

Amend CSHB 1277 (house committee printing) as follows:

(1) On page 2, between lines 3 and 4, insert the following:

SECTION 3. Section 481.078, Government Code, is amended by adding Subsections (f-1) and (f-2) to read as follows:

(f-1) An entity that acquires, by merger, acquisition, or other transfer, ownership or control of a grant recipient shall:

(1) report the change in ownership or control to the governor; and

(2) comply with the terms and conditions of the grant agreement entered into by the grant recipient and any other requirement imposed on the grant recipient in connection with the grant award.

(f-2) The grant agreement must include a provision regarding the requirements of Subsection (f-1). A grant recipient that is the subject of a merger, acquisition, or other transfer of ownership or control shall include language in each contract relating to the transfer that informs the acquiring entity of its duties and obligations under Subsection (f-1).

SECTION 4. Sections 481.078(f-1) and (f-2), Government Code, as added by this Act, apply only to an agreement that is entered into on or after the effective date of this Act. An agreement that is entered into before the effective date of this Act is governed by the law in effect on the date the agreement was entered into, and the former law is continued in effect for that purpose.

(2) On page 2, line 4, strike "SECTION 3" and substitute "SECTION 5".

(3) On page 2, strike lines 6 and 7 and substitute the following:

(b) Section 2 of this Act takes effect September 1, 2011.