By: Baxter H.B. No. 2593

A BILL TO BE ENTITLED

AN ACT

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- relating to the TexasOnline project, the TexasOnline Authority, and related powers and fees.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Section 2054.111(e), Government Code, is amended 6 to read as follows:
- 7 (e) A state agency or local government that uses the project 8 may charge a fee <u>under Subchapter I if:</u>
- 9 (1) the fee is necessary to recover the actual costs 10 directly and reasonably incurred by the agency or local government
- 11 because of the project for:
- 12 (A) the use of electronic payment methods; or
- 13 (B) interfacing with other information
- 14 technology systems;

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- 15 (2) the fee does not include an amount to recover state 16 agency or local government employee costs;
- 17 (3) the state agency or local government approves the
- amount of the fee using the state agency's or local government's
- 19 standard approval process for fee increases;
- 20 (4) the chief financial officer for the state agency
- 21 or local government certifies that the amount of the fee is
- 22 necessary to recover the actual costs incurred because of the
- 23 project; and
- 24 (5) the authority approves the amount of the fee.

- 1 SECTION 2. Section 2054.1115(b), Government Code, is
- 2 amended to read as follows:
- 3 (b) The state agency or local government may charge a
- 4 reasonable fee, as provided by Section 2054.111 or Subchapter I, to
- 5 recover costs incurred through electronic payment methods used
- 6 under this section.
- 7 SECTION 3. Sections 2054.252(a) and (e), Government Code,
- 8 are amended to read as follows:
- 9 (a) The authority shall implement a project designated
- 10 "TexasOnline" that establishes a common electronic infrastructure
- 11 through which state agencies and local governments, including
- 12 licensing entities, may electronically:
- 13 (1) send and receive documents or required payments to
- 14 and from:
- 15 (A) members of the public;
- 16 (B) persons who are regulated by the agencies or
- 17 local governments; and
- 18 (C) the agencies and local governments;
- 19 (2) receive applications for original and renewal
- 20 licenses and permits, including occupational licenses, complaints
- 21 about occupational license holders, and other documents for filing
- from members of the public and persons who are regulated by a state
- 23 agency or local government that, when secure access is necessary,
- 24 can be electronically validated by the agency, local government,
- 25 member of the public, or regulated person;
- 26 (3) send original and renewal occupational licenses to
- 27 persons regulated by licensing entities;

- 1 (4) send profiles of occupational license holders to
- 2 persons regulated by licensing entities and to the public;
- 3 (5) store information; and
- 4 (6) provide and receive any other service to and from the agencies and local governments or the public.
- 6 (e) The authority shall charge fees to licensing entities <u>as</u>
 7 provided by this subchapter in amounts sufficient to cover the cost
- 8 of implementing this section with respect to licensing entities.
- 9 The authority shall charge a subscription fee to be paid by each
- 10 licensing entity. The authority may not charge the subscription
- 11 fee until the service for which the fee is charged is available on
- 12 the Internet. If the authority determines that the transaction
- 13 costs exceed the maximum increase in occupational license issuance
- or renewal fees allowed under Subsection (g), the authority may
- 15 also charge a reasonable convenience fee to be recovered from a
- 16 license holder who uses the project for online issuance or renewal
- 17 of a license.
- 18 SECTION 4. Section 2054.258, Government Code, is amended to
- 19 read as follows:
- Sec. 2054.258. TRAINING FOR AUTHORITY MEMBERS. Not later
- 21 than six months after the date on which an authority member is
- 22 appointed, the member must complete training on the following:
- 23 (1) the legislation that created the authority[, the
- 24 division, and the project;
- 25 (2) the department rules that relate to the authority
- 26 and the project;
- 27 (3) the programs operated by the authority [and

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1
     division];
 2
                (4)
                     the role and functions of the authority [and
 3
     division];
 4
                (5)
                     the
                           current
                                    budget
                                             for
                                                  the
                                                        authority
                                                                   [and
 5
     division];
 6
                (6)
                     the results of the most recent formal audit of the
 7
     authority;
 8
                (7)
                     the requirements of:
                           the open meetings law, Chapter 551;
 9
10
                      (B)
                           the public information law, Chapter 552;
                           the administrative procedure law, Chapter
11
                      (C)
12
     2001; and
                           other laws relating to public officials,
                      (D)
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14
     including conflict of interest laws; and
15
                 (8)
                     any applicable ethics policies adopted by the
16
     authority or the Texas Ethics Commission.
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           SECTION 5. Section 2054.259, Government Code, is amended to
     read as follows:
18
           Sec. 2054.259. GENERAL POWERS AND DUTIES OF TEXASONLINE
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     AUTHORITY. The authority shall:
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21
                     develop policies related to operation of the
                 (1)
    project;
22
                (2)
23
                     approve or disapprove services to be provided by
24
     the project;
25
                (3)
                     operate and promote the project;
26
                (4)
                     oversee contract performance for the project;
                     comply with department financial requirements;
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(5)

- 1 (6) oversee money generated for the operation and
- 2 expansion of the project;
- 3 (7) develop project pricing policies, including
- 4 policies regarding any fees that a state agency, including the
- $\underline{authority}$, or \underline{a} local government may charge for a transaction that
- 6 uses the project;
- 7 (8) evaluate participation in the project to determine
- 8 if performance efficiencies or other benefits and opportunities are
- 9 gained through project implementation;
- 10 (9) advise the department about the project; and
- 11 (10) coordinate with the department to receive
- 12 periodic security audits of the operational facilities of the
- 13 project.
- SECTION 6. Subchapter I, Chapter 2054, Government Code, is
- amended by adding Sections 2054.2591 and 2054.2595 to read as
- 16 follows:
- Sec. 2054.2591. FEES. (a) The authority shall set fees
- that a state agency, including the authority, or a local government
- 19 may charge for a transaction that uses the project. The authority
- 20 shall set fees at amounts sufficient to recover the direct and
- 21 <u>indirect costs of the project and provide a reasonable rate of</u>
- 22 return to the authority.
- (b) the authority shall charge a state agency or local
- 24 government a fee for all services provided to that entity.
- 25 (c) a fee set by the authority for using the project is in
- 26 <u>addition to any other statutory fees. The revenue collected from</u>
- 27 the fees must be used to support the project, including the recovery

- 1 <u>of project costs.</u>
- 2 Sec. 2054.2595. FEE EXEMPTIONS. The authority may not
- 3 charge the State Board of Barber Examiners or the Texas Cosmetology
- 4 Commission a fee to use the project for the issuance or renewal of
- 5 an occupational license.
- 6 SECTION 7. Section 2054.260, Government Code, is amended to
- 7 read as follows:
- 8 Sec. 2054.260. REPORTING REQUIREMENTS: AUTHORITY. (a)
- 9 Not later than September 1 of each even-numbered year, the
- 10 authority shall report on the status, progress, benefits, and
- 11 efficiency gains of the project. The authority shall provide the
- 12 report to:
- 13 (1) the presiding officer of each house of the
- 14 legislature;
- 15 (2) the chair of each committee in the legislature
- that has primary jurisdiction over the department;
- 17 (3) the governor; and
- 18 (4) each state agency or local government
- 19 participating in the project.
- 20 (b) Not later than September 1 of each even-numbered year,
- 21 the [As required by the department, the] authority shall report on
- 22 [to the department regarding] financial matters, including project
- 23 costs and revenues. <u>In addition, the</u>
- 24 [(c) The] authority shall report [to the department] on any
- 25 significant issues regarding contract performance on the project.
- 26 The authority shall report on additional financial or contract
- 27 performance matters as required by the department. The authority

- shall provide the report to:
- 2 <u>(1)</u> the department;
- 3 (2) the presiding officer of each house of the
- 4 <u>legislature;</u> and
- 5 (3) the chair of each committee in the legislature
- 6 that has primary jurisdiction over the department.
- 7 SECTION 8. Section 2054.265, Government Code, is amended to
- 8 read as follows:
- 9 Sec. 2054.265. SEPARATION OF RESPONSIBILITIES. The
- 10 authority shall develop and implement policies that clearly
- 11 separate the policymaking responsibilities of the authority and the
- 12 management responsibilities of the department [division].
- SECTION 9. Subchapter I, Chapter 2054, Government Code, is
- amended by adding Section 2054.272 to read as follows:
- 15 Sec. 2054.272. INDEPENDENT ANNUAL AUDIT. (a) Not later
- than August 1 of each year, the vendor operating the TexasOnline
- 17 portal shall have an audit of the vendor's finances associated with
- 18 management and operation of the TexasOnline portal performed by an
- independent certified public accountant selected by the state, paid
- 20 by the portal vendor.
- 21 (b) Not later than August 15 of each year, the authority
- 22 shall provide a copy of the audit report to:
- 23 <u>(1) the presiding officer of each house of the</u>
- 24 legislature; and
- 25 (2) the chair of each committee in the legislature
- that has primary jurisdiction over the department.
- (c) The authority shall keep a copy of the audit report and

- 1 make the audit report available for inspection by any interested
- person during regular business hours.
- 3 SECTION 10. Subchapter I, Chapter 2054, Government Code, is
- 4 amended by adding Section 2054.273 to read as follows:
- 5 Sec. 2054.273. COLLECTION AND FORWARDING OF FEES. (a) A
- 6 state agency or a vendor, as determined by the authority, shall
- 7 <u>collect all fees charged to use the project.</u> If a state agency
- 8 collects the fees charged to use the project, the state agency shall
- 9 forward the fees to the vendor, if the state has contracted with a
- 10 vendor under Section 2054.252(d). If the state has not contracted
- 11 with a vendor, the state agency shall forward to the state an amount
- 12 equal to the state's share of the fees. If a vendor collects or
- 13 receives the fees charged for use of the project, it shall forward
- 14 to the state an amount equal to the state's share of the fees as
- provided by the vendor's contract with the department.
- (b) A person that pays a fee for using the project may
- 17 recover the fee in the ordinary course of business.
- SECTION 11. Subchapter E, Chapter 548, Transportation Code,
- is amended by adding Section 548.258 to read as follows:
- Sec. 548.258. USE OF TEXASONLINE. (a) In this section,
- 21 "TexasOnline" has the meaning assigned by Section 2054.003,
- 22 Government Code.
- 23 (b) The department may adopt rules to require an inspection
- 24 station to use TexasOnline to:
- 25 (1) purchase inspection certificates; or
- 26 (2) send to the department a record, report, or other
- information required by the department.

- 1 SECTION 12. The following laws are repealed:
- 2 (1) Sections 2054.251(2), 2054.264, and 2054.2645,
- 3 Government Code; and
- 4 (2) Section 7, Chapter 342, Acts of the 77th
- 5 Legislature, Regular Session, 2001.
- 6 SECTION 13. This Act takes effect immediately if it
- 7 receives a vote of two-thirds of all the members elected to each
- 8 house, as provided by Section 39, Article III, Texas Constitution.
- 9 If this Act does not receive the vote necessary for immediate
- 10 effect, this Act takes effect on the 91st day after the last day of
- 11 the legislative session.