

By: Ogden

S.B. No. 2354

A BILL TO BE ENTITLED

AN ACT

1
2 relating to ensuring that Texas state government has sufficient
3 general law authority to apply for and receive the maximum amount of
4 federal funds available under the American Recovery and
5 Reinvestment Act of 2009 and any subsequent federal economic
6 stimulus legislation that may make funds available to this state
7 during the current or during the next state fiscal biennium.

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

9 SECTION 1. DEPARTMENT OF PUBLIC SAFETY. Subchapter A,
10 Chapter 411, Government Code, is amended by adding Section 411.0139
11 to read as follows:

12 Sec. 411.0139. AUTHORITY TO APPLY FOR AND RECEIVE MAXIMUM
13 AMOUNT OF FEDERAL ECONOMIC STIMULUS MONEY; DUTIES, RESTRICTIONS,
14 AND LIMITATIONS. (a) The department shall take action in
15 accordance with this section to apply for and receive the maximum
16 amount of federal stimulus money available to this state for
17 expenditure by or through the department. To that end the
18 department shall study appropriate provisions of the American
19 Recovery and Reinvestment Act of 2009 (Pub. L. No. 111-5) and any
20 subsequent federal economic stimulus legislation that may make
21 federal stimulus money available to the department and any federal
22 regulations and executive orders connected to the federal
23 legislation to determine:

24 (1) the extent to which the department has sufficient

1 authority under existing state law to apply for, receive, and
2 expend or grant federal stimulus money through existing state
3 programs;

4 (2) the extent to which federal stimulus money would
5 be available for expenditure by or through the department under
6 existing state programs provided that one or more requirements
7 applicable to the programs are modified in accordance with the
8 requirements of federal law; and

9 (3) the extent to which federal stimulus money is
10 available for programs connected to the department's general
11 mission but for which there is not currently a program authorized
12 under state law.

13 (b) In applying for and receiving the maximum amount of
14 federal stimulus money available to this state for expenditure by
15 or through the department, the department shall whenever possible
16 apply for, receive, and expend or grant the money in accordance with
17 an existing state program for which no modifications to applicable
18 program requirements are necessary under federal law.

19 (c) When the department determines that modifications to
20 the requirements applicable to an existing program are necessary
21 under federal law to receive and expend or grant the maximum amount
22 of federal stimulus money, the commission shall adopt rules that
23 modify the requirements applicable to the existing program to the
24 minimum extent necessary to comply with applicable federal
25 requirements. Rules adopted under this subsection may be initially
26 adopted as emergency rules if necessary to receive the maximum
27 amount of federal stimulus money. In its notice proposing the rule

1 and its order adopting the rule, the commission must state the
2 reasons why the commission believes modifications to program
3 requirements are necessary to receive the maximum amount of federal
4 stimulus money under the applicable federal law. The department
5 shall apply for, receive, and expend or grant the maximum amount of
6 federal stimulus money available for the program as modified by
7 commission rule.

8 (d) When the department determines that federal stimulus
9 money is available for a purpose within the department's general
10 mission but that there is no program administered by the department
11 or another state governmental entity under which the federal
12 stimulus money may be spent even if program modifications are made
13 to conform to federal requirements, the commission by rule shall
14 create a program consistent with the department's general mission
15 and federal requirements and the department shall apply for,
16 receive, and expend the federal stimulus money under the program
17 created by rule. Rules adopted under this subsection may be
18 initially adopted as emergency rules if necessary to receive the
19 maximum amount of federal stimulus money. In its notice proposing
20 the rule and its order adopting the rule, the commission must state
21 the reasons why the commission believes no program currently exists
22 under which, even with modifications, the department or another
23 state governmental entity could apply for, receive, and expend
24 federal stimulus money available for the particular purpose of the
25 new program under the applicable federal law.

26 (e) Rules adopted under this section must be consistent with
27 any legislation enacted by the 81st Legislature that becomes law

1 that addresses an issue addressed by the rules. As the purpose of
2 the rules is to apply for, receive, and expend federal stimulus
3 money, rules adopted under this section must also be consistent
4 with any provisions prescribed by the legislature in an Act of the
5 legislature appropriating the federal funds to the department that
6 detail, limit, or direct, in a manner consistent with federal
7 requirements, how the money may be spent.

8 (f) Except as provided by Subsection (h), rules adopted
9 under this section expire September 1, 2011, together with any new
10 program created by the rules and any modification to existing
11 program requirements made by the rules. A rule adopted under this
12 section may be readopted by the commission after that date only to
13 the extent that the rule is consistent with and authorized under
14 then existing state law.

15 (g) Except as provided by Subsection (h), this section
16 expires September 1, 2011.

17 (h) A rule adopted under this section, together with any new
18 program created by the rule and any modification to existing
19 program requirements made by the rule, may be extended beyond the
20 September 1, 2011, expiration date if at any time before that date,
21 including during the time that the rule is being considered for
22 adoption, the governor finds that the rule must expire at a later
23 date under the requirements of federal law in order to receive the
24 federal stimulus money for the particular program addressed by the
25 rule and the governor by proclamation extends the effective date of
26 the rule to a date certain after September 1, 2011, for that
27 purpose. If the governor acts under this subsection, this section

1 is continued in effect after September 1, 2011, for the limited
2 purpose of governing a rule adopted under this section before that
3 date that was extended by proclamation of the governor.

4 SECTION 2. HEALTH AND HUMAN SERVICES COMMISSION.
5 Subchapter A, Chapter 531, Government Code, is amended by adding
6 Section 531.0029 to read as follows:

7 Sec. 531.0029. AUTHORITY TO APPLY FOR AND RECEIVE MAXIMUM
8 AMOUNT OF FEDERAL ECONOMIC STIMULUS MONEY; DUTIES, RESTRICTIONS,
9 AND LIMITATIONS. (a) The commission shall take action in
10 accordance with this section to apply for and receive the maximum
11 amount of federal stimulus money available to this state for
12 expenditure by or through the commission or a health and human
13 services agency. To that end the commission shall study
14 appropriate provisions of the American Recovery and Reinvestment
15 Act of 2009 (Pub. L. No. 111-5) and any subsequent federal economic
16 stimulus legislation that may make federal stimulus money available
17 to the commission or a health and human services agency and any
18 federal regulations and executive orders connected to the federal
19 legislation to determine:

20 (1) the extent to which the commission has sufficient
21 authority under existing state law to apply for, receive, and
22 expend or grant federal stimulus money through existing state
23 programs administered by the commission or a health and human
24 services agency;

25 (2) the extent to which federal stimulus money would
26 be available for expenditure by or through the commission or a
27 health and human services agency under existing state programs

1 provided that one or more requirements applicable to the programs
2 are modified in accordance with the requirements of federal law;
3 and

4 (3) the extent to which federal stimulus money is
5 available for programs connected to the general mission of the
6 commission or a health and human services agency but for which there
7 is not currently a program authorized under state law.

8 (b) In applying for and receiving the maximum amount of
9 federal stimulus money available to this state for expenditure by
10 or through the commission or a health and human services agency, the
11 commission shall whenever possible apply for and receive the money
12 and provide that the money is expended or granted in accordance with
13 an existing state program for which no modifications to applicable
14 program requirements are necessary under federal law.

15 (c) When the commission determines that modifications to
16 the requirements applicable to an existing program are necessary
17 under federal law to receive and expend or grant the maximum amount
18 of federal stimulus money, the executive commissioner shall adopt
19 rules that modify the requirements applicable to the existing
20 program to the minimum extent necessary to comply with applicable
21 federal requirements. Rules adopted under this subsection may be
22 initially adopted as emergency rules if necessary to receive the
23 maximum amount of federal stimulus money. In the notice proposing
24 the rule and in the order adopting the rule, the executive
25 commissioner must state the reasons why the executive commissioner
26 believes modifications to program requirements are necessary to
27 receive the maximum amount of federal stimulus money under the

1 applicable federal law. The commission shall apply for and receive
2 the maximum amount of federal stimulus money available, and provide
3 that the money is expended or granted, for the program as modified
4 by rule of the executive commissioner.

5 (d) When the commission determines that federal stimulus
6 money is available for a purpose within the general mission of the
7 commission or a health and human services agency but that there is
8 no program administered by the commission, a health and human
9 services agency, or another state governmental entity under which
10 the federal stimulus money may be spent even if program
11 modifications are made to conform to federal requirements, the
12 executive commissioner by rule shall create a program consistent
13 with the general mission of the commission or the appropriate
14 health and human services agency and consistent with federal
15 requirements and the commission shall apply for and receive the
16 money and provide that the money is expended or granted under the
17 program created by rule. Rules adopted under this subsection may be
18 initially adopted as emergency rules if necessary to receive the
19 maximum amount of federal stimulus money. In the notice proposing
20 the rule and in the order adopting the rule, the executive
21 commissioner must state the reasons why the executive commissioner
22 believes no program currently exists under which, even with
23 modifications, the commission, a health and human services agency,
24 or another state governmental entity could apply for, receive, and
25 expend federal stimulus money available for the particular purpose
26 of the new program under the applicable federal law.

27 (e) Rules adopted under this section must be consistent with

1 any legislation enacted by the 81st Legislature that becomes law
2 that addresses an issue addressed by the rules. As the purpose of
3 the rules is to apply for, receive, and expend federal stimulus
4 money, rules adopted under this section must also be consistent
5 with any provisions prescribed by the legislature in an Act of the
6 legislature appropriating the federal funds to the commission or a
7 health and human services agency that detail, limit, or direct, in a
8 manner consistent with federal requirements, how the money may be
9 spent.

10 (f) Except as provided by Subsection (h), rules adopted
11 under this section expire September 1, 2011, together with any new
12 program created by the rules and any modification to existing
13 program requirements made by the rules. A rule adopted under this
14 section may be readopted by the executive commissioner after that
15 date only to the extent that the rule is consistent with and
16 authorized under then existing state law.

17 (g) Except as provided by Subsection (h), this section
18 expires September 1, 2011.

19 (h) A rule adopted under this section, together with any new
20 program created by the rule and any modification to existing
21 program requirements made by the rule, may be extended beyond the
22 September 1, 2011, expiration date if at any time before that date,
23 including during the time that the rule is being considered for
24 adoption, the governor finds that the rule must expire at a later
25 date under the requirements of federal law in order to receive the
26 federal stimulus money for the particular program addressed by the
27 rule and the governor by proclamation extends the effective date of

1 the rule to a date certain after September 1, 2011, for that
2 purpose. If the governor acts under this subsection, this section
3 is continued in effect after September 1, 2011, for the limited
4 purpose of governing a rule adopted under this section before that
5 date that was extended by proclamation of the governor.

6 SECTION 3. TEXAS EDUCATION AGENCY. Subchapter A, Chapter
7 7, Education Code, is amended by adding Section 7.0025 to read as
8 follows:

9 Sec. 7.0025. AUTHORITY TO APPLY FOR AND RECEIVE MAXIMUM
10 AMOUNT OF FEDERAL ECONOMIC STIMULUS MONEY; DUTIES, RESTRICTIONS,
11 AND LIMITATIONS. (a) The agency shall take action in accordance
12 with this section to apply for and receive the maximum amount of
13 federal stimulus money available to this state for expenditure by
14 or through the agency. To that end the agency shall study
15 appropriate provisions of the American Recovery and Reinvestment
16 Act of 2009 (Pub. L. No. 111-5) and any subsequent federal economic
17 stimulus legislation that may make federal stimulus money available
18 to the agency and any federal regulations and executive orders
19 connected to the federal legislation to determine:

20 (1) the extent to which the agency has sufficient
21 authority under existing state law to apply for, receive, and
22 expend or grant federal stimulus money through existing state
23 programs;

24 (2) the extent to which federal stimulus money would
25 be available for expenditure by or through the agency under
26 existing state programs provided that one or more requirements
27 applicable to the programs are modified in accordance with the

1 requirements of federal law; and

2 (3) the extent to which federal stimulus money is
3 available for programs connected to the agency's general mission
4 but for which there is not currently a program authorized under
5 state law.

6 (b) In applying for and receiving the maximum amount of
7 federal stimulus money available to this state for expenditure by
8 or through the agency, the agency shall whenever possible apply
9 for, receive, and expend or grant the money in accordance with an
10 existing state program for which no modifications to applicable
11 program requirements are necessary under federal law.

12 (c) When the agency determines that modifications to the
13 requirements applicable to an existing program are necessary under
14 federal law to receive and expend or grant the maximum amount of
15 federal stimulus money, the commissioner shall adopt rules that
16 modify the requirements applicable to the existing program to the
17 minimum extent necessary to comply with applicable federal
18 requirements. Rules adopted under this subsection may be initially
19 adopted as emergency rules if necessary to receive the maximum
20 amount of federal stimulus money. In the notice proposing the rule
21 and the order adopting the rule, the commissioner must state the
22 reasons why the commissioner believes modifications to program
23 requirements are necessary to receive the maximum amount of federal
24 stimulus money under the applicable federal law. The agency shall
25 apply for, receive, and expend or grant the maximum amount of
26 federal stimulus money available for the program as modified by
27 rule of the commissioner.

1 (d) When the agency determines that federal stimulus money
2 is available for a purpose within the agency's general mission but
3 that there is no program administered by the agency, another state
4 governmental entity, or directly by local school districts under
5 which the federal stimulus money may be spent even if program
6 modifications are made to conform to federal requirements, the
7 commissioner by rule shall create a program consistent with the
8 agency's general mission and federal requirements and the agency
9 shall apply for, receive, and expend the federal stimulus money
10 under the program created by rule. Rules adopted under this
11 subsection may be initially adopted as emergency rules if necessary
12 to receive the maximum amount of federal stimulus money. In the
13 notice proposing the rule and the order adopting the rule, the
14 commissioner must state the reasons why the commissioner believes
15 no program currently exists under which, even with modifications,
16 the agency, another state governmental entity, or local school
17 districts could apply for, receive, and expend federal stimulus
18 money available for the particular purpose of the new program under
19 the applicable federal law.

20 (e) Rules adopted under this section must be consistent with
21 any legislation enacted by the 81st Legislature that becomes law
22 that addresses an issue addressed by the rules. As the purpose of
23 the rules is to apply for, receive, and expend federal stimulus
24 money, rules adopted under this section must also be consistent
25 with any provisions prescribed by the legislature in an Act of the
26 legislature appropriating the federal funds to the agency that
27 detail, limit, or direct, in a manner consistent with federal

1 requirements, how the money may be spent.

2 (f) Except as provided by Subsection (h), rules adopted
3 under this section expire September 1, 2011, together with any new
4 program created by the rules and any modification to existing
5 program requirements made by the rules. A rule adopted under this
6 section may be readopted by the commissioner after that date only to
7 the extent that the rule is consistent with and authorized under
8 then existing state law.

9 (g) Except as provided by Subsection (h), this section
10 expires September 1, 2011.

11 (h) A rule adopted under this section, together with any new
12 program created by the rule and any modification to existing
13 program requirements made by the rule, may be extended beyond the
14 September 1, 2011, expiration date if at any time before that date,
15 including during the time that the rule is being considered for
16 adoption, the governor finds that the rule must expire at a later
17 date under the requirements of federal law in order to receive the
18 federal stimulus money for the particular program addressed by the
19 rule and the governor by proclamation extends the effective date of
20 the rule to a date certain after September 1, 2011, for that
21 purpose. If the governor acts under this subsection, this section
22 is continued in effect after September 1, 2011, for the limited
23 purpose of governing a rule adopted under this section before that
24 date that was extended by proclamation of the governor.

25 SECTION 4. TEXAS HIGHER EDUCATION COORDINATING BOARD.
26 Subchapter B, Chapter 61, Education Code, is amended by adding
27 Section 61.0219 to read as follows:

1 Sec. 61.0219. AUTHORITY TO APPLY FOR AND RECEIVE MAXIMUM
2 AMOUNT OF FEDERAL ECONOMIC STIMULUS MONEY; DUTIES, RESTRICTIONS,
3 AND LIMITATIONS. (a) The board shall take action in accordance
4 with this section to apply for and receive the maximum amount of
5 federal stimulus money available to this state for expenditure by
6 or through the board. As part of its activities under this section
7 the board may apply for, receive, and grant to institutions of
8 higher education federal stimulus money, but this section does not
9 prohibit an institution of higher education from directly applying
10 for, receiving, and expending federal stimulus money. The board,
11 for purposes of this section, shall study appropriate provisions of
12 the American Recovery and Reinvestment Act of 2009 (Pub. L. No.
13 111-5) and any subsequent federal economic stimulus legislation
14 that may make federal stimulus money available to the board and any
15 federal regulations and executive orders connected to the federal
16 legislation to determine:

17 (1) the extent to which the board has sufficient
18 authority under existing state law to apply for, receive, and
19 expend or grant federal stimulus money through existing state
20 programs;

21 (2) the extent to which federal stimulus money would
22 be available for expenditure by or through the board under existing
23 state programs provided that one or more requirements applicable to
24 the programs are modified in accordance with the requirements of
25 federal law; and

26 (3) the extent to which federal stimulus money is
27 available for programs connected to the board's general mission but

1 for which there is not currently a program authorized under state
2 law.

3 (b) In applying for and receiving the maximum amount of
4 federal stimulus money available to this state for expenditure by
5 or through the board, the board shall whenever possible apply for,
6 receive, and expend or grant the money in accordance with an
7 existing state program for which no modifications to applicable
8 program requirements are necessary under federal law.

9 (c) When the board determines that modifications to the
10 requirements applicable to an existing program are necessary under
11 federal law to receive and expend or grant the maximum amount of
12 federal stimulus money, the board shall adopt rules that modify the
13 requirements applicable to the existing program to the minimum
14 extent necessary to comply with applicable federal requirements.
15 Rules adopted under this subsection may be initially adopted as
16 emergency rules if necessary to receive the maximum amount of
17 federal stimulus money. In its notice proposing the rule and its
18 order adopting the rule, the board must state the reasons why the
19 board believes modifications to program requirements are necessary
20 to receive the maximum amount of federal stimulus money under the
21 applicable federal law. The board shall apply for, receive, and
22 expend or grant the maximum amount of federal stimulus money
23 available for the program as modified by board rule.

24 (d) When the board determines that federal stimulus money is
25 available for a purpose within the board's general mission but that
26 there is no program administered by the board or another state
27 governmental entity under which the federal stimulus money may be

1 spent even if program modifications are made to conform to federal
2 requirements, the board by rule shall create a program consistent
3 with the board's general mission and federal requirements and shall
4 apply for, receive, and expend the federal stimulus money under the
5 program created by rule. Rules adopted under this subsection may be
6 initially adopted as emergency rules if necessary to receive the
7 maximum amount of federal stimulus money. In its notice proposing
8 the rule and its order adopting the rule, the board must state the
9 reasons why the board believes no program currently exists under
10 which, even with modifications, the board or another state
11 governmental entity could apply for, receive, and expend federal
12 stimulus money available for the particular purpose of the new
13 program under the applicable federal law.

14 (e) Rules adopted under this section must be consistent with
15 any legislation enacted by the 81st Legislature that becomes law
16 that addresses an issue addressed by the rules. As the purpose of
17 the rules is to apply for, receive, and expend federal stimulus
18 money, rules adopted under this section must also be consistent
19 with any provisions prescribed by the legislature in an Act of the
20 legislature appropriating the federal funds to the board that
21 detail, limit, or direct, in a manner consistent with federal
22 requirements, how the money may be spent.

23 (f) Except as provided by Subsection (h), rules adopted
24 under this section expire September 1, 2011, together with any new
25 program created by the rules and any modification to existing
26 program requirements made by the rules. A rule adopted under this
27 section may be readopted by the board after that date only to the

1 extent that the rule is consistent with and authorized under then
2 existing state law.

3 (g) Except as provided by Subsection (h), this section
4 expires September 1, 2011.

5 (h) A rule adopted under this section, together with any new
6 program created by the rule and any modification to existing
7 program requirements made by the rule, may be extended beyond the
8 September 1, 2011, expiration date if at any time before that date,
9 including during the time that the rule is being considered for
10 adoption, the governor finds that the rule must expire at a later
11 date under the requirements of federal law in order to receive the
12 federal stimulus money for the particular program addressed by the
13 rule and the governor by proclamation extends the effective date of
14 the rule to a date certain after September 1, 2011, for that
15 purpose. If the governor acts under this subsection, this section
16 is continued in effect after September 1, 2011, for the limited
17 purpose of governing a rule adopted under this section before that
18 date that was extended by proclamation of the governor.

19 SECTION 5. TEXAS DEPARTMENT OF TRANSPORTATION. Subchapter
20 A, Chapter 201, Transportation Code, is amended by adding Section
21 201.004 to read as follows:

22 Sec. 201.004. AUTHORITY TO APPLY FOR AND RECEIVE MAXIMUM
23 AMOUNT OF FEDERAL ECONOMIC STIMULUS MONEY; DUTIES, RESTRICTIONS,
24 AND LIMITATIONS. (a) The department shall take action in
25 accordance with this section to apply for and receive the maximum
26 amount of federal stimulus money available to this state for
27 expenditure by or through the department. To that end the

1 department shall study appropriate provisions of the American
2 Recovery and Reinvestment Act of 2009 (Pub. L. No. 111-5) and any
3 subsequent federal economic stimulus legislation that may make
4 federal stimulus money available to the department and any federal
5 regulations and executive orders connected to the federal
6 legislation to determine:

7 (1) the extent to which the department has sufficient
8 authority under existing state law to apply for, receive, and
9 expend or grant federal stimulus money through existing state
10 programs;

11 (2) the extent to which federal stimulus money would
12 be available for expenditure by or through the department under
13 existing state programs provided that one or more requirements
14 applicable to the programs are modified in accordance with the
15 requirements of federal law; and

16 (3) the extent to which federal stimulus money is
17 available for programs connected to the department's general
18 mission but for which there is not currently a program authorized
19 under state law.

20 (b) In applying for and receiving the maximum amount of
21 federal stimulus money available to this state for expenditure by
22 or through the department, the department shall whenever possible
23 apply for, receive, and expend or grant the money in accordance with
24 an existing state program for which no modifications to applicable
25 program requirements are necessary under federal law.

26 (c) When the department determines that modifications to
27 the requirements applicable to an existing program are necessary

1 under federal law to receive and expend or grant the maximum amount
2 of federal stimulus money, the commission shall adopt rules that
3 modify the requirements applicable to the existing program to the
4 minimum extent necessary to comply with applicable federal
5 requirements. Rules adopted under this subsection may be initially
6 adopted as emergency rules if necessary to receive the maximum
7 amount of federal stimulus money. In its notice proposing the rule
8 and its order adopting the rule, the commission must state the
9 reasons why the commission believes modifications to program
10 requirements are necessary to receive the maximum amount of federal
11 stimulus money under the applicable federal law. The department
12 shall apply for, receive, and expend or grant the maximum amount of
13 federal stimulus money available for the program as modified by
14 commission rule.

15 (d) When the department determines that federal stimulus
16 money is available for a purpose within the department's general
17 mission but that there is no program administered by the department
18 or another state governmental entity under which the federal
19 stimulus money may be spent even if program modifications are made
20 to conform to federal requirements, the commission by rule shall
21 create a program consistent with the department's general mission
22 and federal requirements and the department shall apply for,
23 receive, and expend the federal stimulus money under the program
24 created by rule. Rules adopted under this subsection may be
25 initially adopted as emergency rules if necessary to receive the
26 maximum amount of federal stimulus money. In its notice proposing
27 the rule and its order adopting the rule, the commission must state

1 the reasons why the commission believes no program currently exists
2 under which, even with modifications, the department or another
3 state governmental entity could apply for, receive, and expend
4 federal stimulus money available for the particular purpose of the
5 new program under the applicable federal law.

6 (e) Rules adopted under this section must be consistent with
7 any legislation enacted by the 81st Legislature that becomes law
8 that addresses an issue addressed by the rules. As the purpose of
9 the rules is to apply for, receive, and expend federal stimulus
10 money, rules adopted under this section must also be consistent
11 with any provisions prescribed by the legislature in an Act of the
12 legislature appropriating the federal funds to the department that
13 detail, limit, or direct, in a manner consistent with federal
14 requirements, how the money may be spent.

15 (f) Except as provided by Subsection (h), rules adopted
16 under this section expire September 1, 2011, together with any new
17 program created by the rules and any modification to existing
18 program requirements made by the rules. A rule adopted under this
19 section may be readopted by the commission after that date only to
20 the extent that the rule is consistent with and authorized under
21 then existing state law.

22 (g) Except as provided by Subsection (h), this section
23 expires September 1, 2011.

24 (h) A rule adopted under this section, together with any new
25 program created by the rule and any modification to existing
26 program requirements made by the rule, may be extended beyond the
27 September 1, 2011, expiration date if at any time before that date,

1 including during the time that the rule is being considered for
2 adoption, the governor finds that the rule must expire at a later
3 date under the requirements of federal law in order to receive the
4 federal stimulus money for the particular program addressed by the
5 rule and the governor by proclamation extends the effective date of
6 the rule to a date certain after September 1, 2011, for that
7 purpose. If the governor acts under this subsection, this section
8 is continued in effect after September 1, 2011, for the limited
9 purpose of governing a rule adopted under this section before that
10 date that was extended by proclamation of the governor.

11 SECTION 6. GENERAL PROVISION FOR OTHER STATE GOVERNMENTAL
12 ENTITIES. Subtitle G, Title 10, Government Code, is amended by
13 adding Chapter 2311 to read as follows:

14 CHAPTER 2311. FEDERAL ECONOMIC STIMULUS GRANTS

15 Sec. 2311.001. APPLICABILITY. (a) This chapter applies to
16 any state governmental entity that may be eligible to apply for,
17 receive, and expend or grant federal stimulus money under the
18 American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111-5)
19 or any subsequent federal economic stimulus legislation.

20 (b) This chapter does not apply to the Department of Public
21 Safety, the Health and Human Services Commission or a health and
22 human services agency as defined by Section 531.001, the Texas
23 Education Agency, the Texas Higher Education Coordinating Board, or
24 the Texas Department of Transportation.

25 Sec. 2311.002. AUTHORITY TO APPLY FOR AND RECEIVE MAXIMUM
26 AMOUNT OF FEDERAL ECONOMIC STIMULUS MONEY; DUTIES, RESTRICTIONS,
27 AND LIMITATIONS. (a) If it is cost-effective to do so, a state

1 governmental entity shall take action in accordance with this
2 chapter to apply for and receive the maximum amount of federal
3 stimulus money available to this state for expenditure by or
4 through the state governmental entity. To that end the state
5 governmental entity shall, if it is cost-effective to do so, study
6 appropriate provisions of the American Recovery and Reinvestment
7 Act of 2009 and any subsequent federal economic stimulus
8 legislation that may make federal stimulus money available to the
9 state governmental entity and any federal regulations and executive
10 orders connected to the federal legislation to determine:

11 (1) the extent to which the state governmental entity
12 has sufficient authority under existing state law to apply for,
13 receive, and expend or grant federal stimulus money through
14 existing state programs;

15 (2) the extent to which federal stimulus money would
16 be available for expenditure by or through the state governmental
17 entity under existing state programs provided that one or more
18 requirements applicable to the programs are modified in accordance
19 with the requirements of federal law; and

20 (3) the extent to which federal stimulus money is
21 available for programs connected to the state governmental entity's
22 general mission but for which there is not currently a program
23 authorized under state law.

24 (b) In applying for and receiving the maximum amount of
25 federal stimulus money available to this state for expenditure by
26 or through the state governmental entity, the state governmental
27 entity shall whenever possible apply for, receive, and expend or

1 grant the money in accordance with an existing state program for
2 which no modifications to applicable program requirements are
3 necessary under federal law.

4 (c) When the state governmental entity determines that
5 modifications to the requirements applicable to an existing program
6 are necessary under federal law to receive and expend or grant the
7 maximum amount of federal stimulus money, the state governmental
8 entity shall adopt rules that modify the requirements applicable to
9 the existing program to the minimum extent necessary to comply with
10 applicable federal requirements. Rules adopted under this
11 subsection may be initially adopted as emergency rules if necessary
12 to receive the maximum amount of federal stimulus money. In its
13 notice proposing the rule and its order adopting the rule, the state
14 governmental entity must state the reasons why it believes
15 modifications to program requirements are necessary to receive the
16 maximum amount of federal stimulus money under the applicable
17 federal law. The state governmental entity shall apply for,
18 receive, and expend or grant the maximum amount of federal stimulus
19 money available for the program as modified by its rule.

20 (d) When the state governmental entity determines that
21 federal stimulus money is available for a purpose within the
22 entity's general mission but that there is no program administered
23 by any state governmental entity under which the federal stimulus
24 money may be spent even if program modifications are made to conform
25 to federal requirements, the state governmental entity by rule
26 shall create a program consistent with its general mission and
27 federal requirements and shall apply for, receive, and expend the

1 federal stimulus money under the program created by rule. Rules
2 adopted under this subsection may be initially adopted as emergency
3 rules if necessary to receive the maximum amount of federal
4 stimulus money. In its notice proposing the rule and its order
5 adopting the rule, the state governmental entity must state the
6 reasons why it believes no program currently exists under which,
7 even with modifications, any state governmental entity could apply
8 for, receive, and expend federal stimulus money available for the
9 particular purpose of the new program under the applicable federal
10 law.

11 (e) Rules adopted under this section must be consistent with
12 any legislation enacted by the 81st Legislature that becomes law
13 that addresses an issue addressed by the rules. As the purpose of
14 the rules is to apply for, receive, and expend federal stimulus
15 money, rules adopted under this section must also be consistent
16 with any provisions prescribed by the legislature in an Act of the
17 legislature appropriating the federal funds to the state
18 governmental entity that detail, limit, or direct, in a manner
19 consistent with federal requirements, how the money may be spent.

20 Sec. 2311.003. EXPIRATION. (a) Except as provided by
21 Subsection (c), rules adopted under this chapter expire September
22 1, 2011, together with any new program created by the rules and any
23 modification to existing program requirements made by the rules. A
24 rule adopted under this chapter may be readopted by the state
25 governmental entity after that date only to the extent that the rule
26 is consistent with and authorized under then existing state law.

27 (b) Except as provided by Subsection (c), this chapter

1 expires September 1, 2011.

2 (c) A rule adopted under this chapter, together with any new
3 program created by the rule and any modification to existing
4 program requirements made by the rule, may be extended beyond the
5 September 1, 2011, expiration date if at any time before that date,
6 including during the time that the rule is being considered for
7 adoption, the governor finds that the rule must expire at a later
8 date under the requirements of federal law in order to receive the
9 federal stimulus money for the particular program addressed by the
10 rule and the governor by proclamation extends the effective date of
11 the rule to a date certain after September 1, 2011, for that
12 purpose. If the governor acts under this subsection, this chapter
13 is continued in effect after September 1, 2011, for the limited
14 purpose of governing a rule adopted under this chapter before that
15 date that was extended by proclamation of the governor.

16 SECTION 7. EFFECTIVE DATE. This Act takes effect
17 immediately if it receives a vote of two-thirds of all the members
18 elected to each house, as provided by Section 39, Article III, Texas
19 Constitution. If this Act does not receive the vote necessary for
20 immediate effect, this Act takes effect on the 91st day after the
21 last day of the legislative session.