Amend CSSB 1 (house committee report) by adding the following appropriately numbered ARTICLE to the bill and renumbering subsequent ARTICLES and SECTIONS of the bill accordingly:

ARTICLE ____. TRANSFERRING TEXAS DEPARTMENT OF RURAL AFFAIRS TO
OFFICE OF RURAL AFFAIRS WITHIN DEPARTMENT OF AGRICULTURE

SECTION ____.01. The heading to Chapter 487, Government Code, is amended to read as follows:

CHAPTER 487. OFFICE [TEXAS DEPARTMENT] OF RURAL AFFAIRS IN DEPARTMENT OF AGRICULTURE

SECTION ____.02. Section 487.001, Government Code, is amended to read as follows:

Sec. 487.001. DEFINITIONS. In this chapter:

- (1) "Board" means the $\underline{\text{commissioner}}$ [board of the Texas Department of Rural Affairs].
- (2) "Commissioner" means the commissioner of agriculture.
- $\underline{\text{(3)}}$ "Department" means the $\underline{\text{office}}$ [Texas Department of Rural Affairs].
- (4) "Office" means the Office of Rural Affairs established within the Department of Agriculture under Section 12.038, Agriculture Code.

SECTION _____.03. Subchapter A, Chapter 487, Government Code, is amended by adding Section 487.003 to read as follows:

- Sec. 487.003. REFERENCE IN LAW. (a) A reference in this chapter or other law to the Texas Department of Rural Affairs or the Office of Rural Community Affairs means the office and a reference in this chapter or other law to the board of the Texas Department of Rural Affairs means the commissioner.
- (b) A reference in law to the executive director of the Texas Department of Rural Affairs means the director of the Office of Rural Affairs appointed under Section 12.038, Agriculture Code.

SECTION ____.04. Section 487.026, Government Code, is amended to read as follows:

Sec. 487.026. [EXECUTIVE] DIRECTOR. (a) The [board may hire an executive] director serves [to serve] as the chief executive officer of the office [department] and performs [to perform] the administrative duties of the office [department].

(b) [The executive director serves at the will of the board.

 $[\frac{(c)}{c}]$ The $[\frac{executive}{commissioner}]$ director may hire staff within guidelines established by the $\frac{commissioner}{commissioner}$.

SECTION ____.05. Section 487.051(a), Government Code, is amended to read as follows:

(a) The office [department] shall:

- (1) assist rural communities in the key areas of economic development, community development, rural health, and rural housing;
- (2) serve as a clearinghouse for information and resources on all state and federal programs affecting rural communities;
- (3) in consultation with rural community leaders, locally elected officials, state elected and appointed officials, academic and industry experts, and the interagency work group created under this chapter, identify and prioritize policy issues and concerns affecting rural communities in the state;
- (4) make recommendations to the legislature to address the concerns affecting rural communities identified under Subdivision (3);
- (5) monitor developments that have a substantial effect on rural Texas communities, especially actions of state government, and compile an annual report describing and evaluating the condition of rural communities;
- (6) administer the federal community development block grant nonentitlement program;
- (7) administer programs supporting rural health care as provided by this chapter;
- (8) perform research to determine the most beneficial and cost-effective ways to improve the welfare of rural communities;
- (9) ensure that the <u>office</u> [department] qualifies as the state's office of rural health for the purpose of receiving grants from the Office of Rural Health Policy of the United States Department of Health and Human Services under 42 U.S.C. Section 254r;
 - (10) manage the state's Medicare rural hospital

flexibility program under 42 U.S.C. Section 1395i-4;

- (11) seek state and federal money available for economic development in rural areas for programs under this chapter;
- of the Department of Agriculture, regularly cross-train office [department] employees with other employees of the Department of Agriculture regarding the programs administered and services provided [by each agency] to rural communities; and
- (13) work with interested persons to assist volunteer fire departments and emergency services districts in rural areas.

SECTION ____.06. Section 487.0541(c), Government Code, is amended to read as follows:

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

SECTION _____.07. Section 487.055, Government Code, is amended to read as follows:

Sec. 487.055. ADVISORY COMMITTEES. (a) The commissioner [board] may appoint advisory committees as necessary to assist the office [board] in performing its duties. An advisory committee may be composed of private citizens and representatives from state and local governmental entities. A state or local governmental entity shall appoint a representative to an advisory committee at the request of the commissioner [board].

 $\underline{\mbox{(b)}}$ Chapter 2110 does not apply to an advisory committee created under this section.

SECTION ____.08. Section 487.351(d), Government Code, is amended to read as follows:

(d) An applicant for a grant, loan, or award under a community development block grant program may appeal a decision of the [executive] director by filing an appeal with the commissioner [board]. The commissioner [board] shall hold a hearing on the appeal and render a decision.

SECTION ____.09. Section 2306.1092(b), Government Code, is amended to read as follows:

- (b) The council is composed of 16 members consisting of:
 - (1) the director;

- (2) one representative from each of the following agencies, appointed by the head of that agency:
- (A) the Office of Rural [Community] Affairs within the Department of Agriculture;
- (B) the Texas State Affordable Housing Corporation;
 - (C) the Health and Human Services Commission;
- (D) the Department of Assistive and Rehabilitative Services;
- (E) the Department of Aging and Disability Services; and
 - (F) the Department of State Health Services;
- (3) one representative from the Department of Agriculture who is:
- (A) knowledgeable about the Texans Feeding Texans and Retire in Texas programs or similar programs; and
 - (B) appointed by the head of that agency;
 - (4) one member who is:
- (A) a member of the Health and Human Services
 Commission Promoting Independence Advisory Committee; and
 - (B) appointed by the governor; and
- (5) one representative from each of the following interest groups, appointed by the governor:
 - (A) financial institutions;
 - (B) multifamily housing developers;
 - (C) health services entities;
- (D) nonprofit organizations that advocate for affordable housing and consumer-directed long-term services and support;
 - (E) consumers of service-enriched housing;
 - (F) advocates for minority issues; and
 - (G) rural communities.

SECTION _____.10. Sections 487.002, 487.021, 487.022, 487.023, 487.024, 487.025, 487.028, 487.029, 487.051(b), 487.058, and 487.352, Government Code, are repealed.

SECTION ____.11. (a) The Texas Department of Rural Affairs is abolished as an independent agency and transferred as a program

to the Office of Rural Affairs in the Department of Agriculture. The board of the Texas Department of Rural Affairs is abolished.

- (b) The validity of an action taken by the Texas Department of Rural Affairs or its board before either is abolished under Subsection (a) of this section is not affected by the abolishment.
- (c) All rules, policies, procedures, and decisions of the Texas Department of Rural Affairs are continued in effect as rules, policies, procedures, and decisions of the Office of Rural Affairs in the Department of Agriculture until superseded by a rule, policy, procedure, or decision of the office.
- (d) Any pending action or proceeding before the Texas Department of Rural Affairs becomes an action or proceeding before the Office of Rural Affairs in the Department of Agriculture.

SECTION ____.12. (a) On October 1, 2011:

- (1) the position of executive director of the Texas

 Department of Rural Affairs is abolished, except that the director

 of the Office of Rural Affairs in the Department of Agriculture may

 hire the executive director for a position in the office;
- (2) an employee of the Texas Department of Rural Affairs becomes an employee of the Office of Rural Affairs in the Department of Agriculture;
- (3) a reference in law to the Texas Department of Rural Affairs means the Office of Rural Affairs in the Department of Agriculture;
- (4) all money, contracts, leases, rights, and obligations of the Texas Department of Rural Affairs are transferred to the Office of Rural Affairs in the Department of Agriculture;
- (5) all property, including records, in the custody of the Texas Department of Rural Affairs becomes the property of the Office of Rural Affairs in the Department of Agriculture; and
- (6) all funds appropriated by the legislature to the Texas Department of Rural Affairs are transferred to the Office of Rural Affairs in the Department of Agriculture.
- (b) A function or activity performed by the Texas Department of Rural Affairs is transferred to the Office of Rural Affairs in the Department of Agriculture as provided by this article.

SECTION _____.13. The Texas Department of Rural Affairs and the Department of Agriculture shall establish a transition plan for the transfer described in Sections ___.11 and ___.12 of this article.

SECTION _____.14. Notwithstanding any other provision of this article, the governor retains the authority to designate an agency to administer federal disaster recovery funds and to transfer the federal funds to any state agency. On the date the governor designates a state agency, other than the Texas Department of Rural Affairs, to administer the federal community development block grant disaster recovery funds received for Hurricanes Rita, Dolly, and Ike:

- (1) a reference in law to the Texas Department of Rural Affairs related to the disaster recovery funds means the agency designated by the governor to administer the disaster recovery funds;
- (2) all money, contracts, leases, rights, and obligations of the Texas Department of Rural Affairs related to the disaster recovery funds are transferred to the designated agency; and
- (3) all property, including records, in the custody of the Texas Department of Rural Affairs related to the disaster recovery funds becomes the property of the designated agency.