

By: Darby

H.B. No. 1918

A BILL TO BE ENTITLED

AN ACT

relating to changing the name of the Office of Rural Community Affairs to the Texas Department of Rural Affairs.

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

SECTION 1. Section 12.040(f), Agriculture Code, is amended to read as follows:

(f) The department shall consult with the Texas Department [~~Office~~] of Rural [~~Community~~] Affairs to establish parameters for certification of rural communities under this section.

SECTION 2. Section 38.060(a), Education Code, is amended to read as follows:

(a) This section applies only to a school-based health center serving an area that:

(1) is located in a county with a population not greater than 50,000; or

(2) has been designated under state or federal law as:

(A) a health professional shortage area;

(B) a medically underserved area; or

(C) a medically underserved community by the Texas Department [~~Office~~] of Rural [~~Community~~] Affairs.

SECTION 3. Sections 51.918(a) and (c), Education Code, are amended to read as follows:

(a) The Texas Higher Education Coordinating Board, the Texas Department [~~Office~~] of Rural [~~Community~~] Affairs, medical

1 schools, nursing schools, and schools of allied health sciences  
2 shall cooperate to improve and expand programs for rural areas.

3 (c) The Texas Department [~~Office~~] of Rural [~~Community~~]  
4 Affairs shall develop relief service programs for rural physicians  
5 and allied health personnel to facilitate ready access to  
6 continuing medical education as well as to provide practice  
7 coverage for purposes other than continuing medical education.

8 SECTION 4. Section 58.007(b)(1), Education Code, is amended  
9 to read as follows:

10 (1) The Primary Care Residency Advisory Committee is  
11 created and shall consist of 12 members as follows:

12 (A) seven members shall be licensed physicians,  
13 one appointed by each of the following:

14 (i) the Texas Medical Association;

15 (ii) the Texas Osteopathic Medical  
16 Association;

17 (iii) the Texas Academy of Family  
18 Physicians;

19 (iv) the Texas Society of the American  
20 College of Osteopathic Family Physicians;

21 (v) the Texas Society of Internal Medicine;

22 (vi) the Texas Pediatric Society; and

23 (vii) the Texas Association of  
24 Obstetricians and Gynecologists;

25 (B) one member shall be appointed by the Texas  
26 Department [~~Office~~] of Rural [~~Community~~] Affairs;

27 (C) one member shall be appointed by the Bureau

1 of Community Oriented Primary Care at the [~~Texas~~] Department of  
2 State Health Services; and

3 (D) three members shall be members of the public,  
4 one appointed by each of the following:

5 (i) the governor;

6 (ii) the lieutenant governor; and

7 (iii) the speaker of the house of  
8 representatives.

9 SECTION 5. Section 61.0899, Education Code, is amended to  
10 read as follows:

11 Sec. 61.0899. ASSISTANCE IN CERTAIN RURAL HEALTH CARE LOAN  
12 REIMBURSEMENT AND STIPEND PROGRAMS. The board shall, in  
13 cooperation with the Texas Department [~~Office~~] of Rural [~~Community~~]  
14 Affairs and the department's [~~office's~~] advisory panel established  
15 under Section 487.552, Government Code, ensure that the board seeks  
16 to obtain the maximum amount of funds from any source, including  
17 federal funds, to support programs to provide student loan  
18 reimbursement or stipends for graduates of degree programs in this  
19 state who practice or agree to practice in a medically underserved  
20 community.

21 SECTION 6. Section 403.1065(c), Government Code, is amended  
22 to read as follows:

23 (c) The available earnings of the fund may be appropriated  
24 to the Texas Department [~~Office~~] of Rural [~~Community~~] Affairs for  
25 the purposes of Subchapter H, Chapter 487.

26 SECTION 7. Section 405.021(c), Government Code, is amended  
27 to read as follows:

1 (c) The secretary of state shall compile information  
2 received from the Texas Department [~~Office~~] of Rural [~~Community~~]  
3 Affairs, the Texas Water Development Board, the Texas  
4 Transportation Commission, the Texas Department of Housing and  
5 Community Affairs, the Department of State Health Services, the  
6 Texas Commission on Environmental Quality, the Health and Human  
7 Services Commission, the Texas Cooperative Extension, councils of  
8 governments, an institution of higher education that receives  
9 funding from the state for projects that provide assistance to  
10 colonias, and any other agency considered appropriate by the  
11 secretary of state for purposes of the classification system.

12 SECTION 8. The heading to Chapter 487, Government Code, is  
13 amended to read as follows:

14 CHAPTER 487. TEXAS DEPARTMENT [~~OFFICE~~] OF RURAL  
15 [~~COMMUNITY~~] AFFAIRS

16 SECTION 9. Section 487.001, Government Code, is amended to  
17 read as follows:

18 Sec. 487.001. DEFINITIONS. In this chapter:

19 (1) "Board" means the board of the Texas Department  
20 [~~Office~~] of Rural [~~Community~~] Affairs.

21 (2) "Department" [~~"Office"~~] means the Texas  
22 Department [~~Office~~] of Rural [~~Community~~] Affairs.

23 SECTION 10. Section 487.002, Government Code, is amended to  
24 read as follows:

25 Sec. 487.002. SUNSET PROVISION. The Texas Department  
26 [~~Office~~] of Rural [~~Community~~] Affairs is subject to Chapter 325  
27 (Texas Sunset Act). Unless continued in existence as provided by

1 that chapter, the department [~~office~~] is abolished and this chapter  
2 expires September 1, 2013.

3 SECTION 11. Section 487.021(a), Government Code, is amended  
4 to read as follows:

5 (a) The board is the governing body of the department  
6 [~~office~~].

7 SECTION 12. Sections 487.022(b) and (c), Government Code,  
8 are amended to read as follows:

9 (b) A person may not be a member of the board and may not be a  
10 department [~~an office~~] employee employed in a "bona fide executive,  
11 administrative, or professional capacity," as that phrase is used  
12 for purposes of establishing an exemption to the overtime  
13 provisions of the federal Fair Labor Standards Act of 1938 (29  
14 U.S.C. Section 201 et seq.) and its subsequent amendments, if:

15 (1) the person is an officer, employee, or paid  
16 consultant of a Texas trade association in the field of rural  
17 affairs; or

18 (2) the person's spouse is an officer, manager, or paid  
19 consultant of a Texas trade association in the field of rural  
20 affairs.

21 (c) A person may not be a member of the board or act as the  
22 general counsel to the board or the department [~~office~~] if the  
23 person is required to register as a lobbyist under Chapter 305  
24 because of the person's activities for compensation on behalf of a  
25 profession related to the operation of the department [~~office~~].

26 SECTION 13. Section 487.023(b), Government Code, is amended  
27 to read as follows:

1 (b) The training program must provide the person with  
2 information regarding:

3 (1) the legislation that created the department  
4 ~~[office]~~;

5 (2) the programs, functions, rules, and budget of the  
6 department ~~[office]~~;

7 (3) the results of the most recent formal audit of the  
8 department ~~[office]~~;

9 (4) the requirements of laws relating to open  
10 meetings, public information, administrative procedure, and  
11 conflicts of interest; and

12 (5) any applicable ethics policies adopted by the  
13 department ~~[office]~~ or the Texas Ethics Commission.

14 SECTION 14. Section 487.025, Government Code, is amended to  
15 read as follows:

16 Sec. 487.025. DIVISION OF RESPONSIBILITY. The board shall  
17 develop and implement policies that clearly separate the  
18 policy-making responsibilities of the board and the management  
19 responsibilities of the executive director and staff of the  
20 department ~~[office]~~.

21 SECTION 15. Section 487.026(a), Government Code, is amended  
22 to read as follows:

23 (a) The board may hire an executive director to serve as the  
24 chief executive officer of the department ~~[office]~~ and to perform  
25 the administrative duties of the department ~~[office]~~.

26 SECTION 16. Section 487.027, Government Code, is amended to  
27 read as follows:

1           Sec. 487.027. PUBLIC HEARINGS. The board shall develop and  
2 implement policies that provide the public with a reasonable  
3 opportunity to appear before the board and to speak on any issue  
4 under the jurisdiction of the department [~~office~~].

5           SECTION 17. Section 487.028(b), Government Code, is amended  
6 to read as follows:

7           (b) The policy statement must include:

8                   (1) personnel policies, including policies relating  
9 to recruitment, evaluation, selection, training, and promotion of  
10 personnel, that show the intent of the department [~~office~~] to avoid  
11 the unlawful employment practices described by Chapter 21, Labor  
12 Code; and

13                   (2) an analysis of the extent to which the composition  
14 of the department's [~~office's~~] personnel is in accordance with  
15 state and federal law and a description of reasonable methods to  
16 achieve compliance with state and federal law.

17           SECTION 18. Section 487.030, Government Code, is amended to  
18 read as follows:

19           Sec. 487.030. COMPLAINTS. (a) The department [~~office~~]  
20 shall maintain a system to promptly and efficiently act on  
21 complaints filed with the department [~~office~~]. The department  
22 [~~office~~] shall maintain information about parties to the complaint,  
23 the subject matter of the complaint, a summary of the results of the  
24 review or investigation of the complaint, and its disposition.

25           (b) The department [~~office~~] shall make information  
26 available describing its procedures for complaint investigation  
27 and resolution.

1 (c) The department [~~office~~] shall periodically notify the  
2 complaint parties of the status of the complaint until final  
3 disposition.

4 SECTION 19. Section 487.031, Government Code, is amended to  
5 read as follows:

6 Sec. 487.031. USE OF TECHNOLOGY. The board shall implement  
7 a policy requiring the department [~~office~~] to use appropriate  
8 technological solutions to improve the department's [~~office's~~]  
9 ability to perform its functions. The policy must ensure that the  
10 public is able to interact with the department [~~office~~] on the  
11 Internet.

12 SECTION 20. Section 487.032, Government Code, is amended to  
13 read as follows:

14 Sec. 487.032. NEGOTIATED RULEMAKING AND ALTERNATIVE  
15 DISPUTE RESOLUTION PROCEDURES. (a) The board shall develop and  
16 implement a policy to encourage the use of:

17 (1) negotiated rulemaking procedures under Chapter  
18 2008 for the adoption of department [~~office~~] rules; and

19 (2) appropriate alternative dispute resolution  
20 procedures under Chapter 2009 to assist in the resolution of  
21 internal and external disputes under the department's [~~office's~~]  
22 jurisdiction.

23 (b) The department's [~~office's~~] procedures relating to  
24 alternative dispute resolution must conform, to the extent  
25 possible, to any model guidelines issued by the State Office of  
26 Administrative Hearings for the use of alternative dispute  
27 resolution by state agencies.



1 (c) The board shall designate a trained person to:

2 (1) coordinate the implementation of the policy  
3 adopted under Subsection (a);

4 (2) serve as a resource for any training needed to  
5 implement the procedures for negotiated rulemaking or alternative  
6 dispute resolution; and

7 (3) collect data concerning the effectiveness of those  
8 procedures, as implemented by the department [~~office~~].

9 SECTION 21. Section 487.051, Government Code, as amended by  
10 Chapters 560 (S.B. 1440) and 1241 (H.B. 2542), Acts of the 80th  
11 Legislature, Regular Session, 2007, is reenacted and amended to  
12 read as follows:

13 Sec. 487.051. POWERS AND DUTIES. (a) The department  
14 [~~office~~] shall:

15 (1) assist rural communities in the key areas of  
16 economic development, community development, rural health, and  
17 rural housing;

18 (2) serve as a clearinghouse for information and  
19 resources on all state and federal programs affecting rural  
20 communities;

21 (3) in consultation with rural community leaders,  
22 locally elected officials, state elected and appointed officials,  
23 academic and industry experts, and the interagency work group  
24 created under this chapter, identify and prioritize policy issues  
25 and concerns affecting rural communities in the state;

26 (4) make recommendations to the legislature to address  
27 the concerns affecting rural communities identified under

1 Subdivision (3);

2 (5) monitor developments that have a substantial  
3 effect on rural Texas communities, especially actions of state  
4 government, and compile an annual report describing and evaluating  
5 the condition of rural communities;

6 (6) administer the federal community development  
7 block grant nonentitlement program;

8 (7) administer programs supporting rural health care  
9 as provided by this chapter;

10 (8) perform research to determine the most beneficial  
11 and cost-effective ways to improve the welfare of rural  
12 communities;

13 (9) ensure that the department [~~office~~] qualifies as  
14 the state's office of rural health for the purpose of receiving  
15 grants from the Office of Rural Health Policy of the United States  
16 Department of Health and Human Services under 42 U.S.C. Section  
17 254r;

18 (10) manage the state's Medicare rural hospital  
19 flexibility program under 42 U.S.C. Section 1395i-4;

20 (11) seek state and federal money available for  
21 economic development in rural areas for programs under this  
22 chapter; [~~and~~]

23 (12) in conjunction with the Department of  
24 Agriculture, regularly cross-train department [~~office~~] employees  
25 with employees of the Department of Agriculture regarding the  
26 programs administered and services provided by each agency to rural  
27 communities; and

1           (13) [~~(11)~~] work with interested persons to assist  
2 volunteer fire departments and emergency services districts in  
3 rural areas.

4           (b) The department [~~office~~] may require department [~~office~~]  
5 employees who work at locations other than the central office to be  
6 based in Department of Agriculture offices.

7           SECTION 22. Section 487.053(a), Government Code, is amended  
8 to read as follows:

9           (a) The department [~~office~~] may accept gifts, grants, and  
10 donations from any organization for the purpose of funding any  
11 activity under this chapter, and the department [~~office~~] shall  
12 actively seek funding from appropriate nonprofit foundations.

13           SECTION 23. Section 487.054(a), Government Code, is amended  
14 to read as follows:

15           (a) At least once each year, the following agency heads or  
16 their designees shall meet in Austin to discuss rural issues and to  
17 provide information showing the impact each agency has on rural  
18 communities for use in developing rural policy and compiling the  
19 annual report under Section 487.051(a)(5) [~~487.051(4)~~]:

20                   (1) the commissioner of agriculture;

21                   (2) the executive director of the Public Utility  
22 Commission of Texas;

23                   (3) the director of the Texas Agricultural Extension  
24 Service;

25                   (4) the executive director of the Texas Department of  
26 Housing and Community Affairs;

27                   (5) the commissioner of the Department of State Health

- 1 Services;
- 2           (6) the executive administrator of the Texas Water
- 3 Development Board;
- 4           (7) the executive director of the Parks and Wildlife
- 5 Department;
- 6           (8) the commissioner of higher education;
- 7           (9) the comptroller;
- 8           (10) the executive director of the Texas Department of
- 9 Transportation;
- 10           (11) the executive director of the Texas Commission on
- 11 Environmental Quality;
- 12           (12) the executive director of the Texas Economic
- 13 Development and Tourism Office;
- 14           (13) the commissioner of insurance;
- 15           (14) the commissioner of the Department of Aging and
- 16 Disability Services;
- 17           (15) the commissioner of education;
- 18           (16) the executive commissioner of the Health and
- 19 Human Services Commission;
- 20           (17) the executive director of the Texas Workforce
- 21 Commission;
- 22           (18) the executive director of the Texas Historical
- 23 Commission;
- 24           (19) a member of the Railroad Commission of Texas;
- 25           (20) the executive director of the State Soil and
- 26 Water Conservation Board;
- 27           (21) the executive director of the department

1 [~~office~~]; and

2 (22) the head of any other agency interested in rural  
3 issues.

4 SECTION 24. Section 487.0541(c), Government Code, is  
5 amended to read as follows:

6 (c) The work group shall meet at the call of the executive  
7 director of the department [~~office~~].

8 SECTION 25. Section 487.056, Government Code, is amended to  
9 read as follows:

10 Sec. 487.056. REPORT TO LEGISLATURE. (a) Not later than  
11 January 1 of each odd-numbered year, the department [~~office~~] shall  
12 submit a biennial report to the legislature regarding the  
13 activities of the department [~~office~~], the activities of the Texas  
14 Rural Foundation, and any findings and recommendations relating to  
15 rural issues.

16 (b) The department [~~office~~] shall obtain information from  
17 each county about indigent health care provided in the county and  
18 information from each university, medical school, rural community,  
19 or rural health care provider that has performed a study relating to  
20 rural health care during the biennium. The department [~~office~~]  
21 shall include the information obtained under this subsection in the  
22 department's [~~office's~~] report to the legislature.

23 (c) The department [~~office~~] shall obtain information on the  
24 availability of housing in rural communities throughout the state  
25 for all income levels. The department [~~office~~] shall include the  
26 information, and the department's [~~office's~~] assessment of the  
27 information, in the department's [~~office's~~] report to the

1 legislature.

2 SECTION 26. Section 487.057, Government Code, is amended to  
3 read as follows:

4 Sec. 487.057. RURAL HEALTH WORK PLAN. (a) The department  
5 [~~office~~] shall develop, implement, and update a rural health work  
6 plan.

7 (b) The department [~~office~~] shall submit the rural health  
8 work plan to the board for approval. The board shall approve the  
9 rural health work plan not later than August 1 of each odd-numbered  
10 year.

11 (c) The department [~~office~~] shall work with health care  
12 providers, rural communities, universities, and all health and  
13 human service related state agencies to develop the rural health  
14 work plan. The department [~~office~~] shall solicit public comment on  
15 the rural health work plan.

16 (d) The rural health work plan must identify:

17 (1) the mission, goals, and objectives of how the  
18 department [~~office~~] will work to assist rural communities in  
19 meeting rural health care needs;

20 (2) ways for the state to effectively and creatively  
21 address the unmet health care needs of rural communities;

22 (3) ways to coordinate the administration and delivery  
23 of rural health care service with federal, state, and local public  
24 and private programs that provide similar services; and

25 (4) the department's [~~office's~~] priorities to  
26 accomplish the objectives of the plan.

27 SECTION 27. Section 487.058, Government Code, is amended to

1 read as follows:

2           Sec. 487.058. CONTRACT FOR ADMINISTRATIVE SERVICES. (a)  
3 The department [~~office~~] shall enter into an interagency contract  
4 with another state agency to provide routine administrative  
5 services for the department [~~office~~].

6           (b) The Legislative Budget Board and the Department of  
7 Information Resources shall:

8                   (1) evaluate and recommend the most efficient and  
9 appropriate ways to obtain the administrative services under  
10 Subsection (a); and

11                   (2) assist the department [~~office~~] with contracting  
12 and any other matters relating to obtaining the administrative  
13 services in the most efficient manner.

14           SECTION 28. Sections 487.059(c) and (e), Government Code,  
15 are amended to read as follows:

16           (c) If the executive director or another department  
17 [~~office~~] employee has a financial interest in an entity that  
18 applies for a monetary award, the executive director or employee:

19                   (1) shall, as soon as possible, disclose to the board  
20 the fact of the director's or employee's financial interest;

21                   (2) may not participate in staff evaluations regarding  
22 the monetary award; and

23                   (3) if the executive director or employee under  
24 department [~~office~~] procedures may vote, or make a recommendation  
25 concerning a vote, on a matter that involves the monetary award:

26                           (A) shall disclose the fact of the director's or  
27 employee's financial interest before a vote on the monetary award,

1 which the board or committee shall enter into the minutes of the  
2 meeting at which a vote on the monetary award is taken; and

3 (B) may not vote on or otherwise participate in a  
4 discussion or any other activity that relates to awarding the  
5 monetary award.

6 (e) Subsections (f) and (g) apply only to a member of the  
7 board or a committee who is employed by:

8 (1) an entity that offers to enter into a contract with  
9 the department [~~office~~]; or

10 (2) an entity that is under common ownership or  
11 governance with or otherwise affiliated with an entity that applies  
12 for a monetary award or offers to enter into a contract with the  
13 department [~~office~~].

14 SECTION 29. Sections 487.060(b) and (d), Government Code,  
15 are amended to read as follows:

16 (b) To assist the secretary of state in preparing the report  
17 required under Section 405.021, the department [~~office~~] on a  
18 quarterly basis shall provide a report to the secretary of state  
19 detailing any projects funded by the department [~~office~~] that serve  
20 colonias by providing water or wastewater services, paved roads, or  
21 other assistance.

22 (d) The department [~~office~~] shall require an applicant for  
23 funds administered by the department [~~office~~] to submit to the  
24 department [~~office~~] a colonia classification number, if one exists,  
25 for each colonia that may be served by the project proposed in the  
26 application. If a colonia does not have a classification number,  
27 the department [~~office~~] may contact the secretary of state or the



1 secretary of state's representative to obtain a number. On request  
2 of the department [~~office~~], the secretary of state or the secretary  
3 of state's representative shall assign a classification number.

4 SECTION 30. Section 487.061(a), Government Code, is amended  
5 to read as follows:

6 (a) The department [~~office~~] shall establish a program to  
7 provide interested rural communities with:

8 (1) general information about emergency services  
9 districts;

10 (2) information and training related to the  
11 establishment of an emergency services district; and

12 (3) technical assistance related to the  
13 implementation of an emergency services district.

14 SECTION 31. Section 487.102, Government Code, is amended to  
15 read as follows:

16 Sec. 487.102. ADMINISTRATION. The department [~~office~~]  
17 shall administer or contract for the administration of the program.

18 SECTION 32. Section 487.104(b), Government Code, is amended  
19 to read as follows:

20 (b) The selection committee shall make selections based on  
21 criteria approved by the board and adopted as a rule of the  
22 department [~~office~~].

23 SECTION 33. Section 487.105(b), Government Code, is amended  
24 to read as follows:

25 (b) If a person is neither a high school student nor an  
26 undergraduate student, the person must be eligible for  
27 participation in the competition under rules adopted by the

1 department [~~office~~].

2 SECTION 34. Section 487.109(d), Government Code, is amended  
3 to read as follows:

4 (d) Any amount of loan principal or interest that is not  
5 forgiven under this section shall be repaid to the department  
6 [~~office~~] with reasonable collection fees in a timely manner as  
7 provided by board rule.

8 SECTION 35. Sections 487.110(b), (c), (d), and (e),  
9 Government Code, are amended to read as follows:

10 (b) The fund consists of legislative appropriations, gifts,  
11 grants, donations, the market value of in-kind contributions, and  
12 principal and interest payments on forgivable loans deposited to  
13 the credit of the fund by the department [~~office~~].

14 (c) The department [~~office~~] shall administer the fund.

15 (d) The department [~~office~~] shall allocate the fund, as  
16 available, for forgivable loans under this subchapter.

17 (e) The department [~~office~~] shall deposit any principal and  
18 interest payments on forgivable loans to the credit of the fund.

19 SECTION 36. Section 487.111(b), Government Code, is amended  
20 to read as follows:

21 (b) The department [~~office~~] shall require reports from  
22 students and postsecondary educational institutions as needed to  
23 monitor the program. After receiving any necessary releases as a  
24 condition of providing assistance, the department [~~office~~] shall  
25 distribute reports relating to the progress of an outstanding rural  
26 scholar to the community sponsoring the scholar.

27 SECTION 37. Section 487.151(4), Government Code, is amended

1 to read as follows:

2 (4) "Qualified area" means an area qualifying under  
3 the National Health Services Corps Community Scholarship Program or  
4 an area with similar characteristics as identified by the  
5 department [~~office~~].

6 SECTION 38. Section 487.152, Government Code, is amended to  
7 read as follows:

8 Sec. 487.152. ADMINISTRATION. (a) The department [~~office~~]  
9 shall administer or contract for the administration of the program.

10 (b) The department [~~office~~] may solicit and accept gifts,  
11 grants, donations, and contributions to support the program.

12 SECTION 39. Section 487.153, Government Code, is amended to  
13 read as follows:

14 Sec. 487.153. HEALTH CAREERS PROMOTION. The department  
15 [~~office~~] may establish a program to work with students,  
16 communities, and community-based organizations to encourage high  
17 school students to pursue health care professional careers. The  
18 department [~~office~~] shall give priority to working with communities  
19 and students in qualified areas.

20 SECTION 40. Section 487.158(b), Government Code, is amended  
21 to read as follows:

22 (b) The contract must provide that if the student does not  
23 provide the required services to the community or provides those  
24 services for less than the required time, the student is personally  
25 liable to the state for:

26 (1) the total amount of assistance the student  
27 receives from the department [~~office~~] and the sponsoring community;

1           (2) interest on the total amount at a rate set by the  
2 board; and

3           (3) the state's reasonable expenses incurred in  
4 obtaining payment, including reasonable attorney's fees.

5           SECTION 41. Sections 487.160(b), (c), (d), (e), and (f),  
6 Government Code, are amended to read as follows:

7           (b) The department [~~office~~] shall administer the fund.

8           (c) The fund consists of gifts, grants, donations, the  
9 market value of in-kind contributions, and principal and interest  
10 payments on forgivable loans deposited to the credit of the fund by  
11 the department [~~office~~].

12           (d) The department [~~office~~] shall deposit any principal and  
13 interest payments on forgivable loans to the credit of the fund.

14           (e) The department [~~office~~] shall allocate the fund, as  
15 available, for forgivable loans and community repayment under this  
16 subchapter.

17           (f) Unless otherwise provided by the General Appropriations  
18 Act, the department [~~office~~] may use money appropriated to the  
19 department [~~office~~] to support the fund.

20           SECTION 42. Section 487.161(a), Government Code, is amended  
21 to read as follows:

22           (a) The department [~~office~~] shall require reports from  
23 students, communities, and postsecondary educational institutions  
24 as needed to monitor the program. After receiving any necessary  
25 releases as a condition of providing assistance, the department  
26 [~~office~~] shall distribute reports relating to the progress of a  
27 student to the community sponsoring the student.

1 SECTION 43. Section 487.162, Government Code, is amended to  
2 read as follows:

3 Sec. 487.162. PROGRAM PROMOTION. The department [~~office~~]  
4 shall provide postsecondary educational institutions and  
5 communities in qualified areas with information about health care  
6 careers and loan opportunities, including information on  
7 eligibility and availability of funds under this subchapter.

8 SECTION 44. Section 487.201(1), Government Code, is amended  
9 to read as follows:

10 (1) "Medically underserved community" means:

11 (A) a community located in an area in this state  
12 with a medically underserved population;

13 (B) a community located in an area in this state  
14 designated by the United States secretary of health and human  
15 services as an area with a shortage of personal health services;

16 (C) a population group designated by the United  
17 States secretary of health and human services as having a shortage  
18 of personal health services;

19 (D) a community designated under state or federal  
20 law as a medically underserved community; or

21 (E) a community that the department [~~office~~]  
22 considers to be medically underserved based on relevant  
23 demographic, geographic, and environmental factors.

24 SECTION 45. Sections 487.202(b) and (d), Government Code,  
25 are amended to read as follows:

26 (b) A medically underserved community may sponsor a  
27 physician who has completed a primary care residency program and

1 has agreed to provide primary care in the community by contributing  
2 start-up money for the physician and having that contribution  
3 matched wholly or partly by state money appropriated to the  
4 department [~~office~~] for that purpose.

5 (d) The department [~~office~~] may not pay more than \$25,000 to  
6 a community in a fiscal year unless the board makes a specific  
7 finding of need by the community.

8 SECTION 46. Section 487.203, Government Code, is amended to  
9 read as follows:

10 Sec. 487.203. ELIGIBILITY. To be eligible to receive money  
11 from the department [~~office~~], a medically underserved community  
12 must:

- 13 (1) apply for the money; and
- 14 (2) provide evidence satisfactory to the board that it  
15 has entered into an agreement with a physician for the physician to  
16 provide primary care in the community for at least two years.

17 SECTION 47. Section 487.204, Government Code, is amended to  
18 read as follows:

19 Sec. 487.204. RULES. The board shall adopt rules necessary  
20 for the administration of this subchapter, including rules  
21 addressing:

- 22 (1) eligibility criteria for a medically underserved  
23 community;
- 24 (2) eligibility criteria for a physician;
- 25 (3) minimum and maximum community contributions to the  
26 start-up money for a physician to be matched with state money;
- 27 (4) conditions under which state money must be repaid

1 by a community or physician;

2 (5) procedures for disbursement of money by the  
3 department [~~office~~];

4 (6) the form and manner in which a community must make  
5 its contribution to the start-up money; and

6 (7) the contents of an agreement to be entered into by  
7 the parties, which must include at least:

8 (A) a credit check for an eligible physician; and

9 (B) community retention of interest in any  
10 property, equipment, or durable goods for seven years.

11 SECTION 48. Section 487.252(a), Government Code, is amended  
12 to read as follows:

13 (a) The board shall establish a program in the department  
14 [~~office~~] to assist communities in recruiting and retaining  
15 physicians to practice in medically underserved areas.

16 SECTION 49. Section 487.253, Government Code, is amended to  
17 read as follows:

18 Sec. 487.253. ADMINISTRATION. (a) The board shall adopt  
19 rules necessary to administer this subchapter, and the department  
20 [~~office~~] shall administer the program in accordance with those  
21 rules.

22 (b) The department [~~office~~] may not spend for the  
23 department's [~~office's~~] administrative costs in administering the  
24 program more than 10 percent of the amount appropriated to  
25 implement this subchapter.

26 SECTION 50. Section 487.254(a), Government Code, is amended  
27 to read as follows:

1           (a) The department [~~office~~] may award a stipend to a  
2 physician under this subchapter if the physician enters into a  
3 written contract to provide services in a medically underserved  
4 area for at least one year for each year that the physician receives  
5 the stipend.

6           SECTION 51. Sections 487.255(a) and (b), Government Code,  
7 are amended to read as follows:

8           (a) The department [~~office~~] shall award stipends to  
9 physicians for one-year periods. A stipend awarded under this  
10 subchapter may not exceed \$15,000 each year.

11           (b) The department [~~office~~] may renew a stipend used to  
12 assist a particular physician.

13           SECTION 52. Section 487.256, Government Code, is amended to  
14 read as follows:

15           Sec. 487.256. FUNDING. The department [~~office~~] may seek,  
16 receive, and spend money received through an appropriation, grant,  
17 donation, or reimbursement from any public or private source to  
18 implement this subchapter.

19           SECTION 53. Section 487.302, Government Code, is amended to  
20 read as follows:

21           Sec. 487.302. POWERS OF DEPARTMENT [~~OFFICE~~]. In  
22 administering this subchapter, the department [~~office~~] may:

23           (1) enter into and enforce contracts and execute and  
24 deliver conveyances and other instruments necessary to make and  
25 administer grants, loans, and loan guarantees under this  
26 subchapter;

27           (2) employ personnel and counsel necessary to



1 implement this subchapter and pay them from money appropriated for  
2 that purpose;

3 (3) impose and collect reasonable fees and charges in  
4 connection with grants, loans, and loan guarantees made under this  
5 subchapter and provide reasonable penalties for delinquent payment  
6 of fees, charges, or loan repayments;

7 (4) take and enforce a mortgage or appropriate  
8 security interest in real or personal property that a loan  
9 recipient acquires with the proceeds of a loan made under this  
10 subchapter; and

11 (5) adopt rules necessary to implement the grant,  
12 loan, and loan guarantee program.

13 SECTION 54. Section 487.303(a), Government Code, is amended  
14 to read as follows:

15 (a) The department [~~office~~] may use money appropriated to  
16 the department [~~office~~] under Section 403.1065 to make a grant or  
17 low-interest loan to, or guarantee a loan for, a public or nonprofit  
18 hospital located in a rural county.

19 SECTION 55. Section 487.304, Government Code, is amended to  
20 read as follows:

21 Sec. 487.304. ELIGIBILITY FOR GRANT, LOAN, OR LOAN  
22 GUARANTEE; INTEREST RATE. (a) The department [~~office~~] shall adopt  
23 rules that establish eligibility criteria for receiving a grant,  
24 loan, or loan guarantee under this subchapter.

25 (b) The rules must state generally the factors the  
26 department [~~office~~] will consider in determining whether an  
27 applicant should receive a grant, loan, or loan guarantee. The

1 rules must consider at least the financial need of the applicant,  
2 the health care needs of the rural area served by the applicant, and  
3 the probability that the applicant will effectively and efficiently  
4 use the money obtained through the grant, loan, or loan guarantee to  
5 meet the health care needs of the rural area served by the  
6 applicant.

7 (c) The rules must state generally the factors the  
8 department [~~office~~] will consider in determining the extent to  
9 which the interest rate on a loan should be below market rates.

10 SECTION 56. Section 487.351, Government Code, is amended to  
11 read as follows:

12 Sec. 487.351. ADMINISTRATION OF COMMUNITY DEVELOPMENT  
13 BLOCK GRANT PROGRAM; ALLOCATION OF FUNDS. (a) The department  
14 [~~office~~] shall, under the Omnibus Budget Reconciliation Act of 1981  
15 (Pub.L. No. 97-35) and 24 CFR, Part 570, Subpart I, administer the  
16 state's allocation of federal funds provided under the community  
17 development block grant nonentitlement program authorized by Title  
18 I of the Housing and Community Development Act of 1974 (42 U.S.C.  
19 Section 5301 et seq.).

20 (b) Community development block grant program funds shall  
21 be allocated to eligible counties and municipalities under  
22 department [~~office~~] rules.

23 (c) The department [~~office~~] shall give priority to eligible  
24 activities in the areas of economic development, community  
25 development, rural health, and rural housing to support workforce  
26 development in awarding funding for community development block  
27 grant programs.

1 SECTION 57. Section 487.352, Government Code, is amended to  
2 read as follows:

3 Sec. 487.352. TRANSFER OF FEDERAL FUNDS. (a) The  
4 department [~~office~~] may enter into an interagency agreement with  
5 the Department of Agriculture to reimburse the Department of  
6 Agriculture for providing on behalf of the department [~~office~~]  
7 marketing, underwriting, and any other services on the portion of  
8 the federal community development block grant funds allocated by  
9 the department [~~office~~] for economic development activities.

10 (b) The department [~~office~~] shall allocate not more than 20  
11 percent of the federal funds received by the department [~~office~~] to  
12 the Department of Agriculture to be used for economic development  
13 activities.

14 (c) The department [~~office~~] shall allocate not more than  
15 five percent of the funds allocated to the Department of  
16 Agriculture under Subsection (b) to be used for county economic and  
17 management development.

18 (d) The department [~~office~~] shall monitor the activities  
19 undertaken by the Department of Agriculture under this section.

20 SECTION 58. Section 487.353(i), Government Code, is amended  
21 to read as follows:

22 (i) The committee shall:

23 (1) consult with and advise the executive director on  
24 the administration and enforcement of the community development  
25 block grant program; and

26 (2) in consultation with the executive director and  
27 department [~~office~~] staff, review and approve grant and loan

1 applications and associated funding awards of eligible counties and  
2 municipalities and advise and assist the executive director  
3 regarding the allocation of program funds to those applicants.

4 SECTION 59. Section 487.354, Government Code, is amended to  
5 read as follows:

6 Sec. 487.354. FINANCIAL ASSISTANCE FOR INSTALLATION OF  
7 STREET LIGHTS IN COLONIAS. (a) In this section, "colonia" means an  
8 identifiable unincorporated community, or an identifiable  
9 community annexed by a municipality and eligible for assistance as  
10 described by Section 43.907(b), Local Government Code, that:

11 (1) is located within 150 miles of the international  
12 border of this state in a county that is eligible to receive  
13 financial assistance from the community development block grant  
14 colonia fund under this subchapter, as identified by department  
15 ~~[office]~~ rule;

16 (2) is determined by the department ~~[office]~~ to be a  
17 colonia on the basis of objective criteria, including lack of  
18 potable water supply, lack of adequate sewage systems, and lack of  
19 decent, safe, and sanitary housing; and

20 (3) was in existence and generally recognized as a  
21 colonia before November 28, 1990.

22 (b) The department ~~[office]~~ shall adopt a rule requiring a  
23 political subdivision that receives community development block  
24 grant program money targeted toward street improvement projects to  
25 allocate not less than five percent but not more than 15 percent of  
26 the total amount of targeted money to providing financial  
27 assistance to colonias within the political subdivision to enable

1 the installation of adequate street lighting in those colonias if  
2 street lighting is absent or needed.

3 SECTION 60. Section 487.401(b), Government Code, is amended  
4 to read as follows:

5 (b) At the hospital's request, the department [~~office~~]  
6 shall designate the hospital as a rural hospital if the hospital  
7 meets the requirements for a rural hospital under the board's  
8 rules.

9 SECTION 61. Section 487.452(b), Government Code, is amended  
10 to read as follows:

11 (b) In connection with the program, the department [~~office~~]  
12 shall establish and maintain an updated medical resource library  
13 that contains information relating to medical careers. The  
14 department [~~office~~] shall make the library available to school  
15 counselors, students, and parents of students.

16 SECTION 62. Section 487.453, Government Code, is amended to  
17 read as follows:

18 Sec. 487.453. ADMINISTRATION. (a) The department [~~office~~]  
19 shall administer or contract for the administration of the program.

20 (b) The department [~~office~~] may solicit and accept gifts,  
21 grants, donations, and contributions to support the program.

22 (c) The department [~~office~~] may administer the program in  
23 cooperation with other public and private entities.

24 (d) The department [~~office~~], in consultation with Area  
25 Health Education Center Programs, shall coordinate the program with  
26 similar programs, including programs relating to workforce  
27 development, scholarships for education, and employment of

1 students, that are administered by other agencies, such as the  
2 Texas Workforce Commission and local workforce development boards.

3 SECTION 63. Section 487.501(1), Government Code, is amended  
4 to read as follows:

5 (1) "Rural community" means a rural area as defined by  
6 the department [~~office~~].

7 SECTION 64. Section 487.502, Government Code, is amended to  
8 read as follows:

9 Sec. 487.502. GIFTS AND GRANTS. The department [~~office~~]  
10 may accept gifts, grants, and donations to support the rural  
11 physician recruitment program.

12 SECTION 65. Section 487.503(a), Government Code, is amended  
13 to read as follows:

14 (a) The department [~~office~~] shall establish a process in  
15 consultation with the Texas Higher Education Coordinating Board for  
16 selecting Texas medical schools to recruit students from rural  
17 communities and encourage them to return to rural communities to  
18 practice medicine.

19 SECTION 66. Section 487.551(2), Government Code, is amended  
20 to read as follows:

21 (2) "Medically underserved community" means a  
22 community that:

23 (A) is located in a county with a population of  
24 50,000 or less;

25 (B) has been designated under state or federal  
26 law as:

27 (i) a health professional shortage area; or

1 (ii) a medically underserved area; or

2 (C) has been designated as a medically  
3 underserved community by the department [~~office~~].

4 SECTION 67. Section 487.552, Government Code, is amended to  
5 read as follows:

6 Sec. 487.552. ADVISORY PANEL. The department [~~office~~]  
7 shall appoint an advisory panel to assist in the department's  
8 [~~office's~~] duties under this subchapter. The advisory panel must  
9 consist of at least:

10 (1) one representative from the Texas Higher Education  
11 Coordinating Board;

12 (2) one representative from the institutions of higher  
13 education having degree programs for the health professions  
14 participating in the programs under this subchapter;

15 (3) one representative from a hospital in a medically  
16 underserved community;

17 (4) one physician practicing in a medically  
18 underserved community;

19 (5) one health professional, other than a physician,  
20 practicing in a medically underserved community; and

21 (6) one public representative who resides in a  
22 medically underserved community.

23 SECTION 68. Section 487.553, Government Code, is amended to  
24 read as follows:

25 Sec. 487.553. LOAN REIMBURSEMENT PROGRAM. The board shall  
26 establish a program in the department [~~office~~] to assist  
27 communities in recruiting health professionals to practice in

1 medically underserved communities by providing loan reimbursement  
2 for health professionals who serve in those communities.

3 SECTION 69. Section 487.554(a), Government Code, is amended  
4 to read as follows:

5 (a) The board shall establish a program in the department  
6 [~~office~~] to assist communities in recruiting health professionals  
7 to practice in medically underserved communities by providing a  
8 stipend to health professionals who agree to serve in those  
9 communities.

10 SECTION 70. Sections 487.555(b), (c), and (e), Government  
11 Code, are amended to read as follows:

12 (b) A student in a degree program preparing to become a  
13 health professional may contract with the department [~~office~~] for  
14 the loan reimbursement program under Section 487.553 before  
15 obtaining the license required to become a health professional.

16 (c) The department [~~office~~] may contract with a health  
17 professional for part-time services under the stipend program  
18 established under Section 487.554.

19 (e) A contract under this section must provide that a health  
20 professional who does not provide the required services to the  
21 community or provides those services for less than the required  
22 time is personally liable to the state for:

23 (1) the total amount of assistance the health  
24 professional received from the department [~~office~~] and the  
25 medically underserved community;

26 (2) interest on the amount under Subdivision (1) at a  
27 rate set by the board;



1           (3) the state's reasonable expenses incurred in  
2 obtaining payment, including reasonable attorney's fees; and

3           (4) a penalty as established by the board by rule to  
4 help ensure compliance with the contract.

5           SECTION 71. The heading to Section 487.556, Government  
6 Code, is amended to read as follows:

7           Sec. 487.556. POWERS AND DUTIES OF DEPARTMENT [~~OFFICE~~].

8           SECTION 72. Section 487.556(a), Government Code, is amended  
9 to read as follows:

10          (a) The board shall adopt rules necessary for the  
11 administration of this subchapter, including guidelines for:

12           (1) developing contracts under which loan  
13 reimbursement or stipend recipients provide services to qualifying  
14 communities;

15           (2) identifying the duties of the state, state agency,  
16 loan reimbursement or stipend recipient, and medically underserved  
17 community under the loan reimbursement or stipend contract;

18           (3) determining a rate of interest to be charged under  
19 Section 487.555(e)(2);

20           (4) ensuring that a loan reimbursement or stipend  
21 recipient provides access to health services to participants in  
22 government-funded health benefits programs in qualifying  
23 communities;

24           (5) encouraging the use of telecommunications or  
25 telemedicine, as appropriate;

26           (6) prioritizing the provision of loan reimbursements  
27 and stipends to health professionals who are not eligible for any

1 other state loan forgiveness, loan repayment, or stipend program;

2 (7) prioritizing the provision of loan reimbursements  
3 and stipends to health professionals who are graduates of health  
4 professional degree programs in this state;

5 (8) encouraging a medically underserved community  
6 served by a loan reimbursement or stipend recipient to contribute  
7 to the cost of the loan reimbursement or stipend when making a  
8 contribution is feasible; and

9 (9) requiring a medically underserved community  
10 served by a loan reimbursement or stipend recipient to assist the  
11 department [~~office~~] in contracting with the loan reimbursement or  
12 stipend recipient who will serve that community.

13 SECTION 73. Sections 487.559(a) and (c), Government Code,  
14 are amended to read as follows:

15 (a) The department [~~office~~] may administer the permanent  
16 endowment fund for the rural communities health care investment  
17 program. If the department [~~office~~] elects not to administer the  
18 fund, the comptroller shall administer the fund.

19 (c) The comptroller or the department [~~office~~] may solicit  
20 and accept gifts and grants to the fund.

21 SECTION 74. Section 487.560, Government Code, is amended to  
22 read as follows:

23 Sec. 487.560. REPORTING REQUIREMENT. The department  
24 [~~office~~] shall provide a report on the permanent endowment fund for  
25 the rural communities health care investment program to the  
26 Legislative Budget Board not later than November 1 of each year.  
27 The report must include the total amount of money the department

1 ~~[office]~~ received from the fund, the purpose for which the money was  
2 used, and any additional information that may be requested by the  
3 Legislative Budget Board.

4 SECTION 75. Section 487.601(3), Government Code, is amended  
5 to read as follows:

6 (3) "Rural" means:

7 (A) a community located in a county with a  
8 population not greater than 50,000;

9 (B) an area designated under state or federal law  
10 as:

11 (i) a health professional shortage area; or

12 (ii) a medically underserved area; or

13 (C) a medically underserved community designated  
14 by the department ~~[office]~~.

15 SECTION 76. Section 487.602, Government Code, is amended to  
16 read as follows:

17 Sec. 487.602. RURAL PHYSICIAN RELIEF PROGRAM. The  
18 department ~~[office]~~ shall create a program to provide affordable  
19 relief services to rural physicians practicing in the fields of  
20 general family medicine, general internal medicine, and general  
21 pediatrics to facilitate the ability of those physicians to take  
22 time away from their practice.

23 SECTION 77. Section 487.603, Government Code, is amended to  
24 read as follows:

25 Sec. 487.603. FEES. (a) The department ~~[office]~~ shall  
26 charge a fee for rural physicians to participate in the program.

27 (b) The fees collected under this section shall be deposited

1 in a special account in the general revenue fund that may be  
2 appropriated only to the department [~~office~~] for administration of  
3 this subchapter.

4 SECTION 78. Section 487.604, Government Code, is amended to  
5 read as follows:

6 Sec. 487.604. FUNDING. The department [~~office~~] may solicit  
7 and accept gifts, grants, donations, and contributions to support  
8 the program.

9 SECTION 79. Section 487.605, Government Code, is amended to  
10 read as follows:

11 Sec. 487.605. RELIEF PHYSICIAN'S EXPENSES. The department  
12 [~~office~~] shall pay a physician providing relief under the program  
13 using fees collected by the center.

14 SECTION 80. Section 487.606, Government Code, is amended to  
15 read as follows:

16 Sec. 487.606. PRIORITY ASSIGNMENT OF RELIEF PHYSICIANS.

17 (a) The department [~~office~~] shall assign physicians to provide  
18 relief to a rural area in accordance with the following priorities:

- 19 (1) solo practitioners;
- 20 (2) counties that have fewer than seven residents per  
21 square mile;
- 22 (3) counties that have been designated under federal  
23 law as a health professional shortage area;
- 24 (4) counties that do not have a hospital; and
- 25 (5) counties that have a hospital but do not have a  
26 continuously staffed hospital emergency room.

27 (b) In determining where to assign relief physicians, the

1 department [~~office~~] shall consider the number of physicians in the  
2 area available to provide relief services and the distance in that  
3 area to the nearest physician who practices in the same specialty.

4 (c) At the request of the department [~~office~~], residency  
5 program directors may assist the department [~~office~~] in  
6 coordinating the assignment of relief physicians.

7 SECTION 81. Section 487.607, Government Code, is amended to  
8 read as follows:

9 Sec. 487.607. RELIEF PHYSICIAN RECRUITMENT. The department  
10 [~~office~~] shall actively recruit physicians to participate in the  
11 program as relief physicians. The department [~~office~~] shall  
12 concentrate on recruiting physicians involved in an accredited  
13 residency program in general pediatrics, general internal  
14 medicine, and general family medicine, physicians registered on the  
15 department's [~~office's~~] locum tenens registry, physicians employed  
16 at a medical school, and physicians working for private locum  
17 tenens groups.

18 SECTION 82. Section 487.608(b), Government Code, is amended  
19 to read as follows:

20 (b) The advisory committee shall assist the department  
21 [~~office~~] in administering the program.

22 SECTION 83. Section 487.653, Government Code, is amended to  
23 read as follows:

24 Sec. 487.653. REPORT TO LEGISLATURE. Not later than  
25 January 1 of each odd-numbered year, the department [~~office~~] shall  
26 submit to the legislature a report detailing the grant activities  
27 of the program and grant recipients. The report must include:

1           (1) the criteria used to quantify the effect grant  
2 funds had in advancing telecommunications connectivity and  
3 technology;

4           (2) data and performance measures used to quantify the  
5 achievement of program objectives; and

6           (3) a description of and results from a grant  
7 monitoring risk assessment and on-site review process.

8           SECTION 84. Section 487.701, Government Code, as  
9 transferred, redesignated, and amended by Chapter 542 (S.B. 1128),  
10 Acts of the 80th Legislature, Regular Session, 2007, is amended to  
11 read as follows:

12           Sec. 487.701. CREATION OF FOUNDATION. (a) The department  
13 [~~Office of Rural Community Affairs~~] shall establish the Texas Rural  
14 Foundation as a nonprofit corporation that complies with the Texas  
15 Non-Profit Corporation Act (Article 1396-1.01 et seq., Vernon's  
16 Texas Civil Statutes), except as otherwise provided by this  
17 chapter, and qualifies as an organization exempt from federal  
18 income tax under Section 501(c)(3), Internal Revenue Code of 1986,  
19 as amended.

20           (b) The department [~~Office of Rural Community Affairs~~]  
21 shall ensure that the Texas Rural Foundation operates independently  
22 of any state agency or political subdivision of the state.

23           SECTION 85. Section 487.702(c), Government Code, as  
24 transferred, redesignated, and amended by Chapter 542 (S.B. 1128),  
25 Acts of the 80th Legislature, Regular Session, 2007, is amended to  
26 read as follows:

27           (c) The Texas Rural Foundation shall develop and implement

1 policies and procedures that clearly separate the responsibilities  
2 and activities of the foundation from the department [~~Office of~~  
3 ~~Rural Community Affairs~~].

4 SECTION 86. Section 487.703(a), Government Code, as  
5 transferred, redesignated, and amended by Chapter 542 (S.B. 1128),  
6 Acts of the 80th Legislature, Regular Session, 2007, is amended to  
7 read as follows:

8 (a) The Texas Rural Foundation is governed by a board of an  
9 odd number of at least nine and not more than 15 directors appointed  
10 by the board of the department [~~Office of Rural Community Affairs~~].

11 SECTION 87. Section 487.705(c), Government Code, is amended  
12 to read as follows:

13 (c) If the executive director of the department [~~Office of~~  
14 ~~Rural Community Affairs~~] has knowledge that a potential ground for  
15 removal exists, the executive director shall notify the presiding  
16 officer of the board of directors of the Texas Rural Foundation of  
17 the potential ground. The presiding officer shall then notify the  
18 governor and the attorney general that a potential ground for  
19 removal exists. If the potential ground for removal involves the  
20 presiding officer, the executive director shall notify the next  
21 highest ranking officer of the board of directors, who shall then  
22 notify the governor and the attorney general that a potential  
23 ground for removal exists.

24 SECTION 88. Section 487.710, Government Code, is amended to  
25 read as follows:

26 Sec. 487.710. MEMORANDUM OF UNDERSTANDING. The Texas  
27 Rural Foundation and the department [~~Office of Rural Community~~

1 ~~Affairs~~] shall enter into a memorandum of understanding that:

2 (1) requires the board of directors and staff of the  
3 foundation to report to the executive director and board of the  
4 department [~~Office of Rural Community Affairs~~];

5 (2) allows the department [~~Office of Rural Community~~  
6 ~~Affairs~~] to provide staff functions to the foundation;

7 (3) allows the department [~~Office of Rural Community~~  
8 ~~Affairs~~] to expend funds on the foundation; and

9 (4) outlines the financial contributions to be made to  
10 the foundation from funds obtained from grants and other sources.

11 SECTION 89. Section 487.711(a), Government Code, is amended  
12 to read as follows:

13 (a) The Texas Rural Foundation shall maintain financial  
14 records and reports independently from those of the department  
15 [~~Office of Rural Community Affairs~~].

16 SECTION 90. Section 487.712, Government Code, is amended to  
17 read as follows:

18 Sec. 487.712. REPORT TO DEPARTMENT [~~OFFICE OF RURAL~~  
19 ~~COMMUNITY AFFAIRS~~]. Not later than the 60th day after the last day  
20 of the fiscal year, the Texas Rural Foundation shall submit to the  
21 department [~~Office of Rural Community Affairs~~] a report itemizing  
22 all income and expenditures and describing all activities of the  
23 foundation during the preceding fiscal year.

24 SECTION 91. Subchapter P, Chapter 487, Government Code, as  
25 added by Chapter 712 (H.B. 2235), Acts of the 80th Legislature,  
26 Regular Session, 2007, is relettered as Subchapter Q, Chapter 487,  
27 Government Code, and amended to read as follows:



1 SUBCHAPTER Q [~~P~~]. RURAL TECHNOLOGY CENTER GRANT PROGRAM

2 Sec. 487.751 [~~487.701~~]. DEFINITION. In this subchapter,  
3 "rural county" means a county that has a population of not more than  
4 125,000.

5 Sec. 487.752 [~~487.702~~]. GRANT PROGRAM. (a) Subject to  
6 available funds, the department [~~office~~] shall establish a grant  
7 program under which the department [~~office~~] awards grants to public  
8 institutions of higher education, public high schools, and  
9 governmental entities located in a rural county for the development  
10 and operation of multi-institutional technology centers that  
11 provide:

- 12 (1) community access to technology;
- 13 (2) computer literacy programs;
- 14 (3) educational programs designed to provide  
15 concurrent enrollment credit for high school students taking  
16 postsecondary courses in information and emerging technologies;
- 17 (4) training for careers in technology-related fields  
18 and other highly skilled industries; and
- 19 (5) technology-related continuing and adult education  
20 programs.

- 21 (b) The executive committee by rule shall establish:
- 22 (1) eligibility criteria for grant applicants;
  - 23 (2) grant application procedures;
  - 24 (3) guidelines relating to grant amounts;
  - 25 (4) procedures for evaluating grant applications; and
  - 26 (5) procedures for monitoring the use of grants  
27 awarded under the program and for ensuring compliance with the

1 conditions of a grant.

2       Sec. 487.753 [~~487.703~~]. FUNDING. The department [~~office~~]  
3 may seek, receive, and spend money received through an  
4 appropriation, grant, donation, or reimbursement from any public or  
5 private source to implement this subchapter.

6       SECTION 92. Section 490A.003(a), Government Code, is  
7 amended to read as follows:

8       (a) The founding members of the network are:

9           (1) the Texas Cooperative Extension of The Texas A&M  
10 University System;

11           (2) the IC2 Institute at The University of Texas at  
12 Austin;

13           (3) the College of Agricultural Sciences and Natural  
14 Resources at Texas Tech University;

15           (4) the Department of Agriculture;

16           (5) the Texas Workforce Commission;

17           (6) the Texas Department [~~Office~~] of Rural [~~Community~~]  
18 Affairs;

19           (7) the Texas Center for Rural Entrepreneurship;

20           (8) the Texas Economic Development Council;

21           (9) CoSERVE at The University of Texas--Pan American;

22           (10) the office of external affairs at Texas Southern  
23 University; and

24           (11) the John F. Baugh Center for Entrepreneurship at  
25 Baylor University.

26       SECTION 93. Section 531.02172(b), Government Code, is  
27 amended to read as follows:

1 (b) The advisory committee must include:

2 (1) representatives of health and human services  
3 agencies and other state agencies concerned with the use of  
4 telemedical consultations in the Medicaid program and the state  
5 child health plan program, including representatives of:

6 (A) the commission;

7 (B) the Department of State Health Services;

8 (C) the Texas Department [~~Office~~] of Rural  
9 [~~Community~~] Affairs;

10 (D) the Texas Department of Insurance;

11 (E) the Texas Medical Board;

12 (F) the Texas Board of Nursing; and

13 (G) the Texas State Board of Pharmacy;

14 (2) representatives of health science centers in this  
15 state;

16 (3) experts on telemedicine, telemedical  
17 consultation, and telemedicine medical services or telehealth  
18 services; and

19 (4) representatives of consumers of health services  
20 provided through telemedical consultations and telemedicine  
21 medical services or telehealth services.

22 SECTION 94. Section 614.152(3), Government Code, as added  
23 by Chapter 1215 (H.B. 1915), Acts of the 80th Legislature, Regular  
24 Session, 2007, is amended to read as follows:

25 (3) "State fire agency" means the:

26 (A) firefighters' pension commissioner;

27 (B) Texas Department [~~Office~~] of Rural

1 ~~[Community]~~ Affairs;

2 (C) service;

3 (D) Texas Commission on Fire Protection;

4 (E) Texas Engineering Extension Service of The  
5 Texas A&M University System; and

6 (F) Texas State Fire Marshal's Office of the  
7 Texas Department of Insurance.

8 SECTION 95. Section 772.011(b), Government Code, is amended  
9 to read as follows:

10 (b) The work group is composed of the heads of the following  
11 agencies or their designees:

12 (1) the Texas Department ~~[Office]~~ of Rural ~~[Community]~~  
13 Affairs;

14 (2) the Texas Department of Housing and Community  
15 Affairs;

16 (3) the Texas Water Development Board;

17 (4) the Texas Department of Transportation;

18 (5) the Texas Commission on Environmental Quality;

19 (6) the Texas Workforce Commission;

20 (7) the Department of State Health Services;

21 (8) the Health and Human Services Commission;

22 (9) the General Land Office;

23 (10) the Texas Education Agency;

24 (11) the Texas Economic Development and Tourism  
25 Office;

26 (12) the ~~[Texas]~~ Office of State-Federal Relations;

27 (13) the Texas Higher Education Coordinating Board;

- 1 (14) the attorney general's office;
- 2 (15) the secretary of state's office;
- 3 (16) the Department of Public Safety; and
- 4 (17) the Railroad Commission of Texas.

5 SECTION 96. Section 775.002(d), Government Code, is amended  
6 to read as follows:

7 (d) The following agencies shall designate an officer or  
8 employee of the agency to serve as the agency's liaison for colonia  
9 initiatives:

- 10 (1) the office of the attorney general;
- 11 (2) the Department of State Health Services;
- 12 (3) the Texas Department of Housing and Community  
13 Affairs;
- 14 (4) the Texas Commission on Environmental Quality;
- 15 (5) the Texas Water Development Board;
- 16 (6) the Texas Department [~~Office~~] of Rural [~~Community~~]  
17 Affairs;
- 18 (7) the Office of State-Federal Relations;
- 19 (8) the Texas Department of Insurance; and
- 20 (9) the Texas Department of Transportation.

21 SECTION 97. Section 86.011, Health and Safety Code, is  
22 amended to read as follows:

23 Sec. 86.011. BREAST CANCER SCREENING. (a) The Texas  
24 Department [~~Office~~] of Rural [~~Community~~] Affairs may provide for  
25 breast cancer screening in counties with a population of 50,000 or  
26 less.

27 (b) The Texas Department [~~Office~~] of Rural [~~Community~~]

1 Affairs may provide the breast cancer screening through contracts  
2 with public or private entities to provide mobile units and on-site  
3 screening services.

4 (c) The Texas Department [~~Office~~] of Rural [~~Community~~]  
5 Affairs shall coordinate the breast cancer screening with programs  
6 administered by the Texas Cancer Council.

7 SECTION 98. Sections 775.083(a), (b), and (c), Health and  
8 Safety Code, are amended to read as follows:

9 (a) On or before January 1 of each year, a district shall  
10 file with the Texas Department [~~Office~~] of Rural [~~Community~~]  
11 Affairs an annual report that includes the following:

- 12 (1) the district's name;
- 13 (2) the name of each county in which the district is  
14 located;
- 15 (3) the district's business address;
- 16 (4) the name, mailing address, and term of office of  
17 each commissioner;
- 18 (5) the name, mailing address, and term of office of  
19 the district's general manager, executive director, and fire chief;
- 20 (6) the name of each legal counsel or other consultant  
21 for the district; and
- 22 (7) the district's annual budget and tax rate for the  
23 preceding fiscal year.

24 (b) The Texas Department [~~Office~~] of Rural [~~Community~~]  
25 Affairs may not charge a fee for filing the report.

26 (c) The Texas Department [~~Office~~] of Rural [~~Community~~]  
27 Affairs shall develop and maintain an Internet-based system that

1 enables:

2 (1) a district to securely file the report and update  
3 the district's information; and

4 (2) the public to view, in a searchable format, the  
5 reports filed by districts under this section.

6 SECTION 99. Sections 776.083(a), (b), and (c), Health and  
7 Safety Code, are amended to read as follows:

8 (a) On or before January 1 of each year, a district shall  
9 file with the Texas Department [~~Office~~] of Rural [~~Community~~]  
10 Affairs an annual report that includes the following:

11 (1) the district's name;

12 (2) the name of each county in which the district is  
13 located;

14 (3) the district's business address;

15 (4) the name, mailing address, and term of office of  
16 each commissioner;

17 (5) the name, mailing address, and term of office of  
18 the district's general manager, executive director, and fire chief;

19 (6) the name of each legal counsel or other consultant  
20 for the district; and

21 (7) the district's annual budget and tax rate for the  
22 preceding fiscal year.

23 (b) The Texas Department [~~Office~~] of Rural [~~Community~~]  
24 Affairs may not charge a fee for filing the report.

25 (c) The Texas Department [~~Office~~] of Rural [~~Community~~]  
26 Affairs shall develop and maintain an Internet-based system that  
27 enables:

1           (1) a district to securely file the report and update  
2 the district's information; and

3           (2) the public to view, in a searchable format, the  
4 reports filed by districts under this section.

5           SECTION 100. Sections 204.104(b) and (c), Occupations Code,  
6 are amended to read as follows:

7           (b) The Texas Department [~~Office~~] of Rural [~~Community~~]  
8 Affairs shall establish policies for and adopt rules to administer  
9 the loan program.

10          (c) The physician assistant board shall authorize and the  
11 medical board shall transfer annually the funds designated under  
12 Subsection (a) to the Texas Department [~~Office~~] of Rural  
13 [~~Community~~] Affairs to administer the loan program.

14          SECTION 101. A reference in another law or administrative  
15 rule to the Office of Rural Community Affairs means the Texas  
16 Department of Rural Affairs.

17          SECTION 102. This Act takes effect September 1, 2009.