIVE DATE

SECTION 8.01. This Act takes effect November 1, 2003.

\* \* \* \* \*