

AN ACT

relating to the continuation and functions of the state employee charitable campaign.

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

SECTION 1. Subdivision (11), Section 659.131, Government Code, is amended to read as follows:

(11) "Local campaign area" means an area established by the state policy committee under Section 659.140(e)(1)(A) [the county or counties] in which a local campaign is conducted as part of the [manager conducts a] state employee charitable campaign.

SECTION 2. Subsection (g), Section 659.132, Government Code, is amended to read as follows:

(g) An authorization must direct the comptroller to distribute the deducted funds to a participating federation or fund or a local charitable organization selected by the state policy committee ~~[and a local campaign manager]~~ as prescribed by rule.

SECTION 3. Subsection (a), Section 659.133, Government Code, is amended to read as follows:

(a) Participation by a state employee in a state employee charitable campaign is voluntary. The state ~~[Each]~~ campaign manager, any local employee committee or local campaign manager appointed by the state policy committee, each charitable organization, each state employee, and each state agency shall inform state employees that deductions are voluntary.

SECTION 4. Section 659.140, Government Code, is amended by amending Subsections (a), (b), (e), and (i) and adding Subsections (c-1) and (e-1) to read as follows:

(a) The state employee charitable campaign policy committee shall consist of nine ~~[13]~~ members.

(b) The governor with the advice and consent of the senate shall appoint two ~~[four]~~ members who are state employees at the time of their appointment and one member ~~[three members]~~ who is a ~~[are]~~ retired state employee ~~[employees]~~ receiving benefits under Chapter 814. The lieutenant governor and the comptroller shall ~~[may]~~ appoint ~~[not more than]~~ three members each. An appointment to the committee shall be made without regard to the race, color, disability, sex, religion, age, or national origin of the appointee. The state policy committee shall elect a chair ~~[chairman]~~ biennially from its own membership.

(c-1) The governor, lieutenant governor, and comptroller shall attempt to appoint members to the state policy committee from institutions of higher education and a range of small, medium, and large state agencies.

(e) The state policy committee shall:

(1) establish the organization and structure of the state employee charitable campaign at the state and local levels, including:

(A) establishing local campaign areas ~~[based on recommendations by the state advisory committee];~~

(B) appointing any local employee committees the state policy committee considers necessary to assist the state

1 policy committee with evaluating applications from organizations
2 that seek to participate in the state employee charitable campaign
3 only in a local campaign area; and

4 (C) appointing any local campaign managers the
5 state policy committee considers necessary to administer the state
6 employee charitable campaign in a local campaign area;

7 (2) develop a strategic plan for the state employee
8 charitable campaign and make changes to improve the campaign as
9 necessary;

10 (3) in coordination with the state campaign manager,
11 post on the state employee charitable campaign Internet website
12 annual summary information regarding the state employee charitable
13 campaign's performance, including information about:

14 (A) state employee participation;

15 (B) the amount of donations pledged and
16 collected;

17 (C) the amount of donations pledged to and
18 received by each charitable organization;

19 (D) the total cost to administer the state
20 employee charitable campaign; and

21 (E) the balance of any surplus account maintained
22 by the state policy committee;

23 (4) [~~(2)~~] select as the state campaign manager:

24 (A) a federated community campaign organization;

25 or

26 (B) a charitable organization determined by the
27 state policy committee to have demonstrated the capacity to conduct

1 a state campaign;

2 (5) enter into a contract with the state campaign
3 manager selected under Subdivision (4) for the administration of
4 the state employee charitable campaign;

5 (6) [~~3~~] determine the eligibility of:

6 (A) a federation or fund and its affiliated
7 agencies for statewide participation in the state employee
8 charitable campaign; and

9 (B) if the state policy committee does not
10 appoint a local employee committee, a charitable organization for
11 participation in the state employee charitable campaign in a local
12 campaign area;

13 (7) develop in coordination with the state campaign
14 manager, review, and approve:

15 (A) an annual [~~(4) approve the recommended~~]
16 campaign plan;

17 (B) an annual [~~7~~] budget, including:

18 (i) costs related to contracting for the
19 administration of the state employee charitable campaign at the
20 state and local levels;

21 (ii) costs related to changes or
22 improvements to the state employee charitable campaign; and

23 (iii) other costs determined and
24 prioritized by the state policy committee; and

25 (C) generic materials to be used for the [~~by~~]
26 campaign [~~managers~~];

27 (8) [~~5~~] oversee the state employee charitable

campaign to ensure that all:

(A) campaign activities are conducted fairly and equitably to promote unified solicitation on behalf of all participants; and

(B) donations are appropriately distributed by a federation or fund or a charitable organization that receives money from the state employee charitable campaign; and

(9) ~~[(6)]~~ perform other duties prescribed by the comptroller's rules.

(e-1) The comptroller shall provide administrative support to the state policy committee, including assistance in:

(1) developing and overseeing contracts; and

(2) developing the budget of the state employee charitable campaign.

(i) The state employee charitable campaign policy committee is subject to the Texas Sunset Act. Unless continued in existence as provided by that chapter, the committee is abolished and Government Code, Chapter 659, Subchapter I, and Sections 814.0095 and 814.0096 expire on September 1, 2017 ~~[2013]~~.

SECTION 5. Subsection (c), Section 659.140, Government Code, as amended by Chapters 280 (H.B. 1608), 1249 (S.B. 1664), and 1015 (H.B. 2549), Acts of the 82nd Legislature, Regular Session, 2011, is reenacted and amended to read as follows:

(c) ~~[A member of the state policy committee may not receive compensation for serving on the committee and is not entitled to reimbursement from state funds for expenses incurred in performing functions as a member of the committee.]~~ The state policy

1 committee must:

2 (1) be composed of employees and retired state
3 employees receiving benefits under Chapter 814; and

4 (2) in its membership, represent employees at
5 different levels of employee classification.

6 SECTION 6. Subchapter I, Chapter 659, Government Code, is
7 amended by adding Sections 659.1401 and 659.1402 to read as
8 follows:

9 Sec. 659.1401. GROUNDS FOR REMOVAL FROM STATE POLICY
10 COMMITTEE. (a) It is a ground for removal from the state policy
11 committee that a member:

12 (1) does not have at the time of taking office the
13 qualifications required by Section 659.140;

14 (2) does not maintain during service on the state
15 policy committee the qualifications required by Section 659.140;

16 (3) is ineligible for membership under Section
17 659.140;

18 (4) cannot, because of illness or disability,
19 discharge the member's duties for a substantial part of the member's
20 term; or

21 (5) is absent from more than half of the regularly
22 scheduled state policy committee meetings that the member is
23 eligible to attend during a calendar year without an excuse
24 approved by a majority vote of the state policy committee.

25 (b) The validity of an action of the state policy committee
26 is not affected by the fact that it is taken when a ground for
27 removal of a state policy committee member exists.

1 (c) If the chair of the state policy committee has knowledge
2 that a potential ground for removal exists, the chair shall notify
3 the governor and the attorney general that a potential ground for
4 removal exists. If the potential ground for removal involves the
5 chair, another member of the state policy committee shall notify
6 the governor and the attorney general that a potential ground for
7 removal exists.

8 Sec. 659.1402. TRAINING FOR STATE POLICY COMMITTEE MEMBERS.

9 (a) A person who is appointed to and qualifies for office as a
10 member of the state policy committee may not vote, deliberate, or be
11 counted as a member in attendance at a meeting of the state policy
12 committee until the person completes a training program that
13 complies with this section.

14 (b) The training program must provide the person with
15 information regarding:

16 (1) the legislation that created the state employee
17 charitable campaign;

18 (2) the programs, functions, rules, and budget of the
19 state employee charitable campaign;

20 (3) the results of the most recent formal audit of the
21 state employee charitable campaign;

22 (4) the requirements of laws relating to open
23 meetings, public information, administrative procedure, and
24 conflicts of interest; and

25 (5) any applicable ethics policies adopted by the
26 Texas Ethics Commission or adopted for the state employee
27 charitable campaign by the state policy committee.

SECTION 7. Section 659.141, Government Code, is amended to read as follows:

Sec. 659.141. STATE CAMPAIGN MANAGER. The state campaign manager shall:

(1) assist the state policy committee to:

(A) develop a campaign plan;

(B) develop ~~[(2) prepare]~~ a ~~[statewide]~~ campaign budget ~~[in cooperation with local campaign managers]; and~~

(C) ~~[(3)]~~ prepare generic materials to be used for the campaign ~~[by campaign managers];~~

(2) ~~[(4)]~~ coordinate and facilitate campaign services to state employees throughout the state;

(3) ~~[(5)]~~ ensure that all state employee charitable campaign activities are conducted fairly and equitably to promote unified solicitation on behalf of all participants; ~~[and]~~

(4) ~~[(6)]~~ perform other duties prescribed by the comptroller's rules; and

(5) perform other duties required by the contract with the state policy committee.

SECTION 8. Subsections (b) and (e), Section 659.142, Government Code, are amended to read as follows:

(b) ~~[Four members must represent campaign managers.]~~ Four members must represent statewide or local federations or funds ~~[that are not campaign managers].~~ Four members must represent other charitable organizations participating in the state employee charitable campaign.

(e) The state advisory committee shall:

(1) advise the comptroller and state policy committee in adopting rules and establishing procedures for the operation and management of the state employee charitable campaign; and

(2) provide input from charitable organizations participating in the state employee charitable campaign to the state policy committee [~~recommend the number, not to exceed 50, and geographic scope of local campaign areas to the state policy committee, and~~

~~[(3) review and submit the recommended campaign plan, budget, and generic materials to be used by campaign managers].~~

SECTION 9. Section 659.145, Government Code, is amended to read as follows:

Sec. 659.145. TERMS OF COMMITTEE MEMBERS; COMPENSATION.

(a) A member of the state advisory committee [~~, the state policy committee, or a local employee committee~~] serves a two-year term.

(a-1) Members of the state policy committee serve staggered terms of two years, with the terms of four or five members expiring September 1 of each year.

(b) A member of the state advisory committee, the state policy committee, or a local employee committee appointed by the state policy committee may not receive compensation for serving on the committee and is not entitled to reimbursement from state funds for expenses incurred in performing functions as a member of the committee.

SECTION 10. Section 659.146, Government Code, is amended by amending Subsection (e) and adding Subsections (f) and (g) to read as follows:

1 (e) An appeal from a decision of the state policy committee
2 shall be conducted in the manner prescribed by the committee. The
3 appeals process must permit a charitable organization that is not
4 approved for statewide participation to apply for participation in
5 the [a local] state employee charitable campaign only in a local
6 campaign area.

7 (f) The state policy committee shall develop guidelines for
8 evaluation of applications based on eligibility criteria under this
9 section and Section 659.150. The state policy committee shall make
10 the guidelines publicly available.

11 (g) A federation or organization that participated in the
12 state employee charitable campaign before June 20, 2003, is not
13 barred from participation in the program, both in terms of actual
14 participation and the purposes for which the contributions are
15 used, solely as a result of changes made by Sections 35, 36, 37, and
16 121(9) and (11), Chapter 1310 (H.B. 2425), Acts of the 78th
17 Legislature, Regular Session, 2003. This subsection does not
18 excuse a federation or organization from compliance with any other
19 law, rule, or state policy.

20 SECTION 11. Section 659.147, Government Code, is amended to
21 read as follows:

22 Sec. 659.147. ELIGIBILITY OF CHARITABLE ORGANIZATIONS FOR
23 LOCAL PARTICIPATION. (a) A charitable organization that seeks to
24 participate [local participation] in the [a] state employee
25 charitable campaign only in a local campaign area must apply to the
26 state policy committee [appropriate local employee committee]
27 during the annual eligibility determination period specified by the

1 state policy committee.

2 (b) The state policy committee, with assistance of any
3 applicable local employee committee appointed by the state policy
4 committee, shall review each application and may approve a
5 charitable organization for ~~[local]~~ participation only in a local
6 campaign area only if the organization qualifies as a local
7 charitable organization and is:

8 (1) an unaffiliated local organization; or

9 (2) a federation or fund or an affiliate of a
10 federation or fund that is not approved for statewide
11 participation.

12 (c) An affiliated organization of an eligible federation or
13 fund that does not qualify as a statewide charitable organization
14 under Section 659.146 because it does not provide services in two or
15 more noncontiguous standard metropolitan statistical areas may
16 apply to the state policy committee ~~[a local employee committee]~~
17 for participation in the ~~[a local]~~ state employee charitable
18 campaign only in a local campaign area.

19 (d) An appeal from a decision of the state policy committee
20 regarding the eligibility of an organization to participate in the
21 state employee charitable campaign only in a local campaign area ~~[a~~
22 ~~local employee committee]~~ shall be conducted in the manner
23 prescribed by the state policy committee.

24 (e) The state policy committee shall develop guidelines for
25 evaluation of applications based on eligibility criteria under this
26 section and Section 659.150. The state policy committee shall make
27 the guidelines publicly available.

SECTION 12. Section 659.148, Government Code, is amended by amending Subsections (a), (b), and (c) and adding Subsection (b-1) to read as follows:

(a) The state [A] campaign manager or any local campaign manager appointed by the state policy committee may not charge a fee to the comptroller, a state agency, or a state employee for the services the state campaign manager or local campaign manager provides in connection with a state employee charitable campaign.

(b) The state [A] campaign manager may charge a reasonable and necessary fee for actual campaign expenses in an amount authorized by the state policy committee to the participating charitable organizations in the same proportion that the contributions to that charitable organization bear to the total of contributions in the state employee charitable campaign.

(b-1) If the state policy committee appoints a local campaign manager to administer the state employee charitable campaign in a local campaign area, the state policy committee may authorize the local campaign manager to charge a reasonable and necessary fee in an amount authorized by the state policy committee in the same manner provided for the state campaign manager under Subsection (b).

(c) Fees [A ~~fee~~] under Subsections [~~Subsection~~] (b) and (b-1) must be based on the combined expenses of the state campaign manager and any [~~each~~] local campaign managers appointed by the state policy committee [~~manager~~] and may not exceed 10 percent of the total amount collected in the state employee charitable campaign [~~unless the state policy committee approves a higher~~]

~~amount to accommodate reasonable documented costs].~~

SECTION 13. Subsections (a), (b), and (c), Section 659.151, Government Code, are amended to read as follows:

(a) The state policy committee may request the comptroller or state auditor to audit a participating charitable organization, the state [a] campaign manager, or a local employee committee or local campaign manager appointed by the state policy committee that the state policy committee reasonably believes has misapplied contributions under this subchapter.

(b) If an audit under this section reveals gross negligence or intentional misconduct on the part of the state [a] campaign manager or a local employee committee or local campaign manager appointed by the state policy committee, the state policy committee shall remove the campaign manager or local employee committee. A person removed under this subsection is not eligible to serve in the capacity from which the person was removed before the fifth anniversary of the date the person was removed.

(c) If an audit under this section reveals intentional misconduct on the part of the state [a] campaign manager, ~~or~~ a local employee committee or local campaign manager appointed by the state policy committee, or a participating charitable organization that has distributed money received from the state employee charitable campaign, the state policy committee shall forward its findings to the appropriate law enforcement agency.

SECTION 14. Section 659.153, Government Code, is amended to read as follows:

Sec. 659.153. LEGAL REPRESENTATION. The attorney general

1 shall represent the state policy committee and any ~~each~~ local
2 employee committee appointed by the state policy committee in all
3 legal matters.

4 SECTION 15. Subdivisions (1), (12), and (14), Section
5 659.131, and Sections 659.143 and 659.144, Government Code, are
6 repealed.

7 SECTION 16. (a) Section 18.01, Chapter 3 (House Bill No.
8 7), Acts of the 78th Legislature, 3rd Called Session, 2003, is
9 repealed.

10 (b) Each federation or charitable organization is subject
11 to Subdivision (3), Subsection (a), Section 659.146, Government
12 Code.

13 (c) Subsections (a) and (b) of this section and Subsection
14 (g), Section 659.146, Government Code, as added by this Act, apply
15 only to the eligibility of a charitable organization to participate
16 in, and the use of contributions from, a state employee charitable
17 campaign conducted on or after January 1, 2014.

18 (d) This section and Subsection (g), Section 659.146,
19 Government Code, as added by this Act, take effect January 1, 2014.

20 SECTION 17. (a) The term of each member of the state
21 employee charitable campaign policy committee expires September 1,
22 2013.

23 (b) Not later than September 2, 2013:

24 (1) the governor shall appoint one member who is a
25 state employee and one member who is a retired state employee
26 receiving benefits under Chapter 814, Government Code, the
27 lieutenant governor shall appoint one member, and the comptroller

1 of public accounts shall appoint one member to the state employee
2 charitable campaign policy committee for terms expiring September
3 1, 2014; and

4 (2) the governor shall appoint one member who is a
5 state employee, the lieutenant governor shall appoint two members,
6 and the comptroller of public accounts shall appoint two members to
7 the state employee charitable campaign policy committee for terms
8 expiring September 1, 2015.

9 SECTION 18. Not later than December 31, 2013, the
10 comptroller of public accounts shall adopt rules necessary to
11 implement the changes in law made by this Act.

12 SECTION 19. Any changes made by the state employee
13 charitable campaign policy committee to the operation of the state
14 employee charitable campaign under Subsection (e), Section
15 659.140, Government Code, as amended by this Act, apply only to a
16 state employee charitable campaign conducted on or after January 1,
17 2014.

18 SECTION 20. Except as otherwise provided by this Act, this
19 Act takes effect September 1, 2013.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 217 passed the Senate on April 11, 2013, by the following vote: Yeas 31, Nays 0; May 20, 2013, Senate refused to concur in House amendments and requested appointment of Conference Committee; May 22, 2013, House granted request of the Senate; May 26, 2013, Senate adopted Conference Committee Report by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 217 passed the House, with amendments, on May 15, 2013, by the following vote: Yeas 114, Nays 24, two present not voting; May 22, 2013, House granted request of the Senate for appointment of Conference Committee; May 26, 2013, House adopted Conference Committee Report by the following vote: Yeas 109, Nays 31, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor