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                    the Senate - Received from the House May 7, 2007;
        May 8, 2007, read first time and referred to Committee on Government Organization; May 18, 2007, reported adversely, with favorable Committee Substitute by the following vote: Yeas 4,
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        Nays 0; May 18, 2007, sent to printer.)
        COMMITTEE SUBSTITUTE FOR H.B. No. 3560
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                                                                        By:
                                                                              Hegar
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                                  A BILL TO BE ENTITLED
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                                          AN ACT
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        relating to transferring to the comptroller the duties of the Texas
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        Building and Procurement Commission that do not primarily concern
        state facilities and renaming the commission the Texas Facilities
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        Commission.
               BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: ARTICLE 1. TRANSFER OF DUTIES TO COMPTROLLER
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               SECTION 1.01. Sections 2151.002, 2151.003, and 2151.004,
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        Government Code, are amended to read as follows:
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               Sec. 2151.002. <u>DEFINITION</u>
                                                [DEFINITIONS].
                                                                        Except
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        otherwise provided by this subtitle, in this subtitle,
                                                                             "state
        agency"[+
                     [(1) "Commission" means the Texas Building and
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        Procurement Commission.
                     [<del>(2) "State agency"</del>] means:
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        (1) [(A)] a department, commission, board, office, or other agency in the executive branch of state government created by
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        the state constitution or a state statute;
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                     (2) [<del>(B)</del>] the supreme court, the court of criminal
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        appeals, a court of appeals, or the Texas Judicial Council; or
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                     (3) [(C)] a university system or an institution of
        higher education as defined by Section 61.003, Education Code,
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        except a public junior college.
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               Sec. 2151.003. REFERENCE.
                                                 A statutory reference to the
        General Services Commission, the State Board of Control, [ex] the State Purchasing and General Services Commission, or [ex] the
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        Texas Building and Procurement Commission means:
                          the Texas Facilities Commission if the statutory
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                     (1)
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        reference concerns:
                           (A)
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                                                          of
                                                control
                                 charge and
                                                                <u>state buildings,</u>
        grounds, or property;
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                                 maintenance or repair of state buildings,
                            (B)
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        grounds, or property;
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                                 construction of a state building;
                           (C)
                                 purchase or lease of state y or for the state;
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                           (D)
                                                                        buildings,
                               by or for the state;
child care services for state employees under
        grounds, or property (E)
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        Chapter 663; or
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                            (F) surplus and salvage property; and
                           the comptroller in all other circumstances, except
                     (2)
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        as otherwise provided by law.

Sec. 2151.004. TRANSFER AND ALLOCATION OF POWERS AND DUTIES
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            DEPARTMENT OF INFORMATION RESOURCES]. (a)
                                                                   The powers and
        duties of the <u>former</u> General Services Commission under Chapter 2170
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        or other law relating to providing telecommunications services for
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        state government are transferred to the Department of Information
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        Resources.
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               (b)
                    A reference in law to the General Services Commission
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        that relates to the powers and duties of the <u>former</u> General Services
        Commission under Chapter 2170 or other law relating to providing
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        telecommunications services for state government is a reference to
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Swinford (Senate Sponsor - Janek)

H.B. No. 3560

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duties of the former Texas Building and Procurement Commission relating to charge and control of state buildings, grounds, or

The Texas Facilities Commission retains the powers and

the Department of Information Resources.

(c)

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C.S.H.B. No. 3560
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property, maintenance or repair of state buildings, grounds, or property, child care services for state employees under Chapter 663, surplus and salvage property, construction of a state building, or purchase or lease of state buildings, grounds, or property by or for the state.

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2**-**68 2**-**69 (d) Except as provided by Subsection (a) or (c) or other law, all other powers and duties of the Texas Building and Procurement Commission are transferred to the comptroller.

SECTION 1.02. Chapter 2151, Government Code, is amended by adding Section 2151.0041 to read as follows:

Sec. 2151.0041. SUNSET PROVISION. (a) The transfer of powers and duties to the comptroller under Section 2151.004(d) and under House Bill 3560, Acts of the 80th Legislature, Regular Session, 2007, is subject to Chapter 325 (Texas Sunset Act).

(b) The Sunset Advisory Commission shall evaluate the transfer of powers and duties to the comptroller under Section 2151.004(d) and under House Bill 3560, Acts of the 80th Legislature, Regular Session, 2007, and present to the 82nd Legislature a report on its evaluation and recommendations in relation to the transfer. The comptroller shall perform all duties in relation to the evaluation that a state agency subject to review under Chapter 325 would perform in relation to a review.

(c) Unless otherwise provided by the legislature by law, on September 1, 2011:

(1) the powers and duties transferred to the comptroller under Section 2151.004(d) and under House Bill 3560, Acts of the 80th Legislature, Regular Session, 2007, are transferred to the Texas Facilities Commission;

(2) a reference in law to the comptroller relating to a power or duty transferred under this subsection means the Texas Facilities Commission;

(3) a rule or form adopted by the comptroller relating to a power or duty transferred under this subsection is a rule or form of the Texas Facilities Commission and remains in effect until altered by the commission;

(4) all obligations, contracts, proceedings, cases, negotiations, funds, and employees of the comptroller relating to a power or duty transferred under this subsection are transferred to the Texas Facilities Commission;

(5) all property and records in the custody of the comptroller relating to a power or duty transferred under this subsection and all funds appropriated by the legislature for purposes related to a power or duty transferred under this subsection are transferred to the Texas Facilities Commission; and

subsection are transferred to the Texas Facilities Commission; and

(6) Section 122.0011, Human Resources Code, and the following provisions of the Government Code expire:

(A) Sections 2151.004(c) and (d);
(B) Section 2155.0011;
(C) Section 2155.086;
(D) Section 2155.087;
(E) Section 2156.0011;
(F) Section 2157.0011;
(G) Section 2158.0011;
(H) Section 2161.0011;
(I) Section 2163.0011;
(J) Section 2170.0011;
(K) Section 2171.0011;
(L) Section 2172.0011;

(M) Section 2176.0011; (N) Section 2177.0011; and (O) Section 2262.0011.

SECTION 1.03. The heading to Chapter 2152, Government Code, is amended to read as follows:

CHAPTER 2152. TEXAS FACILITIES [BUILDING AND PROCUREMENT] COMMISSION

SECTION 1.04. Section 2152.001, Government Code, is amended to read as follows:

Sec. 2152.001. COMMISSION. The Texas $\underline{Facilities}$ [Building and Procurement] Commission is an agency of the state.

SECTION 1.05. Subchapter A, Chapter 2152, Government Code, is amended by adding Section 2152.0011 to read as follows:

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Sec. 2152.0011. TEXAS FACILITIES COMMISSION; DEFINITION. The Texas Building and Procurement Commission is renamed the (a) Texas Facilities Commission.

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(b) In this chapter, "commission" or "Texas Building Procurement Commission" means the Texas Facilities Commission.

SECTION 1.06. Subchapter A, Chapter 2155, Government Code, is amended by adding Sections 2155.0011 and 2155.0012 to read as follows:

TRANSFER OF DUTIES; REFERENCE. 2155.0011. Sec. powers and duties of the commission under this chapter are transferred to the comptroller.

(b) In this chapter, a reference to the commission means the

comptroller.

Sec. 2155.0012. AUTHORITY TO ADOPT RULES. The comptroller may adopt rules to efficiently and effectively administer this chapter. Before adopting a rule under this section, the comptroller must conduct a public hearing regarding the proposed rule regardless of whether the requirements of Section 2001.029(b) are met.

SECTION 1.07. Section 2155.003, Government Code, is amended to read as follows:

Sec. 2155.003. CONFLICT OF INTEREST. (a) The chief clerk or any other [A commission member,] employee of the comptroller [7 or appointee] may not:

(1) have an interest in, or in any manner be connected with, a contract or bid for a purchase of goods or services by an agency of the state; or

(2) in any manner, including by rebate or gift, accept or receive from a person to whom a contract may be awarded, directly or indirectly, anything of value or a promise, obligation, or contract for future reward or compensation.

(b) The chief clerk or any other [A commission member,] employee of the comptroller [, or appointee] who violates Subsection (a)(2) is subject to dismissal.

(c) <u>In consultation with the comptroller, the Texas Ethics</u> Commission shall adopt rules to implement this section.

The Texas Ethics Commission shall administer enforce this section and may prepare written opinions regarding this section in accordance with Subchapter D, Chapter 571.

(e) The comptroller must report to the Texas Ethics Commission a campaign contribution from a vendor that bids on or

receives a contract under the comptroller's purchasing authority.

SECTION 1.08. Subchapter B, Chapter 2155, Government Code, is amended by adding Sections 2155.086 and 2155.087 to read as follows:

Sec. 2155.086. PROCEDURES FOR AWARDING CERTAIN CONTRACTS. (a) In this section and in Section 2155.087, "chief clerk" means the chief clerk of the comptroller or the chief clerk's designee.

(b) This section applies only to the award of a contract by

the comptroller that:

(1) relates to the powers and duties transferred to the comptroller under Section 2151.004(d);

(2) is reasonably expected by the comptroller at the time of the award to have a value of \$100,000 or more over the life of the contract; and

(3) is evaluated based wholly or partly on best value factors other than cost.

This section does not apply to:
(1) any part of the contracting process other than the including planning, budgeting, solicitation, pre-response conference, respondent presentation, evaluation, development of staff or evaluation committee recommendations, negotiation, and signature;

a renewal, extension, or amendment of a contract provided for in the written solicitation for the original contract; or

(3) an emergency purchase or other contract award for

which delay would create a hazard to life, health, safety, welfare, or property or would cause undue additional cost to the state.

A contract to which this section applies must be awarded in a public meeting chaired and conducted by the chief clerk. The chief clerk shall determine the time and location for the meeting. The meeting must comply with applicable provisions of Chapter 551, including requirements relating to posting notice of the meeting. The comptroller shall also post notice of the meeting on the comptroller's website and in the state business daily. The office of the attorney general shall advise the comptroller on the applicable provisions of Chapter 551.

(e) Before the meeting, the chief clerk may review any

written recommendations for the proposed contract award submitted by the comptroller's staff or by an evaluation committee established by the comptroller for the proposed contract. The chief clerk shall make the staff's or committee's final written

recommendations available to the public at the meeting.

(f) A contract awarded by the chief clerk under this section is not considered final and does not bind the state until all negotiations are completed, if applicable, and all parties to the contract have signed the final contract.

(g) The comptroller shall post notice of a contract award in an open meeting under this section on the comptroller's

website and in the state business daily.

- (h) The comptroller shall post the text of a contract awarded in an open meeting under this section on the comptroller's website and in the state business daily, except for information in a contract that is not subject to disclosure under Chapter 552. Information that is not subject to disclosure under Chapter 552 must be referenced in an appendix that generally describes the information without disclosing the specific content of the the the information.
- Sec. 2155.087. STATEWIDE PROCUREMENT ADVISORY COUNCIL. (a) In this section, "council" means the Statewide Procurement Advisory Council. (b)
- The Statewide Procurement Advisory Council consists of the following four members or their designees:

(1) one member appointed by the governor;

one member appointed by the Texas Facilities

Commission;

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member appointed by the Department <u>o</u>f one Information Resources; and

(4) one member appointed by the Legislative Budget

(c) The comptroller shall adopt rules describing the purpose and tasks of the council as provided by Section 2110.005. Before adopting a rule under this subsection, the comptroller must conduct a public hearing regarding the proposed rule regardless of

whether the requirements of Section 2001.029(b) are met.

(d) A quorum of the council shall attend each meeting under Section 2155.086 in which the chief clerk awards a contract. In the meeting, the council shall make recommendations to and advise the chief clerk in a manner consistent with the established purpose and tasks of the council.
SECTION 1.09. Section 2155.144(k), Government Code,

amended to read as follows:

(k) Subject to Section 531.0055(c), the Health and Human Services Commission, in cooperation with the comptroller, shall establish a central contract management database that identifies each contract made with a health and human services agency. The comptroller [commission] may use the database to monitor health and human services agency contracts, and health and human services agencies may use the database in contracting. A state agency shall send to the <u>comptroller</u> [<u>commission</u>] in the manner prescribed by the <u>comptroller</u> [<u>commission</u>] the information the agency possesses that the <u>comptroller</u> [<u>commission</u>] requires for inclusion in the

SECTION 1.10. Section 2155.322(b), Government Code, amended to read as follows:

If state law requires that a payment for the goods or services be made on a warrant drawn or an electronic funds transfer initiated by the comptroller or a state agency with delegated authority under Section 403.060, promptly after the later of the receipt of the invoice or the receipt of the goods or services, the agency shall send to the comptroller the certification, together with the financial information and purchase information provided by the invoice and purchase voucher, on a form or in the manner prescribed [agreed to] by the comptroller [and the commission].

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SECTION 1.11. Section 2155.323(b), Government Code, amended to read as follows:

(b) If the comptroller approves the financial information, the comptroller shall determine whether [commission rules require the commission to audit | the purchase information should also be audited under Section 2155.324. [If a commission audit is required, the comptroller shall promptly send the certification and purchase information to the commission using the method and format agreed to by the comptroller and the commission.

SECTION 1.12. Section 2155.324, Government Code, is amended to read as follows:

PURCHASE [COMMISSION] AUDIT. (a) When [Not Sec. 2155.324. later than the eighth day after the date the commission receives the certification and purchase information required by this subchapter from] the comptroller considers a purchase audit to be advisable, the comptroller[, the commission] shall audit the purchase information for compliance with applicable purchasing statutes and [commission] rules.

(b) The <u>comptroller</u> [commission] may determine the auditing method used under this section, including stratified or statistical sampling techniques.

[(c) The commission shall notify the comptroller of the results of the commission's audit, using the method and format agreed to by the commission and the comptroller.

SECTION 1.13. Section 2155.325, Government Code, is amended to read as follows:

Sec. 2155.325. <u>PURCHASE</u> [COMMISSION] AUDIT AFTER ISSUANCE OF WARRANT. (a) The $\overline{\text{comptroller}}$ [$\overline{\text{commission}}$] may audit purchase information after a warrant has been issued if the audit will expedite the payment process.

(b) For audits under this section, the comptroller [commission] by rule shall:

(1) determine the types of purchases that will be audited after a warrant is issued; and

(2) specify the purchase information that a state agency must send to the comptroller [or the commission] before a warrant is issued.

[(c) For purchases audited after a warrant is issued, the comptroller shall send the certification and purchase information received by the comptroller under Section 2155.322(b) to the commission under commission rules.

SECTION 1.14. Section 2155.326, Government Code, is amended to read as follows:

Sec. 2155.326. AUDIT BY STATE AUDITOR [UPDATE OF COMMISSION FILES AND RECORDS]. Transactions, processes, and the performance of functions under this chapter and Chapters 2156, 2157, and 2158 are subject to audit by the state auditor under Chapter 321. [To enable the commission to update periodically computer records and close purchase order files, the comptroller shall, on request, furnish the commission with information detailing all vouchers paid under this subchapter and Section 2155.132.

SECTION 1.15. Section 2155.381, Government Code, is amended to read as follows:

Sec. 2155.381. INVOICE. (a) The contractor or seller of goods or services contracted for by the $\frac{\text{comptroller}}{\text{commission}}$ shall submit an invoice to the ordering agency at the address shown on the purchase order.

(b) The invoice shall be prepared and submitted as provided by [commission] rule of the comptroller.

SECTION 1.16. Section 2155.382(a), Government Code, is

amended to read as follows:

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- (a) After the comptroller <u>approves</u> [and the commission have approved] financial information and purchase information, when advance approval of that information is required by [commission] rule <u>of the comptroller</u>, the comptroller shall draw a warrant on the state treasury for:
 - (1) the amount due on the invoice; or
 - (2) the amount on the invoice that has been allowed. SECTION 1.17. Section 2155.503, Government Code, is amended

SECTION 1.17. Section 2155.503, Government Code, is amended to read as follows:

- Sec. 2155.503. RULES. (a) The $\underline{\text{comptroller}}$ [$\underline{\text{commission}}$] and the department shall adopt rules to implement this subchapter. The rules must:
- (1) establish standard terms for contracts listed on a schedule; and
- (2) maintain consistency with existing purchasing standards.
- (b) The <u>comptroller</u> [<u>commission</u>] and the department shall consult with the attorney general [and the comptroller] in developing rules under this section.

SECTION 1.18. Subchapter A, Chapter 2156, Government Code, is amended by adding Sections 2156.0011 and 2156.0012 to read as follows:

- Sec. 2156.0011. TRANSFER OF DUTIES; REFERENCE. (a) The powers and duties of the commission under this chapter are transferred to the comptroller.
- (b) In this chapter, a reference to the commission means the comptroller.
- Sec. 2156.0012. AUTHORITY TO ADOPT RULES. The comptroller may adopt rules to efficiently and effectively administer this chapter. Before adopting a rule under this section, the comptroller must conduct a public hearing regarding the proposed rule regardless of whether the requirements of Section 2001.029(b) are met.
- SECTION 1.19. Subchapter A, Chapter 2157, Government Code, is amended by adding Sections 2157.0011 and 2157.0012 to read as follows:
- Sec. 2157.0011. TRANSFER OF DUTIES; REFERENCE. (a) The powers and duties of the commission under this chapter are transferred to the comptroller.
- transferred to the comptroller.

 (b) In this chapter, a reference to the commission means the comptroller.
- Sec. 2157.0012. AUTHORITY TO ADOPT RULES. The comptroller may adopt rules to efficiently and effectively administer this chapter. Before adopting a rule under this section, the comptroller must conduct a public hearing regarding the proposed rule regardless of whether the requirements of Section 2001.029(b) are met.
- SECTION 1.20. Subchapter A, Chapter 2158, Government Code, is amended by adding Sections 2158.0011 and 2158.0012 to read as follows:
- Sec. 2158.0011. TRANSFER OF DUTIES; REFERENCE. (a) The powers and duties of the commission under this chapter are transferred to the comptroller.
- (b) In this chapter, a reference to the commission means the comptroller.
- Sec. 2158.0012. AUTHORITY TO ADOPT RULES. The comptroller may adopt rules to efficiently and effectively administer this chapter. Before adopting a rule under this section, the comptroller must conduct a public hearing regarding the proposed rule regardless of whether the requirements of Section 2001.029(b) are met.
- SECTION 1.21. Subchapter A, Chapter 2161, Government Code, is amended by adding Sections 2161.0011 and 2161.0012 to read as follows:
- Sec. 2161.0011. TRANSFER OF DUTIES; REFERENCE. (a) The powers and duties of the commission under this chapter are transferred to the comptroller.
 - (b) In this chapter, a reference to the commission means the

comptroller.

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Sec. 2161.0012. AUTHORITY TO ADOPT RULES. (a) comptroller may adopt rules to efficiently and effectively administer this chapter. Before adopting a rule under this section, the comptroller must conduct a public hearing regarding the proposed rule regardless of whether the requirements of Section 2001.029(b) are met.

(b) The comptroller shall follow the procedures prescribed by Subchapter B, Chapter 2001, when adopting a new rule or a change to an existing rule that relates to historically underutilized businesses.

SECTION 1.22. Section 2161.061, Government Code, is amended by adding Subsection (e) to read as follows:

- (e) A local government or a nonprofit organization that certifies historically underutilized businesses under Subsection (c) or that conducts a certification program described by and approved under Subsection (b) shall make available to the public an online searchable database containing information about historically underutilized businesses, minority business enterprises, women's business enterprises, and disadvantaged business enterprises certified by the local government or nonprofit organization, including:
 - (1) the name of the business;

(2) the contact person or owner of the business;

the address and telephone number of the business;

(4) the type or category of business, including relevant capabilities of the business and the North American Industry Classification System codes for the business; and

(5) the expiration date of the business's

certification.
SECTION 1.23. Sections 2161.123(d) and (e), Government Code, are amended to read as follows:

- (d) The commission and the state auditor shall cooperate to develop procedures providing for random periodic monitoring of state agency compliance with this section. The state auditor shall report to the commission a state agency that is not complying with this section. In determining whether a state agency is making a good faith effort to comply, the state auditor shall consider whether the agency:
 - (1) has adopted rules under Section 2161.003;
- (2) has used the commission's directory under Section other resources to identify historically 2161.064 and underutilized businesses that are able and available to contract

with the agency;

(3) made good faith, timely efforts to contact identified historically underutilized businesses regarding

(4) conducted its procurement program in accordance with the good faith effort methodology set out in commission rules;

established goals for contracting historically underutilized businesses in each procurement category based on:

(A) scheduled fiscal year expenditures; and (B) the availability of historically underutilized businesses in each category as determined by rules adopted under Section 2161.002.

(e) In conducting an audit of an agency's compliance with this section or an agency's making of a good faith effort to implement the plan adopted under this section, the state auditor shall $\left[\frac{not}{not}\right]$ consider the success or failure of the agency to contract with historically underutilized businesses in accordance with the agency's goals described by Subsection (d)(5) [in any specific quantity. The state auditor's review shall be restricted to the agency's procedural compliance with Subsection (d)].

SECTION 1.24. Section 2161.125, Government Code, is amended to read as follows:

Sec. 2161.125. CATEGORIZATION BY SEX, RACE, AND ETHNICITY. The comptroller [commission], in cooperation with [the comptroller

each state agency reporting under this subchapter, shall categorize each historically underutilized business included in a report under this subchapter by sex, race, and ethnicity.

SECTION 1.25. Section 2161.127, Government Code, is amended to read as follows:

Sec. 2161.127. LEGISLATIVE APPROPRIATIONS REQUESTS. Each state agency must include as part of its legislative appropriations request a detailed report for consideration by the budget committees of the legislature that shows the extent to which the agency complied with this chapter and rules of the commission adopted under this chapter during the two calendar years preceding the calendar year in which the request is submitted. To the extent the state agency did not comply, the report must demonstrate the reasons for that fact. The extent to which a state agency complies with this chapter and rules of the commission adopted under this chapter is considered a performance measure for purposes of the appropriations process.

The report under Subsection (a) must include:

(1) the agency's goals established under Section 2161.123(d)(5) for contracting with historically underutilized businesses during the two calendar years preceding the calendar year in which the request is submitted;

(2) a statement regarding goals whether the established under Section 2161.123(d)(5) were met during the two calendar years preceding the calendar year in which the request is submitted; and

goals (3) established under if the 2161.123(d)(5) were not met during the two calendar years preceding

the calendar year in which the request is submitted:

(A) a statement of the percentage by which the agency's actual use of historically underutilized businesses deviated from the agency's goals; and

(B) an explanation of why the goals were not met. SECTION $1.\overline{26}$. Section 2162.051(a), Government amended to read as follows:

- The State Council on Competitive Government consists of (a) the following individuals or the individuals they designate:
 - (1)the governor;

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- (2)the lieutenant governor;
- (3)the comptroller;
- (4) the speaker of the house of representatives;
- the [commission's] presiding officer of the Texas (5) Facilities Commission; [and]
- (6) the commissioner of the Texas Workforce Commission representing labor; and (7) the lar

the land commissioner.

SECTION 1.27. Subchapter B, Chapter 2162, Government Code, is amended by adding Section 2162.053 to read as follows:

Sec. 2162.053. ADMINISTRATION BY COMPTROLLER. (a) The comptroller shall provide offices for the council and shall provide the council with legal, technical, administrative, and other The support necessary to carry out its powers and duties.

of (b) Any administrative powers or duties the Building and Procurement Commission with respect to the council are

transferred to the comptroller.
SECTION 1.28. Section 2162.102(c), Government Code, is amended to read as follows:

- In performing its duties under this chapter, the council may:
- require a state agency to conduct a hearing, study, review, or cost estimate, including an agency in-house cost estimate or a management study, concerning any aspect of a service identified under Subsection (a);
- (2) develop and require state agencies to use methods to accurately and fairly estimate and account for the cost of providing a service identified under Subsection (a);
- (3) require that a service identified under Subsection (a) be submitted to competitive bidding or another process that creates competition with private commercial sources;

(4) prescribe, after consulting affected state agencies, the specifications and conditions of purchase procedures that must be followed by the <u>comptroller</u> [<u>commission</u>] and a state agency or a private commercial source engaged in competitive

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9-68 9-69 bidding to provide a service identified under Subsection (a);

(5) award a contract to a state agency providing the service, another state agency, a private commercial source, or a combination of those entities, if the bidder presents the best and most reasonable bid, which is not necessarily the lowest bid; and

(6) determine the terms of a contract for service or interagency contract to provide a service identified under Subsection (a).

SECTION 1.29. Chapter 2163, Government Code, is amended by adding Sections 2163.0011 and 2163.0012 to read as follows:

Sec. 2163.0011. TRANSFER OF DUTIES; REFERENCE. (a) and duties of the commission under this chapter The are transferred to the comptroller.

(b) In this chapter, a reference to the commission means the

comptroller.

Sec. 2163.0012. AUTHORITY TO ADOPT RULES. The comptroller may adopt rules to efficiently and effectively administer this chapter. Before adopting a rule under this section, the comptroller must conduct a public hearing regarding the proposed rule regardless of whether the requirements of Section 2001.029(b) are met.

SECTION 1.30. Subchapter A, Chapter 2165, Government Code, is amended by adding Sections 2165.0011 and 2165.0012 to read as

Sec. 2165.0011. DEFINITION. In this chapter, "commission" means the Texas Facilities Commission.

Sec. 2165.0012. AUTHORITY TO ADOPT RULES. The commission may adopt rules to efficiently and effectively administer this

SECTION 1.31. Section 2166.001, Government Code, is amended by amending Subdivision (1) and adding Subdivision (1-a) to read as follows:

(1) "Commission" means the Texas Facilities Commission. (1-a) "Construction"

acquisition includes and reconstruction.

SECTION 1.32. Subchapter A, Chapter 2167, Government Code, is amended by adding Section 2167.0011 to read as follows:

Sec. 2167.0011. DEFINITION. In this chapter, "commission"

means the Texas Facilities Commission.

SECTION 1.33. Subchapter A, Chapter 2170, Government Code, is amended by adding Sections 2170.0011 and 2170.0012 to read as follows:

Sec. 2170.0011. TRANSFER OF DUTIES; REFERENCE. (a) remaining powers and duties of the commission under this chapter are transferred to the comptroller.

(b) Subject to Section 2151.004(b), in this chapter a reference to the commission means the comptroller.

Sec. 2170.0012. AUTHORITY TO ADOPT RULES. The comptroller

adopt rules to efficiently and effectively administer the may comptroller's powers and duties under this chapter. Before adopting a rule under this section, the comptroller must conduct a public hearing regarding the proposed rule regardless of whether the requirements of Section 2001.029(b) are met.

SECTION 1.34. Subchapter A, Chapter 2171, Government Code, is amended by adding Section 2171.0011 to read as follows:

Sec. 2171.0011. TRANSFER OF DUTIES; REFERENCE. powers and duties of the commission under this chapter are transferred to the comptroller.

(b) In this chapter, a reference to the commission means the comptroller.

SECTION 1.35. Section 2171.002, Government Code, is amended to read as follows:

Sec. 2171.002. RULES. (a) The comptroller [commission] shall adopt rules to implement this chapter, including rules

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- (1) the structure of the <u>comptroller's</u> [commission's] travel agency contracts;
 - (2) the procedures the <u>comptroller</u> [commission] uses in requesting and evaluating bids or proposals for travel agency contracts; and
 - (3) the use by state agencies of negotiated contract rates for travel services.
 - (b) Before adopting a rule under this section, the comptroller must conduct a public hearing regarding the proposed rule regardless of whether the requirements of Section 2001.029(b) are met.
 - SECTION 1.36. Section 2171.056(e), Government Code, is amended to read as follows:
 - (e) The <u>comptroller</u> [<u>commission</u>] shall adopt rules related to exemptions from the prohibition prescribed by Subsection (b). [To facilitate the audit of the travel vouchers, the commission shall consult with the comptroller before the commission adopts rules or procedures under Subsection (b).]
 - SECTION 1.37. Chapter 2172, Government Code, is amended by adding Sections 2172.0011 and 2172.0012 to read as follows:
 - Sec. 2172.0011. TRANSFER OF DUTIES; REFERENCE. (a) The powers and duties of the commission under this chapter are transferred to the comptroller.
 - (b) In this chapter, a reference to the commission means the comptroller.
 - Sec. 2172.0012. AUTHORITY TO ADOPT RULES. The comptroller may adopt rules to efficiently and effectively administer this chapter. Before adopting a rule under this section, the comptroller must conduct a public hearing regarding the proposed rule regardless of whether the requirements of Section 2001.029(b) are met.
 - SECTION 1.38. Section 2175.001, Government Code, is amended by adding Subdivision (1-a) to read as follows:
 - Commission. (1-a) "Commission" means the Texas Facilities
 - SECTION 1.39. Subchapter A, Chapter 2176, Government Code, is amended by adding Section 2176.0011 to read as follows:
 - Sec. 2176.0011. TRANSFER OF DUTIES; REFERENCE. (a) The powers and duties of the commission under this chapter are transferred to the comptroller.
 - (b) In this chapter, a reference to the commission means the comptroller.
 - SECTION 1.40. Section 2176.053, Government Code, is amended to read as follows:
 - Sec. 2176.053. DELIVERY OF STATE WARRANTS. State warrants may be delivered in a manner agreed to by the comptroller $[\frac{1}{7}]$ the commission,
 - SECTION 1.41. Section 2176.110, Government Code, is amended to read as follows:
 - Sec. 2176.110. RULES. The <u>comptroller</u> [<u>commission</u>] shall adopt rules for state agencies to implement this <u>chapter</u> [<u>subchapter</u>]. <u>Before adopting a rule under this section</u>, the <u>comptroller must conduct a public hearing regarding the proposed rule regardless of whether the requirements of Section 2001.029(b) are met.</u>
 - SECTION 1.42. Subchapter A, Chapter 2177, Government Code, is amended by adding Sections 2177.0011 and 2177.0012 to read as follows:
 - Sec. 2177.0011. TRANSFER OF DUTIES; REFERENCE. (a) The powers and duties of the commission under this chapter are transferred to the comptroller.
- (b) In this chapter, a reference to the commission means the comptroller.
 - Sec. 2177.0012. AUTHORITY TO ADOPT RULES. The comptroller may adopt rules to efficiently and effectively administer this chapter. Before adopting a rule under this section, the comptroller must conduct a public hearing regarding the proposed rule regardless of whether the requirements of Section 2001.029(b)

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SECTION 1.43. Section 22.008(d), Government Code, is amended to read as follows:

(d) The reporter shall return the record, with briefs and opinions, to the clerk when the report is completed and from time to time shall deliver the reports to the <u>comptroller</u> [State Purchasing and General Services Commission] for publication. Each volume shall be copyrighted in the name of the reporter, who immediately on delivery of the edition shall transfer and assign it to the state. The edition shall be electrotyped. The state owns the plates, and the <u>comptroller</u> [State Purchasing and General Services Commission] shall preserve them.

SECTION 1.44. Section 325.017(e), Government Code, is amended to read as follows:

(e) Unless the governor designates an appropriate state agency as prescribed by Subsection (f), property and records in the custody of an abolished state agency or advisory committee on September 1 of the even-numbered year after abolishment shall be transferred to the comptroller [State Purchasing and General Services Commission]. If the governor designates an appropriate state agency, the property and records shall be transferred to the designated state agency.

SECTION 1.45. Section 403.251, Government Code, is amended to read as follows:

Sec. 403.251. ADDITIONAL DUTIES OF COMPTROLLER [COMMISSION]. The comptroller [commission] shall treat documentation submitted [to the commission] by a state agency as part of the procedure for replenishing a petty cash account as a proposed expenditure of appropriated funds. The comptroller [commission] shall follow its usual procedures for reviewing purchases. The comptroller [commission] shall give the agency a written approval or disapproval of each disbursement from the petty cash account.

SECTION 1.46. Section 441.106, Government Code, is amended to read as follows:

Sec. 441.106. PAYMENT FOR PRINTING OF STATE PUBLICATIONS. If a state agency's printing is done by contract, an account for the printing may not be approved and a warrant may not be issued unless the agency first furnishes to the <u>comptroller</u> [Texas Building and Procurement Commission] a receipt from the state librarian for the publication or a written waiver from the state librarian exempting the publication from this subchapter.

SECTION 1.47. Sections 441.194(a) and (b), Government Code, are amended to read as follows:

- (a) Unless otherwise provided by law, the <u>comptroller</u> [General Services Commission] shall take custody of the records of a state agency that is abolished by the legislature and whose duties and responsibilities are not transferred to another state agency.
- (b) Unless the requirement is waived by the state records administrator, the records management officer of the comptroller [General Services Commission], or of another state agency that receives custody of the records pursuant to law, shall prepare and submit to the state archivist and the state records administrator a list of the records of the abolished state agency within 180 days of the effective date of the agency's abolition.

the effective date of the agency's abolition.

SECTION 1.48. Section 444.021(a), Government Code, is amended to read as follows:

- (a) The commission shall:
- (1) foster the development of a receptive climate for the arts that will culturally enrich and benefit state citizens in their daily lives;
- (2) make visits and vacations to the state more appealing to the world;
- (3) attract, through appropriate programs of publicity and education, additional outstanding artists to become state residents;
- (4) direct activities such as the sponsorship of lectures and exhibitions and the central compilation and dissemination of information on the progress of the arts in the

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- (5) provide advice to the <u>comptroller</u> [General Services commission], Texas Historical Commission, Texas State Library, Texas Tourist Development Agency, Texas Department of Transportation, and other state agencies to provide a concentrated state effort in encouraging and developing an appreciation for the arts in the state;
- (6) provide advice relating to the creation, acquisition, construction, erection, or remodeling by the state of a work of art; and
- (7) provide advice, on request of the governor, relating to the artistic character of buildings constructed, erected, or remodeled by the state.

SECTION 1.49. Section 465.0082, Government Code, is amended to read as follows:

Sec. 465.0082. PURCHASING RULES. The commission shall adopt rules to guide its purchases of supplies, materials, services, and equipment to carry out eligible undertakings as defined by Section 465.021. The commission shall use as a guide, whenever consistent with the commission's purposes, the rules of the comptroller [State Purchasing and General Services Commission].

SECTION 1.50. Section 465.018(b), Government Code, is amended to read as follows:

(b) This section does not prohibit the commission from using the $\frac{\text{comptroller's purchasing}}{\text{purchasing}}$ [General Services.

SECTION 1.51. Section 466.104, Government Code, is amended to read as follows:

Sec. 466.104. ASSISTANCE OF COMPTROLLER [GENERAL SERVICES COMMISSION]. (a) On request of the executive director, the comptroller [General Services Commission] shall assist the executive director in:

- (1) acquiring facilities, supplies, materials, equipment, and services under Subtitle D, Title 10; or
- (2) establishing procedures for the executive director's accelerated acquisition of facilities, supplies, materials, equipment, and services for the operation of the lottery.
- (b) The comptroller may request assistance from the Texas Facilities Commission in performing its facilities-related duties under this section.

SECTION 1.52. Section 481.027(f), Government Code, is amended to read as follows:

(f) The <u>comptroller</u> [General Services Commission] may, at the request of a state agency, provide to the agency services exempted from the application of Subtitle D, Title 10 under Subsection (e). Chapter 771 does not apply to services provided under this subsection. The <u>comptroller</u> [commission] shall establish a system of charges and billings that ensures recovery of the cost of providing the services and shall submit a purchase voucher or a journal voucher, after the close of each month, to the agency for which services were performed.

SECTION 1.53. Section 496.0515(b), Government Code, is amended to read as follows:

(b) The department shall promulgate procedures for the purpose of purchasing under Subsection (a). The department shall file copies of the procedures promulgated under this subsection with the comptroller [General Services Commission].

SECTION 1.54. Section 497.024(b), Government Code, is amended to read as follows:

(b) If the <u>comptroller</u> [General Services Commission] determines that an article or product produced by the office under this subchapter does not meet the requirements of an agency of the state or a political subdivision, or that the office has determined that the office is unable to fill a requisition for an article or product, the agency or subdivision may purchase the article or product from another source.

SECTION 1.55. Sections 497.025(a) and (c), Government Code,

are amended to read as follows:

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- (a) An agency of the state that purchases articles and products under this subchapter must requisition the purchase through the comptroller [General Services Commission] except for purchases of articles or products not included in an established contract. The purchase of articles or products not included in an established contract and that do not exceed the dollar limits established under Section 2155.132 may be acquired directly from the office on the agency's obtaining an informal or a formal quotation for the item and issuing a proper purchase order to the office. The comptroller [General Services Commission] and the department shall enter into an agreement to expedite the process by which agencies are required to requisition purchases of articles or products through the comptroller [commission].
- (c) If an agency or political subdivision purchasing goods under this subchapter desires to purchase goods or articles from the office, it may do so without complying with any other state law otherwise requiring the agency or political subdivision to request competitive bids for the article or product. Nothing herein shall be interpreted to require a political subdivision to purchase goods or articles from the office if the political subdivision determines that the goods or articles can be purchased elsewhere at a lower price. An agency may decline to purchase goods or articles from the office if the agency determines, after giving the office a final opportunity to negotiate on price, and the comptroller [General Services Commission] certifies, that the goods or articles can be purchased elsewhere at a lower price.

SECTION 1.56. Section 497.026, Government Code, is amended to read as follows:

Sec. 497.026. PRICES. The office and the $\frac{\text{comptroller}}{\text{[General Services Commission]}}$ shall determine the sales price of articles and products produced under this subchapter.

SECTION 1.57. Section 497.027, Government Code, is amended to read as follows:

- Sec. 497.027. SPECIFICATIONS. (a) The <u>comptroller</u> [General Services Commission] shall establish specifications for articles and products produced under this subchapter. An article or product produced under this subchapter must meet specifications established under this subsection in effect when the article or product is produced.
- (b) The office may manufacture articles and products to meet commercial specifications for the article or product if the comptroller [General Services Commission] has not established specifications for the article or product and the comptroller [commission] approves the commercial specifications.

SECTION 1.58. Section 497.029, Government Code, is amended to read as follows:

Sec. 497.029. NEW ARTICLES AND PRODUCTS. The <u>comptroller</u> [General Services Commission] may request the office to produce additional articles or products under this subchapter.

SECTION 1.59. Section 497.030, Government Code, is amended to read as follows:

Sec. 497.030. <u>COMPTROLLER</u> [<u>GENERAL SERVICES COMMISSION</u>] REPORTS. (a) Not later than the 31st day before the first day of each fiscal year, the <u>comptroller</u> [<u>General Services Commission</u>] shall submit to the office a report that summarizes the types and amounts of articles and products sold under this subchapter in the preceding nine months.

(b) Not later than the 100th day after the last day of each fiscal year, the <u>comptroller</u> [General Services Commission] shall submit to the office a report that states the types and amounts of articles and products sold under this subchapter in the preceding fiscal year.

(c) A report submitted by the <u>comptroller</u> [General Services Commission] under this section must describe the articles and products to the extent possible in the manner those articles and products are described in catalogs prepared under Section 497.028.

SECTION 1.60. Section 531.0312(b), Government Code, is amended to read as follows:

(b) The commission shall cooperate with the Records Management Interagency Coordinating Council and the <u>comptroller</u> [General Services Commission] to establish a single method of categorizing information about health and human services to be used by the Records Management Interagency Coordinating Council and the Texas Information and Referral Network. The network, in cooperation with the council and the <u>comptroller</u> [General Services Commission], shall ensure that:

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- (1) information relating to health and human services is included in each residential telephone directory published by a for-profit publisher and distributed to the public at minimal or no cost; and
- (2) the single method of categorizing information about health and human services is used in a residential telephone directory described by Subdivision (1).

directory described by Subdivision (1).

SECTION 1.61. Section 663.001(3), Government Code, is amended to read as follows:

(3) "Commission" means the $\underline{\text{Texas Facilities}}$ [General Services] Commission.

SECTION 1.62. Sections 791.025(a) and (b), Government Code, are amended to read as follows:

- (a) A local government, including a council of governments, may agree with another local government or with the state or a state agency, including the <u>comptroller</u> [General Services Commission], to purchase goods and services.
- agency, including the <u>comptroller</u> [General Services Commission], to purchase goods and services.

 (b) A local government, including a council of governments, may agree with another local government, including a nonprofit corporation that is created and operated to provide one or more governmental functions and services, or with the state or a state agency, including the <u>comptroller</u> [General Services Commission], to purchase goods and any services reasonably required for the installation, operation, or maintenance of the goods. This subsection does not apply to services provided by firefighters, police officers, or emergency medical personnel.

police officers, or emergency medical personnel.

SECTION 1.63. Section 825.103(d), Government Code, is amended to read as follows:

(d) Notwithstanding any other law, the retirement system has exclusive authority over the purchase of goods and services using money other than money appropriated from the general revenue fund, including specifically money from trusts under the administration of the retirement system, and Subtitle D, Title 10, does not apply to the retirement system with respect to that money. The retirement system shall acquire goods or services by procurement methods approved by the board of trustees or the board's designee. For purposes of this subsection, goods and services include all professional and consulting services and utilities as well as supplies, materials, equipment, skilled or unskilled labor, and insurance. The comptroller [Texas Building and Procurement Commission] shall procure goods or services for the retirement system at the request of the retirement system, and the retirement system may use the services of the comptroller [that commission] in procuring goods or services.

SECTION 1.64. Section 2051.052, Government Code, is amended to read as follows:

Sec. 2051.052. CANCELLATION OF PUBLISHING CONTRACT. The comptroller [General Services Commission] or a district or county official required to publish a notice may cancel a contract executed by the comptroller [commission] or official for the publication if the comptroller [commission] or official determines that the newspaper charges a rate higher than the legal rate.

SECTION 1.65. Section 2054.057(a), Government Code, is amended to read as follows:

(a) The department, with the cooperation of the comptroller[, the General Services Commission,] and other appropriate state agencies, shall develop and implement a program to train state agency personnel in effectively negotiating contracts for the purchase of information resources technologies.

SECTION 1.66. Section 2101.038, Government Code, is amended to read as follows:

Sec. 2101.038. DUTIES OF STATE AUDITOR. The state auditor, when reviewing the operation of a state agency, shall audit for compliance with the uniform statewide accounting system, the comptroller's rules, and the Legislative Budget Board's performance and workload measures. The state auditor shall also audit state agencies that make purchases that are exempted from the purchasing authority of the comptroller [General Services Commission] or that make purchases under delegated purchasing authority for compliance with applicable provisions of Subtitle D, except that this section does not require the state auditor to audit purchases made under Section 51.9335, Education Code, or made under Section 73.115, Education Code. The state auditor shall notify the comptroller, the governor, the lieutenant governor, the speaker of the house of representatives, and the Legislative Budget Board as soon as practicable when a state agency is not in compliance. SECTION 1.67. Section 2103.032(a), Government Code,

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15-68 15-69 amended to read as follows:

(a) The comptroller by rule may establish a system for state agencies to submit and approve electronically vouchers if the comptroller determines that the system will facilitate the operation and administration of the uniform statewide accounting system. The comptroller may establish an electronic method to approve a voucher submitted by a state agency [and may establish an electronic system for the approval of vouchers by the

SECTION 1.68. Sections 2113.103(a), (c), and (d), Government Code, are amended to read as follows:

- (a) A state agency should use the most cost-effective means of postal service available. A state agency may use appropriated money to purchase any form of mailing service available from the United States Postal Service that results in lower cost to the agency and affords service comparable in quality to other available postal services. The <u>comptroller</u> [General Services Commission] shall assist state agencies in determining the types and comparability of postal services available from the United States Postal Service.
- An agency other than an institution of higher education as defined by Section 61.003, Education Code, that spends for postage in a fiscal year an amount that exceeds the dollar amount set by the General Appropriations Act as the maximum expenditure for postage shall purchase or rent a postage meter machine and record all purchases of postage on the machine except purchases of postage for employees in field offices and traveling employees. The rental of a postage meter machine by a state agency, including an institution of higher education, the legislature, or an agency in the legislative branch of state government, must be from a company approved by the comptroller [General Services Commission]. The comptroller [General Services Commission] by rule shall adopt procedures for the renting entity to pay for postage.
 - Subsection (b) does not apply to a reimbursement:
 - (1) to an authorized petty cash account;
- (2) to a state employee for an emergency purchase of postage or emergency payment of post office box rent;
- (3) that is received by a state agency for authorized services and is appropriated directly to the receiving agency; or
- (4) under a contract for mailing services that may include postage, if the contract has been approved by the comptroller [General Services Commission].

SECTION 1.69. Section 2113.301(h), Government Code, is amended to read as follows:

(h) The <u>comptroller</u> [Texas Building and Procurement shall appoint a task force to develop design Commission] recommendations that are to be used for state facilities and that encourage rain harvesting and water recycling by state agencies using appropriated money to finance a capital expenditure for a state facility purpose.
SECTION 1.70. Section 2203.005(b), Government Code,

amended to read as follows:

(b) The state agency shall file with the comptroller

[General Services Commission] a copy of all contracts between the state agency and the vendor related to the vending machine and a written description of the location of the vending machine.

SECTION 1.71. Sections 2205.004(a) and (c), Government Code, are amended to read as follows:

(a) The board is composed of:

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- (1) a member appointed by the governor;
- (2) a member appointed by the lieutenant governor;
- (3) a member appointed by the speaker of the house of representatives; and
- (4) a representative of the comptroller [Texas Building and Procurement Commission, designated from time to time by the presiding officer of the commission].
- (c) The representative of the <u>comptroller</u> [Texas Building and Procurement Commission] is an ex officio, nonvoting member of the board and serves only in an advisory capacity.

SECTION 1.72. Section 2205.012(a), Government Code, is amended to read as follows:

(a) The board may employ and compensate staff as provided by legislative appropriation or may use staff provided by the comptroller [General Services Commission] or the state auditor's office.

SECTION 1.73. Section 2251.003, Government Code, is amended to read as follows:

Sec. 2251.003. RULES. The $\underline{\text{comptroller}}$ [General Services Commission] shall establish procedures and adopt rules to administer this chapter[, except that the commission may not establish a procedure or adopt a rule that conflicts with a procedure established or a rule adopted by the comptroller under Section 2251.026(i)]. Before adopting a rule under this section, the comptroller must conduct a public hearing regarding the proposed rule regardless of whether the requirements of Section 2001.029(b) are met.

SECTION 1.74. Section 2252.003(a), Government Code, is amended to read as follows:

- (a) The <u>comptroller</u> [<u>General Services Commission</u>] annually shall publish in the Texas Register:
- (1) a list showing each state that regulates the award of a governmental contract to a bidder whose principal place of business is not located in that state; and
- (2) the citation to and a summary of each state's most recent law or regulation relating to the evaluation of a bid from and award of a contract to a bidder whose principal place of business is not located in that state.

SECTION 1.75. Section 2254.040, Government Code, is amended to read as follows:

Sec. 2254.040. PROCUREMENT BY COMPTROLLER [CENERAL SERVICES COMMISSION]. (a) The comptroller [General Services Commission] may, on request of a state agency, procure for the agency consulting services that are covered by this subchapter.

(b) The comptroller [commission] may require reimbursement for the costs it incurs in procuring the services.

SECTION 1.76. Sections 2261.001(a) and (c), Government Code, are amended to read as follows:

- (a) This chapter applies only to each procurement of goods or services made by a state agency that is neither made by the comptroller [General Services Commission] nor made under purchasing authority delegated to the agency by or under Section 51.9335 or 73.115, Education Code, or Section 2155.131 or [7] 2155.132[, or 2155.133].

 (c) The comptroller [General Services Commission] on regulating shall determine whether a presurement or type of
- determine whether a procurement or type request shall of procurement:
- (1)is made under purchasing authority delegated to an agency by or under Section 2155.131 or $[\tau]$ 2155.132 $[\tau]$ or 2155.133 $[\tau]$; or
- is made under some other source of purchasing authority.

SECTION 1.77. Subchapter A, Chapter 2262, Government Code,

is amended by adding Section 2262.0011 to read as follows:

Sec. 2262.0011. TRANSFER OF DUTIES; REFERENCE. 17-2 (a)The and duties of the commission under 17-3 this chapter are transferred to the comptroller. 17 - 4

(b) In this chapter, a reference to the commission means the comptroller.

SECTION 1.78. Section 2302.002, Government Code, is amended to read as follows:

Sec. 2302.002. COMPOSITION OF COUNCIL. The council is composed of:

- one representative with knowledge of cogeneration from each of the following agencies, appointed by and serving at the pleasure of the agency's presiding officer:
 - the commission; (A)
 - the Railroad Commission of Texas; and (B)
 - [the General Services Commission; (C)
 - [(D)] the Texas Natural Resource Conservation

Commission;

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- (2) one representative of the office of the attorney general, appointed by the attorney general;
 - (3) one representative of the comptroller, appointed

by the comptroller; and (4) [(3)] one representative of higher education, appointed by the governor.

SECTION 1.79. Section 12.029(c), Agriculture Code,

amended to read as follows:

(c) The department shall file the policies established under this section with the comptroller [State Purchasing and General Services Commission and with the Texas Department of Commerce or its successor in function. The comptroller [commission] shall conduct an analysis of the department's policies and the policies' effectiveness and shall report the analysis to the governor, lieutenant governor, and speaker of the house of representatives not later than December 31 of each even-numbered year.

SECTION 1.80. Section 13.112, Agriculture Code, is amended to read as follows:

Sec. 13.112. TESTS FOR STATE INSTITUTIONS. As requested by the <u>comptroller</u> [State Purchasing and General Services Commission] or the governing body of a state institution, the department shall test each weight or measure used by a state institution for any purpose, including a weight or measure used in checking the receipt and distribution of supplies. The department shall report results of the test to the chairman of the governing body of the institution.

SECTION 1.81. Section 49.004(d), Agriculture Code, amended to read as follows:

(d) Supplies, materials, services, and equipment purchased with funds obtained under this section are not subject to the purchasing [General Services Commission] authority <u>of</u> the <u>comptroller</u>

SECTION 1.82. Section 201.105(c), Agriculture Code, is amended to read as follows:

(c) A conservation district may make any purchase of machinery or equipment through the <u>comptroller</u> [State Purchasing and General Services Commission] under the terms and rules provided by law for purchases by the state or political subdivisions.

SECTION 1.83. Section 34.001, Education Code, is amended to read as follows:

Sec. 34.001. PURCHASE OF MOTOR VEHICLES. (a) district may purchase school motor vehicles through the comptroller [General Services Commission] or through competitive bidding under Subchapter B, Chapter 44.

(b) The <u>comptroller</u> [<u>General Services Commission</u>] may adopt rules as necessary to implement Subsection (a). Before adopting a rule under this subsection, the comptroller must conduct a public hearing regarding the proposed rule regardless of whether the requirements of Section 2001.029(b), Government Code, are met.

SECTION 1.84. Section 34.006, Education Code, is amended to

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Sec. 34.006. SALE OF BUSES. (a) At the request of a school district, the <u>comptroller</u> [General Services Commission] shall dispose of a school bus.

(b) A school district is not required to dispose of a school bus through the <u>comptroller</u> [<u>General Services Commission</u>].

SECTION 1.85. Section 106.54, Education Code, is amended to read as follows:

Sec. 106.54. BIENNIAL REPORT. True and full accounts shall be kept by the board and by the employees of the university of all funds collected from all sources by the university, all the sums paid out by it, and the persons to whom and the purposes for which the sums are paid. The board shall print biennially a complete report of all sums collected, all expenditures, and the sums remaining on hand. The report shall be printed in even-numbered years between September 1 and January 1. It shall show the true condition of all funds as of the preceding August 1, and shall show all collections and expenditures for the preceding two years. The board shall furnish copies of the report to the governor, comptroller, state auditor, and attorney general [, and not less than three copies to the General Services Commission]. The board shall furnish a copy to each member of the House Appropriations Committee, the Senate Finance Committee, and the House and Senate committees on education of each regular session of the legislature within one week after the committees are appointed.

SECTION 1.86. Section 107.66, Education Code, is amended to read as follows:

Sec. 107.66. REQUISITION OF FURNISHINGS, EQUIPMENT, ETC. The board may make requisition to the comptroller [General Services Commission] for furniture, furnishings, equipment, and appointments required for the proper use and enjoyment of improvements erected by the board, and the <u>comptroller</u> [General Services Commission] may purchase and pay for the furnishings, equipment, and appointments.

SECTION 1.87. Section 141.003(c), Education Code, amended to read as follows:

(c) Supplies, materials, services, and equipment purchased with these funds shall not be subject to the purchasing [State Purchasing and Ceneral Services Commission] authority of the comptroller.

SECTION 1.88. Section 142.004(e), Education Code. is

(e) Supplies, materials, services, and equipment purchased with these funds shall not be subject to the purchasing [State Purchasing and General Services Commission] authority of the comptroller.

Section 143.005(f), Education Code, SECTION 1.89. amended to read as follows:

(f) Supplies, materials, services, and equipment purchased with these funds shall not be subject to the purchasing [State Purchasing and General Services Commission] authority of the <u>comptroller.</u>

SECTION 1.90. Section 152.004(e), Education Code, amended to read as follows:

(e) Supplies, materials, services, or equipment purchased by a public junior college or public technical institute with money $\frac{1}{2}$ received under this chapter are not subject to the purchasing authority of the comptroller [General Services Commission].

SECTION 1.91. Section 361.423, Health and Safety Code, is amended to read as follows:

Sec. 361.423. RECYCLING MARKET DEVELOPMENT IMPLEMENTATION PROGRAM. (a) The commission, the comptroller [Texas Building and Procurement Commission], and other consenting state agencies as appropriate shall regularly coordinate the recycling activities of state agencies and shall each pursue an economic development strategy that focuses on the state's waste management priorities established by Section 361.022 and that includes development of recycling industries and markets as an integrated component.

(b) The commission and the comptroller [Texas Building and

Procurement Commission], on an ongoing basis, shall jointly:

19-2 (1) identify existing economic and regulatory 19-3 incentives and disincentives for creating an optimal market 19-4 development strategy;

(2) analyze or take into consideration the market development implications of:

(A) the state's waste management policies and regulations;

(B) existing and potential markets for plastic, glass, paper, lead-acid batteries, tires, compost, scrap gypsum, coal combustion by-products, and other recyclable materials; and

(C) the state's tax structure and overall

economic base;

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(3) examine and make policy recommendations regarding the need for changes in or the development of:

(A) economic policies that affect transportation, such as those embodied in freight rate schedules;

(B) tax incentives and disincentives;

(C) the availability of financial capital including grants, loans, and venture capital;

(D) enterprise zones;

(E) managerial and technical assistance;

(F) job-training programs;

(G) strategies for matching market supply and market demand for recyclable materials, including intrastate and interstate coordination;

(H) the state recycling goal;

(I) public-private partnerships;

(J) research and development;

(K) government procurement policies;

(L) educational programs for the public, corporate and regulated communities, and government entities; and (M) public health and safety regulatory

policies;

(4) establish a comprehensive statewide strategy to

expand markets for recycled products in Texas;

(5) provide information and technical assistance to small and disadvantaged businesses, business development centers, chambers of commerce, educational institutions, and nonprofit associations on market opportunities in the area of recycling; and

(6) with the cooperation of the Office of State-Federal Relations, assist communities and private entities in identifying state and federal grants pertaining to recycling and solid waste management.

(c) In carrying out this section, the commission and the <u>comptroller</u> [Texas Building and Procurement Commission] may obtain research and development and technical assistance from the Hazardous Waste Research Center at Lamar University at Beaumont or other similar institutions.

(d) In carrying out this section, the commission and the <u>comptroller</u> [<u>Texas Building and Procurement Commission</u>] shall utilize the pollution prevention advisory committee as set out in Section 361.0215 of the Health and Safety Code.

SECTION 1.92. Section 361.425(a), Health and Safety Code, is amended to read as follows:

(a) A state agency, state court or judicial agency, a university system or institution of higher education, a county, municipality, school district, or special district shall:

(1) in cooperation with the <u>comptroller</u> [General Services Commission] or the commission establish a program for the separation and collection of all recyclable materials generated by the entity's operations, including, at a minimum, aluminum, steel containers, aseptic packaging and polycoated paperboard cartons, high-grade office paper, and corrugated cardboard;

(2) provide procedures for collecting and storing recyclable materials, containers for recyclable materials, and procedures for making contractual or other arrangements with buyers of recyclable materials;

(3) evaluate the amount of recyclable material

recycled and modify the recycling program as necessary to ensure 20 - 120-2 that all recyclable materials are effectively and practicably 20-3 recycled; and 20-4

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(4)establish educational and incentive programs to

encourage maximum employee participation. SECTION 1.93. Section 361.427(a), Health and Safety Code, is amended to read as follows:

The commission, in consultation with the comptroller [General Services Commission], shall promulgate rules to establish guidelines which specify the percent of the total content of a product which must consist of recycled material for the product to be a "recycled product."

SECTION 1.94. Section 841.083(c-2), Health and Code, is amended to read as follows:

(c-2) If the equipment necessary to implement the tracking service is available through a contract entered into by the comptroller [Texas Building and Procurement Commission], the Department of Public Safety or the council, as appropriate, shall acquire that equipment through that contract.

SECTION 1.95. Section 32.044(d), Human Resources Code, is amended to read as follows:

(d) The department with the assistance of the Health and Human Services Commission and the comptroller [General Services Commission] shall adopt rules under this section that allow the public or private hospital to make purchases through group purchasing programs except when the department has reason to believe that a better value is available through another procurement method.

SECTION 1.96. Section 111.0553(a), Human Resources Code, is amended to read as follows:

- The commission shall develop and, following review and (a) approval by the board, implement agency-wide procurement procedures to:
- (1)ensure compliance with the best-value purchasing requirements of Section $215\overline{5}.144(c)$, Government Code;
- document that a best-value review of vendors has (2) occurred:
 - (3)document the reasons for selecting a vendor;
- (4)negotiate price discounts with high-volume vendors;
- (5) consolidate purchases with other agencies, including the Texas Department of Health and the comptroller [General Services Commission], to achieve best value; and
- (6) provide effective public notification potential vendors of planned commission purchases.

SECTION 1.97. Chapter 122, Human Resources Code, is amended by adding Section 122.0011 to read as follows:

- Sec. 122.0011. TRANSFER OF DUTIES; REFERENCE. (a) powers and duties of the commission under this chapter are transferred to the comptroller.

 (b) In this chapter, a reference to the commission means the
- comptroller.

SECTION 1.98. Article 21A.0135(a), Insurance Code, amended to read as follows:

The receiver shall use a competitive bidding process in (a) the selection of any special deputies appointed under Section 21A.102 or 21A.154. The process must include procedures to promote the participation of historically underutilized businesses that have been certified by the comptroller [Texas Building and Procurement Commission under Section 2161.061, Government Code. SECTION 1.99. Sections 201.007(b), (c), (f), and (g), Local

Government Code, are amended to read as follows:

After the settlement of the outstanding indebtedness of (b) an abolished municipality and the satisfaction of the other applicable requirements of Chapter 62, Local Government Code, the municipality's governing body at the time the municipality is abolished, or the receiver or trustees if appointed by a court, shall transfer the records of the municipality to the custody of the comptroller [General Services Commission]. A record of an abolished

21-1 municipality may not be sold to satisfy an outstanding 21-2 indebtedness.

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- (c) After the settlement of the outstanding indebtedness of an abolished special-purpose district or authority, other than a school district, and the satisfaction of the other applicable requirements of state law establishing or permitting the establishment of the district or authority or governing its abolition, the district's governing body at the time the district is abolished shall transfer the records of the district to the custody of the <u>comptroller</u> [<u>General Services Commission</u>]. A record of an abolished special-purpose district or authority may not be sold to satisfy an outstanding indebtedness.
- (f) The cost of the transfer of records to the <u>comptroller</u> [General Services Commission] under this section shall be paid for out of the funds of the abolished local government. If funds of the local government are not available for this purpose, the cost of the transfer shall be paid out of the funds of the <u>comptroller</u> [General Services Commission].
- (g) The records retention schedules issued by the commission shall be used, as far as practicable, as the basis for the retention and disposition of local government records transferred to the custody of the <u>comptroller</u> [General Services Commission] under this section.

SECTION 1.100. Section 252.0215, Local Government Code, is amended to read as follows:

Sec. 252.0215. COMPETITIVE BIDDING IN RELATION TO HISTORICALLY UNDERUTILIZED BUSINESS. A municipality, in making an expenditure of more than \$3,000 but less than \$25,000, shall contact at least two historically underutilized businesses on a rotating basis, based on information provided by the comptroller [General Services Commission] pursuant to Chapter 2161, Government Code. If the list fails to identify a historically underutilized business in the county in which the municipality is situated, the municipality is exempt from this section.

SECTION 1.101. The heading to Section 262.002, Local Government Code, is amended to read as follows:

Sec. 262.002. AUTHORITY TO PURCHASE ROAD EQUIPMENT AND TIRES THROUGH COMPTROLLER [STATE PURCHASING AND GENERAL SERVICES COMMISSION].

SECTION 1.102. Section 262.002(a), Local Government Code, is amended to read as follows:

(a) The commissioners court of a county may purchase through the $\underline{\text{comptroller}}$ [State Purchasing and General Services Commission] road machinery and equipment, tires, and tubes to be used by the county.

SECTION 1.103. Section 271.082, Local Government Code, is amended to read as follows:

- Sec. 271.082. PURCHASING PROGRAM. (a) The comptroller [State Purchasing and General Services Commission] shall establish a program by which the comptroller [commission] performs purchasing services for local governments. The services must include:

 (1) the extension of state contract prices to
- (1) the extension of state contract prices to participating local governments when the $\frac{\text{comptroller}}{\text{considers}}$ [considers it feasible;
- (2) solicitation of bids on items desired by local governments if the solicitation is considered feasible by the comptroller [commission] and is desired by the local government; and
- (3) provision of information and technical assistance to local governments about the purchasing program.
- (b) The <u>comptroller</u> [<u>commission</u>] may charge a participating local government an amount not to exceed the actual costs incurred by the <u>comptroller</u> [<u>commission</u>] in providing purchasing services to the local government under the program.
- (c) The <u>comptroller</u> [<u>commission</u>] may adopt rules and procedures necessary to administer the purchasing program. <u>Before</u> adopting a rule under this subsection, the comptroller must conduct a public hearing regarding the proposed rule regardless of whether the requirements of Section 2001.029(b), Government Code, are met.

22-1 SECTION 1.104. Section 113.283(a), Natural Resources Code, 22-2 is amended to read as follows:

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- (a) The council is composed of the following individuals:
 - (1) the commissioner of the General Land Office;
 - (2) the members of the Railroad Commission of Texas;
- (3) the $\underline{\text{comptroller}}$ [chairman of the General Services Commission]; and

(4) the chairman of the Texas Natural Resource Conservation Commission.

SECTION 1.105. Section 161.020, Natural Resources Code, is amended to read as follows:

Sec. 161.020. PURCHASE OF SUPPLIES. The board may purchase at state expense through the <u>comptroller</u> [board of control] supplies, including stationery, stamps, printing, record books, and other things that may be needed to carry on the board's functions as a state agency in performing the duties imposed by this chapter.

SECTION 1.106. Section 12.008(c), Parks and Wildlife Code, is amended to read as follows:

(c) The <u>comptroller</u> [<u>State Purchasing and General Services Commission</u>] shall execute any sale of products under this section under the general law governing the sale of state property; however, the department shall determine the quantity of products to be offered for sale and the consideration in lieu of money to be received under the sale. The department may lease grazing or farming rights under this section. In leasing the rights, the department must follow a competitive bidding procedure.

SECTION 1.107. Section 81.404(b), Parks and Wildlife Code, is amended to read as follows:

(b) Contracts for the removal of fur-bearing animals and reptiles shall be entered into under the direction of the comptroller [State Purchasing and General Services Commission] in the manner provided by general law for the sale of state property, except that the department shall determine the means, methods, and quantities of fur-bearing animals and reptiles to be taken, and the department may accept or reject any bid received by the comptroller [State Purchasing and General Services Commission].

SECTION 1.108. Section 111.0035(f), Tax Code, is amended to read as follows:

(f) Except as provided by Subsection (g), the comptroller shall award a contract made under this section through a competitive bidding process that complies with Section 2155.132, Government Code[, and the rules adopted by the General Services Commission relating to delegated purchases]. If the comptroller receives not more than three bids through the competitive bidding process, the comptroller shall report the number of bidders to the Legislative Budget Board before awarding the contract.

SECTION 1.109. Section 111.0036(f), Tax Code, is amended to read as follows:

(f) Except as provided by Subsection (g), the comptroller shall award a contract made under this section through a competitive bidding process that complies with Section 2155.132, Government Code[, and the rules adopted by the General Services Commission relating to delegated purchases]. If the comptroller receives not more than three bids through the competitive bidding process, the comptroller shall report the number of bidders to the Legislative Budget Board before awarding the contract.

SECTION 1.110. Section 201.706, Transportation Code, is amended to read as follows:

Sec. 201.706. LOCAL GOVERNMENT ASSISTANCE. From appropriated funds, the department shall assist counties with materials to repair and maintain county roads. The department shall:

- (1) provide that the total annual value of assistance under this section is:
- (A) at least \$12 million per year for fiscal years 1998 and 1999; and
- 22-68 (B) at least \$6 million per year for a fiscal year 22-69 other than 1998 or 1999;

make maximum usage of surplus materials on hand;

(3) develop rules and procedures to implement this section and to provide for the distribution of the assistance with preference given to counties with an above average number of overweight trucks receiving weight tolerance permits based on the previous year's permit totals; and

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(4) undertake cooperative and joint procurement of road materials with counties under [General Services Commission] procedures of the comptroller.

SECTION 1.111. Section 202.082(b), Transportation Code, is amended to read as follows:

- Disposal of reclaimed asphalt pavement under this (b) section is not subject to:
 - (1)Chapter 2175, Government Code; or
- (2) the statutory or regulatory authority of the comptroller formerly exercised by the General Services Commission.

 SECTION 1.112. Section 223.041(b), Transportation Code, is

amended to read as follows:

(b) The department, in setting a minimum level of expenditures in these engineering-related activities that will be paid to the private sector providers, shall provide that the expenditure level for a state fiscal year in all strategies paid to private sector providers for all department engineering-related services for transportation projects is not less than 35 percent of the total funds appropriated in Strategy A.1.1. Plan/Design/Manage and Strategy A.1.2. of the General Appropriations Act for that state fiscal biennium. The department shall attempt to make expenditures for engineering-related services with private sector providers under this subsection with historically underutilized businesses, as defined by Section 2161.001, Government Code, in an amount consistent with the applicable provisions of the Government Code, any applicable state disparity study, and in accordance with the good-faith-effort procedures outlined in the rules adopted by the comptroller [Texas Building and Procurement Commission].

SECTION 1.113. Section 502.052(c), Transportation Code, is

amended to read as follows:

(c) To promote highway safety, each license plate shall be made with a reflectorized material that provides effective and dependable brightness for the period for which the plate is issued. The purchase of reflectorized material shall be submitted to the comptroller [General Services Commission] for approval.

SECTION 1.114. Section 502.053(b), Transportation Code, is amended to read as follows:

- (b) When manufacturing is started, the Texas Department of Criminal Justice, the Texas Department of Transportation, and the comptroller [Texas Building and Procurement Commission], after negotiation, shall set the price to be paid for each license plate or insignia. The price must be determined from:
- (1)the cost of metal, paint, and other materials purchased;
 - the inmate maintenance cost per day;
 - (3)overhead expenses;
 - (4)miscellaneous charges; and
- a previously approved amount of profit for the (5)work.

SECTION 1.115. Section 14.058, Utilities Code, is amended to read as follows:

FEES FOR ELECTRONIC ACCESS TO INFORMATION. Sec. 14.058. The fees charged by the commission for electronic access to information that is stored in the system established by the commission using funds from the Texas Public Finance Authority and approved by the Department of Information Resources shall be established:

(1)by the commission in consultation with the

the debt to the Texas Public Finance Authority associated with establishing the electronic access system.

SECTION 1.116. Section 222.004(v), Water Code, is amended

to read as follows:

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24**-**68 24**-**69 (v) The authority may enter into contracts with this state through the <u>comptroller</u> [Texas Building and Procurement Commission] providing for direct sale by the authority of electrical power to this state for use in buildings or other facilities owned, leased, or rented by this state in Travis County.

SECTION 1.117. The following provisions of the Government Code are repealed:

- (1) Section 403.241(1);
- (2) Section 2103.063;
- (3) Section 2152.003;
- (4) Section 2152.104(c);
- (5) Sections 2155.323(c) and (d); and
- (6) Section 2161.002(b).

SECTION 1.118. Section 12.014(b), Agriculture Code, is repealed.

SECTION 1.119. On the effective date of this Act, the Texas Building and Procurement Commission is renamed the Texas Facilities Commission.

SECTION 1.120. (a) The Texas Facilities Commission retains the powers and duties of the former Texas Building and Procurement Commission that relate to charge and control of state buildings, grounds, or property, to maintenance or repair of state buildings, grounds, or property, to child care services for state employees under Chapter 663, Government Code, to surplus and salvage property, to construction of a state building, or to the purchase or lease of buildings, grounds, or property by or for the state.

- (a-1) Except as otherwise provided by this Act or other law, all other powers and duties of the Texas Building and Procurement Commission are transferred to the comptroller.
- Commission are transferred to the comptroller.

 (b) All employees of the Texas Building and Procurement Commission who primarily perform duties related to an activity described by Subsection (a) of this section, including employees who provide administrative support for those services, remain employees of the Texas Facilities Commission.
- (b-1) All other employees of the Texas Building and Procurement Commission are transferred to the office of the comptroller. A management employee of the Texas Building and Procurement Commission who is transferred to the office of the comptroller under this subsection does not automatically continue to hold the person's management position. To hold the management position on other than an interim basis, the person must apply for the position with the comptroller.
- (c) A rule, form, policy, procedure, or decision of the Texas Building and Procurement Commission that is related to an activity described by Subsection (a) of this section continues in effect as a rule, form, policy, procedure, or decision of the Texas Facilities Commission.
- (c-1) A rule, form, policy, procedure, or decision of the Texas Building and Procurement Commission that is related to an activity transferred by this Act to the comptroller continues in effect as a rule, form, policy, procedure, or decision of the comptroller until superseded by an act of the comptroller.
- (d) A court case, administrative proceeding, contract negotiation, or other proceeding involving the Texas Building and Procurement Commission that is related to an activity described by Subsection (a) of this section is unaffected by the change in name of the agency.
- (d-1) A court case, administrative proceeding, contract negotiation, or other proceeding involving the Texas Building and Procurement Commission that is related to an activity transferred by this Act to the comptroller is transferred without change in status to the comptroller, and the comptroller assumes, without a change in status, the position of the Texas Building and Procurement Commission in a negotiation or proceeding relating to an activity transferred by this Act to the comptroller to which the Texas Building and Procurement Commission is a party.
- (e) All money, contracts, leases, rights, bonds, and obligations of the Texas Building and Procurement Commission

related to an activity described by Subsection (a) of this section remain with the Texas Facilities Commission.

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- (e-1) All money, contracts, memoranda of understanding, leases, rights, bonds, and obligations of the Texas Building and Procurement Commission related to an activity transferred by this Act to the comptroller are transferred to the comptroller.
- (f) All personal property, including records, in the custody of the Texas Building and Procurement Commission related to an activity described by Subsection (a) of this section remains the property of the Texas Facilities Commission.
- (f-1) All personal property, including records, in the custody of the Texas Building and Procurement Commission related to an activity transferred by this Act to the comptroller becomes the property of the comptroller.
- (g) All funds appropriated by the legislature to the Texas Building and Procurement Commission for an activity described by Subsection (a) of this section, including funds for providing administrative support for those services, continue as appropriations to the Texas Facilities Commission.
- (g-1) All funds appropriated by the legislature to the Texas Building and Procurement Commission for an activity transferred by this Act to the comptroller, including funds for providing administrative support for those services, are transferred to the comptroller.

SECTION 1.121. In accordance with Section 1.120 of this article, the comptroller and the Texas Facilities Commission shall adopt a memorandum of understanding that identifies and allocates between the office of the comptroller and the Texas Facilities Commission the powers, duties, property, employees, appropriations, and other items transferred under Section 1.120. The memorandum of understanding must also:

- (1) identify and allocate between the office of the comptroller and the Texas Facilities Commission the employees and real and personal property of the Texas Building and Procurement Commission, including space in the central administrative offices of the commission, used to generally support the activities of the Texas Building and Procurement Commission; and
- (2) provide a timetable for any necessary or advisable movement of the physical location of employees and property.

SECTION 1.122. Sections 2155.086 and 2155.087, Government Code, as added by this Act, apply only to a contract for which the solicitation of bids or proposals or similar expressions of interest is published on or after September 1, 2007. A contract for which the solicitation of bids or proposals or similar expressions of interest is published before September 1, 2007, is governed by the law in effect on the date the solicitation of bids or proposals or similar expressions of interest is published, and the former law is continued in effect for that purpose.

ARTICLE 2. DEPARTMENT OF INFORMATION RESOURCES

SECTION 2.01. Section 35.102(c), Business & Commerce Code, is amended to read as follows:

(c) This section does not apply to the <u>Department of Information Resources</u> [General Services Commission], in its capacity as the telecommunications provider for the state, and an institution of higher education, as that term is defined by Section 61.003, Education Code, that provides interactive computer service.

SECTION 2.02. Section 44.031(i), Education Code, is amended to read as follows:

(i) A school district may acquire computers and computer-related equipment, including computer software, through the <u>Department of Information Resources</u> [General Services Commission] under contracts entered into in accordance with Chapter 2054 or 2157, Government Code. Before issuing an invitation for bids, the <u>department</u> [commission] shall consult with the agency concerning the computer and computer-related equipment needs of school districts. To the extent possible the resulting contract shall provide for such needs.

SECTION 2.03. Section 2054.123(a), Government Code, is

amended to read as follows:

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(a) The department, in consultation with the $[{ t Texas}]$ Building and Procurement Commission, the] state auditor $[\tau]$ and the comptroller, shall create an interagency panel of representatives appointed by those agencies and officers to coordinate and maintain a training program to assist state agencies in performing software audits, managing software, and purchasing software and software licenses. Each state agency shall cooperate with the panel in the evaluation of the agency's needs for software management and shall donate agency resources to the evaluation of the agency as the panel requires.

SECTION 2.04. Section 2054.201, Government Code, is amended to read as follows:

TERMS. Sec. 2054.201. COMPOSITION; (a) The telecommunications planning and oversight council is composed of:

(1) a representative of the comptroller's office, appointed by the comptroller;

the executive director of the Telecommunications (2) Infrastructure Fund Board;

(3) a representative of the <u>department</u> [Texas Building and Procurement Commission], appointed by the executive director of the department [commission];

 $\overline{(4)}$ a member representing the interests of state agencies with 1,000 employees or more, appointed by the lieutenant governor;

(5) a member representing the interests of state agencies with fewer than 1,000 employees, appointed by the speaker of the house of representatives;

representing of (6) a member the interests institutions of higher education, appointed by the commissioner of higher education;

(7) a member representing the interests of The University of Texas System, appointed by the chancellor;

(8) a member representing the interests of The Texas A&M University System, appointed by the chancellor;

(9) a member representing the interests of public tricts that are customers of the consolidated districts telecommunications system, appointed by the governor;

(10) a member representing the interests of local governments that are customers of the telecommunications system, appointed by the governor; consolidated

(11) two public members with telecommunications

expertise, appointed by the governor; and

(12) a representative of the Health and Human Services Commission, appointed by the commissioner of health and human services.

(b) Appointed members of the telecommunications planning and oversight council serve staggered two-year terms, with the terms of four or five members expiring August 31 each year, except

the representative of the comptroller's office (1)serves at the discretion of the comptroller;

[Texas (2) the representative of the <u>department</u> Building and Procurement Commission] serves at the discretion of the executive director of the department [commission]; and

(3) the representative of the Health and Human

Services Commission serves at the discretion of the commissioner of health and human services.

SECTION 2.05. Sections 2054.304(b) and (c), Government Code, are amended to read as follows:

(b) Except as provided by Subsection (c), the state agency must file the project plan with the quality assurance team and the department [Texas Building and Procurement Commission] before the agency:

(1)spends more than 10 percent of allocated funds for the project; or

issues a vendor solicitation for (2) first the project.

(c) Unless the project plan has been filed under this section:

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member;

- (1) [the Texas Building and Procurement Commission may not issue] a vendor solicitation may not be issued for the project; and
- (2) the agency may not post a vendor solicitation for the project in the state business daily under Section 2155.083.

SECTION 2.06. Section 771.031(b), Health and Safety Code, is amended to read as follows:

- (b) The following individuals serve as nonvoting ex officio members:
- (1) the executive director of the Public Utility Commission of Texas, or an individual designated by the executive director;
- (2) the executive director of the <u>Department of Information Resources</u> [Ceneral Services Commission], or an individual designated by the executive director; and
- (3) the commissioner of public health, or an individual who has responsibility for the poison control network designated by the commissioner.

SECTION 2.07. Section 771.0711(e), Health and Safety Code, is amended to read as follows:

(e) A member of the commission, the governing body of a public agency, or the <u>Department of Information Resources</u> [General Services Commission] is not liable for any claim, damage, or loss arising from the provision of wireless 9-1-1 service unless the act or omission causing the claim, damage, or loss violates a statute or ordinance applicable to the action.

SECTION 2.08. Section 55.203(f), Utilities Code, is amended to read as follows:

(f) The <u>Department of Information Resources</u> [General Services Commission] shall cooperate with the commission and with publishers to ensure that the subject matter listing of programs and telephone numbers in the telephone directories are consistent with the categorization developed by the Records Management Interagency Coordinating Council under Section 441.203(j), Government Code.

ARTICLE 3. CONFORMING AMENDMENTS; MISCELLANEOUS

SECTION 3.01. Section 201.002(b), Transportation Code, is amended to read as follows:

(b) The $\underline{\text{comptroller}}$ [General Services Commission] shall contract for equipment and supplies, including seals and number plates, required by law in the administration of the registration of vehicles and in the operation of the department.

SECTION 3.02. Section $403.023(b\bar{)}$, Government Code, is amended to read as follows:

- (b) The comptroller may adopt rules relating to the use of credit or charge cards by state agencies to pay for purchases. The rules may:
- (1) authorize a state agency to use credit or charge cards if the comptroller determines the best interests of the state would be promoted;
- (2) authorize a state agency to use credit or charge cards to pay for purchases without providing the same authorization to other state agencies; and
- (3) authorize a state agency to use credit or charge cards to pay for purchases that otherwise may be paid out of the agency's petty cash accounts under Subchapter $K[\frac{1}{2}]$ and

[(4) authorize the General Services Commission to contract with one or more credit or charge card issuers on behalf of state agencies].

SECTION 3.03. Section 441.203(a), Government Code, is amended to read as follows:

- (a) The Records Management Interagency Coordinating Council is composed of:
- (1) permanent members, consisting of the following officers or the officer's designee:
 - (A) the secretary of state;
 - (B) the state auditor, who serves as a nonvoting

- the comptroller of public accounts; (C)
- (D) the attorney general;
- (E) the director and librarian; and
- (F) [the executive director of the

Commission; and and Procurement

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[(G)] the executive director of the Department of Information Resources; and

auxiliary voting members, consisting of: (2)

- one faculty member of a public senior college (A) or university, as defined by Section 61.003, Education Code, who has demonstrated knowledge of records and information management; and
- two individuals who serve as information (B) resources managers, under Section 2054.071, for state agencies in the executive branch of government.

SECTION 3.04. Section 551.0726(a), Government Code, amended to read as follows:

- and Facilities [Building Procurement] (a) The Texas Commission may conduct a closed meeting to deliberate business and financial issues relating to a contract being negotiated if, before conducting the closed meeting:
- (1) the commission votes unanimously deliberation in an open meeting would have a detrimental effect on the position of the state in negotiations with a third person; and
- (2) the attorney advising the commission issues a written determination finding that deliberation in an open meeting would have a detrimental effect on the position of the state in negotiations with a third person and setting forth that finding therein.

SECTION 3.05. Section 552.009(a), Government Code, as amended by Chapters 329 and 716, Acts of the 79th Legislature, Regular Session, 2005, is reenacted to read as follows:

- The open records steering committee is composed of two representatives of the attorney general's office and:
- a representative (1)of each of the following, appointed by its governing entity:
 - (A) the comptroller's office;
 - (B) the Department of Public Safety;
 - (C) the Department of Information Resources; and
 - (D) State the Texas Library and

Commission;

- (2)five public members, appointed by the attorney general; and
- (3) a representative of each of the following types of

 - (B) a county; and
 - (C) a school district.

SECTION 3.06. Section 571.061(a), Government Code, is amended to read as follows:

- The commission shall administer and enforce: (a)
 - (1)Chapters 302, 303, 305, 572, and 2004;
- Subchapter C, Chapter 159, Local Government Code, (2) in connection with a county judicial officer, as defined by Section 159.051, Local Government Code, who elects to file a financial statement with the commission; [and]
 - Title 15, Election Code; and
 - Sections 2152.064 and $2\overline{155.003}$.

SECTION 3.07. Section 571.091(a), Government Code, is amended to read as follows:

- The commission (a) shall prepare a written opinion answering the request of a person subject to any of the following laws for an opinion about the application of any of these laws to the person in regard to a specified existing or hypothetical factual situation:
 - Chapter 302; (1)
 - (2)Chapter 303;
 - (3) Chapter 305;
 - (4)Chapter 2004;

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C.S.H.B. No. 3560
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29-1
                       (5)
                            Chapter 572;
                            Subchapter C, Chapter 159, Local Government Code,
 29-2
                       (6)
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         as provided by Section 571.061(a)(2);
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                       (7)
                            Title 15, Election Code;
                            Chapter 36, Penal Code; [or]
Chapter 39, Penal Code;
Section 2152.064; or
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                       (8)
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                       (9)
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                       (10)
                             Section 2155.003.
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                SECTION 3.08.
                                             572.003(c), Government
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                                 Section
                                                                           Code.
                                                                                   is
29-10
         amended to read as follows:
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                (C)
                      The term means a member of:
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                       (1)
                            the Public Utility Commission of Texas;
29-13
                       (2)
                            the Texas Department of Economic Development;
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                       (3)
                            the Texas Commission on Environmental Quality;
                       (4)
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                            the Texas Alcoholic Beverage Commission;
29-16
                       (5)
                            The Finance Commission of Texas;
29-17
                       (6)
                            the Texas Facilities [Building and Procurement]
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         Commission;
29-19
                       (7)
                            the Texas Board of Criminal Justice;
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                       (8)
                            the board of trustees of the Employees Retirement
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         System of Texas;
29-22
                       (9)
                            the Texas Transportation Commission;
29-23
                       (10)
                             the Texas Workers' Compensation Commission;
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                       (11)
                             the Texas Department of Insurance;
29-25
                       (12)
                             the Parks and Wildlife Commission;
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                             the Public Safety Commission; the Texas Ethics Commission;
                       (13)
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                       (14)
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                       (15)
                             the State Securities Board;
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                             the Texas Water Development Board;
                       (16)
         (17) the governing board of a public senior college or university as defined by Section 61.003, Education Code, or of The
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         University of Texas Southwestern Medical Center at Dallas, The
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         University of Texas Medical Branch at Galveston, The University of
         Texas Health Science Center at Houston, The University of Texas Health Science Center at San Antonio, The University of Texas System Cancer Center, The University of Texas Health Science Center at Tyler, University of North Texas Health Science Center at Fort
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         Worth, Texas Tech University Health Sciences Center, Texas State
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                         College--Harlingen,
                                                    Texas
         Technical
                                                                State
                                                                           Technical
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         College--Marshall, Texas State Technical College--Sweetwater, or
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         Texas State Technical College--Waco;
29-42
                       (18)
                             the Texas Higher Education Coordinating Board;
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                             the Texas Workforce Commission;
                       (19)
29-44
                       (20)
                             the State Banking Board;
29-45
                       (21)
                              the board of trustees of the Teacher Retirement
29-46
         System of Texas;
29-47
                       (22)
                              the Credit Union Commission;
29-48
                       (23)
                             the School Land Board;
29-49
                       (24)
                             the board of the Texas Department of Housing and
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         Community Affairs;
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                       (25)
                             the Texas Racing Commission;
29-52
                       (26)
                             the State Board of Dental Examiners;
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                       (27)
                              the Texas State Board of Medical Examiners;
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                       (28)
                              the Board of Pardons and Paroles;
29-55
                       (29)
                              the Texas State Board of Pharmacy;
                                                    of
29-56
                       (30)
                              the
                                     Department
                                                          Information Resources
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         governing board;
29-58
                       (31)
                              the Motor Vehicle Board;
29-59
                       (32)
                             the Texas Real Estate Commission;
                       (33)
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                              the board of directors of the State Bar of Texas;
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                       (34)
                             the bond review board;
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                       (35)
                             the Texas Board of Health;
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                       (36)
                             the Texas Board of Mental Health and Mental
         Retardation;
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                       (37)
                              the Texas Board on Aging;
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                             the Texas Board of Human Services;
                       (38)
29-67
                       (39)
                             the Texas Funeral Service Commission;
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                       (40)
                             the board of directors of a river authority
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         created under the Texas Constitution or a statute of this state; or
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the Texas Lottery Commission.

SECTION 3.09. Subchapter B, Chapter 2152, Government Code, is amended by adding Section 2152.064 to read as follows:

2152.064. CONFLICTS OF INTEREST TRANSACTIONS. (a) A commission member, employee, or appointee may not:

have an interest in, or in any manner be connected

with:

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a contract or bid for a purchase of goods or (A) services, including professional or consulting services, by the commission or another agency of the state in connection with the commission's duties concerning:

(i) charge and control of state buildings,

grounds, or property;

(ii) maintenance or repair of state

buildings, grounds, or property;

(iii) construction of a state building; or (iv) purchase or lease of state buildings,

grounds, or property by or for the state; or

a recipient of state (B) surplus or salvage

property under the control of the commission; or

(2) in any manner, including by rebate or gift, accept receive, directly or indirectly, from a recipient of state surplus or salvage property or a person to whom a contract described by Subdivision (1) may be awarded, anything of value or a promise, obligation, or contract for future reward or compensation.

(b) A commission member, employee, or appointee who

violates Subsection (a)(2) is subject to dismissal.

(c) In consultation with the commission, the Texas Ethics

Commission shall adopt rules to implement this section.

(d) The Texas Ethics Commission shall administer and enforce this section and may prepare written opinions regarding this section in accordance with Subchapter D, Chapter 571.

SECTION 3.10. Section 2203.001(b), Code. Government is amended to read as follows:

(b) The report must be made daily on a form prescribed by the comptroller [General Services Commission].

SECTION 3.11. Section 2254.024(b), Government Code, amended to read as follows:

(b) If the governor \underline{and} [$_{ au}$] comptroller[$_{ au}$ and General ices Commission] consider it more advantageous to the state to procure a particular consulting service under the procedures of Chapters 2155-2158, instead of under this subchapter, they may make a memorandum of understanding to that effect and each adopt the memorandum by rule. Procurement of a consulting service described in a memorandum of understanding under this subsection is subject only to Chapters 2155-2158.

SECTION 3.12. Section 2254.039(b), Government Code, amended to read as follows:

The comptroller shall give proposed rules to governor [and the General Services Commission] for review and comment before adopting the rules.

ARTICLE 4. STUDY OF TEXAS FACILITIES COMMISSION FUNCTIONS

SECTION 4.01. Subchapter A, Chapter 2152, Government Code, is amended by adding Section 2152.004 to read as follows:

FUNCTIONS 2152.004. STUDY TO ASSESS Sec. TEXAS FACILITIES COMMISSION. (a) The Sunset Advisory Commission shall conduct a study of the functions of the Texas Facilities The study must assess the best allocation of state Commission. resources for:

(1) the acquisition of state buildings through lease or purchase;

(2) the construction of buildings owned by the state;

(3) the control and maintenance of buildings owned or

the commission.

(b) The study must consider the benefits to the state of outsourcing any of the commission's functions to private entities

or of allocating those functions to other state agencies.

(c) The commission shall take into consideration the findings and conclusions of the study in its report to the 81st Legislature and shall include any recommendations it considers appropriate resulting from its consideration of the study.

(d) The Texas Facilities Commission, the General Land Office, and the state auditor shall provide support to the Sunset Advisory Commission in conducting the study.

(e) This section expires January 1, 2009.

ARTICLE 5. EFFECTIVE DATE

SECTION 5.01. This Act takes effect September 1, 2007.

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