

By: Ogden

S.B. No. 1721

A BILL TO BE ENTITLED

AN ACT

relating to certain fiscal matters affecting governmental entities.

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

ARTICLE 1. AUTHORITY OF LEGISLATURE TO TAKE CERTAIN ACTIONS WITH RESPECT TO APPROPRIATED FUNDS

SECTION 1.01. Notwithstanding any statute to the contrary, the legislature, in its discretion, may determine the amount of each appropriation of state funds. The amounts required by statute for entities that receive state funds under the General Appropriations Act, 80th Legislature, Regular Session, 2007, may be reduced or eliminated in order to achieve a balanced budget.

SECTION 1.02. This article expires September 1, 2009.

ARTICLE 2. AUTHORITY OF STATE AGENCIES TO TAKE CERTAIN ACTIONS TO REDUCE EXPENDITURES

SECTION 2.01. Notwithstanding any other statute of this state, each state agency is authorized to reduce expenditures by:

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

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

(3) providing that any communication between the

1 agency and another person and any document required to be delivered
2 to or by the agency, including any application, notice, billing
3 statement, receipt, or certificate, may be made or delivered by
4 electronic mail or through the Internet; and

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

7 ARTICLE 3. COMPTROLLER'S USE OF ELECTRONIC PAYCARDS

8 SECTION 3.01. Section 403.016, Government Code, is amended
9 by amending Subsections (b) and (c) and adding Subsection (k) to
10 read as follows:

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

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

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

23 (c) The comptroller shall use the electronic funds transfer
24 system to make:

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

1 unless the annuitant agrees instead to accept payment on an
2 electronic paycard;

3 (2) recurring payments to municipalities, counties,
4 political subdivisions, special districts, and other governmental
5 entities of this state; and

6 (3) payments to vendors who choose to receive payment
7 through the electronic funds transfer system rather than by
8 warrant.

9 (k) The comptroller may make a payment to a state employee
10 under Subsection (b) or to an annuitant paid by the Employees
11 Retirement System of Texas or the Teacher Retirement System of
12 Texas under Subsection (c) on an electronic paycard if the employee
13 or annuitant agrees to accept payment by that method.

14 SECTION 3.02. Section 659.084, Government Code, is amended
15 to read as follows:

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

20 SECTION 3.03. This article takes effect September 1, 2007.

21 ARTICLE 4. ENERGY-SAVING DEVICES AND OPTIONS FOR VENDING MACHINES
22 IN BUILDINGS OWNED OR LEASED BY THE STATE

23 SECTION 4.01. Subchapter B, Chapter 2165, Government Code,
24 is amended by adding Section 2165.058 to read as follows:

25 Sec. 2165.058. VENDING MACHINES; ENERGY-SAVING DEVICE
26 REQUIRED. (a) The commission shall require the use of an
27 energy-saving device for each vending machine located in a building

1 owned or leased by the state except a vending machine that contains
2 a perishable food product, as defined by Section 96.001, Civil
3 Practice and Remedies Code.

4 (b) Notwithstanding Subsection (a), the commission may not
5 require the acquisition or installation of an energy-saving device
6 for a vending machine that is owned or operated by an entity that
7 owns or operates a total of 20 or fewer vending machines. However,
8 the commission shall require the entity to activate and maintain
9 any internal energy-saving or energy-management device or option
10 that is already part of the machine or contained in the machine.

11 (c) An entity that owns or operates a vending machine
12 subject to this section is responsible for any expenses associated
13 with the acquisition, installation, or maintenance of an
14 energy-saving device required by this section.

15 (d) The commission may impose an administrative fine on an
16 entity that operates a vending machine subject to this section in an
17 amount not to exceed \$250 a year for each machine found to be in
18 violation of this section or rules adopted by the commission under
19 this section.

20 (e) The commission shall adopt rules relating to the
21 specifications for and regulation of energy-saving devices
22 required by this section.

23 SECTION 4.02. (a) An entity that owns or operates a vending
24 machine subject to Section 2165.058, Government Code, as added by
25 this article, is not required to comply with that section or a rule
26 of the Texas Building and Procurement Commission adopted under that
27 section until September 1, 2008.

1 (b) Notwithstanding Section 2165.058(d), Government Code,
2 as added by this article, the Texas Building and Procurement
3 Commission may impose a fine only in relation to a vending machine
4 that is found to be operating in violation of Section 2165.058,
5 Government Code, as added by this article, or a rule of the
6 commission adopted under that section, on or after September 1,
7 2008.

8 SECTION 4.03. This article takes effect September 1, 2007.

9 ARTICLE 5. STATE AGENCY LETTERHEAD

10 SECTION 5.01. Subchapter C, Chapter 2054, Government Code,
11 is amended by adding Section 2054.062 to read as follows:

12 Sec. 2054.062. STATE AGENCY LETTERHEAD. The department
13 shall create a program that automatically generates letterhead for
14 a state agency on an agency computer.

15 ARTICLE 6. SHARING OF CLIENT INFORMATION AMONG CERTAIN STATE
16 AGENCIES

17 SECTION 6.01. Subtitle B, Title 10, Government Code, is
18 amended by adding Chapter 2060 to read as follows:

19 CHAPTER 2060. INTERAGENCY SHARING OF INFORMATION

20 Sec. 2060.001. DEFINITION. In this chapter, "participating
21 agency" means:

- 22 (1) the Health and Human Services Commission;
23 (2) the Department of State Health Services;
24 (3) the Department of Family and Protective Services;
25 (4) the Department of Aging and Disability Services;
26 (5) the Department of Assistive and Rehabilitative
27 Services;

- 1 (6) the Texas Department of Criminal Justice;
- 2 (7) the Texas Workforce Commission;
- 3 (8) the Texas Education Agency;
- 4 (9) the Texas Juvenile Probation Commission;
- 5 (10) the Texas Youth Commission;
- 6 (11) the Office of Rural Community Affairs;
- 7 (12) the Texas Veterans Commission; and
- 8 (13) the Texas Department of Housing and Community
- 9 Affairs.

10 Sec. 2060.002. SHARING OF INFORMATION AMONG CERTAIN
11 AGENCIES. (a) This section applies only to information held by or
12 for a participating agency that relates to an individual who
13 receives or has received social services, mental health services,
14 substance abuse services, or health services from that agency.

15 (b) The participating agencies shall coordinate the
16 agencies' information systems to allow for the sharing of
17 information to:

18 (1) facilitate the communication of the information
19 across agency lines and jurisdictional boundaries;

20 (2) identify and coordinate the provision of necessary
21 services to an individual; and

22 (3) evaluate programs to assess the overall efficiency
23 and efficacy of services delivered by the participating agencies.

24 (c) On request of the Interagency Coordinating Council for
25 Data Sharing or on its own initiative, a state agency not listed in
26 Section 2060.001 that funds, regulates, or provides a service
27 described by Subsection (a), or whose costs or outcome measures are

1 affected by the provision of any of those services, may choose to
2 coordinate its database and share information with the
3 participating agencies for the purposes authorized by this chapter.

4 (d) Confidential information shared under this section
5 remains subject to the same confidentiality requirements and legal
6 restrictions on access to the information that are imposed by law on
7 the state agency that originally obtained or collected the
8 information.

9 (e) Information may be shared under this section without the
10 consent of the person who is the subject of the information.

11 Sec. 2060.003. INTERAGENCY COORDINATING COUNCIL FOR DATA
12 SHARING. (a) The Interagency Coordinating Council for Data
13 Sharing is composed of:

14 (1) a public member with knowledge and expertise in
15 the provision or delivery of social services, mental health
16 services, substance abuse services, or health services, appointed
17 by the governor;

18 (2) the executive director of the Department of
19 Information Resources or that person's designee;

20 (3) the executive head of each of the participating
21 agencies or that person's designee; and

22 (4) the executive head of each state agency, if any,
23 that chooses to share information with the participating agencies
24 under Section 2060.002(c) or that person's designee.

25 (b) The public member of the council serves a two-year term
26 expiring February 1 of each odd-numbered year and serves as the
27 presiding officer of the council.

1 (c) The council shall meet at least quarterly at the call of
2 the presiding officer.

3 (d) Service on the council by a state officer or employee is
4 an additional duty of the member's office or employment. A member
5 of the council is not entitled to compensation for service on the
6 council but is entitled to reimbursement of travel expenses
7 incurred by the member while conducting the business of the
8 council, as provided by Chapter 660 and the General Appropriations
9 Act.

10 (e) The agencies represented on the council shall provide
11 the staff and administrative support necessary for the council to
12 perform its duties.

13 (f) The council shall adopt appropriate policies and
14 procedures designed to facilitate the interagency coordination of
15 information systems required by Section 2060.002, including the
16 creation of standards for sharing information electronically under
17 appropriate controls to ensure that confidential information
18 remains confidential. Each participating agency and each state
19 agency that chooses to share information under Section 2060.002(c)
20 shall comply with the policies and procedures adopted by the
21 council under this subsection.

22 (g) The presiding officer of the council may appoint
23 subcommittees consisting of members of the council for any purpose
24 consistent with the duties of the council under this section.

25 (h) Not later than October 1 of each even-numbered year,
26 each participating agency and each state agency that chooses to
27 share information under Section 2060.002(c) shall report to the

1 council regarding the agency's implementation of the policies and
2 procedures adopted under Subsection (f).

3 (i) A state agency shall cooperate with the council in the
4 performance of its duties.

5 Sec. 2060.004. REPORT TO LEGISLATURE. Not later than
6 December 1 of each even-numbered year, the Interagency Coordinating
7 Council for Data Sharing shall evaluate the efficiency and
8 effectiveness of the information sharing system established under
9 this chapter and report its findings to the legislature.

10 SECTION 6.02. This article takes effect September 1, 2007.

11 ARTICLE 7. OVERSIGHT OF MEDICAID MANAGED CARE DELIVERY SYSTEM

12 SECTION 7.01. Notwithstanding other law, the executive
13 commissioner of the Health and Human Services Commission may take
14 necessary actions with respect to the state's operation and
15 oversight of the Medicaid managed care delivery system to ensure
16 that the state achieves significant reductions in the cost of the
17 state Medicaid program without substantially impairing the quality
18 of services provided to recipients of care under the program.

19 SECTION 7.02. If the executive commissioner determines
20 that under federal law or as a condition of receiving federal
21 funding a waiver or authorization from a federal agency is
22 necessary to take an action, the executive commissioner may seek
23 the waiver or authorization.

24 ARTICLE 8. ELIGIBILITY PERIODS UNDER MEDICAID AND THE CHILDREN'S
25 HEALTH INSURANCE PROGRAM

26 SECTION 8.01. Notwithstanding other law, during the state
27 fiscal biennium beginning September 1, 2007, the executive

1 commissioner of the Health and Human Services Commission may
2 provide for periods of continuous eligibility under the state
3 Medicaid program and the children's health insurance program that
4 are designed to provide savings to the state without imposing
5 unreasonably onerous burdens on persons who are eligible to receive
6 services or coverage under those programs.

7 SECTION 8.02. If the executive commissioner determines that
8 under federal law or as a condition of receiving federal funding a
9 waiver or authorization from a federal agency is necessary to
10 provide for a desired period of continuous eligibility, the
11 executive commissioner may seek the waiver or authorization.

12 ARTICLE 9. FEES FOR CERTAIN LONG-TERM AND INTERMEDIATE CARE
13 FACILITIES

14 SECTION 9.01. The executive commissioner of the Health and
15 Human Services Commission may impose fees on any long-term care
16 facility or intermediate care facility for persons with mental
17 retardation that is regulated by or receives services or funding
18 provided by the state in an amount designed to recover the state's
19 direct and indirect costs in regulating or providing services to
20 the facility or the state's direct and indirect administrative
21 costs in providing the funding, as applicable.

22 SECTION 9.02. If the executive commissioner determines that
23 under federal law or as a condition of receiving federal funding a
24 waiver or authorization from a federal agency is necessary to set a
25 fee at a level described by Section 9.01 of this article, the
26 executive commissioner may seek the waiver or authorization.

1 ARTICLE 10. USE OF MOTION SENSOR TECHNOLOGY IN CERTAIN STATE
2 BUILDINGS, PUBLIC SCHOOL FACILITIES, AND HIGHER EDUCATION
3 FACILITIES

4 SECTION 10.01. Subchapter A, Chapter 2165, Government Code,
5 is amended by adding Section 2165.008 to read as follows:

6 Sec. 2165.008. USE OF MOTION SENSOR TECHNOLOGY IN STATE
7 BUILDINGS. (a) In this section, "motion sensor technology" means
8 technology that uses motion sensor devices to automatically control
9 a building's lighting, heating, ventilation, and air conditioning
10 systems based on the presence or absence of people.

11 (b) Not later than January 31, 2009, a state agency or
12 institution of higher education in charge and control of a state
13 building that does not use motion sensor technology shall retrofit
14 the building with motion sensor technology. This subsection
15 applies only to a building that was a state building on September 1,
16 2007.

17 SECTION 10.02. Subchapter I, Chapter 2166, Government Code,
18 is amended by adding Section 2166.407 to read as follows:

19 Sec. 2166.407. USE OF MOTION SENSOR TECHNOLOGY IN STATE
20 BUILDINGS. (a) In this section, "motion sensor technology" means
21 technology that uses motion sensor devices to automatically control
22 a building's lighting, heating, ventilation, and air conditioning
23 systems based on the presence or absence of people.

24 (b) This section applies to the construction of a new state
25 building and the acquisition of a building by the state, including a
26 building construction project otherwise exempt from this chapter
27 under Section 2166.003.

1 (c) During the planning phase of the proposed construction,
2 the commission, or the governing body of the appropriate agency or
3 institution that is undertaking a project otherwise exempt from
4 this chapter under Section 2166.003, shall include in the
5 construction plans for a new state building the use of motion
6 sensor technology.

7 (d) Not later than one year after the acquisition by the
8 state of a building that does not use motion sensor technology, the
9 state agency or institution of higher education in charge and
10 control of the acquired building shall retrofit the building with
11 motion sensor technology.

12 SECTION 10.03. Subchapter Z, Chapter 44, Education Code, is
13 amended by adding Section 44.902 to read as follows:

14 Sec. 44.902. USE OF MOTION SENSOR TECHNOLOGY IN
15 INSTRUCTIONAL FACILITIES. (a) In this section:

16 (1) "Instructional facility" has the meaning assigned
17 by Section 46.001.

18 (2) "Motion sensor technology" means technology that
19 uses motion sensor devices to automatically control a building's
20 lighting, heating, ventilation, and air conditioning systems based
21 on the presence or absence of people.

22 (b) Not later than January 31, 2009, a school district shall
23 retrofit all instructional facilities with motion sensor
24 technology. This subsection applies only to a building that was a
25 school district instructional facility on September 1, 2007.

26 (c) A school district that constructs a new instructional
27 facility shall include in the construction plans for the facility

1 the use of motion sensor technology.

2 (d) Not later than one year after the acquisition by a
3 school district of a building to be used as an instructional
4 facility that does not use motion sensor technology, the school
5 district shall retrofit the acquired building with motion sensor
6 technology.

7 SECTION 10.04. Subchapter Z, Chapter 51, Education Code, is
8 amended by adding Section 51.9271 to read as follows:

9 Sec. 51.9271. USE OF MOTION SENSOR TECHNOLOGY IN
10 EDUCATIONAL AND HOUSING FACILITIES. (a) In this section:

11 (1) "Housing facility" has the meaning assigned by
12 Section 53.02.

13 (2) "Motion sensor technology" means technology that
14 uses motion sensor devices to automatically control a building's
15 lighting, heating, ventilation, and air conditioning systems based
16 on the presence or absence of people.

17 (b) Not later than January 31, 2009, an institution of
18 higher education shall retrofit all educational and housing
19 facilities with motion sensor technology. This subsection applies
20 only to a building that was an educational or housing facility of an
21 institution of higher education on September 1, 2007.

22 (c) An institution of higher education that constructs a new
23 educational or housing facility shall include in the construction
24 plans for the facility the use of motion sensor technology.

25 (d) Not later than one year after the acquisition by an
26 institution of higher education of a building to be used as an
27 educational or housing facility that does not use motion sensor

1 technology, the institution of higher education shall retrofit the
2 acquired building with motion sensor technology.

3 SECTION 10.05. This article takes effect September 1, 2007.

4 ARTICLE 11. DISPOSITION OF SURPLUS COMPUTER EQUIPMENT AND GRANT
5 OF MONEY BY OFFICE OF COURT ADMINISTRATION

6 SECTION 11.01. Section 72.021, Government Code, is amended
7 by adding Subsections (c) and (d) to read as follows:

8 (c) The office may award a grant of money to a local or state
9 governmental entity in the judicial branch of local or state
10 government to fund programs that:

11 (1) are approved by the Judicial Committee on
12 Information Technology under Chapter 77; and

13 (2) provide technological support for the judiciary.

14 (d) At the end of each fiscal year, the office shall file
15 with the Legislative Budget Board a report on the amount,
16 recipient, and purpose for each grant awarded under Subsection (c).
17 All money expended under a grant awarded under Subsection (c) is
18 subject to audit by the comptroller and the state auditor.

19 SECTION 11.02. Subchapter F, Chapter 2175, Government Code,
20 is amended by adding Section 2175.307 to read as follows:

21 Sec. 2175.307. EXCEPTION FOR OFFICE OF COURT
22 ADMINISTRATION. This chapter does not apply to the disposition of
23 surplus computer equipment by the Office of Court Administration of
24 the Texas Judicial System. The office shall give preference to
25 transferring the equipment to a local or state governmental entity
26 in the judicial branch of local or state government.

27 SECTION 11.03. Section 77.032, Government Code, is

1 repealed.

2 SECTION 11.04. This article takes effect September 1, 2007.

3 ARTICLE 12. ABOLITION OF TEXAS MILITARY FACILITIES COMMISSION AND
4 TRANSFER OF ITS FUNCTIONS TO ADJUTANT GENERAL'S DEPARTMENT

5 SECTION 12.01. Section 431.018, Government Code, is amended
6 to read as follows:

7 Sec. 431.018. MILITARY FACILITIES PROJECTS: MATCHING
8 FEDERAL FUNDS. If the governor, after consulting with the adjutant
9 general [~~and the executive director of the Texas Military~~
10 ~~Facilities Commission~~], finds that the state is eligible for
11 federal matching funds for projects at military facilities in this
12 state, the governor may direct that money appropriated for the
13 purpose be used to obtain the federal matching funds.

14 SECTION 12.02. Section 431.021, Government Code, is
15 amended to read as follows:

16 Sec. 431.021. DEFINITIONS [~~DEFINITION~~]. In this
17 subchapter:

18 (1) "Bond" includes a debenture or other evidence of
19 indebtedness.

20 (2) "Department" [~~"department"~~] means the adjutant
21 general's department.

22 SECTION 12.03. Section 431.023, Government Code, is amended
23 to read as follows:

24 Sec. 431.023. SUNSET PROVISION. The adjutant general's
25 department is subject to Chapter 325 (Texas Sunset Act). Unless
26 continued in existence as provided by that chapter, the department
27 is abolished and this subchapter expires September 1, 2015 [~~2009~~].

1 SECTION 12.04. Section 431.030, Government Code, is amended
2 to read as follows:

3 Sec. 431.030. REPORT OF MILITARY USE OF PROPERTY. (a)
4 ~~[Except as provided by Subsection (b), the adjutant general, for~~
5 ~~and on behalf of the state, may lease from the Texas Military~~
6 ~~Facilities Commission a building, its site, and the equipment in~~
7 ~~it, as provided by Section 435.023, for use as an armory or for~~
8 ~~another proper purpose. The adjutant general may renew the lease.~~

9 ~~[(b) If adequate facilities for armory purposes are~~
10 ~~available for rental from the Texas Military Facilities Commission~~
11 ~~in or about a municipality, the adjutant general may not lease~~
12 ~~property in or about the municipality for those purposes from a~~
13 ~~person other than the commission.~~

14 ~~[(c) If all or part of a state-owned Texas National Guard~~
15 ~~camp and the land, improvements, buildings, facilities,~~
16 ~~installations, and personal property connected with the camp are~~
17 ~~designated by the adjutant general as surplus or are in excess of~~
18 ~~the needs of the Texas National Guard or its successors or~~
19 ~~components, the adjutant general, for and on behalf of the state,~~
20 ~~may transfer the property to the Texas Military Facilities~~
21 ~~Commission for administration, sale, or other proper disposal.~~
22 ~~Before declaring property as surplus and transferring it to the~~
23 ~~commission, the adjutant general may remove, sever, dismantle, or~~
24 ~~exchange all or part of the property for the use and benefit of the~~
25 ~~Texas National Guard or its successors.~~

26 ~~[(d) For the purposes of this section, "lease" includes~~
27 ~~"sublease."~~

1 ~~[(e)]~~ If the adjutant general receives notice from the asset
2 management division of the General Land Office as provided by
3 Section 31.156, Natural Resources Code, the adjutant general shall
4 produce a report evaluating the military use of any real property
5 under the management and control of the department ~~[or the Texas~~
6 ~~National Guard Armory Board]~~. The adjutant general shall evaluate
7 the use of the property as required by this subsection according to
8 military criteria for use of real property.

9 (b) ~~[(f)]~~ Not later than August 1 of the year in which the
10 Commissioner of the General Land Office submits a report as
11 provided by Section 31.157, Natural Resources Code, the adjutant
12 general shall submit a preliminary report of the report required
13 under Subsection (a) ~~[(e)]~~ to the Commissioner of the General Land
14 Office identifying the real property used for military purposes.
15 Not later than September 1 of the year in which the Commissioner of
16 the General Land Office submits a report as provided by Section
17 31.157, Natural Resources Code, the adjutant general shall submit
18 the report as required by Subsection (a) ~~[(e)]~~ to:

- 19 (1) the governor;
- 20 (2) the presiding officer of each house of the
21 legislature;
- 22 (3) the Legislative Budget Board; and
- 23 (4) the governor's budget office.

24 SECTION 12.05. Section 431.045(c), Government Code, is
25 amended to read as follows:

26 (c) The governing body of a county or municipality, on
27 behalf of the county or municipality, may donate to the adjutant

1 general [~~Texas Military Facilities Commission~~], or to a unit for
2 transfer to the adjutant general [~~that commission~~], land for use as
3 a state military forces facility [~~site for an armory or other~~
4 ~~building suitable for use by a unit~~]. The donation may be in fee
5 simple or otherwise.

6 SECTION 12.06. Sections 435.013, 435.014, 435.021,
7 435.022, 435.023, 435.024, 435.025, 435.026, and 435.027,
8 Government Code, are transferred to Subchapter B, Chapter 431,
9 Government Code, redesignated respectively as Sections 431.0291,
10 431.0292, 431.0301, 431.0302, 431.0303, 431.0304, 431.0305,
11 431.0306, and 431.0361, and amended to read as follows:

12 Sec. 431.0291 [~~435.013~~]. GENERAL POWERS. (a) The adjutant
13 general [~~commission~~] is the exclusive authority for the
14 construction, repair, and maintenance of state military forces
15 [~~National Guard~~] armories, facilities, and improvements owned by
16 the state located on department [~~commission~~] property. The
17 adjutant general in this capacity [~~commission~~] is a public
18 authority and a body politic and corporate and has all powers
19 necessary for the acquisition, construction, rental, control,
20 maintenance, operation, and disposition of state military forces
21 [~~Texas National Guard or Texas State Guard~~] facilities and real
22 property, including all property and equipment necessary or useful
23 in connection with the facilities.

24 (b) The adjutant general in this capacity [~~commission~~] may:
25 (1) sue and be sued;
26 (2) enter into contracts in connection with any matter
27 within the adjutant general's [~~its~~] purposes or duties in this

1 capacity; and

2 (3) have and use a corporate seal.

3 Sec. 431.0292 [~~435.014~~]. PUBLIC COMMENT [~~HEARINGS~~]. The
4 adjutant general [~~commission~~] shall develop and implement policies
5 that provide the public with a reasonable opportunity to appear
6 before the adjutant general [~~commission~~] and to speak on any issue
7 related to the construction, repair, and maintenance of state
8 military forces armories, facilities, and improvements under the
9 jurisdiction of the adjutant general [~~commission~~].

10 Sec. 431.0301 [~~435.021~~]. ACQUISITION; MANAGEMENT; PLEDGE
11 OF RENTS, ISSUES, AND PROFITS. (a) The adjutant general
12 [~~commission~~] by gift, lease, or purchase may acquire real and
13 personal property, including leasehold estates in real property,
14 for use for any purpose the adjutant general [~~commission~~] considers
15 necessary in connection with the state military forces [~~Texas~~
16 ~~National Guard~~] or for the use of units of the state military forces
17 [~~Texas National Guard~~].

18 (b) The adjutant general [~~commission~~] by gift, purchase, or
19 construction may acquire furniture and equipment suitable for
20 facility purposes.

21 (c) The adjutant general [~~commission~~] may hold, manage,
22 maintain, lease, or sell the [~~its~~] property and may pledge all or
23 part of the rents, issues, and profits of the property.

24 Sec. 431.0302 [~~435.022~~]. CONSTRUCTION; FURNISHING AND
25 EQUIPMENT. (a) The adjutant general [~~commission~~] may construct
26 buildings on department [~~its~~] real property, whether held in fee
27 simple or otherwise. The adjutant general [~~commission~~] may furnish

1 and equip the buildings.

2 (b) The adjutant general [~~commission~~] may construct a
3 building on land comprising a state camp only on a site selected and
4 described by a board of officers. The adjutant general shall select
5 the officers from time to time for that purpose. The officers shall
6 select and describe the site promptly after request by the
7 [~~commission to the~~] adjutant general. The site may not exceed
8 200,000 square feet. The officers shall certify the description
9 [~~to the commission~~] and furnish a copy of it to the adjutant
10 general, who shall preserve it in the adjutant general's office. If
11 the adjutant general [~~commission~~] constructs a building on the site
12 selected and described, the site becomes the property of the
13 adjutant general [~~commission~~] for all purposes of this chapter as
14 if the site had been acquired by gift to or purchase by the adjutant
15 general [~~commission~~].

16 (c) If the construction is going to be financed by the
17 issuance of revenue bonds, the adjutant general shall request the
18 Texas Public Finance Authority to issue revenue bonds to pay for the
19 construction.

20 Sec. 431.0303 [~~435.023~~]. LEASE OF PROPERTY. (a) [~~The~~
21 ~~commission may execute and deliver a lease that leases to the state~~
22 ~~a building, its site, and the equipment in it. The adjutant general~~
23 ~~shall execute the lease for the state as provided by Section~~
24 ~~431.030. The commission shall determine a lawful term of the lease~~
25 ~~and may renew the lease from time to time.~~

26 [~~(b) The commission may make the annual rent charged the~~
27 ~~state under the lease payable in installments. The amount of the~~

1 ~~rent must be sufficient to:~~

2 ~~[(1) provide for the operation and maintenance of the~~
3 ~~property;~~

4 ~~[(2) pay the interest on, provide for the retirement~~
5 ~~of, and pay the expenses related to the issuance of, any bonds~~
6 ~~issued to acquire, construct, or equip the property; and~~

7 ~~[(3) pay the commission's necessary expenses not~~
8 ~~otherwise provided for.~~

9 ~~[(c)]~~ The adjutant general [~~commission~~] may lease [~~the~~]
10 property to any person under terms the adjutant general
11 [~~commission~~] determines [~~if the state fails or refuses to:~~

12 ~~[(1) lease the property;~~

13 ~~[(2) renew an existing lease at the rent provided to be~~
14 ~~paid; or~~

15 ~~[(3) pay the rent required in the lease].~~

16 (b) [~~(d)~~] The law requiring notice and competitive bids
17 does not apply to a lease under this section.

18 (c) [~~(e)~~] For the purposes of this section the term "lease"
19 includes "sublease."

20 Sec. 431.0304 [~~435.024~~]. TRANSFER TO STATE. When property
21 that the Texas Public Finance Authority [~~commission~~] owns in
22 accordance with Section 431.0307 is fully paid for and free of
23 liens, and all obligations incurred in connection with the
24 acquisition and construction of the property have been fully paid,
25 the Texas Public Finance Authority [~~commission~~] may donate and
26 transfer the property to the state by appropriate instruments of
27 transfer. The instruments of transfer shall be kept in the custody

1 of the adjutant general's department.

2 Sec. 431.0305 [~~435.025~~]. DISPOSAL OF CERTAIN SURPLUS
3 ~~[COMMISSION]~~ PROPERTY. (a) When property that the adjutant
4 general [~~commission~~] owns or that is transferred to the state under
5 Section 431.0304 is fully paid for and free of liens, and all
6 obligations incurred in connection with the acquisition and
7 construction of the property have been fully paid, the adjutant
8 general [~~commission~~] may properly dispose of the property if:

9 (1) the property is designated by [~~the commission and~~]
10 the adjutant general as surplus; and

11 (2) the disposal is in the best interests of the
12 adjutant general [~~commission~~] and the state military forces [~~Texas~~
13 ~~National Guard~~] and its components or successors.

14 (b) [~~The commission may receive from the adjutant general a~~
15 ~~state-owned national guard camp and all the land, improvements, and~~
16 ~~personal property connected with it. The commission may:~~

17 [~~(1) administer the property with its other property,~~
18 ~~or~~

19 [~~(2) properly dispose of the property if:~~

20 [~~(A) the property is designated by the commission~~
21 ~~and adjutant general as surplus, and~~

22 [~~(B) the disposal is in the best interests of the~~
23 ~~Texas National Guard and its components or successors.~~

24 [~~(c)~~] To accomplish the purposes of Subsection (a)
25 [~~Subsections (a) and (b)~~], the adjutant general [~~commission~~] may
26 remove, dismantle, or sever any of the property or authorize its
27 removal, dismantling, or severance.

1 (c) [~~(d)~~] If property under this section is designated for
2 sale, the adjutant general [~~commission~~] shall sell it to the
3 highest bidder for cash. The adjutant general [~~commission~~] may
4 reject any or all bids.

5 (d) [~~(e)~~] If property under this section is designated for
6 exchange, the adjutant general [~~commission~~] may exchange the
7 property for one or more parcels of land equal to or exceeding the
8 value of the [~~commission-owned~~] property to be exchanged by the
9 adjutant general.

10 (e) A [~~(f)~~ ~~Except as provided by Subsection (g)(1), a~~]
11 sale, deed, or exchange made under this section must reserve to the
12 state a one-sixteenth mineral interest free of cost of production.

13 (f) [~~(g)~~] The adjutant general [~~commission~~] may:

14 (1) reconvey to the original grantor or donor all
15 rights, title, and interests, including mineral interests, to all
16 or part of the land conveyed by that person; and

17 (2) convey to the original grantor or donor, on a
18 negotiated basis at fair market value, improvements constructed on
19 the land reconveyed.

20 (g) [~~(h)~~] The adjutant general [~~commission~~] shall deposit
21 proceeds of sales under this section in the state treasury to the
22 credit of the adjutant general [~~commission~~] for the use and benefit
23 of the state military forces [~~Texas National Guard or its~~
24 ~~components or successors~~].

25 Sec. 431.0306 [~~435.026~~]. TAX STATUS OF PROPERTY. Property
26 held by the adjutant general [~~commission~~] and rents, issues, and
27 profits of the property are exempt from taxation by the state, a

1 municipality, a county or other political subdivision, or a taxing
2 district of the state.

3 Sec. 431.0361 [~~435.027~~]. GRONER A. PITTS NATIONAL GUARD
4 ARMORY. The Texas National Guard armory located in Brownwood,
5 Texas, is named the Groner A. Pitts National Guard Armory in honor
6 of Groner A. Pitts.

7 SECTION 12.07. Subchapter B, Chapter 431, Government Code,
8 is amended by adding Section 431.0293 to read as follows:

9 Sec. 431.0293. REAL PROPERTY ADVISORY COMMITTEE. (a) The
10 real property advisory committee is composed of the following seven
11 members:

12 (1) two assistant adjutants general; and

13 (2) five public members who are not actively serving
14 in the Texas National Guard and who have experience in
15 architecture, construction management, engineering, property
16 management, real estate services, or real property law.

17 (b) Members of the advisory committee are appointed by and
18 serve at the will of the adjutant general.

19 (c) The adjutant general shall designate one of the public
20 members of the advisory committee as the presiding officer of the
21 advisory committee to serve in that capacity at the pleasure of the
22 adjutant general.

23 (d) The committee shall meet at least two times each fiscal
24 year to advise the adjutant general on:

25 (1) the facility master plan;

26 (2) the future year defense plan;

27 (3) the long range construction plan;

1 (4) the selection of architecture and engineering
2 firms;

3 (5) requests for bonding authority for state military
4 facilities;

5 (6) the disposal or sale of department property;

6 (7) surface leases of department property;

7 (8) natural resources management plans; and

8 (9) environmental studies and agreements.

9 (e) Each public member of the advisory committee is entitled
10 to a per diem as provided by the General Appropriations Act for each
11 day that the member engages in the business of the committee.

12 (f) Each member of the advisory committee is entitled to
13 reimbursement for meals, lodging, transportation, and incidental
14 expenses:

15 (1) under the rules for reimbursement that apply to
16 the member's office or employment, if the member is a state officer
17 or employee; or

18 (2) as provided by the General Appropriations Act if
19 the member is not a state officer or employee.

20 (g) The advisory committee is not subject to Chapter 2110.

21 SECTION 12.08. Subchapter B, Chapter 431, Government Code,
22 is amended by adding Section 431.0307 to read as follows:

23 Sec. 431.0307. PROPERTY FINANCED BY REVENUE BONDS.
24 Notwithstanding any other provision of this chapter, property used
25 by the state for military purposes, including a building site or
26 building, that was acquired, constructed, remodeled, or repaired
27 using money from revenue bonds issued by the Texas Public Finance

1 Authority, or by the Texas Military Facilities Commission or its
2 predecessor in function, and that has not yet been transferred
3 under Section 431.0304 is owned by the Texas Public Finance
4 Authority and a reference to the adjutant general in this chapter in
5 relation to that ownership means the Texas Public Finance
6 Authority.

7 SECTION 12.09. Sections 109.47(a) and (c), Education Code,
8 are amended to read as follows:

9 (a) The board may select and lease a portion of the campus to
10 the Texas National Guard for the purpose of erecting an armory and
11 other buildings suitable for use by the Texas National Guard. The
12 board may enter into a lease contract with the adjutant general
13 [~~Texas Military Facilities Commission~~] on terms which are suitable
14 and satisfactory to the board for a term of not more than 99 years.

15 (c) The board may permit the adjutant general [~~Texas~~
16 ~~National Guard Armory Board~~] and the Texas National Guard and any of
17 its subdivisions ingress upon and egress from the campus for the
18 purpose of going to and from the armory and other buildings and the
19 drill ground.

20 SECTION 12.10. Section 31.156(e), Natural Resources Code,
21 is amended to read as follows:

22 (e) In any year that the division will evaluate real
23 property under the management and control of the adjutant general's
24 department [~~or the Texas Military Facilities Commission~~], the
25 division shall notify the department [~~and the commission~~] before
26 the division begins the evaluation.

27 SECTION 12.11. Section 31.157(d), Natural Resources Code,

1 is amended to read as follows:

2 (d) If under the adjutant general's report submitted as
3 provided by Section 431.030, Government Code, the adjutant general
4 determines that real property under the management and control of
5 the adjutant general's department [~~or the Texas Military Facilities~~
6 ~~Commission~~] is used for military purposes, the commissioner may not
7 recommend a real estate transaction involving that real property in
8 the final report submitted as provided by Subsection (e).

9 SECTION 12.12. Section 1232.101, Government Code, is
10 amended to read as follows:

11 Sec. 1232.101. ISSUANCE OF BONDS FOR CERTAIN STATE
12 AGENCIES. With respect to all bonds authorized to be issued by the
13 [~~Texas Military Facilities Commission,~~] Texas National Research
14 Laboratory Commission, Parks and Wildlife Department, Texas
15 Low-Level Radioactive Waste Disposal Authority, Stephen F. Austin
16 State University, Midwestern State University, and Texas Southern
17 University, the authority has the exclusive authority to act on
18 behalf of those entities in issuing bonds on their behalf. In
19 connection with those issuances and with the issuance of refunding
20 bonds on behalf of those entities, the authority is subject to all
21 rights, duties, and conditions surrounding issuance previously
22 applicable to the issuing entity under the statute authorizing the
23 issuance. A reference in an authorizing statute to the entity on
24 whose behalf the bonds are being issued applies equally to the
25 authority in its capacity as issuer on behalf of the entity.

26 SECTION 12.13. Subchapter C, Chapter 1232, Government
27 Code, is amended by adding Section 1232.1025 to read as follows:

1 Sec. 1232.1025. ISSUANCE OF BONDS FOR MILITARY FACILITIES.

2 (a) The board may issue and sell bonds in the name of the authority
3 to finance the acquisition or construction of buildings to be used
4 as state military forces facilities.

5 (b) After receiving a request under Section 431.0302(c),
6 the board shall promptly issue and sell bonds in the name of the
7 authority under this chapter to finance the acquisition or
8 construction of a building that has been authorized in accordance
9 with this chapter.

10 (c) The adjutant general shall accomplish its statutory
11 authority as if the property or building were financed by
12 legislative appropriation. The board and the adjutant general
13 shall adopt a memorandum of understanding that defines the division
14 of authority between the board and adjutant general.

15 (d) On completion of the acquisition or construction, the
16 adjutant general shall lease the building from the authority.

17 SECTION 12.14. Sections 435.001, 435.002, 435.003,
18 435.004, 435.0043, 435.0044, 435.0045, 435.005, 435.006, 435.007,
19 435.008, 435.009, 435.0095, 435.010, 435.011, 435.012, 435.015,
20 435.016, and 435.017, Government Code, are repealed.

21 SECTION 12.15. Subchapter C, Chapter 435, Government Code,
22 is repealed.

23 SECTION 12.16. (a) The Texas Military Facilities
24 Commission is abolished. Subject to Section 431.0307, Government
25 Code, as added by this article, all powers, duties, obligations,
26 rights, contracts, bonds, appropriations, records, real or
27 personal property, and personnel of the Texas Military Facilities

1 Commission are transferred to the adjutant general.

2 (b) A rule, policy, procedure, or decision of the Texas
3 Military Facilities Commission continues in effect as a rule,
4 policy, procedure, or decision of the adjutant general until
5 superseded by an act of the adjutant general.

6 (c) A reference in another law to the Texas Military
7 Facilities Commission means the adjutant general.

8 (d) The adjutant general and the Texas Public Finance
9 Authority shall if necessary adopt a memorandum of understanding
10 under which an item or matter transferred under Subsection (a) of
11 this section is transferred to the Texas Public Finance Authority.

12 SECTION 12.17. This article takes effect September 1,
13 2007.

14 ARTICLE 13. CONFIDENTIALITY OF CERTAIN INFORMATION INVOLVING REAL
15 ESTATE TRANSACTIONS OF SCHOOL LAND BOARD, VETERANS' LAND BOARD,
16 GENERAL LAND OFFICE, OR LAND COMMISSIONER

17 SECTION 13.01. Section 11.086, Natural Resources Code, is
18 amended to read as follows:

19 Sec. 11.086. CONFIDENTIALITY OF CERTAIN INFORMATION
20 RELATED TO PURCHASE, ~~OR~~ SALE, OR DEVELOPMENT OF REAL PROPERTY.

21 (a) Information relating to the development, location, ~~or~~
22 purchase price, or sale price of real property developed,
23 purchased, or sold by or for the School Land Board, Veterans' Land
24 Board, land office, or commissioner under authority granted by this
25 code, including a contract provision related to the development,
26 purchase, or sale of the property, is confidential and exempt from
27 disclosure under Chapter 552, Government Code, until all deeds [~~a~~

1 ~~deed~~] for the property that are applicable to the transaction or
2 series of related transactions are [is] executed and until all
3 substantive performance or executory requirements of applicable
4 contracts have been satisfied. Information that is confidential
5 and exempted from disclosure under this subsection includes an
6 appraisal, completed report, evaluation, or investigation
7 conducted for the purpose of locating or determining the purchase
8 or sale price of the property, or any report prepared in
9 anticipation of developing, purchasing, or selling real property.

10 (b) Information that is confidential and excluded from
11 disclosure under Subsection (a) is not subject to a subpoena
12 directed to the School Land Board, Veterans' Land Board, land
13 office, commissioner, attorney general, or governor.

14 SECTION 13.02. This article takes effect September 1, 2007.

15 ARTICLE 14. PROCUREMENTS BY TEXAS LOTTERY COMMISSION

16 SECTION 14.01. Section 466.101, Government Code, is amended
17 to read as follows:

18 Sec. 466.101. PROCUREMENT PROCEDURES. Except as otherwise
19 provided by this subchapter, the general law governing purchasing
20 and contracts by state agencies applies to the commission.

21 [~~(a) The executive director may establish procedures for the~~
22 ~~purchase or lease of facilities, goods, and services and make any~~
23 ~~purchases, leases, or contracts that are necessary for carrying out~~
24 ~~the purposes of this chapter. The procedures must, as determined~~
25 ~~feasible and appropriate by the executive director, promote~~
26 ~~competition to the maximum extent possible.~~

27 [~~(b) In all procurement decisions, the executive director~~

1 ~~shall take into account the particularly sensitive nature of the~~
2 ~~lottery and shall act to promote and ensure integrity, security,~~
3 ~~honesty, and fairness in the operation and administration of the~~
4 ~~lottery and the objective of producing revenues for the state~~
5 ~~treasury.~~

6 ~~[(c) The procurement procedures adopted by the executive~~
7 ~~director must, as determined feasible and appropriate by the~~
8 ~~executive director, afford any party who is aggrieved by the terms~~
9 ~~of a solicitation or the award of a contract an opportunity to~~
10 ~~protest the executive director's action to the commission. The~~
11 ~~protest procedures must provide for an expedient resolution of the~~
12 ~~protest in order to avoid substantially delaying a solicitation or~~
13 ~~contract award that is necessary for the timely implementation of a~~
14 ~~lottery game. A protest must be in writing and be filed with the~~
15 ~~commission not later than 72 hours after receipt of notice of the~~
16 ~~executive director's action.~~

17 ~~[(d) A party who is aggrieved by the commission's resolution~~
18 ~~of a protest under Subsection (c) may file an action in the district~~
19 ~~court of Travis County. The court shall give preference to hearings~~
20 ~~and trials of actions under this section. If the party filing the~~
21 ~~action seeks to enjoin the implementation of a solicitation or~~
22 ~~contract, the party shall post a bond that is payable to the state~~
23 ~~if the party does not prevail in the appeal, and is in an amount~~
24 ~~sufficient to compensate the state for the revenue that would be~~
25 ~~lost due to the delay in lottery operations.~~

26 ~~[(e) The commission shall require any person seeking to~~
27 ~~contract for goods or services relating to the implementation and~~

1 ~~administration of this chapter to submit to competitive bidding~~
2 ~~procedures in accordance with rules adopted by the commission. The~~
3 ~~procedures must be for the purpose of ensuring fairness and~~
4 ~~integrity.]~~

5 SECTION 14.02. Sections 466.102, 466.104, 466.105,
6 466.106, 466.107, and 466.108, Government Code, are repealed.

7 SECTION 14.03. (a) The change in law made by this article
8 governing purchasing and contracts by the Texas Lottery Commission
9 applies to a purchase or contract made on or after the effective
10 date of this article, except that a contract or purchase for which
11 the initial notice soliciting bids or proposals or other applicable
12 expressions of interest is given before that date is governed by the
13 law in effect when the initial notice for the contract or purchase
14 is given, and the former law is continued in effect for that
15 purpose.

16 (b) The change in law made by this article does not affect a
17 contract entered into before the effective date of this article and
18 does not apply to a purchase made on or after the effective date
19 under a contract entered into before the effective date if the
20 purchase is made during the period covered by the contract.

21 SECTION 14.04. This article takes effect September 1, 2007.

22 ARTICLE 15. STUDY OF LOTTERY TICKET SALES

23 SECTION 15.01. The Texas Lottery Commission shall study and
24 recommend to the legislature methods by which lottery tickets may
25 be sold in a more cost-effective and convenient manner than the
26 methods currently in use.

27 ARTICLE 16. FEES FOR CERTAIN REGULATORY ACTIVITIES

1 SECTION 16.01. Notwithstanding other law, each state agency
2 that regulates an industry or occupation may charge a fee to the
3 industries or persons regulated in an amount designed to recover
4 the state's direct and indirect costs in regulating the industry or
5 occupation.

6 ARTICLE 17. EFFECTIVE DATE

7 SECTION 17.01. Except as otherwise provided by this Act,
8 this Act takes effect immediately if it receives a vote of
9 two-thirds of all the members elected to each house, as provided by
10 Section 39, Article III, Texas Constitution. If this Act does not
11 receive the vote necessary for immediate effect, except as
12 otherwise provided by this Act, this Act takes effect on the 91st
13 day after the last day of the legislative session.