

1-1 By: Patrick, Nichols S.B. No. 217
 1-2 (In the Senate - Filed March 7, 2013; March 12, 2013, read
 1-3 first time and referred to Committee on Government Organization;
 1-4 April 3, 2013, reported favorably by the following vote: Yeas 7,
 1-5 Nays 0; April 3, 2013, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			

1-15 A BILL TO BE ENTITLED
 1-16 AN ACT

1-17 relating to the continuation and functions of the state employee
 1-18 charitable campaign.

1-19 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-20 SECTION 1. Subdivision (11), Section 659.131, Government
 1-21 Code, is amended to read as follows:

1-22 (11) "Local campaign area" means an area established
 1-23 by the state policy committee under Section 659.140(e)(1)(A) [the
 1-24 county or counties] in which a local campaign is conducted as part
 1-25 of the [manager conducts a] state employee charitable campaign.

1-26 SECTION 2. Subsection (g), Section 659.132, Government
 1-27 Code, is amended to read as follows:

1-28 (g) An authorization must direct the comptroller to
 1-29 distribute the deducted funds to a participating federation or fund
 1-30 or a local charitable organization selected by the state policy
 1-31 committee [and a local campaign manager] as prescribed by rule.

1-32 SECTION 3. Subsection (a), Section 659.133, Government
 1-33 Code, is amended to read as follows:

1-34 (a) Participation by a state employee in a state employee
 1-35 charitable campaign is voluntary. The state [Each] campaign
 1-36 manager, any local employee committee or local campaign manager
 1-37 appointed by the state policy committee, each charitable
 1-38 organization, each state employee, and each state agency shall
 1-39 inform state employees that deductions are voluntary.

1-40 SECTION 4. Section 659.140, Government Code, is amended by
 1-41 amending Subsections (a), (b), and (e) and adding Subsections (c-1)
 1-42 and (e-1) to read as follows:

1-43 (a) The state employee charitable campaign policy committee
 1-44 shall consist of nine [13] members.

1-45 (b) The governor with the advice and consent of the senate
 1-46 shall appoint two [four] members who are state employees at the time
 1-47 of their appointment and one member [three members] who is a [are]
 1-48 retired state employee [employees] receiving benefits under
 1-49 Chapter 814. The lieutenant governor and the comptroller shall
 1-50 [may] appoint [not more than] three members each. An appointment to
 1-51 the committee shall be made without regard to the race, color,
 1-52 disability, sex, religion, age, or national origin of the
 1-53 appointee. The state policy committee shall elect a chair
 1-54 [chairman] biennially from its own membership.

1-55 (c-1) The governor, lieutenant governor, and comptroller
 1-56 shall attempt to appoint members to the state policy committee from
 1-57 institutions of higher education and a range of small, medium, and
 1-58 large state agencies.

1-59 (e) The state policy committee shall:

1-60 (1) establish the organization and structure of the
 1-61 state employee charitable campaign at the state and local levels,

2-1 including:

2-2 (A) establishing local campaign areas [based on
2-3 recommendations by the state advisory committee];

2-4 (B) appointing any local employee committees the
2-5 state policy committee considers necessary to assist the state
2-6 policy committee with evaluating applications from organizations
2-7 that seek to participate in the state employee charitable campaign
2-8 only in a local campaign area; and

2-9 (C) appointing any local campaign managers the
2-10 state policy committee considers necessary to administer the state
2-11 employee charitable campaign in a local campaign area;

2-12 (2) develop a strategic plan for the state employee
2-13 charitable campaign and make changes to improve the campaign as
2-14 necessary;

2-15 (3) in coordination with the state campaign manager,
2-16 post on the state employee charitable campaign Internet website
2-17 annual summary information regarding the state employee charitable
2-18 campaign's performance, including information about:

2-19 (A) state employee participation;

2-20 (B) the amount of donations pledged and
2-21 collected;

2-22 (C) the amount of donations pledged to and
2-23 received by each charitable organization;

2-24 (D) the total cost to administer the state
2-25 employee charitable campaign; and

2-26 (E) the balance of any surplus account maintained
2-27 by the state policy committee;

2-28 (4) [~~2~~] select as the state campaign manager:

2-29 (A) a federated community campaign organization;
2-30 or

2-31 (B) a charitable organization determined by the
2-32 state policy committee to have demonstrated the capacity to conduct
2-33 a state campaign;

2-34 (5) enter into a contract with the state campaign
2-35 manager selected under Subdivision (4) for the administration of
2-36 the state employee charitable campaign;

2-37 (6) [~~3~~] determine the eligibility of:

2-38 (A) a federation or fund and its affiliated
2-39 agencies for statewide participation in the state employee
2-40 charitable campaign; and

2-41 (B) if the state policy committee does not
2-42 appoint a local employee committee, a charitable organization for
2-43 participation in the state employee charitable campaign in a local
2-44 campaign area;

2-45 (7) develop in coordination with the state campaign
2-46 manager, review, and approve:

2-47 (A) an annual [~~4~~] approve the recommended]
2-48 campaign plan;

2-49 (B) an annual [~~7~~] budget, including:

2-50 (i) costs related to contracting for the
2-51 administration of the state employee charitable campaign at the
2-52 state and local levels;

2-53 (ii) costs related to changes or
2-54 improvements to the state employee charitable campaign; and

2-55 (iii) other costs determined and
2-56 prioritized by the state policy committee; and

2-57 (C) generic materials to be used for the [by]
2-58 campaign [managers];

2-59 (8) [~~5~~] oversee the state employee charitable
2-60 campaign to ensure that all:

2-61 (A) campaign activities are conducted fairly and
2-62 equitably to promote unified solicitation on behalf of all
2-63 participants; and

2-64 (B) donations are appropriately distributed by a
2-65 federation or fund or a charitable organization that receives money
2-66 from the state employee charitable campaign; and

2-67 (9) [~~6~~] perform other duties prescribed by the
2-68 comptroller's rules.

2-69 (e-1) The comptroller shall provide administrative support

3-1 to the state policy committee, including assistance in:

3-2 (1) developing and overseeing contracts;

3-3 (2) developing the budget of the state employee
3-4 charitable campaign; and

3-5 (3) any other administrative function the state policy
3-6 committee determines is necessary.

3-7 SECTION 5. Subsection (c), Section 659.140, Government
3-8 Code, as amended by Chapters 280 (H.B. 1608), 1249 (S.B. 1664), and
3-9 1015 (H.B. 2549), Acts of the 82nd Legislature, Regular Session,
3-10 2011, is reenacted and amended to read as follows:

3-11 ~~(c) [A member of the state policy committee may not receive~~
3-12 ~~compensation for serving on the committee and is not entitled to~~
3-13 ~~reimbursement from state funds for expenses incurred in performing~~
3-14 ~~functions as a member of the committee.]~~ The state policy committee
3-15 must:

3-16 (1) be composed of employees and retired state
3-17 employees receiving benefits under Chapter 814; and

3-18 (2) in its membership, represent employees at
3-19 different levels of employee classification.

3-20 SECTION 6. Subchapter I, Chapter 659, Government Code, is
3-21 amended by adding Sections 659.1401 and 659.1402 to read as
3-22 follows:

3-23 Sec. 659.1401. GROUNDS FOR REMOVAL FROM STATE POLICY
3-24 COMMITTEE. (a) It is a ground for removal from the state policy
3-25 committee that a member:

3-26 (1) does not have at the time of taking office the
3-27 qualifications required by Section 659.140;

3-28 (2) does not maintain during service on the state
3-29 policy committee the qualifications required by Section 659.140;

3-30 (3) is ineligible for membership under Section
3-31 659.140;

3-32 (4) cannot, because of illness or disability,
3-33 discharge the member's duties for a substantial part of the member's
3-34 term; or

3-35 (5) is absent from more than half of the regularly
3-36 scheduled state policy committee meetings that the member is
3-37 eligible to attend during a calendar year without an excuse
3-38 approved by a majority vote of the state policy committee.

3-39 (b) The validity of an action of the state policy committee
3-40 is not affected by the fact that it is taken when a ground for
3-41 removal of a state policy committee member exists.

3-42 (c) If the chair of the state policy committee has knowledge
3-43 that a potential ground for removal exists, the chair shall notify
3-44 the governor and the attorney general that a potential ground for
3-45 removal exists. If the potential ground for removal involves the
3-46 chair, another member of the state policy committee shall notify
3-47 the governor and the attorney general that a potential ground for
3-48 removal exists.

3-49 Sec. 659.1402. TRAINING FOR STATE POLICY COMMITTEE MEMBERS.

3-50 (a) A person who is appointed to and qualifies for office as a
3-51 member of the state policy committee may not vote, deliberate, or be
3-52 counted as a member in attendance at a meeting of the state policy
3-53 committee until the person completes a training program that
3-54 complies with this section.

3-55 (b) The training program must provide the person with
3-56 information regarding:

3-57 (1) the legislation that created the state employee
3-58 charitable campaign;

3-59 (2) the programs, functions, rules, and budget of the
3-60 state employee charitable campaign;

3-61 (3) the results of the most recent formal audit of the
3-62 state employee charitable campaign;

3-63 (4) the requirements of laws relating to open
3-64 meetings, public information, administrative procedure, and
3-65 conflicts of interest; and

3-66 (5) any applicable ethics policies adopted by the
3-67 Texas Ethics Commission or adopted for the state employee
3-68 charitable campaign by the state policy committee.

3-69 SECTION 7. Section 659.141, Government Code, is amended to

4-1 read as follows:

4-2 Sec. 659.141. STATE CAMPAIGN MANAGER. The state campaign
4-3 manager shall:

4-4 (1) assist the state policy committee to:

4-5 (A) develop a campaign plan;

4-6 (B) develop [~~(2) prepare~~] a [~~statewide~~]
4-7 campaign budget [~~in cooperation with local campaign managers~~]; and

4-8 (C) [~~(3)~~] prepare generic materials to be used
4-9 for the campaign [~~by campaign managers~~];

4-10 (2) [~~(4)~~] coordinate and facilitate campaign services
4-11 to state employees throughout the state;

4-12 (3) [~~(5)~~] ensure that all state employee charitable
4-13 campaign activities are conducted fairly and equitably to promote
4-14 unified solicitation on behalf of all participants; [and]

4-15 (4) [~~(6)~~] perform other duties prescribed by the
4-16 comptroller's rules; and

4-17 (5) perform other duties required by the contract with
4-18 the state policy committee.

4-19 SECTION 8. Subsections (b) and (e), Section 659.142,
4-20 Government Code, are amended to read as follows:

4-21 (b) [~~Four members must represent campaign managers.~~] Four
4-22 members must represent statewide or local federations or funds
4-23 [~~that are not campaign managers~~]. Four members must represent
4-24 other charitable organizations participating in the state employee
4-25 charitable campaign.

4-26 (e) The state advisory committee shall:

4-27 (1) advise the comptroller and state policy committee
4-28 in adopting rules and establishing procedures for the operation and
4-29 management of the state employee charitable campaign; and

4-30 (2) provide input from charitable organizations
4-31 participating in the state employee charitable campaign to the
4-32 state policy committee [~~recommend the number, not to exceed 50, and~~
4-33 ~~geographic scope of local campaign areas to the state policy~~
4-34 ~~committee; and~~

4-35 [~~(3) review and submit the recommended campaign plan,~~
4-36 ~~budget, and generic materials to be used by campaign managers].~~

4-37 SECTION 9. Section 659.145, Government Code, is amended to
4-38 read as follows:

4-39 Sec. 659.145. TERMS OF COMMITTEE MEMBERS; COMPENSATION.

4-40 (a) A member of the state advisory committee [~~, the state policy~~
4-41 ~~committee, or a local employee committee~~] serves a two-year term.

4-42 (a-1) Members of the state policy committee serve staggered
4-43 terms of two years, with the terms of four or five members expiring
4-44 September 1 of each year.

4-45 (b) A member of the state advisory committee, the state
4-46 policy committee, or a local employee committee appointed by the
4-47 state policy committee may not receive compensation for serving on
4-48 the committee and is not entitled to reimbursement from state funds
4-49 for expenses incurred in performing functions as a member of the
4-50 committee.

4-51 SECTION 10. Section 659.146, Government Code, is amended by
4-52 amending Subsection (e) and adding Subsections (f) and (g) to read
4-53 as follows:

4-54 (e) An appeal from a decision of the state policy committee
4-55 shall be conducted in the manner prescribed by the committee. The
4-56 appeals process must permit a charitable organization that is not
4-57 approved for statewide participation to apply for participation in
4-58 the [~~a local~~] state employee charitable campaign only in a local
4-59 campaign area.

4-60 (f) The state policy committee shall develop guidelines for
4-61 evaluation of applications based on eligibility criteria under this
4-62 section and Section 659.150. The state policy committee shall make
4-63 the guidelines publicly available.

4-64 (g) A federation or organization that participated in the
4-65 state employee charitable campaign before June 20, 2003, is not
4-66 barred from participation in the program, both in terms of actual
4-67 participation and the purposes for which the contributions are
4-68 used, solely as a result of changes made by Sections 35, 36, 37, and
4-69 121(9) and (11), Chapter 1310 (H.B. 2425), Acts of the 78th

5-1 Legislature, Regular Session, 2003. This subsection does not
 5-2 excuse a federation or organization from compliance with any other
 5-3 law, rule, or state policy.

5-4 SECTION 11. Section 659.147, Government Code, is amended to
 5-5 read as follows:

5-6 Sec. 659.147. ELIGIBILITY OF CHARITABLE ORGANIZATIONS FOR
 5-7 LOCAL PARTICIPATION. (a) A charitable organization that seeks to
 5-8 participate [~~local participation~~] in the [~~a~~] state employee
 5-9 charitable campaign only in a local campaign area must apply to the
 5-10 state policy committee [~~appropriate local employee committee~~]
 5-11 during the annual eligibility determination period specified by the
 5-12 state policy committee.

5-13 (b) The state policy committee, with assistance of any
 5-14 applicable local employee committee appointed by the state policy
 5-15 committee, shall review each application and may approve a
 5-16 charitable organization for [~~local~~] participation only in a local
 5-17 campaign area only if the organization qualifies as a local
 5-18 charitable organization and is:

5-19 (1) an unaffiliated local organization; or
 5-20 (2) a federation or fund or an affiliate of a
 5-21 federation or fund that is not approved for statewide
 5-22 participation.

5-23 (c) An affiliated organization of an eligible federation or
 5-24 fund that does not qualify as a statewide charitable organization
 5-25 under Section 659.146 because it does not provide services in two or
 5-26 more noncontiguous standard metropolitan statistical areas may
 5-27 apply to the state policy committee [~~a local employee committee~~]
 5-28 for participation in the [~~a local~~] state employee charitable
 5-29 campaign only in a local campaign area.

5-30 (d) An appeal from a decision of the state policy committee
 5-31 regarding the eligibility of an organization to participate in the
 5-32 state employee charitable campaign only in a local campaign area [~~a~~
 5-33 ~~local employee committee~~] shall be conducted in the manner
 5-34 prescribed by the state policy committee.

5-35 (e) The state policy committee shall develop guidelines for
 5-36 evaluation of applications based on eligibility criteria under this
 5-37 section and Section 659.150. The state policy committee shall make
 5-38 the guidelines publicly available.

5-39 SECTION 12. Section 659.148, Government Code, is amended by
 5-40 amending Subsections (a), (b), and (c) and adding Subsection (b-1)
 5-41 to read as follows:

5-42 (a) The state [~~A~~] campaign manager or any local campaign
 5-43 manager appointed by the state policy committee may not charge a fee
 5-44 to the comptroller, a state agency, or a state employee for the
 5-45 services the state campaign manager or local campaign manager
 5-46 provides in connection with a state employee charitable campaign.

5-47 (b) The state [~~A~~] campaign manager may charge a reasonable
 5-48 and necessary fee for actual campaign expenses to the participating
 5-49 charitable organizations in the same proportion that the
 5-50 contributions to that charitable organization bear to the total of
 5-51 contributions in the state employee charitable campaign.

5-52 (b-1) If the state policy committee appoints a local
 5-53 campaign manager to administer the state employee charitable
 5-54 campaign in a local campaign area, the state policy committee may
 5-55 authorize the local campaign manager to charge a reasonable and
 5-56 necessary fee in the same manner provided for the state campaign
 5-57 manager under Subsection (b).

5-58 (c) Fees [~~A fee~~] under Subsections [~~Subsection~~] (b) and
 5-59 (b-1) must be based on the combined expenses of the state campaign
 5-60 manager and any [~~each~~] local campaign managers appointed by the
 5-61 state policy committee [~~manager~~] and may not exceed 10 percent of
 5-62 the total amount collected in the state employee charitable
 5-63 campaign unless the state policy committee approves a higher amount
 5-64 to accommodate reasonable documented costs.

5-65 SECTION 13. Section 659.151, Government Code, is amended by
 5-66 amending Subsections (a), (b), and (c) and adding Subsection (a-1)
 5-67 to read as follows:

5-68 (a) The state policy committee may request the comptroller
 5-69 or state auditor to audit a participating charitable organization,

6-1 the state ~~[a]~~ campaign manager, or a local employee committee or
 6-2 local campaign manager appointed by the state policy committee that
 6-3 the state policy committee reasonably believes has misapplied
 6-4 contributions under this subchapter.

6-5 (a-1) At the request of the state policy committee, the
 6-6 comptroller shall audit a participating charitable organization's
 6-7 distributions of money received from the state employee charitable
 6-8 campaign.

6-9 (b) If an audit under this section reveals gross negligence
 6-10 or intentional misconduct on the part of the state ~~[a]~~ campaign
 6-11 manager or a local employee committee or local campaign manager
 6-12 appointed by the state policy committee, the state policy committee
 6-13 shall remove the campaign manager or local employee committee. A
 6-14 person removed under this subsection is not eligible to serve in the
 6-15 capacity from which the person was removed before the fifth
 6-16 anniversary of the date the person was removed.

6-17 (c) If an audit under this section reveals intentional
 6-18 misconduct on the part of the state ~~[a]~~ campaign manager, ~~[or]~~ a
 6-19 local employee committee or local campaign manager appointed by the
 6-20 state policy committee, or a participating charitable organization
 6-21 that has distributed money received from the state employee
 6-22 charitable campaign, the state policy committee shall forward its
 6-23 findings to the appropriate law enforcement agency.

6-24 SECTION 14. Section 659.153, Government Code, is amended to
 6-25 read as follows:

6-26 Sec. 659.153. LEGAL REPRESENTATION. The attorney general
 6-27 shall represent the state policy committee and any ~~[each]~~
 6-28 employee committee appointed by the state policy committee in all
 6-29 legal matters.

6-30 SECTION 15. Subdivisions (1), (12), and (14), Section
 6-31 659.131, Subsection (i), Section 659.140, and Sections 659.143 and
 6-32 659.144, Government Code, are repealed.

6-33 SECTION 16. (a) Section 18.01, Chapter 3 (House Bill No.
 6-34 7), Acts of the 78th Legislature, 3rd Called Session, 2003, is
 6-35 repealed.

6-36 (b) Each federation or charitable organization is subject
 6-37 to Subdivision (3), Subsection (a), Section 659.146, Government
 6-38 Code.

6-39 (c) Subsections (a) and (b) of this section and Subsection
 6-40 (g), Section 659.146, Government Code, as added by this Act, apply
 6-41 only to the eligibility of a charitable organization to participate
 6-42 in, and the use of contributions from, a state employee charitable
 6-43 campaign conducted on or after January 1, 2014.

6-44 (d) This section and Subsection (g), Section 659.146,
 6-45 Government Code, as added by this Act, take effect January 1, 2014.

6-46 SECTION 17. (a) The term of each member of the state
 6-47 employee charitable campaign policy committee expires September 1,
 6-48 2013.

6-49 (b) Not later than September 2, 2013:

6-50 (1) the governor shall appoint one member who is a
 6-51 state employee and one member who is a retired state employee
 6-52 receiving benefits under Chapter 814, Government Code, the
 6-53 lieutenant governor shall appoint one member, and the comptroller
 6-54 of public accounts shall appoint one member to the state employee
 6-55 charitable campaign policy committee for terms expiring September
 6-56 1, 2014; and

6-57 (2) the governor shall appoint one member who is a
 6-58 state employee, the lieutenant governor shall appoint two members,
 6-59 and the comptroller of public accounts shall appoint two members to
 6-60 the state employee charitable campaign policy committee for terms
 6-61 expiring September 1, 2015.

6-62 SECTION 18. Not later than December 31, 2013, the
 6-63 comptroller of public accounts shall adopt rules necessary to
 6-64 implement the changes in law made by this Act.

6-65 SECTION 19. Any changes made by the state employee
 6-66 charitable campaign policy committee to the operation of the state
 6-67 employee charitable campaign under Subsection (e), Section
 6-68 659.140, Government Code, as amended by this Act, apply only to a
 6-69 state employee charitable campaign conducted on or after January 1,

7-1 2014.

7-2 SECTION 20. Except as otherwise provided by this Act, this
7-3 Act takes effect September 1, 2013.

7-4 * * * * *