

By: Flynn, Hardcastle, Zedler

H.B. No. 1929

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the comptroller's electronic funds transfer system and
3 the use of electronic paycards.

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

5 SECTION 1. Section 403.016, Government Code, is amended by
6 amending Subsections (b), (c), and (j) and adding Subsection (k) to
7 read as follows:

8 (b) The comptroller shall use the electronic funds transfer
9 system to pay an employee's net state salary and travel expense
10 reimbursements unless[+

11 [~~(1)~~] the employee agrees instead to accept payment on
12 an electronic paycard [~~does not hold a classified position under~~
13 ~~the state's position classification plan and the employee's gross~~
14 ~~state salary is less than the gross state salary for a position~~
15 ~~classified to group 8, step 1, of the state position classification~~
16 ~~plan; or~~

17 [~~(2)~~] ~~the employee holds a classified position under~~
18 ~~the state's position classification plan that is classified below~~
19 ~~group 8].~~

20 (c) The comptroller shall use the electronic funds transfer
21 system to make:

22 (1) payments of more than \$100 to annuitants by the
23 Employees Retirement System of Texas or the Teacher Retirement
24 System of Texas under either system's administrative jurisdiction,

1 or to annuitants paid by the Texas Emergency Services Retirement
2 System or by another retirement system whose annuitants are paid
3 from the state treasury or from a fund with the comptroller, unless
4 the annuitant agrees instead to accept payment on an electronic
5 paycard;

6 (2) recurring payments to municipalities, counties,
7 political subdivisions, special districts, and other governmental
8 entities of this state; and

9 (3) payments to vendors who choose to receive payment
10 through the electronic funds transfer system rather than by
11 warrant.

12 (j) The comptroller shall adopt rules to administer this
13 section~~[, including rules relating to the notifications that may be~~
14 ~~provided to the comptroller under Subsection (h)].~~

15 (k) The comptroller may make a payment in any amount to a
16 state employee under Subsection (b) or to an annuitant under
17 Subsection (c)(1) on an electronic paycard if the employee or
18 annuitant agrees to accept payment by that method.

19 SECTION 2. Subchapter B, Chapter 403, Government Code, is
20 amended by adding Section 403.0161 to read as follows:

21 Sec. 403.0161. CONTRACTS FOR ELECTRONIC PAYCARD SERVICES.
22 The comptroller shall contract with one or more vendors for the
23 provision of electronic paycard services. A contract under this
24 section must be by competitive bid. The comptroller shall develop
25 rules that specify the qualifications for bidders, including the
26 requirements that the entity that issues the paycard must:

27 (1) be federally insured or possess sufficient

1 financial resources to ensure protection of payees; and

2 (2) demonstrate adequate 24-hour customer service to
3 ensure that all payees are able to reasonably access their funds
4 worldwide at any time.

5 SECTION 3. Section 659.084, Government Code, is amended to
6 read as follows:

7 Sec. 659.084. ELECTRONIC FUNDS TRANSFER. Salaries for
8 state officers and employees paid once a month shall be paid through
9 electronic funds transfer under Section 403.016 unless paid on an
10 electronic paycard [~~warrant~~] as permitted under that section.

11 SECTION 4. Section 403.016(h), Government Code, is
12 repealed.

13 SECTION 5. This Act takes effect January 1, 2008.