

By: Ogden

S.B. No. 1609

A BILL TO BE ENTITLED

AN ACT

relating to statutory authority to reduce appropriations made by the legislature to certain governmental entities.

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

SECTION 1. (a) Notwithstanding any statute to the contrary, the legislature, in its discretion, may determine the amount of each appropriation of state funds. The amounts required by statute for entities that receive state funds under Article 1 of the General Appropriations Act, 79th Legislature, Regular Session, 2005, may be reduced or eliminated in order to achieve a balanced budget.

(b) This section expires September 1, 2007.

SECTION 2. Section 481.078, Government Code, is amended by amending Subsection (f) and adding Subsections (g)-(j) to read as follows:

(f) Before awarding a grant under this section, the governor shall ~~may~~ enter into a written agreement with the entity to be awarded the grant money specifying that:

(1) if the governor finds that the grant recipient has not met each of the performance targets specified in the agreement as of a date certain provided in the agreement:

(A) the recipient shall repay the grant and any related interest to the state at the agreed rate and on the agreed terms;

1                   (B) the governor will not distribute to the  
2 recipient any grant money that remains to be awarded under the  
3 agreement; and

4                   (C) the governor may assess specified penalties  
5 for noncompliance against the recipient;

6                   (2) if all or any portion of the amount of the grant is  
7 used to build a capital improvement:

8                   (A) the state retains a lien or other interest in  
9 the capital improvement in proportion to the percentage of the  
10 grant amount used to pay for the capital improvement; and

11                   (B) the recipient of the grant shall, if the  
12 capital improvement is sold:

13                   (i) repay to the state the grant money used  
14 to pay for the capital improvement, with interest at the rate and  
15 according to the other terms provided by the agreement; and

16                   (ii) share with the state a proportionate  
17 amount of any profit realized from the sale; ~~and~~

18                   (3) ~~(2)~~ if, as of a date certain provided in the  
19 agreement, the grant recipient has not used grant money awarded  
20 under this section for the purposes for which the grant was  
21 intended, the recipient shall repay that amount and any related  
22 interest to the state at the agreed rate and on the agreed terms;  
23 and

24                   (4) the entity shall disclose to the governor any  
25 event or circumstance that arises during the period covered by the  
26 agreement that could significantly impact the entity's financial  
27 condition or could otherwise affect the entity's ability to comply

1 with the terms of the agreement, including:

2 (A) a lawsuit filed against the recipient; or

3 (B) if the entity is a business entity, the death  
4 of a principal owner or general partner of the entity.

5 (g) The grant agreement may include a provision providing  
6 that a reasonable percentage of the total amount of the grant will  
7 be withheld until specified performance targets are met by the  
8 entity as of the date described by Subsection (f)(1).

9 (h) The governor, after consultation with the speaker of the  
10 house of representatives and the lieutenant governor, shall  
11 determine:

12 (1) the performance targets and date required to be  
13 contained in the grant agreement as provided by Subsection (f)(1);  
14 and

15 (2) if the grant agreement includes the provision  
16 authorized by Subsection (g), the percentage of grant money  
17 required to be withheld.

18 (i) An entity entering into a grant agreement under this  
19 section shall submit to the governor, lieutenant governor, and  
20 speaker of the house of representatives a quarterly progress report  
21 containing the information compiled during the previous quarter  
22 regarding the attainment of each of the performance targets  
23 specified in the agreement.

24 (j) Repayment of a grant under Subsection (f)(1)(A) may be  
25 prorated to reflect a partial attainment of performance targets.

26 SECTION 3. Subchapter E, Chapter 481, Government Code, is  
27 amended by adding Section 481.079 to read as follows:

1       Sec. 481.079. REPORT ON USE OF MONEY IN TEXAS ENTERPRISE  
2 FUND. (a) Before the beginning of each regular session of the  
3 legislature, the governor shall submit to the lieutenant governor,  
4 the speaker of the house of representatives, and each other member  
5 of the legislature a report on grants made under Section 481.078  
6 that states:

7           (1) the number of direct jobs each recipient promised  
8 to create in this state;

9           (2) the number of direct jobs each recipient created  
10 in this state;

11           (3) the median wage of the jobs each recipient created  
12 in this state;

13           (4) the amount of capital investment each recipient  
14 promised to expend or allocate per project in this state;

15           (5) the amount of capital investment each recipient  
16 expended or allocated per project in this state;

17           (6) the total amount of grants made to each recipient;

18           (7) the total amount of tax credits, local incentives,  
19 and other money or credits distributed to each recipient by  
20 governmental entities of this state;

21           (8) the percentage of money granted to recipients with  
22 fewer than 100 employees;

23           (9) the geographical distribution of grants by county;

24           (10) the average amount of money granted in this state  
25 for each job created in this state by grant recipients;

26           (11) the number of jobs created in this state by grant  
27 recipients in each sector of the North American Industry

1 Classification System (NAICS); and

2 (12) the effect of grants on employment, personal  
3 income, and capital investment in this state and in each regional  
4 planning commission area.

5 (b) The report may not include information that is made  
6 confidential by law.

7 (c) The governor may require a recipient of a grant under  
8 Section 481.078 to submit, on a form the governor provides,  
9 information required to complete the report.

10 SECTION 4. Section 659.042, Government Code, is amended to  
11 read as follows:

12 Sec. 659.042. EXCLUSIONS. The following are not entitled  
13 to longevity pay under this subchapter:

14 (1) a member of the legislature;

15 (2) an individual who holds a statewide office that is  
16 normally filled by vote of the people;

17 (3) an independent contractor or an employee of an  
18 independent contractor;

19 (4) a temporary employee;

20 (5) an officer or employee of a public junior college;

21 [~~or~~]

22 (6) an academic employee of a state institution of  
23 higher education; or

24 (7) a state employee who receives an annuity based  
25 wholly or partly on service as a state officer or state employee in  
26 a public retirement system, as defined by Section 802.001, that was  
27 credited to the state employee.

1 SECTION 5. Section 659.126, Government Code, is amended by  
2 adding Subsection (c) to read as follows:

3 (c) An eligible state employee who receives an annuity based  
4 wholly or partly on service as a state officer or state employee in  
5 a public retirement system, as defined by Section 802.001, that was  
6 credited to the state employee is ineligible to receive benefit  
7 replacement pay.

8 SECTION 6. Section 661.152, Government Code, is amended by  
9 adding Subsection (1) to read as follows:

10 (1) For purposes of computing vacation leave under  
11 Subsection (d) for a state employee who receives an annuity based  
12 wholly or partly on service as a state officer or state employee in  
13 a public retirement system, as defined by Section 802.001, that was  
14 credited to the state employee, years of total state employment  
15 includes only the length of state employment after the date the  
16 state employee retired.

17 SECTION 7. Section 812.003(e), Government Code, is amended  
18 to read as follows:

19 (e) Membership [~~For persons whose employment or office~~  
20 ~~holding begins before September 1, 2005, membership~~] in the  
21 employee class begins on the 91st day after the first day a person  
22 is employed or holds office.

23 SECTION 8. Subtitle C, Title 10, Government Code, is  
24 amended by adding Chapter 2115 to read as follows:

25 CHAPTER 2115. RECOVERY OF CERTAIN STATE AGENCY OVERPAYMENTS

26 Sec. 2115.001. DEFINITIONS. In this chapter:

27 (1) "Overpayment" includes a duplicate payment made to

1 a vendor for a single invoice and a payment made to a vendor:

2 (A) when an available discount from the vendor  
3 was not applied;

4 (B) for a late payment penalty that was  
5 improperly applied by the vendor;

6 (C) for shipping costs that were computed  
7 incorrectly or incorrectly included in an invoice;

8 (D) for state sales tax; or

9 (E) for a good or service the vendor did not  
10 provide.

11 (2) "State agency" means a department, commission,  
12 board, office, or other agency, including a university system or an  
13 institution of higher education other than a public junior college,  
14 that:

15 (A) is in the executive branch of state  
16 government;

17 (B) is created by statute; and

18 (C) does not have statutory geographical  
19 boundaries limited to a part of the state.

20 Sec. 2115.002. CONTRACT CONSULTANTS FOR RECOVERY AUDITS FOR  
21 CERTAIN OVERPAYMENTS. (a) The comptroller shall contract with one  
22 or more consultants to conduct recovery audits of payments made by  
23 state agencies to vendors. The audits must be designed to detect  
24 and recover overpayments to the vendors and to recommend improved  
25 state agency accounting operations.

26 (b) A contract under this section:

27 (1) may provide for reasonable compensation for

1 services provided under the contract, including compensation  
2 determined by the application of a specified percentage of the  
3 total amount recovered because of the consultant's audit activities  
4 or recommendations as a fee for services;

5 (2) may permit or require the consultant to pursue a  
6 judicial action in a court inside or outside this state to recover  
7 an overpaid amount; and

8 (3) to allow time for the performance of existing  
9 state payment auditing procedures, may not allow a recovery audit  
10 of a payment during the 180-day period after the date the payment  
11 was made.

12 (c) The comptroller or a state agency whose payments are  
13 being audited may provide a person acting under a contract  
14 authorized by this section with any confidential information in the  
15 custody of the comptroller or state agency that is necessary for the  
16 performance of the audit or the recovery of an overpayment, to the  
17 extent the comptroller and state agency are not prohibited from  
18 sharing the information under an agreement with another state or  
19 the federal government. A person acting under a contract  
20 authorized by this section, and each employee or agent of the  
21 person, is subject to all prohibitions against the disclosure of  
22 confidential information obtained from the state in connection with  
23 the contract that apply to the comptroller or applicable state  
24 agency or an employee of the comptroller or applicable state  
25 agency. A person acting under a contract authorized by this section  
26 or an employee or agent of the person who discloses confidential  
27 information in violation of a prohibition made applicable to the



1 person under this subsection is subject to the same sanctions and  
2 penalties that would apply to the comptroller or applicable state  
3 agency or an employee of the comptroller or applicable state agency  
4 for that disclosure.

5 Sec. 2115.003. STATE AGENCIES SUBJECT TO MANDATORY RECOVERY  
6 AUDITS. (a) The comptroller shall require that recovery audits be  
7 performed on the payments to vendors made by each state agency that  
8 has total expenditures during a state fiscal biennium in an amount  
9 that exceeds \$100 million. Each state agency described by this  
10 subsection shall provide the recovery audit consultant with all  
11 information necessary for the audit.

12 (b) The comptroller may exempt from the mandatory recovery  
13 audit process a state agency that has a low proportion of its  
14 expenditures made to vendors, according to criteria the comptroller  
15 adopts by rule after consideration of the likely costs and benefits  
16 of performing recovery audits for agencies that make relatively few  
17 or small payments to vendors.

18 Sec. 2115.004. PAYMENT TO CONTRACTORS. (a) A state agency  
19 shall pay, from recovered money appropriated for the purpose, the  
20 recovery audit consultant responsible for obtaining for the agency  
21 a reimbursement from a vendor.

22 (b) A state agency shall expend or return to the federal  
23 government any federal money that is recovered through a recovery  
24 audit conducted under this chapter. The state agency shall expend  
25 or return the federal money in accordance with the rules of the  
26 federal program through which the agency received the federal  
27 money.

1       Sec. 2115.005. FORWARDING REPORTS. (a) The comptroller  
2 shall provide copies, including electronic form copies, of any  
3 reports received from a consultant contracting under Section  
4 2115.002 to:

- 5           (1) the governor;
- 6           (2) the state auditor's office; and
- 7           (3) the Legislative Budget Board.

8       (b) The comptroller shall provide the copies required by  
9 Subsection (a) not later than the seventh day after the date the  
10 comptroller receives the consultant's report.

11       (c) Not later than January 1 of each odd-numbered year, the  
12 comptroller shall issue a report to the legislature summarizing the  
13 contents of all reports received under this chapter during the  
14 state fiscal biennium ending August 31 of the previous year.

15       SECTION 9. Subchapter C, Chapter 2162, Government Code, is  
16 amended by adding Section 2162.106 to read as follows:

17       Sec. 2162.106. STATE EMPLOYEE INCENTIVE AND PRODUCTIVITY  
18 AWARDS PROGRAM. (a) The council shall establish a program to  
19 provide awards to state agency employees who make suggestions that:

20           (1) quantifiably reduce state expenditures or  
21 increase state revenues without decreasing the quality of state  
22 services; and

23           (2) are approved and implemented by the affected state  
24 agency.

25       (b) Each state employee shall be eligible to participate in  
26 the program except an employee:

- 27           (1) who has authority to implement the suggestion

1 being made;

2 (2) who is on an unpaid leave of absence;

3 (3) whose job description includes responsibility for  
4 cost analysis, efficiency analysis, savings implementation, or  
5 other similar programs in the employee's agency;

6 (4) who is involved in or has access to agency research  
7 and development information used as the basis of the suggestion;

8 (5) whose job description or routine job duties  
9 include developing the type of change in agency operations  
10 recommended by the suggestion;

11 (6) who is an employee of the council; or

12 (7) who is an elected or appointed official.

13 (c) An employee who is temporarily assigned by the  
14 employee's agency to a group that is established for the purpose of  
15 developing process improvements in that agency is not ineligible  
16 under Subsection (b)(1) or (5) to participate in the program solely  
17 because of the employee's participation in that group.

18 (d) An employee award under the program may not exceed the  
19 lesser of 10 percent of the annual savings or increased revenue  
20 attributable to the implemented suggestion or \$5,000. The  
21 remaining savings or increased revenue attributable to the  
22 suggestion shall be retained by the agency for the purpose of paying  
23 expenses associated with ongoing agency operations.

24 (e) The council shall adopt rules in accordance with this  
25 section relating to the establishment and implementation of the  
26 program.

27 SECTION 10. The heading to Chapter 2108, Government Code,

1 is amended to read as follows:

2 CHAPTER 2108. SAVINGS [~~EMPLOYEE~~] INCENTIVE PROGRAM FOR STATE [~~AND~~]  
3 AGENCY [~~PRODUCTIVITY~~]

4 SECTION 11. Section 1551.104(a), Insurance Code, is amended  
5 to read as follows:

6 (a) Subject to Sections 1551.101 and 1551.102, each  
7 full-time employee is covered automatically by the basic coverage  
8 plan for employees and each annuitant is covered by the basic  
9 coverage plan for annuitants unless:

10 (1) participation is specifically waived as provided  
11 by Section 1551.1045;

12 (2) the employee or annuitant is expelled from the  
13 program under Section 1551.351; or

14 (3) eligibility is otherwise limited by this chapter.

15 SECTION 12. Subchapter C, Chapter 1551, Insurance Code, is  
16 amended by adding Section 1551.1045 to read as follows:

17 Sec. 1551.1045. WAIVER. (a) Subject to Subsection (b), an  
18 employee or annuitant may waive in writing any coverage provided  
19 under this chapter.

20 (b) To waive coverage under the basic coverage plan, a  
21 full-time employee must demonstrate, in the manner required by the  
22 board of trustees, that the employee is covered by another health  
23 benefit plan that provides substantially equivalent coverage, as  
24 determined by the board of trustees, to the coverage provided by the  
25 basic coverage plan.

26 SECTION 13. Subchapter E, Chapter 1551, Insurance Code, is  
27 amended by adding Sections 1551.221 and 1551.222 to read as

1 follows:

2 Sec. 1551.221. OPTIONAL SUPPLEMENTAL HEALTH COVERAGE FOR  
3 INDIVIDUALS ELIGIBLE UNDER TRICARE MILITARY HEALTH SYSTEM. (a)

4 The board of trustees shall offer, as an optional coverage under the  
5 group benefits program, a supplemental health coverage program.

6 (b) Under the supplemental health coverage program, an  
7 employee who is eligible to participate in the group benefits  
8 program and who is also eligible for benefits under the TRICARE  
9 Military Health System may elect to receive primary coverage under  
10 the TRICARE Military Health System. An employee participating in  
11 the supplemental health coverage program does not receive basic  
12 coverage through the group benefits program, but receives  
13 supplemental health coverage under this section.

14 (c) The cost of supplemental health coverage provided under  
15 this section may be paid in the same manner as the cost of other  
16 optional coverage is paid under Subchapter G.

17 (d) The board of trustees shall contract to purchase the  
18 supplemental health coverage in accordance with Sections  
19 1551.213-1551.216.

20 (e) The board of trustees may adopt rules to implement this  
21 section.

22 Sec. 1551.222. INCENTIVE PAYMENTS. (a) The board of  
23 trustees may allow an incentive payment under this section to an  
24 employee who elects to:

25 (1) waive coverage under the basic coverage plan for  
26 employees as provided by Section 1551.1045(b); or

27 (2) participate in the supplemental health coverage

1 program under Section 1551.221.

2 (b) The incentive payment authorized by this section is in  
3 the amount authorized by the General Appropriations Act and may be  
4 used by the employee, in the manner prescribed by the board of  
5 trustees, only to pay for other group coverage plans provided under  
6 the group benefits program, including the supplemental health  
7 coverage offered under Section 1551.221.

8 (c) The board of trustees, at the time of initial enrollment  
9 in the group benefits program and during subsequent open-enrollment  
10 periods, shall inform employees that they may make an election  
11 described by Subsection (a), if eligible, and receive any  
12 authorized incentive payment.

13 SECTION 14. Subchapter G, Chapter 1551, Insurance Code, is  
14 amended by adding Section 1551.324 to read as follows:

15 Sec. 1551.324. REDUCTION IN CONTRIBUTION FOR CERTAIN ACTIVE  
16 EMPLOYEES; INCENTIVE PAYMENTS. (a) Notwithstanding any other  
17 provision of this subchapter, the state contribution for an  
18 employee's coverage under this chapter may be reduced, as provided  
19 in the General Appropriations Act, to reflect the reduced cost of  
20 coverage for:

21 (1) an employee who elects to receive supplemental  
22 health coverage under the program established under Section  
23 1551.221; or

24 (2) an employee who elects to waive basic coverage as  
25 provided by Section 1551.1045(b).

26 (b) Instead of the full state contribution for an employee  
27 who makes an election described by Subsection (a), the state may

1 contribute, as specified by the General Appropriations Act, an  
2 amount for the incentive payment authorized by Section 1551.222.

3 SECTION 15. Section 111.064, Tax Code, is amended by  
4 amending Subsections (a), (c), and (f) and adding Subsections (c-1)  
5 and (c-2) to read as follows:

6 (a) Except as otherwise provided by this section  
7 [~~Subsections (b) and (c)~~], in a comptroller's final decision on a  
8 claim for refund or in an audit, interest is at the rate set in  
9 Section 111.060 on the amount found to be erroneously paid for a  
10 period:

11 (1) beginning on the later of 60 days after the date of  
12 payment or the due date of the tax report; and

13 (2) ending on, as determined by the comptroller,  
14 either the date of allowance of credit on account of the  
15 comptroller's final decision or audit or a date not more than 10  
16 days before the date of the refund warrant.

17 (c) For a refund granted in connection with a protest  
18 payment submitted under Chapter 112 for a report period due on or  
19 after January 1, 2000, the rate of the interest is the rate set in  
20 Section 111.060.

21 (c-1) For a refund other than a refund described in  
22 Subsection (c) claimed before September 1, 2005, and granted for a  
23 report period due on or after January 1, 2000, the rate of interest  
24 is the rate set in Section 111.060. For a refund other than a refund  
25 described in Subsection (c) claimed on or after September 1, 2005,  
26 and granted for a report period due on or after January 1, 2000, the  
27 rate of interest is the lesser of:

1           (1) the average rate of interest earned on deposits in  
2 the state treasury during the period for which interest is paid on  
3 the refund, as determined by the comptroller; or

4           (2) the rate set in Section 111.060.

5           (c-2) A refund, without regard to the date claimed, for a  
6 report period due before January 1, 2000, does not accrue interest.

7           (f) A local revenue fund is not subject to Subsections  
8 (a)-(c-2) [~~(c)~~]. In this subsection, "local revenue fund"  
9 includes a court cost, a fee, a fine, or a similar charge collected  
10 by a municipality, a county, or a court of this state and remitted  
11 to the comptroller.

12           SECTION 16. The Texas Ethics Commission shall reduce  
13 expenditures by:

14           (1) requiring electronic filing of documents with the  
15 commission;

16           (2) providing required notice by general means instead  
17 of individual notice; and

18           (3) providing forms on the commission's Internet  
19 website instead of mailing required forms.

20           SECTION 17. The Pension Review Board shall reduce  
21 expenditures by discontinuing, when possible, the provision of  
22 technical assistance and the issuance of actuarial impact  
23 statements.

24           SECTION 18. (a) This section applies to the following state  
25 agencies:

26           (1) the Employees Retirement System of Texas;

27           (2) the Texas Ethics Commission; and



1           (3) the Pension Review Board.

2           (b) Notwithstanding any other statute of this state, each  
3 state agency to which this section applies is authorized to reduce  
4 expenditures by:

5           (1) consolidating any reports or publications the  
6 agency is required to make and filing or delivering any of those  
7 reports or publications exclusively by electronic means;

8           (2) extending the effective period of any license,  
9 permit, or registration the agency grants or administers;

10           (3) entering into a contract with another governmental  
11 entity or with a private vendor to carry out any of the agency's  
12 duties;

13           (4) providing that any communication between the  
14 agency and another person and any document required to be delivered  
15 to or by the agency, including any application, notice, billing  
16 statement, receipt, or certificate, may be made or delivered by  
17 electronic mail or through the Internet; and

18           (5) adopting and collecting fees or charges to cover  
19 any costs the agency incurs in performing its lawful functions.

20           SECTION 19. (a) Sections 812.003(d) and (h), Government  
21 Code, are repealed.

22           (b) Subchapters A and B, Chapter 2108, Government Code, are  
23 repealed.

24           (c) The subchapter heading to Subchapter C, Chapter 2108,  
25 Government Code, is repealed.

26           SECTION 20. The changes in law made by this Act to Section  
27 481.078, Government Code, apply only to an agreement that is

1 entered into on or after the effective date of this Act. An  
2 agreement that is entered into before the effective date of this Act  
3 is governed by the law in effect on the date the agreement was  
4 entered into, and the former law is continued in effect for that  
5 purpose.

6 SECTION 21. On the effective date of this Act:

7 (1) the Texas Incentive and Productivity Commission  
8 and all commission employee positions are abolished;

9 (2) the state employee incentive program under  
10 Subchapter B, Chapter 2108, Government Code, is abolished and  
11 replaced by the state employee incentive and productivity awards  
12 program established by the State Council on Competitive Government  
13 under Section 2162.106, Government Code, as added by this Act;

14 (3) any memorandum of understanding or interagency  
15 contract entered into between the Texas Incentive and Productivity  
16 Commission and another state agency that relates to the state  
17 employee incentive program under Subchapter B, Chapter 2108,  
18 Government Code, expires;

19 (4) a rule or form adopted by the Texas Incentive and  
20 Productivity Commission that relates to the state employee  
21 incentive program under Subchapter B, Chapter 2108, Government  
22 Code, is a rule or form of the State Council on Competitive  
23 Government and remains in effect until the council's adoption of  
24 rules and issuance of forms relating to the state employee  
25 incentive and productivity awards program under Section 2162.106,  
26 Government Code, as added by this Act;

27 (5) a reference in law to the Texas Incentive and

1 Productivity Commission that relates to the state employee  
2 incentive program under Subchapter B, Chapter 2108, Government  
3 Code, means the State Council on Competitive Government and a  
4 reference in law to the state employee incentive program under  
5 Subchapter B, Chapter 2108, Government Code, means the state  
6 employee incentive and productivity awards program under Section  
7 2162.106, Government Code, as added by this Act;

8 (6) any contract negotiation, evaluation of an  
9 employee suggestion, or other proceeding involving the Texas  
10 Incentive and Productivity Commission that relates to the state  
11 employee incentive program under Subchapter B, Chapter 2108,  
12 Government Code, is transferred without change in status to the  
13 State Council on Competitive Government; the State Council on  
14 Competitive Government assumes, without a change in status, the  
15 position of the Texas Incentive and Productivity Commission in any  
16 negotiation, evaluation, or other proceeding relating to the state  
17 employee incentive program under Subchapter B, Chapter 2108,  
18 Government Code; and Subchapter B, Chapter 2108, Government Code,  
19 is continued in effect for the limited purpose of this subdivision;

20 (7) all contracts, leases, rights, and obligations of  
21 the Texas Incentive and Productivity Commission related to the  
22 state employee incentive program under Subchapter B, Chapter 2108,  
23 Government Code, are transferred to the State Council on  
24 Competitive Government; and

25 (8) all property, including records, of the Texas  
26 Incentive and Productivity Commission related to the state employee  
27 incentive program under Subchapter B, Chapter 2108, Government

1 Code, becomes the property of the State Council on Competitive  
2 Government.

3 SECTION 22. As soon as possible after the effective date of  
4 this Act, the State Council on Competitive Government shall adopt  
5 rules relating to the establishment of a state employee incentive  
6 and productivity awards program in accordance with Section  
7 2162.106, Government Code, as added by this Act.

8 SECTION 23. The comptroller shall adopt rules under Chapter  
9 2115, Government Code, as added by this Act, in a timely manner so  
10 that the comptroller may begin contracting with a consultant under  
11 that chapter not later than January 1, 2006.

12 SECTION 24. 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 September 1, 2005.