

By: Shapleigh

S.B. No. 1152

A BILL TO BE ENTITLED

AN ACT

relating to the use of TexasOnline.

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

SECTION 1. Subsection (e), Section 2054.111, Government Code, is amended to read as follows:

(e) A state agency or local government that uses the project may charge a fee if:

(1) the fee is necessary to recover the actual costs directly and reasonably incurred by the agency or local government because of the project for:

(A) the use of electronic payment methods; or

(B) interfacing with other information technology systems;

(2) the fee does not include an amount to recover state agency or local government employee costs;

(3) the state agency or local government approves the amount of the fee using the state agency's or local government's standard approval process for fee increases;

(4) the chief financial officer for the state agency or local government certifies that the amount of the fee is necessary to recover the actual costs incurred because of the project; and

(5) [~~2~~] the authority approves the amount of the fee.

1 SECTION 2. Subchapter F, Chapter 2054, Government Code, is  
2 amended by adding Section 2054.1115 to read as follows:

3 Sec. 2054.1115. ELECTRONIC PAYMENTS ON TEXASONLINE. (a) A  
4 state agency or local government that uses TexasOnline may use  
5 electronic payment methods, including the acceptance of credit and  
6 debit cards, for point-of-sale, telephone, or mail transactions.

7 (b) The state agency or local government may charge a  
8 reasonable fee, as provided by Section 2054.111, to recover costs  
9 incurred through electronic payment methods used under this  
10 section.

11 SECTION 3. Section 2054.113, Government Code, is amended by  
12 amending Subsection (b) and adding Subsection (c) to read as  
13 follows:

14 (b) A state agency may not duplicate an infrastructure  
15 component of TexasOnline, unless the program management office  
16 approves the duplication. In this subsection, "infrastructure"  
17 does not include the development of applications, and the  
18 supporting platform, for electronic government projects.

19 (c) Before a state agency may contract with a third party  
20 for Internet application development that duplicates a TexasOnline  
21 function, the state agency must notify the TexasOnline Authority of  
22 its intent to bid for such services at the same time that others  
23 have the opportunity to bid. The program management office may  
24 exempt a state agency from this section if it determines the agency  
25 has fully complied with Section 2054.111.

26 SECTION 4. Section 2054.125, Government Code, is amended by  
27 adding Subsection (d) to read as follows:

1        (d) Each state agency that maintains a generally accessible  
2 Internet site shall include a link to TexasOnline on the front page  
3 of the Internet site.

4        SECTION 5. Subdivision (5), Section 2054.251, Government  
5 Code, as added by Chapter 342, Acts of the 77th Legislature, Regular  
6 Session, 2001, is amended to read as follows:

7            (5) "Occupational license" means a license,  
8 certificate, registration, permit, or other form of authorization,  
9 including a renewal of the authorization, that:

10            (A) a person must obtain to practice or engage in  
11 a particular business, occupation, or profession; or

12            (B) a facility must obtain before a particular  
13 business, occupation, or profession is practiced or engaged in  
14 within the facility.

15        SECTION 6. Section 2054.251, Government Code, as added by  
16 Chapter 353, Acts of the 77th Legislature, Regular Session, 2001,  
17 is amended to read as follows:

18        Sec. 2054.251. DEFINITIONS. In this subchapter, "authority,"  
19 "licensing entity," and "occupational[+]

20            ~~[(1) "Licensing authority" means a department,~~  
21 ~~commission, board, office, or other agency of the state or a~~  
22 ~~political subdivision of the state that issues an occupational~~  
23 ~~license.~~

24            ~~[(2) "Occupational]~~ license" have the meanings  
25 assigned those terms by Section 2054.251, as added by Chapter 342,  
26 Acts of the 77th Legislature, Regular Session, 2001 ~~[means a~~  
27 ~~license, certificate, registration, or other form of authorization~~

1 ~~that a person must obtain to practice or engage in a particular~~  
2 ~~business, occupation, or profession].~~

3 SECTION 7. Section 2054.252, Government Code, as added by  
4 Chapter 353, Acts of the 77th Legislature, Regular Session, 2001,  
5 is amended to read as follows:

6 Sec. 2054.252. APPLICABILITY. (a) The following licensing  
7 entities [~~authorities~~] shall participate in the system established  
8 under Section 2054.253, as added by Chapter 353, Acts of the 77th  
9 Legislature, Regular Session, 2001:

- 10 (1) State Board of Barber Examiners;
- 11 (2) Texas Board of Chiropractic Examiners;
- 12 (3) Texas Cosmetology Commission;
- 13 (4) Court Reporters Certification Board;
- 14 (5) State Board of Dental Examiners;
- 15 (6) Texas Funeral Service Commission;
- 16 (7) Texas Board of Professional Land Surveying;
- 17 (8) Texas State Board of Medical Examiners;
- 18 (9) Board of Nurse Examiners;
- 19 (10) Board of Vocational Nurse Examiners;
- 20 (11) Texas Optometry Board;
- 21 (12) Texas Structural Pest Control Board;
- 22 (13) Texas State Board of Pharmacy;
- 23 (14) Executive Council of Physical Therapy and  
24 Occupational Therapy Examiners;
- 25 (15) Texas State Board of Plumbing Examiners;
- 26 (16) Texas State Board of Podiatric Medical Examiners;
- 27 (17) Board of Tax Professional Examiners;

- 1 (18) Polygraph Examiners Board;
- 2 (19) Texas State Board of Examiners of Psychologists;
- 3 (20) State Board of Veterinary Medical Examiners;
- 4 (21) Texas Real Estate Commission;
- 5 (22) Texas Appraiser Licensing and Certification
- 6 Board; ~~and~~
- 7 (23) Texas Department of Licensing and Regulation;
- 8 (24) Texas State Board of Public Accountancy;
- 9 (25) State Board for Educator Certification;
- 10 (26) Texas Board of Professional Engineers;
- 11 (27) Texas Department of Health;
- 12 (28) Texas Board of Architectural Examiners;
- 13 (29) Texas Racing Commission;
- 14 (30) Commission on Law Enforcement Officer Standards
- 15 and Education; and
- 16 (31) Texas Commission on Private Security.

17 (b) The authority ~~[comptroller]~~ may add additional agencies  
18 as system capabilities are developed.

19 (c) A licensing entity ~~[authority]~~ other than an entity  
20 ~~[authority]~~ listed by Subsection (a) may participate in the system  
21 established under Section 2054.253, as added by Chapter 353, Acts  
22 of the 77th Legislature, Regular Session, 2001, subject to the  
23 approval of the authority ~~[department]~~.

24 SECTION 8. Section 2054.253, Government Code, as added by  
25 Chapter 342, Acts of the 77th Legislature, Regular Session, 2001,  
26 is amended to read as follows:

27 (a) The authority consists of the comptroller, who serves ex

1 officio, or the designee of the comptroller, and 16 ~~[15]~~ members  
2 appointed by the governor, as follows:

3 (1) a board member who serves at the prerogative of the  
4 governor ~~[a representative of each of the following state officers~~  
5 ~~or agencies appointed by the state officer or the governing body of~~  
6 ~~the agency:]~~

7 ~~[(A) the comptroller; and~~  
8 ~~[(B) the department];~~

9 (2) three representatives of local governments  
10 appointed by the governor, including one representative from a  
11 junior college district;

12 (3) three representatives of businesses that are  
13 regulated by a state agency or local government, appointed by the  
14 governor, including one representative from a rural area;

15 (4) four representatives of state agencies, including  
16 an institution of higher education other than a junior college  
17 district, appointed by the governor, including one representative  
18 from a rural area; and

19 (5) five ~~[three]~~ public members appointed by the  
20 governor, including one representative from a rural area.

21 SECTION 9. Section 2054.253, Government Code, as added by  
22 Chapter 353, Acts of the 77th Legislature, Regular Session, 2001,  
23 is amended to read as follows:

24 Sec. 2054.253. ELECTRONIC SYSTEM FOR OCCUPATIONAL  
25 LICENSING TRANSACTIONS. (a) The authority ~~[department]~~ shall  
26 administer a common electronic system using the Internet through  
27 which a licensing entity ~~[authority]~~ can electronically:

1           (1) send occupational licenses and other documents to  
2 persons regulated by the authority and to the public;

3           (2) receive applications for occupational licenses  
4 and other documents for filing from persons regulated by the  
5 authority and from the public, including documents that can be  
6 electronically signed if necessary; and

7           (3) receive required payments from persons regulated  
8 by the authority and from the public.

9           (b) The authority [~~department~~] may implement this section  
10 in phases. Each licensing entity [~~authority~~] that participates in  
11 the system established under this section shall comply with the  
12 schedule established by the authority [~~department~~].

13           (c) The authority [~~department~~] may use any Internet portal  
14 established under a demonstration project administered by the  
15 authority [~~department~~].

16           (d) The authority may exempt a licensing entity from  
17 participating in the system established by this section if the  
18 authority determines that:

19                 (1) the licensing entity has established an Internet  
20 portal that allows the performance of the functions described by  
21 Subsection (a); or

22                 (2) online license renewal for the licensing entity  
23 would not be cost-effective or in the best interest of the project  
24 [~~The department may contract with a private vendor to implement~~  
25 ~~this section. A contract under this subsection is payable only from~~  
26 ~~fees collected under Subsection (e)].~~

27           ~~[(c) The department shall charge fees in amounts sufficient~~

1 ~~to cover the cost of implementing this section. The department may~~  
2 ~~charge:~~

3 ~~[(1) a transaction fee for each transaction performed~~  
4 ~~on the system; and~~

5 ~~[(2) a subscription fee to be paid by each licensing~~  
6 ~~authority that participates in the system.]~~

7 SECTION 10. Subsections (a), (b), and (c), Section  
8 2054.254, Government Code, as added by Chapter 353, Acts of the 77th  
9 Legislature, Regular Session, 2001, are amended to read as follows:

10 (a) The steering committee for electronic occupational  
11 licensing transactions consists of a representative of each of the  
12 following, appointed by its governing body:

13 (1) each licensing entity [~~authority~~] listed by  
14 Section 2054.252(a), as added by Chapter 353, Acts of the 77th  
15 Legislature, Regular Session, 2001; and

16 (2) the department.

17 (b) The governing body of a licensing entity [~~authority~~]  
18 described by Section 2054.252(c), as added by Chapter 353, Acts of  
19 the 77th Legislature, Regular Session, 2001, may appoint a  
20 representative to the committee.

21 (c) A member of the committee serves at the will of the  
22 entity [~~authority~~] that appointed the member.

23 SECTION 11. Section 2054.255, Government Code, is amended  
24 to read as follows:

25 Sec. 2054.255. PRESIDING OFFICER. The member of the  
26 authority representing the board [~~department~~] is the presiding  
27 officer.



1           SECTION 12. Section 2054.259, Government Code, is amended  
2 to read as follows:

3           Sec. 2054.259. GENERAL POWERS AND DUTIES OF TEXASONLINE  
4 AUTHORITY. The authority shall:

5           (1) develop policies related to operation of the  
6 project;

7           (2) approve or disapprove [~~consider~~] services to be  
8 provided by the project;

9           (3) operate and promote the project;

10          (4) oversee [~~manage~~] contract performance for the  
11 project;

12          (5) comply with department financial requirements;

13          (6) oversee money generated for the operation and  
14 expansion of the project;

15          (7) develop project pricing policies, including  
16 policies regarding any fees that a state agency or local government  
17 may charge for a transaction that uses the project;

18          (8) evaluate participation in the project to determine  
19 if performance efficiencies or other benefits and opportunities are  
20 gained through project implementation;

21          (9) advise the department about the project; and

22          (10) coordinate with the department to receive  
23 periodic security audits of the operational facilities of the  
24 project.

25           SECTION 13. Subchapter I, Chapter 2054, Government Code, as  
26 added by Chapter 342, Acts of the 77th Legislature, Regular  
27 Session, 2001, is amended by adding Sections 2054.268 through

1 2054.271 to read as follows:

2 Sec. 2054.268. CONTRACTS; CONFLICT OF INTEREST. A contract  
3 entered into between the authority and another state agency or a  
4 local government is not void for the sole reason that a member of  
5 the authority also serves on the governing body of the state agency  
6 or local government with which the contract was entered.

7 Sec. 2054.269. INTELLECTUAL PROPERTY RIGHTS. The  
8 department may exercise all intellectual property rights regarding  
9 the project, including prevention of other persons from using names  
10 or designs similar to those used by the project to market products.

11 Sec. 2054.270. MOTOR VEHICLE REGISTRATIONS. For purposes  
12 of this chapter, the renewal of a motor vehicle registration is a  
13 state service.

14 Sec. 2054.271. AUTHENTICATION OF INDIVIDUAL IDENTITIES AND  
15 SIGNATURES; RULES. (a) The authority or another state agency or  
16 local government that uses TexasOnline may use the Department of  
17 Public Safety's or another state agency's database, as appropriate,  
18 to authenticate an individual's identity on TexasOnline.

19 (b) The authentication allowed by this section may be used  
20 by the state agency or local government as an alternative to  
21 requiring a notarized document, a document signed by a third party,  
22 or an original signature on a document.

23 (c) The authority shall propose rules, which the board may  
24 adopt, regarding the use of a standardized database for  
25 authentication under this section.

26 SECTION 14. Subsections (d), (e), and (g), Section  
27 2054.252, Government Code, as added by Chapter 342, Acts of the 77th

1 Legislature, Regular Session, 2001, are amended to read as follows:

2 (d) The department [~~authority~~] may contract with a private  
3 vendor to implement this section.

4 (e) The authority shall charge fees to licensing entities in  
5 amounts sufficient to cover the cost of implementing this section  
6 with respect to licensing entities. The authority shall charge a  
7 subscription fee to be paid by each licensing entity. If the  
8 authority determines that the transaction costs exceed the maximum  
9 increase in occupational license issuance or renewal fees allowed  
10 under Subsection (g), the authority may also charge a reasonable  
11 convenience fee to be recovered from a license holder who uses the  
12 project for online issuance or renewal of a license.

13 (g) Each licensing entity shall increase the occupational  
14 license issuance or renewal fees imposed by the licensing entity by  
15 an amount sufficient to cover the cost of the subscription fee  
16 imposed on the licensing entity under Subsection (e) but not to  
17 exceed:

18 (1) \$5 for an annual occupational license [~~that is~~  
19 ~~required to be renewed annually~~]; [~~or~~]

20 (2) \$10 for a biennial [~~an~~] occupational license; or

21 (3) the amount necessary to cover the cost of the  
22 subscription fee imposed on the licensing entity under Subsection  
23 (e) for permits or facilities licenses [~~that is required to be~~  
24 ~~renewed biennially~~].

25 SECTION 15. Section 2054.2645, Government Code, is  
26 repealed.

27 SECTION 16. (a) Not later than November 1, 2003, the

1 governor shall appoint the additional public members to serve on  
2 the TexasOnline Authority, as required by Subsection (a), Section  
3 2054.253, Government Code, as added by Chapter 342, Acts of the 77th  
4 Legislature, Regular Session, 2001, and as amended by this Act. One  
5 public member's term shall expire on February 1, 2005, and the  
6 other public member's term shall expire on February 1, 2007.

7 (b) Not later than November 1, 2003, the governor shall  
8 appoint a member of the governing board of the Department of  
9 Information Resources to serve on the TexasOnline Authority, as  
10 required by Subsection (a), Section 2054.253, Government Code, as  
11 added by Chapter 342, Acts of the 77th Legislature, Regular  
12 Session, 2001, and as amended by this Act. The member's term shall  
13 expire on February 1, 2009.

14 SECTION 17. The Department of Information Resources shall,  
15 in cooperation with the secretary of state, study the feasibility  
16 of providing notary public services on the Internet. If the  
17 department and the secretary of state determine the feasibility to  
18 be sound, the department shall make recommendations not later than  
19 January 1, 2005, to the 79th Legislature regarding legislation to  
20 implement notary public services on the Internet.

21 SECTION 18. This Act takes effect immediately if it  
22 receives a vote of two-thirds of all the members elected to each  
23 house, as provided by Section 39, Article III, Texas Constitution.  
24 If this Act does not receive the vote necessary for immediate  
25 effect, this Act takes effect September 1, 2003.

COMMITTEE AMENDMENT NO. 1

Strike Section 8 and replace with SECTION 8:

SECTION 8: Section 2054.253, Government Code, as added by Chapter 342, Acts of the 77th Legislature, Regular Session, 2001, is amended by amending Subsection (a) to read as follows:

(a) The authority consists of the comptroller, who serves ex officio, or the designee of the comptroller, and a board member who serves at the pleasure of the governor, and 15 members appointed by the governor, as follows:

~~[a representative of each of the following state officers or agencies appointed by the state officer or the governing body of the agency:~~

~~[(A) the comptroller; and~~

~~[(B) the department];~~

~~(2)~~ (1) three representatives of local governments appointed by the governor, including one representative from a junior college district;

~~(3)~~ (2) three representatives of businesses that are regulated by a state agency or local government, appointed by the governor, including one representative from a rural area;

~~(4)~~ (3) four representatives of state agencies, including an institution of higher education other than a junior college district, appointed by the governor, including one representative from a rural area; and

~~(5)~~ (4) five ~~[three]~~ public members appointed by the governor, including one representative from a rural area.

Strike Section 11 and replace as follows:

1 SECTION 11. Section 2054.255, Government Code, is amended  
2 to read as follows:

3 Sec. 2054.255. PRESIDING OFFICER. The Governor shall  
4 designate ~~The member of the authority representing the department~~  
5 ~~is~~ the presiding officer of the authority to serve at the pleasure  
6 of the Governor.

7 Swinford

8 COMMITTEE AMENDMENT NO. 2

9 Amend SB 1152 by adding the following amendment and  
10 renumbering accordingly:

11 SECTION 12. Amend Section 2054.256, Government Code, to read as  
12 follows:

13 Sec. 2054.256. MEETINGS. (a) The authority shall meet at  
14 least quarterly.

15 (b) The authority may hold an open or closed meeting by  
16 telephone conference subject to the requirements of Section  
17 551.125(c)-(f).

18 Swinford