

By: Bivins

S.B. No. 5

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the transfer or performance of the functions of certain
3 state agencies to promote efficiency, equitable use of revenue, or
4 uniformity in regard to those functions.

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

6 ARTICLE 1. STATE AIRCRAFT POOLING

7 SECTION 1.01. The heading to Subchapter A, Chapter 2205,
8 Government Code, is amended to read as follows:

9 SUBCHAPTER A. STATE AIRCRAFT POOLING [~~BOARD~~]; GENERAL PROVISIONS

10 SECTION 1.02. Section 2205.002(1), Government Code, is
11 amended to read as follows:

12 (1) "Department [~~Board~~]" means the Texas Department of
13 Transportation [~~State Aircraft Pooling Board~~].

14 SECTION 1.03. Section 2205.032, Government Code, is amended
15 to read as follows:

16 Sec. 2205.032. CUSTODY, CONTROL, OPERATION, AND
17 MAINTENANCE. (a) The department [~~board~~] shall operate a pool for
18 the custody, control, operation, and maintenance of all aircraft
19 owned or leased by the state.

20 (b) The department [~~board~~] may purchase aircraft with funds
21 appropriated for that purpose.

22 (c) As part of the strategic plan that the department
23 [~~board~~] develops and submits under Chapter 2056, the department
24 [~~board~~] shall develop a long-range plan for its pool of aircraft.

1 The department [~~board~~] shall include appropriate portions of the
2 long-range plan in its legislative appropriations request. The
3 long-range plan must include estimates of future aircraft
4 replacement needs and other fleet management needs, including any
5 projected need to increase or decrease the number of aircraft in the
6 pool. In developing the long-range plan, the department [~~board~~]
7 shall consider at a minimum for each aircraft in the pool:

8 (1) how much the aircraft is used and the purposes for
9 which it is used;

10 (2) the cost of operating the aircraft and the revenue
11 generated by the aircraft; and

12 (3) the demand for the aircraft or for that type of
13 aircraft.

14 SECTION 1.04. Section 2205.034, Government Code, is amended
15 to read as follows:

16 Sec. 2205.034. FACILITIES. (a) The department [~~board~~] may
17 acquire appropriate facilities for the accommodation of all
18 aircraft owned or leased by the state. The facilities may be
19 purchased or leased as determined by the department [~~board~~] to be
20 most economical for the state and as provided by legislative
21 appropriations. The facilities may include adequate hangar space,
22 an indoor passenger waiting area, a flight-planning area,
23 communications facilities, and other related and necessary
24 facilities.

25 (b) A state agency that operates an aircraft may not use a
26 facility in Austin other than a facility operated by the department
27 [~~board~~] for the storage, parking, fueling, or maintenance of the

1 aircraft, whether or not the aircraft is based in Austin. In a
2 situation the department [~~board~~] determines to be an emergency, the
3 department [~~board~~] may authorize a state agency to use a facility in
4 Austin other than a department [~~board~~] facility for the storage,
5 parking, fueling, or maintenance of an aircraft.

6 SECTION 1.05. Section 2205.035, Government Code, is amended
7 to read as follows:

8 Sec. 2205.035. AIRCRAFT LEASES. (a) The department
9 [~~board~~] by interagency contract may lease state-owned aircraft to a
10 state agency.

11 (b) A state agency that is the prior owner or lessee of an
12 aircraft has the first option to lease that aircraft from the
13 department [~~board~~].

14 (c) The lease may provide for operation or maintenance by
15 the department [~~board~~] or the state agency.

16 (d) A state agency may not expend appropriated funds for the
17 lease of an aircraft unless the department [~~board~~] executes the
18 lease or approves the lease by department [~~board~~] order.

19 (e) A state agency may not use money appropriated by the
20 legislature to rent or lease aircraft except from the department
21 [~~board~~] or as provided by Subsection (f). For purposes of this
22 subsection and Subsection (f), payments of mileage reimbursements
23 provided for by the General Appropriations Act are not rentals or
24 leases of aircraft.

25 (f) If the department [~~board~~] determines that no
26 state-owned aircraft is available to meet a transportation need
27 that has arisen or that a rental or lease of aircraft would reduce

1 the state's transportation costs, the department [~~board~~] shall
2 authorize a state agency to expend funds for the rental or lease of
3 aircraft, which may include a helicopter.

4 SECTION 1.06. Section 2205.036, Government Code, is amended
5 to read as follows:

6 Sec. 2205.036. PASSENGER TRANSPORTATION. (a) The
7 department [~~board~~] shall provide aircraft transportation, to the
8 extent that its aircraft are available, to:

9 (1) state officers and employees who are traveling on
10 official business according to the coordinated passenger
11 scheduling system and the priority scheduling system developed as
12 part of the aircraft operations manual under Section 2205.038;

13 (2) persons in the care or custody of state officers or
14 employees described by Subdivision (1); and

15 (3) persons whose transportation furthers official
16 state business.

17 (b) The department [~~board~~] may not provide aircraft
18 transportation to a passenger if the passenger is to be transported
19 to or from a place where the passenger:

20 (1) will make or has made a speech not related to
21 official state business;

22 (2) will attend or has attended an event sponsored by a
23 political party;

24 (3) will perform a service or has performed a service
25 for which the passenger is to receive an honorarium, unless the
26 passenger reimburses the department [~~board~~] for the cost of
27 transportation;

1 (4) will attend or has attended an event at which money
2 is raised for private or political purposes; or

3 (5) will attend or has attended an event at which an
4 audience was charged an admission fee to see or hear the passenger.

5 (c) The department [~~board~~] may not provide aircraft
6 transportation to a destination unless:

7 (1) the destination is not served by a commercial
8 carrier;

9 (2) the time required to use a commercial carrier
10 interferes with passenger obligations; or

11 (3) the number of passengers traveling makes the use
12 of state aircraft cost-effective.

13 (d) The department shall monitor and ensure compliance with
14 the requirements of this section.

15 SECTION 1.07. Section 2205.038, Government Code, is amended
16 to read as follows:

17 Sec. 2205.038. AIRCRAFT OPERATIONS MANUAL. (a) The
18 department [~~board~~] shall:

19 (1) prepare a manual that establishes minimum
20 standards for the operation of aircraft by state agencies; and

21 (2) adopt procedures for the distribution of the
22 manual to state agencies.

23 (b) The manual must include provisions for:

24 (1) pilot certification standards, including medical
25 requirements for pilots;

26 (2) recurring training programs for pilots;

27 (3) general operating and flight rules;

1 (4) coordinated passenger scheduling; and

2 (5) other issues the department [~~board~~] determines are
3 necessary to ensure the efficient and safe operation of aircraft by
4 a state agency.

5 (c) The department [~~board~~] shall confer with and solicit the
6 written advice of state agencies the department [~~board~~] determines
7 are principal users of aircraft operated by the department [~~board~~]
8 and, to the extent practicable, incorporate that advice in the
9 development of the manual and subsequent changes to the manual.

10 (d) The department [~~board~~] shall give an officer normally
11 elected by statewide election priority in the scheduling of
12 aircraft. The department [~~board~~] by rule may require a 12-hour
13 notice by the officer to obtain the priority in scheduling.

14 SECTION 1.08. Section 2205.039, Government Code, is amended
15 to read as follows:

16 Sec. 2205.039. TRAVEL LOG. (a) The Legislative Budget
17 Board, in cooperation with the department [~~board~~], shall prescribe:

18 (1) a travel log form for gathering information about
19 the use of state-operated aircraft;

20 (2) procedures to ensure that individuals who travel
21 as passengers on or operate state-operated aircraft provide in a
22 legible manner the information requested of them by the form; and

23 (3) procedures for each state agency that operates an
24 aircraft for sending the form to the department [~~board~~] and the
25 Legislative Budget Board.

26 (b) The travel log form must request the following
27 information about a state-operated aircraft each time the aircraft

1 is flown:

2 (1) a mission statement, which may appear as a
3 selection to be identified from general categories appearing on the
4 form;

5 (2) the name, state agency represented, destination,
6 and signature of each person who is a passenger or crew member of
7 the aircraft;

8 (3) the date of each flight;

9 (4) a detailed and specific description of the
10 official business purpose of each flight; and

11 (5) other information determined by the Legislative
12 Budget Board and the department [~~board~~] to be necessary to monitor
13 the proper use of the aircraft.

14 (c) A state agency other than the department [~~board~~] shall
15 send travel logs to the department [~~board~~] each month in which the
16 agency operates an aircraft.

17 (d) The department shall monitor and ensure compliance by
18 state agencies with the requirements of this section.

19 (e) The department shall annually report to the Legislative
20 Budget Board on air travel information received under this section.

21 SECTION 1.09. Section 2205.040, Government Code, is amended
22 to read as follows:

23 Sec. 2205.040. RATES AND BILLING PROCEDURES. (a) The
24 department [~~board~~] shall adopt rates for interagency aircraft
25 services that are sufficient to recover [~~, in the aggregate and to~~
26 ~~the extent possible,~~] all expenses incurred under this chapter
27 [~~direct costs for the services provided~~], including current

1 obligations for capital equipment financed under the Texas Public
2 Finance Authority's master lease purchase program and aircraft
3 replacement costs [~~a state agency's pro rata share of major~~
4 ~~maintenance, overhauls of equipment and facilities, and pilots'~~
5 ~~salaries~~].

6 (b) The department shall deposit all revenue received under
7 this chapter to the credit of the state highway fund. Money
8 deposited to the credit of the state highway fund under this chapter
9 is exempt from the application of Section 403.095 [~~Legislative~~
10 ~~Budget Board, in cooperation with the board and the state auditor,~~
11 ~~shall prescribe a billing procedure for passenger travel on~~
12 ~~state-operated aircraft~~].

13 (c) The department may spend money from the state highway
14 fund for expenses incurred under this chapter.

15 (d) It is the intent of the legislature that receipts and
16 expenditures that relate to the state highway fund under this
17 chapter be balanced over time so that, to the extent practicable,
18 the receipts and expenditures do not result in a net gain or net
19 loss to the fund.

20 SECTION 1.10. Section 2205.041(a), Government Code, is
21 amended to read as follows:

22 (a) The Legislative Budget Board, in cooperation with the
23 department [~~board~~], shall prescribe:

24 (1) an annual aircraft use form for gathering
25 information about the use of state-operated aircraft, including the
26 extent to which and the methods by which the goal provided by
27 Section 2205.031(b) is being met; and

1 (2) procedures for each state agency that operates an
2 aircraft for sending the form to the department [~~board~~] and the
3 Legislative Budget Board.

4 SECTION 1.11. Section 2205.042, Government Code, is amended
5 to read as follows:

6 Sec. 2205.042. PILOTS. An individual who is not a pilot
7 employed by the department [~~board~~] may not operate a state-operated
8 aircraft unless the department [~~board~~] grants the individual a
9 specific exemption from that requirement.

10 SECTION 1.12. Section 2205.043(b), Government Code, is
11 amended to read as follows:

12 (b) The department [~~board~~] shall adopt rules, consistent
13 with federal regulations and Subtitle A, Title 11 [~~Article 6139f,~~
14 ~~Revised Statutes~~], governing the color, size, and location of marks
15 of identification required by this section.

16 SECTION 1.13. Section 2205.044, Government Code, is amended
17 to read as follows:

18 Sec. 2205.044. FUEL AND MAINTENANCE CONTRACTS. The
19 department [~~board~~] may contract with a state or federal
20 governmental agency or a political subdivision to provide aircraft
21 fuel or to provide aircraft maintenance services.

22 SECTION 1.14. Section 2205.045(a), Government Code, is
23 amended to read as follows:

24 (a) The department [~~board~~] may purchase insurance to
25 protect the department [~~board~~] from loss caused by damage, loss,
26 theft, or destruction of aircraft owned or leased by the state and
27 shall purchase liability insurance to protect the officers and

1 employees of each state agency from loss arising from the operation
2 of state-owned aircraft.

3 SECTION 1.15. Section 2205.046, Government Code, is amended
4 to read as follows:

5 Sec. 2205.046. AIRCRAFT FOR FLIGHT TRAINING PROGRAMS. (a)
6 The department [~~board~~] may transfer aircraft to a public technical
7 institute or other public postsecondary educational institution
8 for use in the institution's flight training program. Except as
9 provided by this section, the department [~~board~~] has no
10 responsibility for continued maintenance of aircraft transferred
11 under this section.

12 (b) As a condition to the transfer of the aircraft, the
13 institution must certify in writing to the department [~~board~~] that
14 the institution will accept full responsibility for maintenance of
15 the aircraft and that it will be properly maintained while in the
16 custody and control of the institution. The department [~~board~~] is
17 entitled to inspect the aircraft without notice for the purpose of
18 insuring that the aircraft are properly maintained.

19 (c) The department [~~board~~] may immediately reassume custody
20 and control of a transferred aircraft on a finding by the department
21 [~~board~~] that:

- 22 (1) the aircraft is not being properly maintained;
23 (2) the aircraft is being used for a purpose other than
24 flight training; or
25 (3) the institution has discontinued its flight
26 training program.

27 SECTION 1.16. Section 2205.047, Government Code, is amended

1 to read as follows:

2 Sec. 2205.047. INFORMATION POSTED ON THE INTERNET. The
3 department [~~board~~] shall post information related to travel and
4 other services provided by the department under this chapter
5 [~~board~~] on an Internet site maintained by or for the department
6 [~~board~~]. The site must be generally accessible to state agencies,
7 persons who use the department's [~~board's~~] services, and, to the
8 extent appropriate, the general public.

9 SECTION 1.17. Sections 2205.003-2205.019, Government Code,
10 are repealed.

11 SECTION 1.18. On the effective date of this Act:

12 (1) the State Aircraft Pooling Board is abolished and
13 all powers, duties, obligations, rights, contracts, bonds,
14 appropriations, records, and real or personal property of the State
15 Aircraft Pooling Board are transferred to the Texas Department of
16 Transportation;

17 (2) a rule, policy, procedure, or decision of the
18 State Aircraft Pooling Board continues in effect as a rule, policy,
19 procedure, or decision of the Texas Department of Transportation
20 until superseded by an act of the Texas Department of
21 Transportation;

22 (3) a reference in law to the State Aircraft Pooling
23 Board means the Texas Department of Transportation; and

24 (4) the number of full-time equivalent positions
25 intended to be allocated to the State Aircraft Pooling Board by
26 Chapter 1330 (General Appropriations Act), Acts of the 78th
27 Legislature, Regular Session, 2003, is reduced by 39 for fiscal

1 years 2004 and 2005, and the number of full-time equivalent
2 positions allocated to the Texas Department of Transportation is
3 increased by 39 for fiscal years 2004 and 2005 for the purpose of
4 administering Chapter 2205, Government Code.

5 SECTION 1.19. (a) All money collected by the Texas
6 Department of Transportation under Chapter 2205, Government Code,
7 during the state fiscal biennium beginning September 1, 2003, is
8 appropriated to the Texas Department of Transportation for that
9 biennium for the purpose of administering Chapter 2205, Government
10 Code.

11 (b) The unexpended balance of the appropriation to the State
12 Aircraft Pooling Board for all or part of the state fiscal biennium
13 ending August 31, 2003, is appropriated to the Texas Department of
14 Transportation for the state fiscal biennium beginning September 1,
15 2003, for the purpose of administering Chapter 2205, Government
16 Code.

17 SECTION 1.20. Before March 1, 2004, the Texas Department of
18 Transportation shall file with the governor, the lieutenant
19 governor, the speaker of the house of representatives, and the
20 Legislative Budget Board a complete and detailed report on the
21 transfer of powers and duties from the State Aircraft Pooling Board
22 to the Texas Department of Transportation.

23 ARTICLE 2. WORKERS' COMPENSATION RESEARCH

24 SECTION 2.01. Subtitle A, Title 5, Labor Code, is amended by
25 adding Chapter 405 to read as follows:

26 CHAPTER 405. WORKERS' COMPENSATION RESEARCH

27 Sec. 405.001. DEFINITION. In this chapter, "department"

1 means the Texas Department of Insurance.

2 Sec. 405.002. WORKERS' COMPENSATION RESEARCH DUTIES OF
3 DEPARTMENT. (a) The department shall conduct professional studies
4 and research related to:

5 (1) the delivery of benefits;

6 (2) litigation and controversy related to workers'
7 compensation;

8 (3) insurance rates and rate-making procedures;

9 (4) rehabilitation and reemployment of injured
10 workers;

11 (5) workplace health and safety issues;

12 (6) the quality and cost of medical benefits; and

13 (7) other matters relevant to the cost, quality, and
14 operational effectiveness of the workers' compensation system.

15 (b) The department shall identify, collect, maintain, and
16 analyze the key information required to assess the operational
17 effectiveness of the workers' compensation system. The department
18 shall provide the information obtained under this section to the
19 governor and the legislature not later than December 31 of each
20 even-numbered year.

21 (c) The department may apply for and spend grant funds to
22 implement this chapter.

23 (d) The department shall ensure that all research reports
24 prepared under this chapter or by the former Research and Oversight
25 Council on Workers' Compensation are accessible to the public
26 through the Internet to the extent practicable.

27 Sec. 405.003. FUNDING; MAINTENANCE TAX. (a) The

1 department's duties under this chapter are funded through the
2 assessment of a maintenance tax collected annually from all
3 insurance carriers, and self-insurance groups that hold
4 certificates of approval under Chapter 407A, except governmental
5 entities.

6 (b) The department shall set the rate of the maintenance tax
7 based on the expenditures authorized and the receipts anticipated
8 in legislative appropriations. The tax rate for insurance
9 companies may not exceed one-tenth of one percent of the correctly
10 reported gross workers' compensation insurance premiums. The tax
11 rate for certified self-insurers may not exceed one-tenth of one
12 percent of the total tax base of all certified self-insurers, as
13 computed under Section 407.103(b). The tax rate for self-insurance
14 groups described by Subsection (a) may not exceed one-tenth of one
15 percent of the group's gross premium for the group's retention,
16 excluding premium collected by the group for excess insurance.

17 (c) The tax imposed under Subsection (a) is in addition to
18 all other taxes imposed on those insurance carriers for workers'
19 compensation purposes.

20 (d) The tax on insurance companies and on self-insurance
21 groups described by Subsection (a) shall be assessed, collected,
22 and paid in the same manner and at the same time as the maintenance
23 tax established for the support of the department under Article
24 5.68, Insurance Code. The tax on certified self-insurers shall be
25 assessed, collected, and paid in the same manner and at the same
26 time as the self-insurer maintenance tax collected under Section
27 407.104.

1 (e) Amounts received under this section shall be deposited
2 in the state treasury in accordance with Article 5.68(e), Insurance
3 Code, to be used:

4 (1) for the operation of the department's duties under
5 this chapter; and

6 (2) to reimburse the general revenue fund in
7 accordance with Article 4.19, Insurance Code.

8 (f) Section 403.095, Government Code, does not apply to the
9 special account established under this section.

10 Sec. 405.004. COORDINATION WITH OTHER STATE AGENCIES;
11 CONFIDENTIALITY. (a) As required to fulfill the department's
12 objectives under this chapter, the department is entitled to access
13 to the files and records of:

14 (1) the commission;

15 (2) the Texas Workforce Commission;

16 (3) the Texas Department of Human Services;

17 (4) the State Office of Risk Management; and

18 (5) other state agencies.

19 (b) A state agency shall assist and cooperate in providing
20 the information to the department.

21 (c) Information that is confidential under state law is
22 accessible to the department under rules of confidentiality and
23 remains confidential.

24 (d) The identity of an individual or entity selected to
25 participate in a department survey or who participates in such a
26 survey is confidential and is not subject to public disclosure
27 under Chapter 552, Government Code.

1 SECTION 2.02. (a) Chapter 404 and Section 413.021(f),
2 Labor Code, are repealed.

3 (b) The Research and Oversight Council on Workers'
4 Compensation, including the council's board of directors, is
5 abolished on the effective date of this Act. All state records and
6 other property of the council on the effective date of this Act are
7 transferred to the Texas Department of Insurance. Any reference in
8 law to the Research and Oversight Council on Workers' Compensation,
9 the council's board of directors, the Texas Workers' Compensation
10 Research Center, or the research center's board means the Texas
11 Department of Insurance or the commissioner of insurance, as
12 appropriate.

13 (c) The Texas Department of Insurance shall assume
14 responsibility for any obligation incurred or contract entered into
15 by the Research and Oversight Council on Workers' Compensation
16 before the effective date of this article.

17 (d) The Texas Department of Insurance shall enter into an
18 interagency agreement with the Texas Workers' Compensation
19 Commission to share the costs of continued participation in the
20 Workers' Compensation Research Institute's CompScope multistate
21 report series.

22 SECTION 2.03. The special account established under Section
23 404.003, Labor Code, as that section existed before being repealed
24 by this Act, is re-created and transferred to the Texas Department
25 of Insurance's General Revenue and Insurance Companies Maintenance
26 Tax and Insurance Department Fees Account to be used for the
27 purposes described by Section 405.003, Labor Code, as added by this

1 Act.

2 ARTICLE 3. TEXAS COMMISSION ON PRIVATE SECURITY

3 SECTION 3.01. Section 1702.002, Occupations Code, is
4 amended by adding Subdivisions (1-a) and (5-a) to read as follows:

5 (1-a) "Board" means the Texas Private Security Board.

6 (5-a) "Department" means the Department of Public
7 Safety of the State of Texas.

8 SECTION 3.02. Subchapter A, Chapter 1702, Occupations Code,
9 is amended by adding Section 1702.005 to read as follows:

10 Sec. 1702.005. DEPARTMENT OF PUBLIC SAFETY. (a) The board
11 created under Section 1702.021 is a part of the department. The
12 department shall administer this chapter through the board.

13 (b) A reference in this chapter or another law to the Texas
14 Commission on Private Security means the board.

15 SECTION 3.03. Section 1702.021(a), Occupations Code, is
16 amended to read as follows:

17 (a) The Texas [~~Commission on~~] Private Security Board
18 consists of seven [~~eight~~] members appointed by the governor with
19 the advice and consent of the senate as follows:

20 (1) four public members, each of whom is a citizen of
21 the United States;

22 (2) one member who [+

23 [~~(A)~~] is licensed under this chapter as a private
24 investigator;

25 [~~(B) has been engaged as a private investigator~~
26 ~~for at least the five years preceding appointment, and~~

27 [~~(C) is not employed by a person who employs~~

1 ~~another member of the commission;~~

2 (3) one member who is licensed under this chapter as an
3 alarm systems company; and ~~[who:~~

4 ~~[(A) has been engaged as an alarm systems company~~
5 ~~for at least the five years preceding appointment; and~~

6 ~~[(B) is not employed by a person who employs~~
7 ~~another member of the commission;]~~

8 (4) one member who ~~[:~~

9 ~~[(A)]~~ is licensed under this chapter as the owner
10 or operator of a guard company ~~[:~~

11 ~~[(B) has been the owner or operator of the guard~~
12 ~~company for at least the five years preceding appointment; and~~

13 ~~[(C) is not employed by a person who employs~~
14 ~~another member of the commission; and~~

15 ~~[(5) one member who:~~

16 ~~[(A) holds a license, security officer~~
17 ~~commission, or registration under this chapter;~~

18 ~~[(B) has been engaged in activity regulated by~~
19 ~~the commission under this chapter for at least the five years~~
20 ~~preceding appointment; and~~

21 ~~[(C) is not employed by a person who employs~~
22 ~~another member of the commission].~~

23 SECTION 3.04. Section 1702.025, Occupations Code, as
24 amended by Chapter 1170, Acts of the 78th Legislature, Regular
25 Session, 2003, and Section 1702.026, Occupations Code, are amended
26 to read as follows:

27 Sec. 1702.025. TERMS; VACANCIES. (a) The board ~~[appointed~~

1 ~~commission~~] members serve staggered six-year terms, with the terms
2 of two or three [~~appointed~~] members expiring on January 31 of each
3 odd-numbered year.

4 (b) If a vacancy occurs during the term of a board [~~an~~
5 ~~appointed commission~~] member, the governor shall appoint a new
6 member to fill the unexpired term.

7 Sec. 1702.026. OFFICERS. (a) The governor shall designate
8 one board [~~commission~~] member as presiding officer to serve in that
9 capacity at the will of the governor. The governor shall designate
10 the presiding officer without regard to race, creed, color,
11 disability, sex, religion, age, or national origin.

12 (b) The board [~~commission, including the representative of~~
13 ~~the director of the Texas Department of Public Safety if one is~~
14 ~~designated,~~] shall elect from among its members an assistant
15 presiding officer and a secretary to serve two-year terms beginning
16 on September 1 of each odd-numbered year.

17 (c) The presiding officer of the board [~~commission~~] or, in
18 the absence of the presiding officer, the assistant presiding
19 officer shall preside at each board [~~commission~~] meeting and
20 perform the other duties prescribed by this chapter.

21 SECTION 3.05. Section 1702.022, Occupations Code, is
22 repealed.

23 SECTION 3.06. Not later than the 60th day after the
24 effective date of this Act, the governor shall appoint the members
25 of the Texas Private Security Board, as required under Section
26 1702.021, Occupations Code, as amended by this Act. In appointing
27 the initial members of the board under this section, the governor

1 shall appoint:

2 (1) two members for terms expiring January 31, 2005;

3 (2) two members for terms expiring January 31, 2007;

4 and

5 (3) three members for terms expiring January 31, 2009.

6 SECTION 3.07. (a) On the 60th day after the effective date
7 of this Act:

8 (1) all functions and activities performed by the
9 Texas Commission on Private Security immediately before that date
10 are transferred to the Texas Private Security Board of the
11 Department of Public Safety of the State of Texas;

12 (2) a rule or form adopted by the Texas Commission on
13 Private Security is a rule or form of the Texas Private Security
14 Board and remains in effect until superseded by that board;

15 (3) a reference in law or an administrative rule to the
16 Texas Commission on Private Security means the Texas Private
17 Security Board;

18 (4) a complaint, investigation, or other proceeding
19 before the Texas Commission on Private Security is transferred
20 without change in status to the Texas Private Security Board, and
21 the Texas Private Security Board assumes, as appropriate and
22 without a change in status, the position of the Texas Commission on
23 Private Security in an action or proceeding to which the Texas
24 Commission on Private Security is a party;

25 (5) all property in the custody of the Texas
26 Commission on Private Security is transferred to the Texas Private
27 Security Board; and

1 (6) the unexpended and unobligated balance of any
2 money appropriated by the legislature for the Texas Commission on
3 Private Security is transferred to the Texas Private Security
4 Board.

5 (b) Before the 60th day after the effective date of this
6 Act, the Texas Commission on Private Security may agree with the
7 Department of Public Safety of the State of Texas to transfer any
8 property of the Texas Commission on Private Security to the
9 Department of Public Safety of the State of Texas to implement the
10 transfer required by this Act.

11 (c) During the period beginning on the effective date of
12 this Act and ending on the 60th day after the effective date of this
13 Act, the Texas Commission on Private Security shall continue to
14 perform functions and activities under Chapter 1702, Occupations
15 Code, as if that chapter had not been amended by this Act, and the
16 former law is continued in effect for that purpose.

17 ARTICLE 4. TEXAS COUNCIL ON ENVIRONMENTAL TECHNOLOGY

18 SECTION 4.01. Sections 386.051(a) and (b), Health and
19 Safety Code, are amended to read as follows:

20 (a) The utility commission, the commission, and the
21 comptroller[~~and the council~~] shall establish and administer the
22 Texas emissions reduction plan in accordance with this chapter.

23 (b) Under the plan, the commission[~~and the council~~] and the comptroller[~~and the council~~]
24 shall provide grants or other funding for:

25 (1) the diesel emissions reduction incentive program
26 established under Subchapter C, including for infrastructure
27 projects established under that subchapter;

1 (2) the motor vehicle purchase or lease incentive
2 program established under Subchapter D; and

3 (3) the new technology research and development
4 program established under Chapter 387.

5 SECTION 4.02. Section 387.001, Health and Safety Code, is
6 amended to read as follows:

7 Sec. 387.001. DEFINITIONS [~~DEFINITION~~]. In this chapter:

8 (1) "Commission" means the Texas Commission on
9 Environmental Quality.

10 (2) "Program" [,"program"] means the new technology
11 research and development program.

12 SECTION 4.03. Section 387.003, Health and Safety Code, as
13 amended by Section 2, Chapter 29, and Section 13, Chapter 1331, Acts
14 of the 78th Legislature, Regular Session, 2003, is amended to read
15 as follows:

16 Sec. 387.003. NEW TECHNOLOGY RESEARCH AND DEVELOPMENT
17 PROGRAM. (a) The commission, in consultation with the Texas
18 Council on Environmental Technology, shall establish and
19 administer a new technology research and development program as
20 provided by this chapter.

21 (b) Under the program, the commission [~~Texas Council on~~
22 ~~Environmental Technology~~] shall provide grants to be used to
23 support development of emissions-reducing technologies that may be
24 used for projects eligible for awards under Chapter 386 and other
25 new technologies that show promise for commercialization. The
26 primary objective of this chapter is to promote the development of
27 commercialization technologies that will support projects that may

1 be funded under Chapter 386 and this chapter, including advanced
2 technologies such as fuel cells, catalysts, and fuel additives.

3 ~~[(c) When making a grant under the program, the Texas
4 Council on Environmental Technology may collect a fee from the
5 grant recipient in an amount not to exceed five percent of the
6 amount of the grant to be used by the council only to:~~

7 ~~[(1) monitor project progress;~~

8 ~~[(2) disseminate information about project
9 accomplishments;~~

10 ~~[(3) track technology deployment into the
11 marketplace; and~~

12 ~~[(4) provide estimates of the impact that
13 commercialization of funded projects will have on the environment.]~~

14 SECTION 4.04. Section 387.004, Health and Safety Code, is
15 amended to read as follows:

16 Sec. 387.004. SOLICITATION OF NEW TECHNOLOGY PROPOSALS.
17 The commission [~~Texas Council on Environmental Technology~~] from
18 time to time shall issue specific requests for proposals (RFPs) or
19 program opportunity notices (PONs) for technology projects to be
20 funded under the program.

21 SECTION 4.05. Sections 387.005(b) and (c), Health and
22 Safety Code, and Section 387.005(f), Health and Safety Code, as
23 added by Section 3, Chapter 29, Acts of the 78th Legislature,
24 Regular Session, 2003, are amended to read as follows:

25 (b) The commission [~~Texas Council on Environmental
26 Technology~~] shall identify and evaluate and may consider making
27 grants for technology projects that would allow qualifying fuels to

1 be produced from energy resources in this state. In considering
2 projects under this subsection, the commission [~~council~~] shall give
3 preference to projects involving otherwise unusable energy
4 resources in this state and producing qualifying fuels at prices
5 lower than otherwise available and low enough to make the projects
6 to be funded under the program economically attractive to local
7 businesses in the area for which the project is proposed.

8 (c) In soliciting proposals under Section 387.004 and
9 determining how to allocate grant money available for projects
10 under this chapter, the commission [~~Texas Council on Environmental~~
11 ~~Technology~~] shall give special consideration to advanced
12 technologies and retrofit or add-on projects that provide multiple
13 benefits by reducing emissions of particulates and other air
14 pollutants.

15 (f) If a commissioner [~~member of the Texas Council on~~
16 ~~Environmental Technology~~] is an employee or owner of an entity that
17 applies for a grant under this chapter, the commissioner [~~member~~],
18 before a vote on the grant, shall disclose the fact of the
19 commissioner's [~~member's~~] employment or ownership. The disclosure
20 must be entered into the minutes of the meeting. The commissioner
21 [~~member~~] may not vote on or otherwise participate in the awarding of
22 the grant. If the commissioner [~~member~~] does not comply with this
23 subsection, the entity is not eligible for the grant.

24 SECTION 4.06. Section 387.006(b), Health and Safety Code,
25 is amended to read as follows:

26 (b) The commission [~~Texas Council on Environmental~~
27 ~~Technology~~] shall consider specifically, for each proposed

1 technology project application:

2 (1) the projected potential for reduced emissions of
3 oxides of nitrogen and the cost-effectiveness of the technology
4 once it has been commercialized;

5 (2) the potential for the technology to contribute
6 significantly to air quality goals; and

7 (3) the strength of the commercialization plan.

8 SECTION 4.07. Section 387.007, Health and Safety Code, is
9 amended to read as follows:

10 Sec. 387.007. COST-SHARING. The commission [~~Texas Council~~
11 ~~on Environmental Technology~~] may require cost-sharing for
12 technology projects funded under this chapter but may not require
13 repayment of grant money, except that the commission [~~council~~]
14 shall require provisions for recapturing grant money for
15 noncompliance with grant requirements. Grant money recaptured
16 under the contract provision shall be deposited in the
17 environmental research fund and reallocated for other projects
18 under this chapter.

19 SECTION 4.08. Section 387.008, Health and Safety Code, as
20 amended by Section 4, Chapter 29, Acts of the 78th Legislature,
21 Regular Session, 2003, is amended to read as follows:

22 Sec. 387.008. ENVIRONMENTAL RESEARCH FUND. (a) The
23 environmental research fund is an account in the general revenue
24 fund. The fund consists of [~~fees collected under Section~~
25 ~~387.003(c) and~~] money from gifts, grants, or donations to the fund
26 for designated or general use and from any other source designated
27 by the legislature.

1 (b) Money in the environmental research fund may be used
2 only by the commission for operations [~~the operation~~] and projects
3 under this chapter [~~of the Texas Council on Environmental~~
4 ~~Technology~~].

5 (c) Sections 403.095 and 404.071, Government Code, do not
6 apply to the fund. Interest earned on the fund shall be credited to
7 the fund.

8 SECTION 4.09. Sections 387.009 and 387.010, Health and
9 Safety Code, are amended to read as follows:

10 Sec. 387.009. ADVISORY COMMITTEES. The commission [~~Texas~~
11 ~~Council on Environmental Technology~~] may appoint advisory
12 committees as necessary or desirable to assist the commission
13 [~~council~~] in performing its duties under this chapter. An advisory
14 committee may include representatives of industry, environmental
15 groups, consumer groups, local governments, agriculture, the
16 commission, the General Land Office, and the Railroad Commission of
17 Texas. Any senator or representative desiring to do so may
18 participate on any advisory committee appointed under this section.
19 Members of an advisory committee are not entitled to compensation.

20 Sec. 387.010. REPORTS. (a) Not [~~later than December 1,~~
21 ~~2002, and not~~] later than December 1 of each even-numbered
22 [~~subsequent second~~] year, the commission [~~Texas Council on~~
23 ~~Environmental Technology~~] shall report to the legislature on
24 projects funded under the new technology research and development
25 program, describing the technical objectives and accomplishments
26 of the project and the progress of the project technology toward
27 commercialization. Using sound science, the report shall detail

1 the costs and actual realized benefits of the program and of each
2 project funded under the program.

3 (b) The commission shall ensure that all research reports
4 under the program are accessible to the public, including, as
5 practicable, through the commission's Internet website.

6 SECTION 4.10. Section 387.002(c), Health and Safety Code,
7 is repealed.

8 SECTION 4.11. On the effective date of this Act:

9 (1) except as otherwise provided by Chapter 387,
10 Health and Safety Code, as amended by this Act, the functions of the
11 Texas Council on Environmental Technology are transferred to the
12 Texas Commission on Environmental Quality, including:

13 (A) managing of grants approved by the council
14 before the effective date of this Act; and

15 (B) requesting proposals for grants, reviewing
16 grant applications, and awarding grant contracts;

17 (2) any contract or other obligation of the council is
18 transferred to the commission; and

19 (3) the property and records of the council and its
20 predecessor agencies are transferred to the commission.

21 ARTICLE 5. EQUITABLE USE OF REVENUE AND UNIFORMITY IN RELATION TO
22 SCHOOL DISTRICT PROPERTY VALUES

23 SECTION 5.01. Section 403.302, Government Code, is amended
24 by adding Subsection (c-1) to read as follows:

25 (c-1) Notwithstanding Subsection (c), if after conducting
26 the annual study for the year 2002 the comptroller determines that
27 the local value for a school district is invalid and the local value

1 exceeds the state value for the school district determined by the
2 comptroller under Subsections (a) and (b), the taxable value for
3 the school district for that year is the district's state value as
4 established by the comptroller. This subsection expires September
5 30, 2004.

6 SECTION 5.02. Section 403.302(m), Government Code, as added
7 by Chapter 1183, Acts of the 78th Legislature, Regular Session,
8 2003, is repealed.

9 SECTION 5.03. The commissioner of education shall compute
10 the amount of funding under Chapters 42 and 46, Education Code, to
11 which each school district is entitled for the 2003-2004 school
12 year, and the wealth per student of each school district for
13 purposes of Chapter 41, Education Code, for the 2003-2004 school
14 year, without regard to Chapter 1183, Acts of the 78th Legislature,
15 Regular Session, 2003. If a school district received an
16 underallocation or overallocation of state funds because a payment
17 made before the effective date of this Act was computed in
18 accordance with Chapter 1183, Acts of the 78th Legislature, Regular
19 Session, 2003, the commissioner shall adjust the computation of the
20 amount of the payments made to the school district for the remainder
21 of the 2003-2004 school year or take other action so that the total
22 payments made to that school district for that school year equal the
23 amount the school district would have received for that school year
24 had none of the payments been computed in accordance with Chapter
25 1183, Acts of the 78th Legislature, Regular Session, 2003.

26 ARTICLE 6. EFFECTIVE DATE

27 SECTION 6.01. This Act takes effect immediately if it

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1 receives a vote of two-thirds of all the members elected to each
2 house, as provided by Section 39, Article III, Texas Constitution.
3 If this Act does not receive the vote necessary for immediate
4 effect, this Act takes effect on the 91st day after the last day of
5 the legislative session.