

AN ACT

relating to the TexasOnline project, the TexasOnline Authority, and related powers and fees.

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

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

(e) A state agency or local government that uses the project may charge a fee under Subchapter I 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) 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  
22 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  
5 the agencies and local governments or the public.

6           (e) The authority shall charge fees to licensing entities as  
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  
14 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:

20           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~~

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:

9 (A) the open meetings law, Chapter 551;

10 (B) the public information law, Chapter 552;

11 (C) the administrative procedure law, Chapter  
12 2001; and

13 (D) other laws relating to public officials,  
14 including conflict of interest laws; and

15 (8) any applicable ethics policies adopted by the  
16 authority or the Texas Ethics Commission.

17 SECTION 5. Section 2054.259, Government Code, is amended to  
18 read as follows:

19 Sec. 2054.259. GENERAL POWERS AND DUTIES OF TEXASONLINE  
20 AUTHORITY. The authority shall:

21 (1) develop policies related to operation of the  
22 project;

23 (2) 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;

27 (5) comply with department financial requirements;

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  
5 authority, or 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.

14          SECTION 6. Subchapter I, Chapter 2054, Government Code, is  
15 amended by adding Sections 2054.2591 and 2054.2595 to read as  
16 follows:

17          Sec. 2054.2591. FEES. (a) The authority shall set fees  
18 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 indirect costs of the project and provide a reasonable rate of  
22 return to the authority.

23          (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 addition to any other statutory fees. The revenue collected from  
27 the fees must be used to support the project, including the recovery

1 of project costs.

2 (d) No fee may be charged to a person authorized to file  
3 electronically under Section 195.003, Local Government Code, for  
4 filing, recording, access to, or electronic copies of a real  
5 property record subject to the provisions of Chapter 195, Local  
6 Government Code, except as provided in Section 195.006 or 195.007,  
7 Local Government Code.

8 Sec. 2054.2595. FEE EXEMPTIONS. The authority may not  
9 charge the State Board of Barber Examiners or the Texas Cosmetology  
10 Commission a fee to use the project for the issuance or renewal of  
11 an occupational license.

12 SECTION 7. Section 2054.260, Government Code, is amended to  
13 read as follows:

14 Sec. 2054.260. REPORTING REQUIREMENTS: AUTHORITY. (a)  
15 Not later than September 1 of each even-numbered year, the  
16 authority shall report on the status, progress, benefits, and  
17 efficiency gains of the project. The authority shall provide the  
18 report to:

19 (1) the presiding officer of each house of the  
20 legislature;

21 (2) the chair of each committee in the legislature  
22 that has primary jurisdiction over the department;

23 (3) the governor; and

24 (4) each state agency or local government  
25 participating in the project.

26 (b) Not later than September 1 of each even-numbered year,  
27 the [~~As required by the department, the~~] authority shall report on

1 ~~[to the department regarding]~~ financial matters, including project  
2 costs and revenues. In addition, the

3 ~~[(c) The]~~ authority shall report ~~[to the department]~~ on any  
4 significant issues regarding contract performance on the project.  
5 The authority shall report on additional financial or contract  
6 performance matters as required by the department. The authority  
7 shall provide the report to:

8 (1) the department;

9 (2) the presiding officer of each house of the  
10 legislature; and

11 (3) the chair of each committee in the legislature  
12 that has primary jurisdiction over the department.

13 SECTION 8. Section 2054.265, Government Code, is amended to  
14 read as follows:

15 Sec. 2054.265. SEPARATION OF RESPONSIBILITIES. The  
16 authority shall develop and implement policies that clearly  
17 separate the policymaking responsibilities of the authority and the  
18 management responsibilities of the department ~~[division]~~.

19 SECTION 9. Subchapter I, Chapter 2054, Government Code, is  
20 amended by adding Section 2054.272 to read as follows:

21 Sec. 2054.272. INDEPENDENT ANNUAL AUDIT. (a) Not later  
22 than August 1 of each year, the vendor operating the TexasOnline  
23 portal shall have an audit of the vendor's finances associated with  
24 management and operation of the TexasOnline portal performed by an  
25 independent certified public accountant selected by the state, paid  
26 by the portal vendor.

27 (b) Not later than August 15 of each year, the authority

1 shall provide a copy of the audit report to:

2 (1) the presiding officer of each house of the  
3 legislature; and

4 (2) the chair of each committee in the legislature  
5 that has primary jurisdiction over the department.

6 (c) The authority shall keep a copy of the audit report and  
7 make the audit report available for inspection by any interested  
8 person during regular business hours.

9 SECTION 10. Subchapter I, Chapter 2054, Government Code, is  
10 amended by adding Section 2054.273 to read as follows:

11 Sec. 2054.273. COLLECTION AND FORWARDING OF FEES. (a) A  
12 state agency or a vendor, as determined by the authority, shall  
13 collect all fees charged to use the project. If a state agency  
14 collects the fees charged to use the project, the state agency shall  
15 forward the fees to the vendor, if the state has contracted with a  
16 vendor under Section 2054.252(d). If the state has not contracted  
17 with a vendor, the state agency shall forward to the state an amount  
18 equal to the state's share of the fees. If a vendor collects or  
19 receives the fees charged for use of the project, it shall forward  
20 to the state an amount equal to the state's share of the fees as  
21 provided by the vendor's contract with the department.

22 (b) A person that pays a fee for using the project may  
23 recover the fee in the ordinary course of business.

24 SECTION 11. Subchapter E, Chapter 548, Transportation Code,  
25 is amended by adding Section 548.258 to read as follows:

26 Sec. 548.258. USE OF TEXASONLINE. (a) In this section,  
27 "TexasOnline" has the meaning assigned by Section 2054.003,



1 Government Code.

2 (b) The department may adopt rules to require an inspection  
3 station to use TexasOnline to:

4 (1) purchase inspection certificates; or

5 (2) send to the department a record, report, or other  
6 information required by the department.

7 SECTION 12. The following laws are repealed:

8 (1) Sections 2054.251(2), 2054.264, and 2054.2645,  
9 Government Code; and

10 (2) Section 7, Chapter 342, Acts of the 77th  
11 Legislature, Regular Session, 2001.

12 SECTION 13. This Act takes effect immediately if it  
13 receives a vote of two-thirds of all the members elected to each  
14 house, as provided by Section 39, Article III, Texas Constitution.  
15 If this Act does not receive the vote necessary for immediate  
16 effect, this Act takes effect on the 91st day after the last day of  
17 the legislative session.

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President of the Senate

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Speaker of the House

I certify that H.B. No. 2593 was passed by the House on May 13, 2005, by the following vote: Yeas 143, Nays 0, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 2593 on May 27, 2005, by the following vote: Yeas 140, Nays 0, 2 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 2593 was passed by the Senate, with amendments, on May 23, 2005, by the following vote: Yeas 30, Nays 0.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor