

Amend CSHB 26 (house committee printing) as follows:

(1) On page 6, strike lines 17 through 20 and substitute the following:

SECTION 1.04. Subchapter C, Chapter 490, Government Code, is amended by adding Section 490.104 to read as follows:

Sec. 490.104. MANAGEMENT OF INVESTMENT PORTFOLIO; WINDING UP AND FINAL LIQUIDATION. (a) In this section,

(2) On page 6, line 24, strike "former".

(3) On page 7, line 1, strike "former".

(4) On page 7, strike lines 2 through 8 and substitute the following:

(b) The Texas Treasury Safekeeping Trust Company shall manage and wind up the state's emerging technology investment portfolio. The trust company shall wind up the portfolio in a manner that, to the extent feasible, provides for the maximum return on the state's investment while also ensuring the return of the state's investment. In managing those investments through procedures and subject to restrictions that the trust company considers appropriate, the trust company may acquire, exchange, sell, supervise, manage, or retain any kind of investment that a prudent investor, exercising reasonable care, skill, and caution, would acquire or retain in light of the purposes, terms, distribution requirements, and other circumstances then prevailing pertinent to each investment. The trust company may recover its reasonable and necessary costs incurred in the management of the portfolio, including costs incurred in the retaining of professional or technical advisors, from the earnings on the investments in the portfolio.

(5) On page 7, line 9, between "Any" and "proceeds", insert "realized".

(6) On page 7, line 13, strike "trust company" and substitute "Texas Treasury Safekeeping Trust Company".

(7) On page 7, between lines 14 and 15, insert the following:

(d) The Texas Treasury Safekeeping Trust Company has any power necessary to accomplish the purposes of this section.

(e) On final liquidation of the state's emerging technology

investment portfolio, the Texas Treasury Safekeeping Trust Company shall promptly notify the comptroller of that occurrence. As soon as practicable after receiving that notice, the comptroller shall verify that the final liquidation has been completed and, if the comptroller so verifies, shall certify to the governor that the final liquidation of the portfolio has been completed. The governor shall post notice of the certification on the office of the governor's Internet website.

(8) On page 7, strike lines 15 through 20 and substitute the following:

SECTION 1.05. Effective September 1, 2016, Subchapter C, Chapter 490, Government Code, is amended by adding Section 490.105 to read as follows:

Sec. 490.105. VALUATION OF STATE'S INVESTMENT PORTFOLIO; BIENNIAL REPORT. (a) To the maximum extent practicable, the Texas Treasury Safekeeping Trust Company biennially shall perform a valuation of the equity positions

(9) On page 7, line 22, strike "former".

(10) On page 7, line 27, between "each" and "year", insert "odd-numbered".

(11) On page 7, line 27, through page 8, line 1, strike "the trust company" and substitute "the Texas Treasury Safekeeping Trust Company".

(12) On page 8, strike lines 9 and 10 and substitute the following:

CHAPTER 490. WINDING UP CONTRACTS AND STATE'S INVESTMENT PORTFOLIO IN CONNECTION WITH AWARDS FROM TEXAS ~~[FUNDING FOR]~~ EMERGING TECHNOLOGY FUND

(13) On page 8, strike lines 11 through 14 and substitute the following:

SECTION 1.07. Section 490.001(4), Government Code, is amended to read as follows:

(14) On page 9, line 3, strike "FORMER".

(15) In Article 1 of the bill, add the following appropriately numbered SECTION:

SECTION 1.____. Section 490.101, Government Code, is amended by adding Subsection (b-1) to read as follows:

(b-1) The fund may be used only for the purposes described by Section 490.104.

(16) Strike page 14, line 7, through page 15, line 10.

(17) On page 15, at the end of line 16, strike "and".

(18) On page 15, strike lines 17 and 18, and substitute the following:

(4) Sections 490.101(c), (d), (e), (f), (f-1), (g), (h), and (i), Government Code;

(5) Section 490.102, Government Code; and

(6) Subchapters D, E, F, and G, Chapter 490, Government Code.

(19) Strike page 15, line 19, through page 16, line 6, and substitute the following:

SECTION 1.17. (a) The Texas emerging technology fund is continued solely for the purposes of winding up the contracts governing awards from that fund and the state's portfolio of equity positions and other investments in connection with awards from that fund in accordance with Section 490.104, Government Code, as added by this Act. The Texas emerging technology fund is abolished and Sections 490.101(a), (b), and (b-1), Government Code, are repealed when the comptroller certifies to the governor as provided by Section 490.104, Government Code, as added by this Act, that the final liquidation of the state's portfolio of equity positions and other investments by the Texas Treasury Safekeeping Trust Company has been completed. Any unencumbered fund balance remaining when the Texas emerging technology fund is abolished may be appropriated in accordance with Subsection (a-1) of this section.

(a-1) Any unencumbered balance of the Texas emerging technology fund may be appropriated only to one or more of the following:

(1) the Texas Research Incentive Program (TRIP) under Subchapter F, Chapter 62, Education Code;

(2) the Texas research university fund, subject to Subsection (b) of this section; and

(3) the governor's university research initiative fund established under Subchapter H, Chapter 62, Education Code, as added by this Act.

(20) On page 16, line 8, strike "Subsection (a)" and substitute "Subsection (a-1)".

(21) On page 17, strike lines 10 through 15 and substitute the following:

(f) On or after the effective date of this Act, the following payments or other amounts shall be sent to the comptroller for deposit to the Texas emerging technology fund to be used solely for the purposes of winding down the state's portfolio of equity positions and other investments as provided by Sections 490.101(b-1) and 490.104, Government Code, as added by this Act:

(22) On page 17, line 19, strike "former".

(23) On page 17, line 25, strike "Section 490.101" and substitute "Section 490.101(g)".

(24) On page 18, line 1, strike "Section 490.101" and substitute "Section 490.101(g)".

(25) Renumber the SECTIONS of ARTICLE 1 of the bill as appropriate.