

By: Morrison

H.B. No. 3789

A BILL TO BE ENTITLED

AN ACT

relating to the Texas emerging technology fund.

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

SECTION 1. Section 490.057, Government Code, is transferred to Subchapter A, Chapter 490, Government Code, renumbered as Section 490.004, Government Code, and amended to read as follows:

Sec. 490.004 [~~490.057~~]. CERTAIN INFORMATION CONFIDENTIAL [~~CONFIDENTIALITY~~]. (a) Except as provided by Subsection (d), this section applies to information in any form provided by or on behalf of an individual or entity being considered for an award from the fund or a recipient of an award from the fund, including:

(1) information contained in, accompanying, or derived from any application; and

(2) information [~~Information collected by the governor's office, the committee, or the committee's advisory panels~~] concerning the identity, background, finance, marketing plans, trade secrets, or other commercially or academically sensitive information of the [~~an~~] individual or entity [~~being considered for an award from the fund is confidential unless the individual or entity consents to disclosure of the information~~].

(b) The information described by Subsection (a) collected, assembled, or maintained by or for the governor, the lieutenant governor, the speaker of the house of representatives, the committee, or the committee's advisory panels is confidential and

1 may not be disclosed under Chapter 552.

2 (c) Any application for an award from the fund that is
3 withdrawn by the applicant before the award is made or that is
4 denied shall be returned to the applicant promptly on request,
5 together with all materials submitted by or on behalf of the
6 applicant that relate to the application, except that a record of
7 the submission and disposition of the application that does not
8 include any information described by Subsection (a) may be
9 retained.

10 (d) Not later than the 10th business day after the date a
11 contract for an award from the fund is entered into under Section
12 490.101, the governor's office shall prepare a summary of the
13 contract and shall make the summary available to the public. The
14 summary must include the award recipient's name and address, the
15 amount of funding applied for, and the type of emerging technology
16 to which the award relates. The summary must not include any
17 confidential information.

18 SECTION 2. Subchapter A, Chapter 490, Government Code, is
19 amended by adding Sections 490.005 and 490.006 to read as follows:

20 Sec. 490.005. AUTHORITY TO CONTRACT WITH AN OUTSIDE ENTITY.

21 (a) In this section, "investment portfolio" means the stocks or
22 other securities of the fund that:

23 (1) are held by the governor from time to time; and
24 (2) were received by the governor in consideration for
25 an award made from the fund under Subchapter D.

26 (b) The governor may contract with an outside entity to:

27 (1) assist in the negotiation and drafting of

1 contracts between the governor and a recipient of an award under
2 this chapter;

3 (2) oversee outstanding awards and monitor compliance
4 with a contract described by Subdivision (1);

5 (3) evaluate the fund's investment portfolio;

6 (4) advise the office of the governor regarding the
7 value and performance of the investment portfolio; and

8 (5) assist the governor in preparing the annual report
9 required by Section 490.006.

10 (c) A contract described by Subsection (b) may provide for
11 the outside entity to receive compensation from the fund each year.

12 (d) An outside entity with which the governor contracts
13 under this section must have substantial experience in evaluating
14 institutional investment practices and performance in order to
15 evaluate fund investment practices and performance.

16 Sec. 490.006. ANNUAL REPORT. (a) In this section,
17 "investment portfolio" has the meaning assigned by Section 490.005.

18 (b) Not later than January 1 of each year, the governor
19 shall submit a report to the Legislative Budget Board that includes
20 the following information regarding the fund for the preceding
21 state fiscal year:

22 (1) the total number and amount of awards made;

23 (2) the number and amount of awards made under
24 Subchapters D, E, and F;

25 (3) the name of each award recipient, the recipient's
26 organizational structure, and the amount of the awards made to the
27 recipient;

1 (4) the total amount of funds received by each
2 recipient from any source for a project that receives an award under
3 Subchapter D, including:

4 (A) the amount awarded to the recipient from the
5 fund;

6 (B) the total amount of any funds received by the
7 recipient from the private sector; and

8 (C) the amount of any federal grants or loans
9 received by the recipient;

10 (5) a brief description of the investments that
11 constitute the fund's investment portfolio as of the end of that
12 reporting period;

13 (6) the total value of the fund's investment portfolio
14 as of the end of that reporting period; and

15 (7) the value of each investment in the fund's
16 investment portfolio as of the end of that reporting period.

17 (c) The annual report must also include information
18 regarding the planned and actual outcomes resulting from awards
19 made from the fund during the preceding two state fiscal years.

20 (d) The governor may not disclose in the report required by
21 this section the name of any person in the private sector that
22 invests in a project receiving an award under Subchapter D.

23 SECTION 3. Section 490.102(a), Government Code, is amended
24 to read as follows:

25 (a) Money appropriated to the fund by the legislature, less
26 amounts necessary to administer the fund under Section 490.055,
27 shall be allocated as follows:

1 (1) 60 [~~50~~] percent of the money for incentives for
2 collaboration between certain entities as provided by Subchapter D;

3 (2) 10 [~~16.67~~] percent of the money for research award
4 matching as provided by Subchapter E; and

5 (3) 30 [~~33.33~~] percent of the money for acquisition of
6 research superiority as provided by Subchapter F.

7 SECTION 4. Section 490.253(a), Government Code, is amended
8 to read as follows:

9 (a) The committee shall review and consider proposals by
10 public institutions of higher education for:

11 (1) creating new research superiority;

12 (2) attracting existing research superiority from
13 institutions of higher education not located in this state [~~and~~
14 ~~other research entities~~]; [~~or~~]

15 (3) attracting existing research superiority from
16 entities other than institutions of higher education whether those
17 entities are located in or outside this state;

18 (4) enhancing existing research superiority by
19 attracting from institutions of higher education located outside
20 this state additional researchers and resources; or

21 (5) enhancing existing research superiority by
22 attracting additional researchers and resources from entities
23 other than institutions of higher education whether those entities
24 are located in or outside this state.

25 SECTION 5. Not later than January 1, 2011, the governor
26 shall submit the initial report required by Section 490.006,
27 Government Code, as added by this Act.

1 SECTION 6. This Act takes effect immediately if it receives
2 a vote of two-thirds of all the members elected to each house, as
3 provided by Section 39, Article III, Texas Constitution. If this
4 Act does not receive the vote necessary for immediate effect, this
5 Act takes effect September 1, 2009.