

1-1 By: Baxter (Senate Sponsor - Janek) H.B. No. 2593  
1-2 (In the Senate - Received from the House May 16, 2005;  
1-3 May 17, 2005, read first time and referred to Committee on  
1-4 Government Organization; May 20, 2005, reported favorably, as  
1-5 amended, by the following vote: Yeas 6, Nays 0; May 20, 2005, sent  
1-6 to printer.)

1-7 COMMITTEE AMENDMENT NO. 1 By: Eltife

1-8 Amend H.B. 2593 (engrossed)  
1-9 In Section 6, add a new subsection (d) to Sec. 2054.2591 to  
1-10 read as follows:

1-11 (d) No fee may be charged to a person authorized to file  
1-12 electronically under Section 195.003, Local Government Code, for  
1-13 filing, recording, access to or electronic copies of a real  
1-14 property record subject to the provisions of Chapter 195, Local  
1-15 Government Code, except as provided in Sections 195.006 or 195.007,  
1-16 Local Government Code.

1-17 A BILL TO BE ENTITLED  
1-18 AN ACT

1-19 relating to the TexasOnline project, the TexasOnline Authority, and  
1-20 related powers and fees.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Section 2054.111(e), Government Code, is amended  
1-23 to read as follows:

1-24 (e) A state agency or local government that uses the project  
1-25 may charge a fee under Subchapter I if:

1-26 (1) the fee is necessary to recover the actual costs  
1-27 directly and reasonably incurred by the agency or local government  
1-28 because of the project for:

1-29 (A) the use of electronic payment methods; or  
1-30 (B) interfacing with other information  
1-31 technology systems;

1-32 (2) the fee does not include an amount to recover state  
1-33 agency or local government employee costs;

1-34 (3) the state agency or local government approves the  
1-35 amount of the fee using the state agency's or local government's  
1-36 standard approval process for fee increases;

1-37 (4) the chief financial officer for the state agency  
1-38 or local government certifies that the amount of the fee is  
1-39 necessary to recover the actual costs incurred because of the  
1-40 project; and

1-41 (5) the authority approves the amount of the fee.

1-42 SECTION 2. Section 2054.1115(b), Government Code, is  
1-43 amended to read as follows:

1-44 (b) The state agency or local government may charge a  
1-45 reasonable fee, as provided by Section 2054.111 or Subchapter I, to  
1-46 recover costs incurred through electronic payment methods used  
1-47 under this section.

1-48 SECTION 3. Sections 2054.252(a) and (e), Government Code,  
1-49 are amended to read as follows:

1-50 (a) The authority shall implement a project designated  
1-51 "TexasOnline" that establishes a common electronic infrastructure  
1-52 through which state agencies and local governments, including  
1-53 licensing entities, may electronically:

1-54 (1) send and receive documents or required payments to  
1-55 and from:

1-56 (A) members of the public;

1-57 (B) persons who are regulated by the agencies or  
1-58 local governments; and

1-59 (C) the agencies and local governments;

1-60 (2) receive applications for original and renewal  
1-61 licenses and permits, including occupational licenses, complaints  
1-62 about occupational license holders, and other documents for filing

2-1 from members of the public and persons who are regulated by a state  
 2-2 agency or local government that, when secure access is necessary,  
 2-3 can be electronically validated by the agency, local government,  
 2-4 member of the public, or regulated person;

2-5 (3) send original and renewal occupational licenses to  
 2-6 persons regulated by licensing entities;

2-7 (4) send profiles of occupational license holders to  
 2-8 persons regulated by licensing entities and to the public;

2-9 (5) store information; and

2-10 (6) provide and receive any other service to and from  
 2-11 the agencies and local governments or the public.

2-12 (e) The authority shall charge fees to licensing entities as  
 2-13 provided by this subchapter in amounts sufficient to cover the cost  
 2-14 of implementing this section with respect to licensing entities.  
 2-15 The authority shall charge a subscription fee to be paid by each  
 2-16 licensing entity. The authority may not charge the subscription  
 2-17 fee until the service for which the fee is charged is available on  
 2-18 the Internet. If the authority determines that the transaction  
 2-19 costs exceed the maximum increase in occupational license issuance  
 2-20 or renewal fees allowed under Subsection (g), the authority may  
 2-21 also charge a reasonable convenience fee to be recovered from a  
 2-22 license holder who uses the project for online issuance or renewal  
 2-23 of a license.

2-24 SECTION 4. Section 2054.258, Government Code, is amended to  
 2-25 read as follows:

2-26 Sec. 2054.258. TRAINING FOR AUTHORITY MEMBERS. Not later  
 2-27 than six months after the date on which an authority member is  
 2-28 appointed, the member must complete training on the following:

2-29 (1) the legislation that created the authority [~~the~~  
 2-30 ~~division,~~] and the project;

2-31 (2) the department rules that relate to the authority  
 2-32 and the project;

2-33 (3) the programs operated by the authority [~~and~~  
 2-34 ~~division~~];

2-35 (4) the role and functions of the authority [~~and~~  
 2-36 ~~division~~];

2-37 (5) the current budget for the authority [~~and~~  
 2-38 ~~division~~];

2-39 (6) the results of the most recent formal audit of the  
 2-40 authority;

2-41 (7) the requirements of:

2-42 (A) the open meetings law, Chapter 551;

2-43 (B) the public information law, Chapter 552;

2-44 (C) the administrative procedure law, Chapter  
 2-45 2001; and

2-46 (D) other laws relating to public officials,  
 2-47 including conflict of interest laws; and

2-48 (8) any applicable ethics policies adopted by the  
 2-49 authority or the Texas Ethics Commission.

2-50 SECTION 5. Section 2054.259, Government Code, is amended to  
 2-51 read as follows:

2-52 Sec. 2054.259. GENERAL POWERS AND DUTIES OF TEXAS ONLINE  
 2-53 AUTHORITY. The authority shall:

2-54 (1) develop policies related to operation of the  
 2-55 project;

2-56 (2) approve or disapprove services to be provided by  
 2-57 the project;

2-58 (3) operate and promote the project;

2-59 (4) oversee contract performance for the project;

2-60 (5) comply with department financial requirements;

2-61 (6) oversee money generated for the operation and  
 2-62 expansion of the project;

2-63 (7) develop project pricing policies, including  
 2-64 policies regarding any fees that a state agency, including the  
 2-65 authority, or a local government may charge for a transaction that  
 2-66 uses the project;

2-67 (8) evaluate participation in the project to determine  
 2-68 if performance efficiencies or other benefits and opportunities are  
 2-69 gained through project implementation;

3-1 (9) advise the department about the project; and  
 3-2 (10) coordinate with the department to receive  
 3-3 periodic security audits of the operational facilities of the  
 3-4 project.

3-5 SECTION 6. Subchapter I, Chapter 2054, Government Code, is  
 3-6 amended by adding Sections 2054.2591 and 2054.2595 to read as  
 3-7 follows:

3-8 Sec. 2054.2591. FEES. (a) The authority shall set fees  
 3-9 that a state agency, including the authority, or a local government  
 3-10 may charge for a transaction that uses the project. The authority  
 3-11 shall set fees at amounts sufficient to recover the direct and  
 3-12 indirect costs of the project and provide a reasonable rate of  
 3-13 return to the authority.

3-14 (b) the authority shall charge a state agency or local  
 3-15 government a fee for all services provided to that entity.

3-16 (c) a fee set by the authority for using the project is in  
 3-17 addition to any other statutory fees. The revenue collected from  
 3-18 the fees must be used to support the project, including the recovery  
 3-19 of project costs.

3-20 Sec. 2054.2595. FEE EXEMPTIONS. The authority may not  
 3-21 charge the State Board of Barber Examiners or the Texas Cosmetology  
 3-22 Commission a fee to use the project for the issuance or renewal of  
 3-23 an occupational license.

3-24 SECTION 7. Section 2054.260, Government Code, is amended to  
 3-25 read as follows:

3-26 Sec. 2054.260. REPORTING REQUIREMENTS: AUTHORITY. (a)  
 3-27 Not later than September 1 of each even-numbered year, the  
 3-28 authority shall report on the status, progress, benefits, and  
 3-29 efficiency gains of the project. The authority shall provide the  
 3-30 report to:

3-31 (1) the presiding officer of each house of the  
 3-32 legislature;

3-33 (2) the chair of each committee in the legislature  
 3-34 that has primary jurisdiction over the department;

3-35 (3) the governor; and

3-36 (4) each state agency or local government  
 3-37 participating in the project.

3-38 (b) Not later than September 1 of each even-numbered year,  
 3-39 the ~~[As required by the department, the]~~ authority shall report on  
 3-40 ~~[to the department regarding]~~ financial matters, including project  
 3-41 costs and revenues. In addition, the

3-42 ~~[(c) The]~~ authority shall report ~~[to the department]~~ on any  
 3-43 significant issues regarding contract performance on the project.  
 3-44 The authority shall report on additional financial or contract  
 3-45 performance matters as required by the department. The authority  
 3-46 shall provide the report to:

3-47 (1) the department;

3-48 (2) the presiding officer of each house of the  
 3-49 legislature; and

3-50 (3) the chair of each committee in the legislature  
 3-51 that has primary jurisdiction over the department.

3-52 SECTION 8. Section 2054.265, Government Code, is amended to  
 3-53 read as follows:

3-54 Sec. 2054.265. SEPARATION OF RESPONSIBILITIES. The  
 3-55 authority shall develop and implement policies that clearly  
 3-56 separate the policymaking responsibilities of the authority and the  
 3-57 management responsibilities of the department ~~[division]~~.

3-58 SECTION 9. Subchapter I, Chapter 2054, Government Code, is  
 3-59 amended by adding Section 2054.272 to read as follows:

3-60 Sec. 2054.272. INDEPENDENT ANNUAL AUDIT. (a) Not later  
 3-61 than August 1 of each year, the vendor operating the TexasOnline  
 3-62 portal shall have an audit of the vendor's finances associated with  
 3-63 management and operation of the TexasOnline portal performed by an  
 3-64 independent certified public accountant selected by the state, paid  
 3-65 by the portal vendor.

3-66 (b) Not later than August 15 of each year, the authority  
 3-67 shall provide a copy of the audit report to:

3-68 (1) the presiding officer of each house of the  
 3-69 legislature; and

4-1                   (2) the chair of each committee in the legislature  
4-2 that has primary jurisdiction over the department.

4-3                   (c) The authority shall keep a copy of the audit report and  
4-4 make the audit report available for inspection by any interested  
4-5 person during regular business hours.

4-6                   SECTION 10. Subchapter I, Chapter 2054, Government Code, is  
4-7 amended by adding Section 2054.273 to read as follows:

4-8                   Sec. 2054.273. COLLECTION AND FORWARDING OF FEES. (a) A  
4-9 state agency or a vendor, as determined by the authority, shall  
4-10 collect all fees charged to use the project. If a state agency  
4-11 collects the fees charged to use the project, the state agency shall  
4-12 forward the fees to the vendor, if the state has contracted with a  
4-13 vendor under Section 2054.252(d). If the state has not contracted  
4-14 with a vendor, the state agency shall forward to the state an amount  
4-15 equal to the state's share of the fees. If a vendor collects or  
4-16 receives the fees charged for use of the project, it shall forward  
4-17 to the state an amount equal to the state's share of the fees as  
4-18 provided by the vendor's contract with the department.

4-19                   (b) A person that pays a fee for using the project may  
4-20 recover the fee in the ordinary course of business.

4-21                   SECTION 11. Subchapter E, Chapter 548, Transportation Code,  
4-22 is amended by adding Section 548.258 to read as follows:

4-23                   Sec. 548.258. USE OF TEXASONLINE. (a) In this section,  
4-24 "TexasOnline" has the meaning assigned by Section 2054.003,  
4-25 Government Code.

4-26                   (b) The department may adopt rules to require an inspection  
4-27 station to use TexasOnline to:

4-28                   (1) purchase inspection certificates; or  
4-29                   (2) send to the department a record, report, or other  
4-30 information required by the department.

4-31                   SECTION 12. The following laws are repealed:

4-32                   (1) Sections 2054.251(2), 2054.264, and 2054.2645,  
4-33 Government Code; and

4-34                   (2) Section 7, Chapter 342, Acts of the 77th  
4-35 Legislature, Regular Session, 2001.

4-36                   SECTION 13. This Act takes effect immediately if it  
4-37 receives a vote of two-thirds of all the members elected to each  
4-38 house, as provided by Section 39, Article III, Texas Constitution.  
4-39 If this Act does not receive the vote necessary for immediate  
4-40 effect, this Act takes effect on the 91st day after the last day of  
4-41 the legislative session.

4-42                   \* \* \* \* \*