

1-1 By: Duncan S.B. No. 1848  
1-2 (In the Senate - Filed March 9, 2007; March 22, 2007, read  
1-3 first time and referred to Committee on Finance; May 14, 2007,  
1-4 reported favorably by the following vote: Yeas 13, Nays 0;  
1-5 May 14, 2007, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to state fiscal matters.

1-9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-10 SECTION 1. Article 103.002, Code of Criminal Procedure, is  
1-11 amended to read as follows:

1-12 Art. 103.002. CERTAIN COSTS BARRED. (a) An officer may  
1-13 not impose a cost for a service not performed or for a service for  
1-14 which a cost is not expressly provided by law.

1-15 (b) If a person has paid a cost for a service that is not  
1-16 expressly provided by law, the money paid for the cost must first be  
1-17 applied to any unpaid statutory court costs that the person owes,  
1-18 then to other unpaid costs, fees, and fines imposed in the person's  
1-19 case that the person owes. Any remaining money must be refunded to  
1-20 the person making the payment. If the money cannot be refunded to  
1-21 the person making the payment, it must be remitted to the  
1-22 comptroller in accordance with Chapter 133, Local Government Code,  
1-23 for deposit in the general revenue fund.

1-24 SECTION 2. Chapter 103, Code of Criminal Procedure, is  
1-25 amended by adding Article 103.0021 to read as follows:

1-26 Art. 103.0021. ALLOCATION OF PARTIAL PAYMENTS. If the  
1-27 payment tendered by a person for court costs, fees, and fines in the  
1-28 person's criminal case is not adequate to cover the total amount of  
1-29 all obligations due, the payment shall be allocated to state court  
1-30 costs first and the remainder applied to other costs, fees, and  
1-31 fines due in the case.

1-32 SECTION 3. Subsection (e), Article 103.0031, Code of  
1-33 Criminal Procedure, is amended to read as follows:

1-34 (e) If a county or municipality has entered into a contract  
1-35 under Subsection (a) and a person pays an amount that is less than  
1-36 the aggregate total to be collected under Subsections (a) and (b),  
1-37 ~~[the allocation to the comptroller, the county or municipality,~~  
1-38 ~~and] the private attorney or vendor shall receive 30 percent of the~~  
1-39 ~~aggregate amount collected, not to exceed the amount added as the~~  
1-40 ~~collection fee, and the remainder of the amount collected shall be~~  
1-41 ~~allocated in accordance with Article 103.0021 [be reduced~~  
1-42 ~~proportionately].~~

1-43 SECTION 4. Subsection (b), Section 43.001, Education Code,  
1-44 as amended by Chapters 201 and 328, Acts of the 78th Legislature,  
1-45 Regular Session, 2003, is reenacted and amended to read as follows:

1-46 (b) The available school fund, which shall be apportioned  
1-47 annually to each county according to its scholastic population,  
1-48 consists of:

1-49 (1) the distributions to the fund from the permanent  
1-50 school fund as provided by Section 5(a), Article VII, Texas  
1-51 Constitution;

1-52 (2) ~~[one-fourth of all revenue derived from all state~~  
1-53 ~~occupation taxes, exclusive of delinquencies and cost of~~  
1-54 ~~collection,~~

1-55 ~~[(3)] one-fourth of revenue derived from state~~  
1-56 ~~gasoline and special fuels excise taxes as provided by law; and~~

1-57 (3) ~~[(4)]~~ all other appropriations to the available  
1-58 school fund made by the legislature for public school purposes.

1-59 SECTION 5. Subsection (a), Section 43.002, Education Code,  
1-60 is amended to read as follows:

1-61 (a) On the first working day of each month in a state fiscal  
1-62 year, the agency ~~[comptroller]~~ shall transfer from the permanent  
1-63 school fund to the available school fund an amount equal to  
1-64 one-twelfth of the annual distribution from the permanent school

2-1 fund to the available school fund as provided by Section 5(a),  
 2-2 Article VII, Texas Constitution, for the fiscal year.

2-3 SECTION 6. Subdivision (1), Subsection (k), Section 57.48,  
 2-4 Education Code, is amended to read as follows:

2-5 (1) "Compensation" means base salary or wages,  
 2-6 longevity pay, hazardous duty pay, benefit replacement pay, a  
 2-7 retirement annuity, or an emolument provided in lieu of base salary  
 2-8 or wages.

2-9 SECTION 7. Section 63.202, Education Code, is amended by  
 2-10 amending Subsection (b) and adding Subsection (h) to read as  
 2-11 follows:

2-12 (b) Except as provided by Subsections (c), ~~[and]~~ (d), and  
 2-13 (h), money in the fund established under this subchapter may not be  
 2-14 used for any purpose.

2-15 (h) Expenses of managing and administering the assets of the  
 2-16 fund shall be paid from the fund.

2-17 SECTION 8. Section 63.302, Education Code, is amended by  
 2-18 amending Subsection (b) and adding Subsection (h) to read as  
 2-19 follows:

2-20 (b) Except as provided by Subsections (c), ~~[and]~~ (e), and  
 2-21 (h), money in the fund established under this subchapter may not be  
 2-22 used for any purpose.

2-23 (h) Expenses of managing and administering the assets of the  
 2-24 fund shall be paid from the fund.

2-25 SECTION 9. Subsections (c) and (d), Section 231.007, Family  
 2-26 Code, are amended to read as follows:

2-27 (c) The Title IV-D agency is the sole assignee of ~~[all]~~  
 2-28 payments, including payments of compensation, by the state to a  
 2-29 person indebted to the state under Subsection (a) if the  
 2-30 comptroller is not responsible for issuing warrants or initiating  
 2-31 electronic funds transfers to make those payments.

2-32 (d) On request of the Title IV-D agency, ~~[+]~~  
 2-33 ~~[(1) the comptroller shall make payable and deliver to~~  
 2-34 ~~the agency any payments for which the agency is the assignee under~~  
 2-35 ~~Subsection (c), if the comptroller is responsible for issuing~~  
 2-36 ~~warrants or initiating electronic funds transfers to make those~~  
 2-37 ~~payments; and~~

2-38 ~~[(2)]~~ a state agency shall make payable and deliver to  
 2-39 the Title IV-D agency any payments for which the Title IV-D agency  
 2-40 is the assignee under Subsection (c) ~~[if the comptroller is not~~  
 2-41 ~~responsible for issuing warrants or initiating electronic funds~~  
 2-42 ~~transfers to make those payments].~~

2-43 SECTION 10. Subsections (b) and (c), Section 25.0015,  
 2-44 Government Code, are amended to read as follows:

2-45 (b) For a county that participates under Section 51.702(f)  
 2-46 under a resolution adopted and filed with the comptroller before  
 2-47 September 1, 2003, the amount shall be paid to the county's salary  
 2-48 fund in equal quarterly ~~[monthly]~~ installments, and of each \$35,000  
 2-49 paid a county, \$30,000 shall be paid from funds appropriated from  
 2-50 the judicial fund, and \$5,000 shall be paid from funds appropriated  
 2-51 from the general revenue fund.

2-52 (c) For a county that participates under Section 51.702(f)  
 2-53 under a resolution adopted or filed with the comptroller on or after  
 2-54 September 1, 2003, the amount shall be paid to the county's salary  
 2-55 fund in equal quarterly ~~[monthly]~~ installments from funds  
 2-56 appropriated from the judicial fund.

2-57 SECTION 11. Subsection (b), Section 25.00211, Government  
 2-58 Code, is amended to read as follows:

2-59 (b) The amount shall be paid to the county treasury for  
 2-60 deposit in the contributions fund created under Section 25.00213 in  
 2-61 equal quarterly ~~[monthly]~~ installments from funds appropriated  
 2-62 from the judicial fund.

2-63 SECTION 12. Subsection (b), Section 26.007, Government  
 2-64 Code, is amended to read as follows:

2-65 (b) The amount shall be paid to the county's salary fund in  
 2-66 equal quarterly ~~[monthly]~~ installments from funds appropriated  
 2-67 from the judicial fund.

2-68 SECTION 13. Subsection (d), Section 74.061, Government  
 2-69 Code, is amended to read as follows:

3-1 (d) For services actually performed while assigned under  
 3-2 this chapter, a ~~[retired or]~~ former judge or justice shall receive  
 3-3 from county funds and money appropriated by the legislature the  
 3-4 same amount of salary, compensation, and expenses that the regular  
 3-5 judge is entitled to receive from the county and from the state for  
 3-6 those services. The presiding judge of the administrative region  
 3-7 shall certify to the county and the state the services rendered  
 3-8 under this chapter by a ~~[retired or]~~ former judge or justice and the  
 3-9 share to be paid by the state. The amount certified by the  
 3-10 presiding judge as the state's share shall be paid from an item in  
 3-11 the Judiciary Section, Comptroller's ~~[Judicial~~  
 3-12 ~~Section--Comptroller's]~~ Department of the General Appropriations  
 3-13 Act for the payment of salaries of district and criminal district  
 3-14 judges.

3-15 SECTION 14. Subsection (b), Section 403.016, Government  
 3-16 Code, is amended to read as follows:

3-17 (b) The comptroller shall use the electronic funds transfer  
 3-18 system to pay an employee's net state salary and travel expense  
 3-19 reimbursements unless:

3-20 (1) the employee does not hold a classified position  
 3-21 under the state's position classification plan and the employee's  
 3-22 ~~[gross state]~~ salary is less than the minimum [gross state] salary  
 3-23 of [for a position classified to] group 8[step 1] of Salary  
 3-24 Schedule A of the General Appropriations Act [state position  
 3-25 classification plan]; or

3-26 (2) the employee holds a classified position under the  
 3-27 state's position classification plan and the position is allocated  
 3-28 to a group with a minimum salary of less than the minimum salary of  
 3-29 [that is classified below] group 8 of Salary Schedule A of the  
 3-30 General Appropriations Act.

3-31 SECTION 15. Subdivision (1), Subsection (1), Section  
 3-32 403.055, Government Code, is amended to read as follows:

3-33 (1) "Compensation" means base salary or wages,  
 3-34 longevity pay, hazardous duty pay, benefit replacement pay, a  
 3-35 retirement annuity, or an emolument provided in lieu of base salary  
 3-36 or wages.

3-37 SECTION 16. Subsection (d), Section 403.0551, Government  
 3-38 Code, is amended to read as follows:

3-39 (d) This section does not authorize the comptroller to  
 3-40 deduct the amount of a state employee's indebtedness to a state  
 3-41 agency from any amount of compensation owed by the agency to the  
 3-42 employee, the employee's successor, or the assignee of the employee  
 3-43 or successor. In this subsection:~~[T]~~

3-44 (1) "compensation[~~T~~]" has the meaning assigned by  
 3-45 Section 403.055; and

3-46 (2) "indebtedness," "state agency," "state employee,"  
 3-47 and "successor" have the meanings assigned by Section 666.001.

3-48 SECTION 17. Subsections (g) and (h), Section 403.071,  
 3-49 Government Code, are amended to read as follows:

3-50 (g) Notwithstanding Subsection (a), the comptroller ~~[and a~~  
 3-51 ~~state agency]~~ may ~~[contract in writing for the comptroller to]~~  
 3-52 audit claims presented by a [the] state agency after the  
 3-53 comptroller prepares warrants or uses the electronic funds transfer  
 3-54 system to pay the claims. The [If the comptroller and a state  
 3-55 agency execute a contract, the] comptroller may determine [decide]  
 3-56 the types of claims that will be audited after payment.

3-57 (h) ~~[This subsection applies if the comptroller and a state~~  
 3-58 ~~agency have contracted in accordance with Subsection (g).]~~ The  
 3-59 comptroller shall audit claims after payment under Subsection (g)  
 3-60 in the same manner [way] that the comptroller audits claims before  
 3-61 payment under Subsection (a). The comptroller may establish  
 3-62 requirements and adopt rules concerning the time that a state  
 3-63 agency must retain documentation in its files to enable a  
 3-64 postpayment audit. If a postpayment audit by the comptroller shows  
 3-65 that a claim presented by a state agency was invalid, the  
 3-66 comptroller may:

3-67 (1) implement procedures to ensure that similar  
 3-68 invalid claims from the state agency are not paid in the future;

3-69 (2) report to the governor, the lieutenant governor,

4-1 the speaker of the house of representatives, the state auditor, and  
 4-2 the Legislative Budget Board the results of the audit;

4-3 (3) require the state agency to obtain a refund of the  
 4-4 monies from the payee; and

4-5 (4) ~~cancel the contract with the state agency; and~~  
 4-6 ~~[(5)]~~ reduce the state agency's remaining  
 4-7 appropriations by the amount of the claim.

4-8 SECTION 18. Section 404.024, Government Code, is amended by  
 4-9 amending Subsections (b) and (l) and adding Subsections (m) and (n)  
 4-10 to read as follows:

4-11 (b) State funds not deposited in state depositories shall be  
 4-12 invested by the comptroller in:

4-13 (1) direct security repurchase agreements;

4-14 (2) reverse security repurchase agreements;

4-15 (3) direct obligations of or obligations the principal  
 4-16 and interest of which are guaranteed by the United States;

4-17 (4) direct obligations of or obligations guaranteed by  
 4-18 agencies or instrumentalities of the United States government;

4-19 (5) bankers' acceptances that:  
 4-20 (A) are eligible for purchase by the Federal  
 4-21 Reserve System;

4-22 (B) do not exceed 270 days to maturity; and

4-23 (C) are issued by a bank whose other comparable  
 4-24 short-term obligations are rated in [that has received] the highest  
 4-25 short-term [credit] rating category, within which there may be  
 4-26 subcategories or gradations indicating relative standing,  
 4-27 including such subcategories or gradations as "rating category" or  
 4-28 "rated," by a nationally recognized statistical rating  
 4-29 organization, as defined by Rule 2a-7 (17 C.F.R. Section 270.2a-7),  
 4-30 promulgated under the Investment Company Act of 1940 by the  
 4-31 Securities and Exchange Commission [investment rating firm];

4-32 (6) commercial paper that:

4-33 (A) does not exceed 270 days to maturity; and

4-34 (B) except as provided by Subsection (i), is  
 4-35 issued by an entity whose other comparable short-term obligations  
 4-36 are rated in [has received] the highest short-term [credit] rating  
 4-37 category by a nationally recognized statistical rating  
 4-38 organization [investment rating firm];

4-39 (7) contracts written by the treasury in which the  
 4-40 treasury grants the purchaser the right to purchase securities in  
 4-41 the treasury's marketable securities portfolio at a specified price  
 4-42 over a specified period and for which the treasury is paid a fee and  
 4-43 specifically prohibits naked-option or uncovered option trading;

4-44 (8) direct obligations of or obligations guaranteed by  
 4-45 the Inter-American Development Bank, the International Bank for  
 4-46 Reconstruction and Development (the World Bank), the African  
 4-47 Development Bank, the Asian Development Bank, and the International  
 4-48 Finance Corporation that have received the highest long-term  
 4-49 [credit] rating categories for debt obligations by a nationally  
 4-50 recognized statistical rating organization [investment rating  
 4-51 firm];

4-52 (9) bonds issued, assumed, or guaranteed by the State  
 4-53 of Israel;

4-54 (10) obligations of a state or an agency, county,  
 4-55 city, or other political subdivision of a state;

4-56 (11) mutual funds secured by obligations that are  
 4-57 described by Subdivisions (1) through (6) or by obligations  
 4-58 consistent with Rule 2a-7 (17 C.F.R. Section 270.2a-7), promulgated  
 4-59 by the Securities and Exchange Commission, including pooled funds:

4-60 (A) established by the Texas Treasury  
 4-61 Safekeeping Trust Company;

4-62 (B) operated like a mutual fund; and

4-63 (C) with portfolios consisting only of  
 4-64 dollar-denominated securities; ~~and~~

4-65 (12) foreign currency for the sole purpose of  
 4-66 facilitating investment by state agencies that have the authority  
 4-67 to invest in foreign securities;

4-68 (13) asset-backed securities, as defined by the  
 4-69 Securities and Exchange Commission in Rule 2a-7 (17 C.F.R. Section

5-1 270.2a-7), that are rated at least A or its equivalent by a  
 5-2 nationally recognized statistical rating organization and that  
 5-3 have a weighted-average maturity of five years or less; and

5-4 (14) corporate debt obligations that are rated at  
 5-5 least A or its equivalent by a nationally recognized statistical  
 5-6 rating organization and mature in five years or less from the date  
 5-7 on which the obligations were "acquired," as defined by the  
 5-8 Securities and Exchange Commission in Rule 2a-7 (17 C.F.R. Section  
 5-9 270.2a-7).

5-10 (l) The comptroller may lend securities under procedures  
 5-11 established by the comptroller. The procedures must be consistent  
 5-12 with industry practice and must include a requirement to fully  
 5-13 secure the loan with cash, obligations described by Subsections  
 5-14 (b)(1)-(6), or a combination of cash and the described obligations.  
 5-15 Notwithstanding any law to the contrary, cash may be reinvested in  
 5-16 the items permitted under Subsection (b) or mutual funds, as  
 5-17 defined by the Securities and Exchange Commission in Rule 2a-7 (17  
 5-18 C.F.R. Section 270.2a-7) [In this subsection, "obligation" means an  
 5-19 item described by Subsections (b)(1)-(6)].

5-20 (m) In entering into a direct security repurchase agreement  
 5-21 or a reverse security repurchase agreement, the comptroller may  
 5-22 agree to accept cash on an overnight basis in lieu of the  
 5-23 securities, obligations, or participation certificates identified  
 5-24 in Section 404.001(3). Cash held by the state under this subsection  
 5-25 is not a deposit of state or public funds for purposes of any  
 5-26 statute, including this subchapter or Subchapter D, that requires a  
 5-27 deposit of state or public funds to be collateralized by eligible  
 5-28 securities.

5-29 (n) Notwithstanding any other law to the contrary, any  
 5-30 government investment pool created to function as a money market  
 5-31 mutual fund and managed by the comptroller or the Texas Treasury  
 5-32 Safekeeping Trust Company may invest the funds it receives in  
 5-33 investments that are "eligible securities," as defined by the  
 5-34 Securities and Exchange Commission in Rule 2a-7 (17 C.F.R. Section  
 5-35 270.2a-7), if it maintains a dollar-weighted average portfolio  
 5-36 maturity of 90 days or less, with the maturity of each portfolio  
 5-37 security calculated in accordance with Rule 2a-7 (17 C.F.R. Section  
 5-38 270.2a-7), and meets the diversification requirements of Rule 2a-7.

5-39 SECTION 19. The heading to Section 552.024, Government  
 5-40 Code, is amended to read as follows:

5-41 Sec. 552.024. ELECTING TO DISCLOSE ADDRESS, ~~AND~~ TELEPHONE  
 5-42 NUMBER, DATE OF BIRTH, SOCIAL SECURITY NUMBER, AND PERSONAL FAMILY  
 5-43 INFORMATION.

5-44 SECTION 20. Subsection (a), Section 552.024, Government  
 5-45 Code, is amended to read as follows:

5-46 (a) Each employee or official of a governmental body and  
 5-47 each former employee or official of a governmental body shall  
 5-48 choose whether to allow public access to the information in the  
 5-49 custody of the governmental body that relates to the person's home  
 5-50 address, home telephone number, date of birth, or social security  
 5-51 number, or that reveals whether the person has family members.

5-52 SECTION 21. The heading to Section 552.117, Government  
 5-53 Code, is amended to read as follows:

5-54 Sec. 552.117. EXCEPTION: CERTAIN ADDRESSES, TELEPHONE  
 5-55 NUMBERS, DATES OF BIRTH, SOCIAL SECURITY NUMBERS, AND PERSONAL  
 5-56 FAMILY INFORMATION.

5-57 SECTION 22. Subsection (a), Section 552.117, Government  
 5-58 Code, is amended to read as follows:

5-59 (a) Information is excepted from the requirements of  
 5-60 Section 552.021 if it is information that relates to the home  
 5-61 address, home telephone number, date of birth, or social security  
 5-62 number of the following person or that reveals whether the person  
 5-63 has family members:

5-64 (1) a current or former official or employee of a  
 5-65 governmental body, except as otherwise provided by Section 552.024;

5-66 (2) a peace officer as defined by Article 2.12, Code of  
 5-67 Criminal Procedure, or a security officer commissioned under  
 5-68 Section 51.212, Education Code, regardless of whether the officer  
 5-69 complies with Section 552.024 or 552.1175, as applicable;

6-1 (3) a current or former employee of the Texas  
6-2 Department of Criminal Justice or of the predecessor in function of  
6-3 the department or any division of the department, regardless of  
6-4 whether the current or former employee complies with Section  
6-5 552.1175;

6-6 (4) a peace officer as defined by Article 2.12, Code of  
6-7 Criminal Procedure, or other law, a reserve law enforcement  
6-8 officer, a commissioned deputy game warden, or a corrections  
6-9 officer in a municipal, county, or state penal institution in this  
6-10 state who was killed in the line of duty, regardless of whether the  
6-11 deceased complied with Section 552.024 or 552.1175; or

6-12 (5) a commissioned security officer as defined by  
6-13 Section 1702.002, Occupations Code, regardless of whether the  
6-14 officer complies with Section 552.024 or 552.1175, as applicable.

6-15 SECTION 23. The heading to Section 552.1175, Government  
6-16 Code, is amended to read as follows:

6-17 Sec. 552.1175. CONFIDENTIALITY OF ADDRESSES, TELEPHONE  
6-18 NUMBERS, DATES OF BIRTH, SOCIAL SECURITY NUMBERS, AND PERSONAL  
6-19 FAMILY INFORMATION OF PEACE OFFICERS, COUNTY JAILERS, SECURITY  
6-20 OFFICERS, AND EMPLOYEES OF THE TEXAS DEPARTMENT OF CRIMINAL JUSTICE  
6-21 OR A PROSECUTOR'S OFFICE.

6-22 SECTION 24. Subsection (b), Section 552.1175, Government  
6-23 Code, is amended to read as follows:

6-24 (b) Information that relates to the home address, home  
6-25 telephone number, date of birth, or social security number of an  
6-26 individual to whom this section applies, or that reveals whether  
6-27 the individual has family members is confidential and may not be  
6-28 disclosed to the public under this chapter if the individual to whom  
6-29 the information relates:

6-30 (1) chooses to restrict public access to the  
6-31 information; and

6-32 (2) notifies the governmental body of the individual's  
6-33 choice on a form provided by the governmental body, accompanied by  
6-34 evidence of the individual's status.

6-35 SECTION 25. Subsection (b), Section 552.132, Government  
6-36 Code, is amended to read as follows:

6-37 (b) A crime victim may elect whether to allow public access  
6-38 to information held by the crime victim's compensation division of  
6-39 the attorney general's office that relates to:

6-40 (1) the name, social security number, date of birth,  
6-41 address, or telephone number of the crime victim; or

6-42 (2) any other information the disclosure of which  
6-43 would identify or tend to identify the crime victim.

6-44 SECTION 26. Subsection (b), Section 552.1325, Government  
6-45 Code, is amended to read as follows:

6-46 (b) The following information that is held by a governmental  
6-47 body or filed with a court and that is contained in a victim impact  
6-48 statement or was submitted for purposes of preparing a victim  
6-49 impact statement is confidential:

6-50 (1) the name, social security number, date of birth,  
6-51 address, and telephone number of a crime victim; and

6-52 (2) any other information the disclosure of which  
6-53 would identify or tend to identify the crime victim.

6-54 SECTION 27. Subsection (b), Section 552.138, Government  
6-55 Code, is amended to read as follows:

6-56 (b) Information maintained by a family violence shelter  
6-57 center or sexual assault program is excepted from the requirements  
6-58 of Section 552.021 if it is information that relates to:

6-59 (1) the home address, home telephone number, date of  
6-60 birth, or social security number of an employee or a volunteer  
6-61 worker of a family violence shelter center or a sexual assault  
6-62 program, regardless of whether the employee or worker complies with  
6-63 Section 552.024;

6-64 (2) the location or physical layout of a family  
6-65 violence shelter center;

6-66 (3) the name, home address, home telephone number,  
6-67 date of birth, or social security number or other numeric  
6-68 identifier of a current or former client of a family violence  
6-69 shelter center or sexual assault program;

7-1 (4) the provision of services, including counseling  
7-2 and sheltering, to a current or former client of a family violence  
7-3 shelter center or sexual assault program;

7-4 (5) the name, home address, ~~or~~ home telephone  
7-5 number, date of birth, or social security number or other numeric  
7-6 identifier of a private donor to a family violence shelter center or  
7-7 sexual assault program; or

7-8 (6) the home address, ~~or~~ home telephone number, date  
7-9 of birth, or social security number of a member of the board of  
7-10 directors or the board of trustees of a family violence shelter  
7-11 center or sexual assault program, regardless of whether the board  
7-12 member complies with Section 552.024.

7-13 SECTION 28. Subchapter A, Chapter 659, Government Code, is  
7-14 amended by adding Section 659.007 to read as follows:

7-15 Sec. 659.007. EARNINGS STATEMENTS. (a) In this section,  
7-16 "state agency" has the meaning assigned by Section 403.013.

7-17 (b) A state agency may provide a written or electronic  
7-18 earnings statement to an officer or employee of the agency.

7-19 (c) The comptroller may adopt rules and establish  
7-20 procedures concerning the earnings statements provided by state  
7-21 agencies that under Subchapter C, Chapter 2101, are required to use  
7-22 the uniform statewide payroll system.

7-23 SECTION 29. Subsection (e), Section 659.044, Government  
7-24 Code, is amended to read as follows:

7-25 (e) This subsection applies only to an employee of the Texas  
7-26 Youth Commission who is receiving less than the maximum amount of  
7-27 hazardous duty pay that the commission may pay to the employee under  
7-28 Section 659.303. The employee's monthly amount of longevity pay is  
7-29 the sum of:

7-30 (1) \$20 [~~\$4~~] for every two years [~~each year~~] of  
7-31 lifetime service credit, which may not include any period served in  
7-32 a hazardous duty position; and

7-33 (2) the lesser of:  
7-34 (A) \$20 [~~\$4~~] for every 24 months of lifetime  
7-35 service credit accrued under Section 659.307(a) [~~each year served~~  
7-36 ~~in a hazardous duty position~~]; or

7-37 (B) the difference between:  
7-38 (i) \$10 [~~\$7~~] for each 12-month period of  
7-39 lifetime service credit accrued under Section 659.307(a) [~~year~~  
7-40 ~~served in a hazardous duty position~~]; and

7-41 (ii) the amount paid by the commission for  
7-42 each 12-month period of lifetime service credit accrued under  
7-43 Section 659.307(a) [~~year served in a hazardous duty position~~].

7-44 SECTION 30. (a) Section 659.046, Government Code, is  
7-45 amended by adding Subsection (g) to read as follows:

7-46 (g) For purposes of Subsection (a)(4), an employee's  
7-47 service as an academic employee of a state institution of higher  
7-48 education includes a summer semester or session during which the  
7-49 employee is not required to provide services to the institution if:

7-50 (1) the employee provided services to the institution  
7-51 throughout the immediately preceding spring and fall semesters; and

7-52 (2) the employee resumes providing services to the  
7-53 institution at the beginning of the first fall semester occurring  
7-54 after the summer semester or session.

7-55 (b) The changes in law made by Subsection (a) of this  
7-56 section to Section 659.046, Government Code, apply beginning with  
7-57 the first summer semester or session that occurs during calendar  
7-58 year 2007.

7-59 SECTION 31. Subdivision (3), Subsection (a), Section  
7-60 659.255, Government Code, is amended to read as follows:

7-61 (3) "Merit salary increase" means an increase in  
7-62 compensation to:

7-63 (A) a higher step rate in the same classified  
7-64 salary group, if the classified employee is compensated under a  
7-65 salary group that is divided into steps [~~Salary Schedule A of the~~  
7-66 ~~General Appropriations Act~~]; or

7-67 (B) a higher rate within the range of the same  
7-68 classified salary group, if the classified employee is compensated  
7-69 under a salary group that is not divided into steps [~~Salary Schedule~~

8-1 ~~B of the General Appropriations Act].~~

8-2 SECTION 32. Subsections (c) and (f), Section 659.256,  
8-3 Government Code, are amended to read as follows:

8-4 (c) When an employee is promoted within ~~[to a position in a~~  
8-5 ~~higher salary group in]~~ Salary Schedule A of the General  
8-6 Appropriations Act or from Salary Schedule B or C of the General  
8-7 Appropriations Act to Salary Schedule A of the General  
8-8 Appropriations Act, the employee shall receive a salary rate that  
8-9 is at least 3.4 percent ~~[one step]~~ higher than the employee's salary  
8-10 rate before promotion or the minimum rate of the new salary range,  
8-11 whichever is higher, and may, at the discretion of the state agency  
8-12 administrator, receive an annual salary rate up to and including  
8-13 the maximum rate of the new salary range. ~~[When an employee is~~  
8-14 ~~promoted from a position in Salary Schedule B or C of the General~~  
8-15 ~~Appropriations Act to a position in Salary Schedule A of the General~~  
8-16 ~~Appropriations Act, the employee shall receive a step rate that is~~  
8-17 ~~at least one step above the rate the employee received before~~  
8-18 ~~promotion or the minimum rate of the new salary range, whichever is~~  
8-19 ~~higher, and may, at the discretion of the state agency~~  
8-20 ~~administrator, receive an annual rate up to and including the~~  
8-21 ~~maximum rate of the new salary range.]~~

8-22 (f) Notwithstanding the other provisions of this section,  
8-23 an employee whose salary prior to promotion exceeds the maximum  
8-24 rate of the employee's assigned salary group may not receive more  
8-25 than the maximum rate of the new salary group, even if the increase  
8-26 is less than one step in a salary group that is divided into steps  
8-27 ~~[Salary Schedule A of the General Appropriations Act]~~ or 3.4  
8-28 percent in a salary group that is not divided into steps ~~[Salary~~  
8-29 ~~Schedule B of the General Appropriations Act].~~

8-30 SECTION 33. Subsection (c), Section 659.257, Government  
8-31 Code, is amended to read as follows:

8-32 (c) When an employee is demoted within ~~[to a position in a~~  
8-33 ~~lower salary group in]~~ Salary Schedule A of the General  
8-34 Appropriations Act or from Salary Schedule B or C of the General  
8-35 Appropriations Act to Salary Schedule A of the General  
8-36 Appropriations Act, the employee will receive a salary rate of at  
8-37 least 3.4 percent ~~[one step]~~ below the rate the employee received  
8-38 before demotion. ~~[When an employee is demoted from a position in~~  
8-39 ~~Salary Schedule B or C of the General Appropriations Act to a~~  
8-40 ~~position in Salary Schedule A of the General Appropriations Act,~~  
8-41 ~~the employee shall receive a step rate that is at least 3.4 percent~~  
8-42 ~~below the rate the employee received before demotion.]~~

8-43 SECTION 34. Subsection (a), Section 660.024, Government  
8-44 Code, is amended to read as follows:

8-45 (a) The chief administrator of a state agency must give  
8-46 advance written approval for any travel related to official state  
8-47 business for which a reimbursement for travel expenses is claimed  
8-48 or for which an advance for travel expenses to be incurred is  
8-49 sought. The advance written approval may be communicated  
8-50 electronically ~~[A copy of the written approval shall be submitted~~  
8-51 ~~with the travel voucher to the comptroller in accordance with~~  
8-52 ~~Section 660.027].~~

8-53 SECTION 35. Subsections (b), (d), and (e), Section 660.027,  
8-54 Government Code, are amended to read as follows:

8-55 (b) A voucher submitted under Subsection (a) is valid only  
8-56 if:

8-57 (1) the state agency submitting the voucher approves  
8-58 it in accordance with Chapter 2103 and, if required by law,  
8-59 certifies the voucher; and

8-60 (2) the state employee who incurred the travel expense  
8-61 or, if the employee is unavailable, another individual acceptable  
8-62 to the comptroller approves the description, information, and  
8-63 documentation required by Subsection (d) ~~[voucher]~~ in writing or  
8-64 electronically, except that the employee's approval is not required  
8-65 if another person is required by law to provide the approval.

8-66 (d) A voucher must be supported by:

8-67 (1) a description of ~~[describe]~~ the official state  
8-68 business performed; and

8-69 (2) ~~[be accompanied by]~~ the information and



9-1 documentation that the comptroller considers necessary for the  
 9-2 comptroller to determine compliance with this chapter, the travel  
 9-3 provisions of the General Appropriations Act, and the rules adopted  
 9-4 by the comptroller under this chapter.

9-5 (e) The comptroller may require a state agency to provide to  
 9-6 the comptroller the description, information, and documentation  
 9-7 required under [by] Subsection (d):

9-8 (1) on the form adopted by the comptroller under  
 9-9 Subsection (c);

9-10 (2) electronically;

9-11 (3) by submitting receipts or other documents; or

9-12 (4) [~~(3)~~] by any [a] combination of Subdivisions (1),  
 9-13 [and] (2), and (3).

9-14 SECTION 36. Section 660.028, Government Code, is amended by  
 9-15 amending Subsections (b), (c), and (d) and adding Subsection (e) to  
 9-16 read as follows:

9-17 (b) If the comptroller audits a state agency's voucher after  
 9-18 the comptroller issues a warrant or initiates an electronic funds  
 9-19 transfer in response to the voucher, the comptroller may require  
 9-20 the agency to maintain in its files the description, information,  
 9-21 and documentation [receipts] relating to the travel expense paid or  
 9-22 reimbursed by the voucher until the comptroller audits the voucher.

9-23 (c) If a state agency pays or reimburses a travel expense  
 9-24 without first submitting a voucher to the comptroller, the  
 9-25 comptroller may audit the payment or reimbursement for compliance  
 9-26 with this chapter and the travel provisions of the General  
 9-27 Appropriations Act. The comptroller may report the results of the  
 9-28 audit to the governor, the lieutenant governor, the speaker of the  
 9-29 house of representatives, the state auditor, and the Legislative  
 9-30 Budget Board. The state agency shall cooperate with the  
 9-31 comptroller and make available the description, information, and  
 9-32 documentation [receipts] required by the comptroller at the time  
 9-33 and in the manner required by the comptroller.

9-34 (d) The comptroller may require a state agency to maintain  
 9-35 in its files the description, information, and documentation  
 9-36 [receipts] regarding a travel expense payment or reimbursement for  
 9-37 the period required by the comptroller.

9-38 (e) The comptroller may require or authorize the  
 9-39 description, information, and documentation relating to a travel  
 9-40 expense payment or reimbursement to be maintained in paper form or  
 9-41 electronically.

9-42 SECTION 37. The heading to Subchapter C, Chapter 661,  
 9-43 Government Code, is amended to read as follows:

9-44 SUBCHAPTER C. PAYMENT FOR VACATION LEAVE [TIME] TO  
 9-45 STATE EMPLOYEES WHO SEPARATE FROM STATE EMPLOYMENT

9-46 SECTION 38. Section 661.062, Government Code, is amended to  
 9-47 read as follows:

9-48 Sec. 661.062. ENTITLEMENT TO PAYMENT FOR VACATION LEAVE  
 9-49 [TIME]. (a) A state employee who, at any time during the  
 9-50 employee's lifetime, has accrued six months of continuous state  
 9-51 employment [~~and who resigns, is dismissed, or otherwise separates~~  
 9-52 ~~from state employment by a state agency other than an institution of~~  
 9-53 ~~higher education] is entitled to be paid for [the accrued balance~~  
 9-54 ~~of] the employee's accrued vacation leave [time as of date of the~~  
 9-55 ~~separation,] if:~~

9-56 (1) the employee resigns or is dismissed from a  
 9-57 position in a state agency that is not an institution of higher  
 9-58 education without, during the 30-day period immediately following  
 9-59 the effective date of the resignation or dismissal:

9-60 (A) accepting a position at another state agency;  
 9-61 and

9-62 (B) resuming state employment in a position that  
 9-63 accrues vacation leave;

9-64 (2) the employee resigns or is dismissed from a  
 9-65 position in a state agency that is an institution of higher  
 9-66 education without:

9-67 (A) having accepted a position at another state  
 9-68 agency; and

9-69 (B) resuming state employment in a position that

10-1 accrues vacation leave on the first workday immediately following  
 10-2 the effective date of the resignation or dismissal;

10-3 (3) the employee moves from a position in a state  
 10-4 agency that accrues vacation leave to another position within the  
 10-5 same state agency that does not accrue vacation leave and the agency  
 10-6 agrees to pay the employee for the accrued leave;

10-7 (4) the employee moves from a position in a state  
 10-8 agency that accrues vacation leave to a position in a different  
 10-9 state agency that does not accrue vacation leave and the second  
 10-10 agency refuses to credit the employee for the accrued leave;

10-11 (5) the employee moves from a position in a state  
 10-12 agency that is not an institution of higher education to a position  
 10-13 in a different state agency that accrues vacation leave and the  
 10-14 first day of employment in the second position is at least 31 days  
 10-15 after the last day of employment in the first position;

10-16 (6) the employee moves from a position in an  
 10-17 institution of higher education to a position in a different state  
 10-18 agency that accrues vacation leave and the first day of employment  
 10-19 in the second position is at least two workdays after the last day  
 10-20 of employment in the first position; or

10-21 (7) the employee holds two or more positions in a state  
 10-22 agency, the employee resigns or is dismissed from a position that  
 10-23 accrues vacation leave, and the agency agrees to pay the employee  
 10-24 for the accrued leave [the individual is not reemployed by the state  
 10-25 in a position under which the employee accrues vacation leave  
 10-26 during the 30-day period immediately following the date of  
 10-27 separation from state employment. A state employee who, at any time  
 10-28 during the employee's lifetime, has accrued six months of  
 10-29 continuous state employment and who resigns, is dismissed, or  
 10-30 otherwise separates from state employment by an institution of  
 10-31 higher education is entitled to be paid for the accrued balance of  
 10-32 the employee's vacation time as of the date of separation].

10-33 (b) For purposes of this section, the amount of a state  
 10-34 employee's accrued vacation leave is the amount existing on the  
 10-35 date the event occurs that entitles the employee to be paid for the  
 10-36 employee's accrued vacation leave [A separation from state  
 10-37 employment includes a separation in which the employee:

10-38 [ (1) leaves one state agency to begin working for  
 10-39 another state agency, if one or more workdays occur between the two  
 10-40 employments and the individual is not reemployed by the state in a  
 10-41 position under which the employee accrues vacation leave during the  
 10-42 30-day period immediately following the date of separation from  
 10-43 state employment;

10-44 [ (2) moves from a position in a state agency that  
 10-45 accrues vacation time to a position in that agency that does not  
 10-46 accrue vacation time, if the agency agrees to pay the employee for  
 10-47 the accrued balance of the employee's vacation time;

10-48 [ (3) moves from a position in a state agency that  
 10-49 accrues vacation time to a position in another state agency that  
 10-50 does not accrue vacation time, if the other state agency refuses to  
 10-51 credit the employee for the balance of the employee's vacation time  
 10-52 as of the date of the move;

10-53 [ (4) moves from a position in a state agency that does  
 10-54 not accrue vacation time to a position in another state agency that  
 10-55 does not accrue vacation time, if the other state agency is not  
 10-56 authorized or refuses to credit the employee for the balance of the  
 10-57 employee's vacation time as of the date of the move; or

10-58 [ (5) holds two or more positions, and separates from  
 10-59 one that accrues vacation time, if the agency agrees to pay the  
 10-60 employee for the accrued balance of the employee's vacation time].

10-61 (c) The state agency to which a state employee moves shall  
 10-62 credit the employee for the employee's accrued vacation leave if  
 10-63 the employee is not entitled under Subsection (a)(3) or (4) to  
 10-64 receive payment for that leave.

10-65 (d) A state employee who holds two or more positions is  
 10-66 entitled to be paid for the employee's accrued vacation leave  
 10-67 concerning a particular [separation under Subsection (b)(4)  
 10-68 applies only with respect to the] position only if the event  
 10-69 entitling the employee to receive the payment relates to the

11-1 position that accrues vacation leave, as provided in Subsection (a)  
 11-2 ~~[from which the separation occurs]~~.

11-3 (e) ~~[(d)]~~ State employment is continuous for purposes of  
 11-4 this section ~~[Subsection (a)]~~ while the employee is entitled to be  
 11-5 paid a regular state salary, except that continuity of state  
 11-6 employment is not interrupted while the employee is on a leave of  
 11-7 absence without pay for less than one calendar month.

11-8 (f) ~~[(e)]~~ The following are ineligible ~~[not entitled]~~ to  
 11-9 receive a payment ~~[payments]~~ under this subchapter:

11-10 (1) an individual who holds an office that is normally  
 11-11 filled by vote of the people;

11-12 (2) an independent contractor or an employee of an  
 11-13 independent contractor;

11-14 (3) an operator of equipment or a driver of a team  
 11-15 whose wages are included in the rental paid by a state agency to the  
 11-16 owner of the equipment or team;

11-17 (4) an individual employed on a piecework basis; or

11-18 (5) an individual covered by:

11-19 (A) the Judicial Retirement System of Texas Plan  
 11-20 One;

11-21 (B) the Judicial Retirement System of Texas Plan  
 11-22 Two; or

11-23 (C) the Teacher Retirement System of Texas, other  
 11-24 than an individual described by Section 661.061(2)(E) or (F).

11-25 (g) An employee of a legislative agency is eligible or  
 11-26 entitled to receive payment for the employee's accrued ~~[(f)~~  
 11-27 ~~Payment for accrued]~~ vacation leave only as provided by the  
 11-28 administrative head of that agency. An employee of the house of  
 11-29 representatives or of a member of the house of representatives is  
 11-30 eligible or entitled to receive payment for the employee's accrued  
 11-31 vacation leave only as provided by the speaker of the house of  
 11-32 representatives. An employee of the senate, of a member of the  
 11-33 senate, or of the lieutenant governor is eligible or entitled to  
 11-34 receive payment for the employee's accrued vacation leave only as  
 11-35 provided by the lieutenant governor ~~[for employees of the~~  
 11-36 ~~legislative branch, including employees of the lieutenant~~  
 11-37 ~~governor, is determined as follows:~~

11-38 ~~[(1) for employees of either house of the legislature,~~  
 11-39 ~~a member of the legislature, or the lieutenant governor, by the~~  
 11-40 ~~presiding officer of the appropriate house of the legislature; and~~

11-41 ~~[(2) for employees of a legislative agency, by the~~  
 11-42 ~~administrative head of the agency].~~

11-43 SECTION 39. Subsections (a) and (b), Section 661.063,  
 11-44 Government Code, are amended to read as follows:

11-45 (a) Except as provided by Subsection (b), the payment to a  
 11-46 state employee under this subchapter shall be computed by  
 11-47 multiplying the employee's rate of compensation on the date the  
 11-48 event occurs that entitles the employee to be paid for the  
 11-49 employee's accrued vacation leave ~~[of separation from state~~  
 11-50 ~~employment]~~ by the total number of hours of vacation leave ~~[time]~~  
 11-51 determined under Section 661.064.

11-52 (b) The payment under this subchapter to a state employee  
 11-53 who resigns, is dismissed, or moves to another position from  
 11-54 [separates from state employment while holding] a position that  
 11-55 does not accrue vacation leave ~~[time]~~ shall be computed according  
 11-56 to this subsection. The employee's final rate of compensation in  
 11-57 the last position held that accrues vacation leave ~~[time]~~ shall be  
 11-58 multiplied by the employee's total number of hours of vacation  
 11-59 leave ~~[time]~~ determined under Section 661.064.

11-60 SECTION 40. Section 661.064, Government Code, is amended to  
 11-61 read as follows:

11-62 Sec. 661.064. COMPUTATION OF TOTAL ACCUMULATED LEAVE;  
 11-63 HOLIDAY TIME. (a) This subsection applies except as provided by  
 11-64 Subsection (c). For a state employee who, on the date the event  
 11-65 occurs that entitles the employee to be paid for the employee's  
 11-66 accrued vacation leave, ~~[of separation]~~ is normally scheduled to  
 11-67 work at least 40 hours a week, eight hours are to be added to the  
 11-68 employee's accrued vacation leave ~~[time]~~ for each state or national  
 11-69 holiday that is scheduled to fall within the period after the date

12-1 of the event [~~separation~~] and during which the employee could have  
 12-2 used the leave [~~time~~]. To determine the period during which  
 12-3 vacation leave [~~time~~] could have been used and the number of state  
 12-4 or national holidays, the employee's vacation leave [~~time~~] is  
 12-5 allocated over the workdays after the date of the event [~~employee's~~  
 12-6 ~~separation~~] and eight hours are added as a state or national holiday  
 12-7 occurs during the period.

12-8 (b) For a state employee who, on the date the event occurs  
 12-9 that entitles the employee to be paid for the employee's accrued  
 12-10 vacation leave, [~~of separation~~] is normally scheduled to work less  
 12-11 than 40 hours a week, the number of hours that is to be added to the  
 12-12 employee's accrued vacation leave [~~time~~] for each state or national  
 12-13 holiday is computed as provided by Subsection (a), but is to be  
 12-14 proportionally reduced according to the lesser number of the  
 12-15 employee's normally scheduled weekly work hours.

12-16 (c) For a state employee who is paid under this subchapter  
 12-17 because the event that entitles the employee to be paid for the  
 12-18 employee's accrued vacation leave [~~separation from state~~  
 12-19 employment] involves a move to a position in a state agency that  
 12-20 does not accrue vacation leave [~~time~~], no hours may be added to the  
 12-21 employee's accrued vacation leave [~~time~~] for a state or national  
 12-22 holiday that [~~which~~] is scheduled to fall within the period after  
 12-23 the date of the event [~~separation~~] and during which the employee  
 12-24 could have used the leave [~~time~~].

12-25 SECTION 41. Section 661.066, Government Code, is amended to  
 12-26 read as follows:

12-27 Sec. 661.066. PAYMENT CHARGED TO CERTAIN FISCAL YEAR. A  
 12-28 state agency shall charge a lump-sum payment required by this  
 12-29 subchapter to the fiscal year in which the event occurs that  
 12-30 entitles the employee to be paid for the employee's accrued  
 12-31 vacation leave [~~state employee's separation from state employment~~  
 12-32 becomes effective].

12-33 SECTION 42. Section 661.067, Government Code, is amended to  
 12-34 read as follows:

12-35 Sec. 661.067. AGREEMENT FOR STATE EMPLOYEE TO REMAIN ON  
 12-36 AGENCY PAYROLL. (a) A state agency may agree to permit an employee  
 12-37 entitled to payment under this subchapter to remain on the agency's  
 12-38 payroll to exhaust the employee's accrued vacation leave [~~time~~].

12-39 (b) A state employee who remains on the payroll of a state  
 12-40 agency under this section:

12-41 (1) is entitled to continue to receive all  
 12-42 compensation and benefits that the state employee was receiving on  
 12-43 the employee's last day of duty, including paid holidays, longevity  
 12-44 pay, and hazardous duty pay;

12-45 (2) is entitled to a general salary increase for state  
 12-46 employees that takes effect before the employee's accrued vacation  
 12-47 leave [~~time~~] is exhausted; and

12-48 (3) may not use sick leave or accrue sick leave or  
 12-49 vacation leave [~~time~~].

12-50 SECTION 43. The heading to Subchapter D, Chapter 661,  
 12-51 Government Code, is amended to read as follows:

12-52 SUBCHAPTER D. PAYMENTS FOR VACATION LEAVE [~~TIME~~] TO  
 12-53 CONTRIBUTING MEMBERS OF EMPLOYEES RETIREMENT SYSTEM WHO RETIRE

12-54 SECTION 44. Section 661.091, Government Code, is amended to  
 12-55 read as follows:

12-56 Sec. 661.091. PAYMENT FOR VACATION LEAVE [~~TIME~~] ON  
 12-57 RETIREMENT. (a) A contributing member of the Employees Retirement  
 12-58 System of Texas who retires is entitled to be paid in a lump sum,  
 12-59 from funds of the agency or department from which the member  
 12-60 retires, for the member's accrued vacation leave [~~time~~] as of the  
 12-61 date of retirement.

12-62 (b) A payment required by this section is payable on the  
 12-63 date of retirement.

12-64 SECTION 45. Section 661.092, Government Code, is amended to  
 12-65 read as follows:

12-66 Sec. 661.092. COMPUTATION OF PAYMENT. A payment required  
 12-67 by this subchapter shall be computed as provided by Section 661.063  
 12-68 [~~as if the member had taken vacation time, using the member's rate~~  
 12-69 ~~of compensation as of the date of retirement]~~.

13-1 SECTION 46. Section 662.010, Government Code, is amended to  
13-2 read as follows:

13-3 Sec. 662.010. HOLIDAY BEFORE WORK BEGINS OR AFTER WORK  
13-4 ENDS. (a) An individual who is [must be] a state employee on the  
13-5 first workday [before and] after a state or national holiday may not  
13-6 [in order to] be paid for that holiday if:

13-7 (1) the individual is not a state employee on the last  
13-8 workday before the holiday; and

13-9 (2) [, unless] the holiday and the [falls on the  
13-10 employee's] first [or last] workday after the holiday occur during  
13-11 different months [of the month].

13-12 (b) An individual who is a state employee on the last  
13-13 workday before a state or national holiday may not be paid for that  
13-14 holiday if:

13-15 (1) the individual is not a state employee on the first  
13-16 workday after the holiday; and

13-17 (2) the holiday and the last workday before the  
13-18 holiday occur during different months.

13-19 (c) [(-b)] In this section, "state employee":

13-20 (1) includes an individual who uses paid leave from a  
13-21 state agency; and

13-22 (2) does not include an individual who uses unpaid  
13-23 leave from a state agency.

13-24 SECTION 47. Subchapter A, Chapter 2103, Government Code, is  
13-25 amended by adding Section 2103.005 to read as follows:

13-26 Sec. 2103.005. CONFLICTS OF LAW. This chapter prevails  
13-27 over all other law to the extent of any conflict.

13-28 SECTION 48. Chapter 2107, Government Code, is amended by  
13-29 adding Section 2107.009 to read as follows:

13-30 Sec. 2107.009. DEDUCTIONS FOR REPAYMENT OF CERTAIN DEBTS OR  
13-31 TAX DELINQUENCIES. (a) Except as provided by this section, a  
13-32 state agency may deduct the amount of a person's indebtedness to the  
13-33 state or tax delinquency from any amount the agency owes the person  
13-34 or the person's successor. The state agency shall pay to the person  
13-35 or successor any amount remaining after the deduction.

13-36 (b) Subsection (a) applies to a person or the person's  
13-37 successor only if:

13-38 (1) the state agency has provided notice to the person  
13-39 or successor that complies with Subsection (c);

13-40 (2) Section 57.48, Education Code, or Section 403.055  
13-41 of this code prohibits the comptroller from issuing a warrant or  
13-42 initiating an electronic funds transfer to the person or successor;  
13-43 and

13-44 (3) the comptroller is not responsible under Section  
13-45 404.046, 404.069, or 2103.003 for paying the amount owed by the  
13-46 state agency to the person or successor through the issuance of a  
13-47 warrant or initiation of an electronic funds transfer.

13-48 (c) A state agency shall provide notice to a person or the  
13-49 person's successor before deducting the amount of the person's  
13-50 indebtedness to the state or tax delinquency under Subsection (a).  
13-51 The notice must:

13-52 (1) be given in a manner reasonably calculated to give  
13-53 actual notice to the person or successor;

13-54 (2) state the:  
13-55 (A) amount of the indebtedness or the amount of  
13-56 the tax, penalties, interest, and costs due, as applicable; and

13-57 (B) name of the indebted or delinquent person;  
13-58 (3) specify the deadline for paying the amount due;

13-59 and  
13-60 (4) inform the person or successor that unless the  
13-61 amount due is paid before the deadline, the state agency will deduct  
13-62 the amount of the indebtedness or delinquency from the amount the  
13-63 agency owes the person or successor.

13-64 (d) This section does not authorize a state agency to deduct  
13-65 the amount of a state employee's indebtedness to the state from any  
13-66 amount of compensation owed by the agency to the employee, the  
13-67 employee's successor, or the assignee of the employee or successor.  
13-68 In this subsection:

13-69 (1) "compensation" has the meaning assigned by Section

14-1 403.055; and  
 14-2 (2) "indebtedness," "state agency," "state employee,"  
 14-3 and "successor" have the meanings assigned by Section 666.001.

14-4 (e) A state agency shall credit the appropriate fund or  
 14-5 account for any amount deducted under this section if the agency is  
 14-6 the custodian or trustee of that fund or account. The agency shall  
 14-7 remit any amount deducted under this section to the custodian or  
 14-8 trustee of the appropriate fund or account if the agency is not its  
 14-9 custodian or trustee.

14-10 (f) The comptroller may determine the order that a person's  
 14-11 multiple types of indebtedness to the state or tax delinquencies  
 14-12 are deducted from the amount a state agency owes the person or the  
 14-13 person's successor.

14-14 (g) The assignee of a person or the person's successor is  
 14-15 considered to be a successor of the person for the purposes of this  
 14-16 section, except that a deduction under this section from the amount  
 14-17 owed to the assignee of a person or the person's successor may not  
 14-18 be made if the assignment became effective before the person became  
 14-19 indebted to the state or incurred the tax delinquency.

14-20 (h) Except as provided by this section, a state agency may  
 14-21 adopt rules and establish procedures concerning deductions made by  
 14-22 the agency under this section. To the extent of any conflict, rules  
 14-23 adopted or procedures established by the comptroller under  
 14-24 Subsection (i) prevail over the agency's rules or procedures.

14-25 (i) The comptroller may adopt rules and establish  
 14-26 procedures to administer Subsection (f).

14-27 (j) Except as provided by Subsection (d), in this section  
 14-28 "successor" means a person's estate and the distributees of that  
 14-29 estate.

14-30 SECTION 49. Subdivision (1), Section 2115.001, Government  
 14-31 Code, is amended to read as follows:

14-32 (1) "Overpayment" includes a duplicate payment made to  
 14-33 a vendor for a single invoice and a payment made to a vendor:

14-34 (A) when an available discount from the vendor  
 14-35 was not applied;

14-36 (B) for a late payment penalty that was  
 14-37 improperly applied by the vendor;

14-38 (C) for shipping costs that were computed  
 14-39 incorrectly or incorrectly included in an invoice;

14-40 (D) for a ~~[state sales]~~ tax or fee that the state  
 14-41 is not required to pay under applicable law, except that the term  
 14-42 does not include a tax or fee imposed under a law of this state; or

14-43 (E) for a good or service the vendor did not  
 14-44 provide.

14-45 SECTION 50. The heading to Section 2115.003, Government  
 14-46 Code, is amended to read as follows:

14-47 Sec. 2115.003. SCOPE OF ~~[STATE AGENCIES SUBJECT TO]~~  
 14-48 MANDATORY RECOVERY AUDITS.

14-49 SECTION 51. Subsection (b), Section 2115.003, Government  
 14-50 Code, is amended to read as follows:

14-51 (b) The comptroller may exempt from the mandatory recovery  
 14-52 audit process a state agency or a type of payment:

14-53 (1) if the comptroller determines, in accordance with  
 14-54 [that has a low proportion of its expenditures made to vendors,  
 14-55 according to] criteria the comptroller adopts by rule, that the  
 14-56 exemption would be in the best interests of the state; or

14-57 (2) by rule [after consideration of the likely costs  
 14-58 and benefits of performing recovery audits for agencies that make  
 14-59 relatively few or small payments to vendors].

14-60 SECTION 52. Subsection (a), Section 2115.004, Government  
 14-61 Code, is amended to read as follows:

14-62 (a) A state agency shall pay~~[, from recovered money~~  
 14-63 ~~appropriated for the purpose,]~~ the recovery audit consultant  
 14-64 responsible for obtaining for the agency a reimbursement from a  
 14-65 vendor. Unless otherwise prohibited by law, the payment must be  
 14-66 made from recovered money.

14-67 SECTION 53. Section 117.002, Local Government Code, is  
 14-68 amended to read as follows:

14-69 Sec. 117.002. TRANSFER OF UNCLAIMED FUNDS TO COMPTROLLER.

15-1 Any funds deposited under this chapter [~~except cash bail bonds,~~  
15-2 that are presumed abandoned under Chapter 72, 73, or 75, Property  
15-3 Code, shall be reported and delivered by the county or district  
15-4 clerk to the comptroller without further action by any court. The  
15-5 dormancy period for funds deposited under this chapter begins on  
15-6 the later of:

15-7 (1) the date of entry of final judgment or order of  
15-8 dismissal in the action in which the funds were deposited;

15-9 (2) the 18th birthday of the minor for whom the funds  
15-10 were deposited; or

15-11 (3) a reasonable date established by rule by the  
15-12 comptroller to promote the public interest in disposing of  
15-13 unclaimed funds.

15-14 SECTION 54. Section 74.202, Property Code, is amended to  
15-15 read as follows:

15-16 Sec. 74.202. NOTICE FOR ITEM WITH VALUE OF LESS THAN \$200  
15-17 [~~\$100~~]. In the notice required by Section 74.201, the comptroller  
15-18 is not required to publish information regarding an item having a  
15-19 value that is less than \$200 [~~\$100~~] unless the comptroller  
15-20 determines that publication of that information is in the public  
15-21 interest.

15-22 SECTION 55. Subsection (a), Section 74.101, Property Code,  
15-23 is amended to read as follows:

15-24 (a) Each holder who on June 30 holds property that is  
15-25 presumed abandoned under Chapter 72, 73, or 75 of this code or under  
15-26 Chapter 154, Finance Code, shall file a report of that property on  
15-27 or before the following November 1. The comptroller may require the  
15-28 report to be in a particular format, including an electronic [a]  
15-29 format that can be read by a computer. The comptroller may adopt  
15-30 rules to establish threshold requirements for electronic filing by  
15-31 holders.

15-32 SECTION 56. Section 74.301, Property Code, is amended by  
15-33 adding Subsection (d) to read as follows:

15-34 (d) The comptroller may require holders to electronically  
15-35 transmit money subject to delivery under Subsection (a). The  
15-36 comptroller may adopt rules to establish the threshold requirement  
15-37 for electronic transmission of money by holders.

15-38 SECTION 57. Subsection (a), Section 74.401, Property Code,  
15-39 is amended to read as follows:

15-40 (a) Except as provided by Subsection (c) or Section 74.404,  
15-41 the comptroller shall sell at public sale all personal property,  
15-42 other than money and [~~marketable~~] securities, delivered to the  
15-43 comptroller in accordance with Section 74.301. The comptroller  
15-44 shall conduct the sale in the city in this state that the  
15-45 comptroller determines affords the most favorable market for the  
15-46 particular property.

15-47 SECTION 58. Section 74.601, Property Code, is amended by  
15-48 adding Subsection (g) to read as follows:

15-49 (g) If an owner does not assert a claim for unclaimed money  
15-50 and the owner is reported to be the state or a state agency, the  
15-51 comptroller may deposit the unclaimed money to the credit of the  
15-52 general revenue fund. The comptroller may establish procedures and  
15-53 adopt rules as necessary to implement this section.

15-54 SECTION 59. The following laws are repealed:

- 15-55 (1) Section 43.020, Education Code;
- 15-56 (2) Section 661.093, Government Code;
- 15-57 (3) Chapter 2112, Government Code; and
- 15-58 (4) Section 2103.063, Government Code.

15-59 SECTION 60. (a) The changes in law made by this Act to  
15-60 Sections 552.024, 552.117, 552.1175, 552.132, 552.1325, and  
15-61 552.138, Government Code, apply to information, records, and  
15-62 notations collected, made, assembled, or maintained on, before, or  
15-63 after the effective date of this Act.

15-64 (b) The changes in law made by this Act to Sections 552.024,  
15-65 552.117, 552.1175, 552.132, 552.1325, and 552.138, Government  
15-66 Code, apply to a request for information that is received by a  
15-67 governmental body on, before, or after the effective date of this  
15-68 Act.

15-69 (c) In this section, "governmental body" has the meaning

16-1 assigned by Section 552.003, Government Code.

16-2 SECTION 61. A rule adopted by the comptroller of public  
16-3 accounts before the effective date of the changes made by this Act  
16-4 to Chapter 2115, Government Code, is not required to be readopted by  
16-5 the comptroller if the rule is consistent with that chapter as  
16-6 amended by this Act. This section applies only to a rule adopted to  
16-7 administer that chapter.

16-8 SECTION 62. (a) Except as provided by Subsection (e) of  
16-9 this section, this Act takes effect immediately if it receives a  
16-10 vote of two-thirds of all the members elected to each house, as  
16-11 provided by Section 39, Article III, Texas Constitution.

16-12 (b) If this Act does not receive the vote necessary for  
16-13 immediate effect, the changes to or additions or repeal of the  
16-14 following laws made by this Act take effect on the 91st day after  
16-15 the last day of the legislative session:

- 16-16 (1) Section 57.48, Education Code;
- 16-17 (2) Section 231.007, Family Code;
- 16-18 (3) Sections 403.055, 403.0551, 552.024, 552.117,  
16-19 552.1175, 552.132, 552.1325, 552.138, 659.044, 659.046, 661.062,  
16-20 661.063, 661.064, 661.066, 661.067, 661.091, 661.092, 661.093,  
16-21 662.010, 2103.063, 2107.009, 2115.001, 2115.003, and 2115.004,  
16-22 Government Code;

16-23 (4) the headings for Subchapters C and D, Chapter 661,  
16-24 Government Code; and

16-25 (5) Chapter 2112, Government Code.

16-26 (c) If this Act does not receive the vote necessary for  
16-27 immediate effect, the changes to or additions of the following laws  
16-28 made by this Act take effect September 1, 2007:

- 16-29 (1) Articles 103.002, 103.0021, and 103.0031, Code of  
16-30 Criminal Procedure;
- 16-31 (2) Sections 63.202 and 63.302, Education Code;
- 16-32 (3) Sections 25.0015, 25.00211, 26.007, 403.071,  
16-33 404.024, 659.007, 660.024, 660.027, and 660.028, Government Code;
- 16-34 (4) Section 117.002, Local Government Code; and
- 16-35 (5) Sections 74.101, 74.202, 74.301, 74.401, and  
16-36 74.601, Property Code.

16-37 (d) If this Act does not receive the vote necessary for  
16-38 immediate effect, all provisions of this Act not provided for in  
16-39 Subsection (b) or (e) of this section take effect September 1, 2007.

16-40 (e) The changes to or repeal of the following laws made by  
16-41 this Act take effect September 1, 2007:

- 16-42 (1) Sections 43.001, 43.002, and 43.020, Education  
16-43 Code; and
- 16-44 (2) Sections 74.061, 403.016, 659.255, 659.256, and  
16-45 659.257, Government Code.

16-46 \* \* \* \* \*