

## **BILL ANALYSIS**

C.S.H.B. 3983  
By: González, Mary  
Agriculture & Livestock  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Interested parties contend that rural communities in Texas have not experienced growth similar to the rest of the state over the past several years and that there is a need to encourage the development of agriculture technologies and markets and the recruitment of innovative businesses to Texas. C.S.H.B. 3983 seeks to address this issue.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the Department of Agriculture in SECTION 1 of this bill.

### **ANALYSIS**

C.S.H.B. 3983 amends the Agriculture Code to authorize the Department of Agriculture (TDA) to establish the Global Agricultural Innovation Institute program to enhance and create developing technologies, recruit businesses to Texas, develop businesses in Texas, and enhance and create markets to advance and promote the sale of Texas agricultural products and services worldwide. The bill establishes the Global Agricultural Innovation Institute Board and sets out provisions relating to the composition and membership of the board, including providing for a chair of the board. The bill requires the TDA to administer the bill's provisions and authorizes the TDA to adopt rules necessary to implement the bill's provisions. The bill authorizes the commissioner of agriculture to appoint or employ consultants or other agents as necessary for the business of the program and authorizes the TDA to contract with any state institution of higher education, state agency, domestic or foreign person, or federal agency to perform services or provide facilities for the board.

C.S.H.B. 3983 authorizes the board and the TDA to solicit, accept, and use gifts, grants, and donations of money or real or personal property from public and private sources for the purposes of the bill's provisions, subject only to limitations contained in the gifts, grants, or donations. The bill creates the Global Agricultural Innovation Institute account as an account in the general revenue fund and establishes that the account is composed of gifts, grants, and donations of money and other money required by law to be deposited in the account. The bill limits appropriation of money in the account to the TDA for the purpose of the program and requires income from money in the account to be credited to the account. The bill exempts the account from the application of Government Code provisions relating to the use of dedicated revenue.

C.S.H.B. 3983 authorizes the TDA to award grants of money from the account and real or personal property held outside the account to further the purposes of the program. The bill

restricts the use of the award to the terms of the award and restricts the TDA to using only money or property received from gifts, grants, and donations to grant an award under the program. The bill establishes that the TDA is not required to grant awards or otherwise implement the bill's provisions and the commissioner is not required to appoint board members unless the TDA accepts a gift, grant, or donation of money or real or personal property for the purpose of implementing the bill's provisions.

C.S.H.B. 3983 requires the board to advise the TDA in the administration of the program and to select the recipients of and grant all awards, contracts, and partnerships related to the program. The bill authorizes the board to conduct surveys, research, or investigations for the purposes of the program. The bill provides for meetings of the board, including meetings by telephone conference call under certain circumstances. The bill establishes that a board member is not entitled to compensation for service on the board but is entitled to reimbursement for travel expenses incurred by the member while conducting board business.

C.S.H.B. 3983 requires the commissioner to provide the board with necessary staff and resources to perform the board's duties, as determined by the commissioner during the state fiscal biennium in which the board is established and during the next state fiscal biennium. The bill requires the board to hire through an application and interview process a chief executive officer and to determine the duties of such officer. The bill, after the period consisting of the state fiscal biennium in which the board is established and the next state fiscal biennium, requires the chief executive officer to employ staff necessary to implement the program, requires the chief executive officer to have sole authority to employ and terminate employees, and authorizes the chief executive officer to appoint or employ consultants, professionals, or other agents necessary to conduct the business of the program.

**EFFECTIVE DATE**

September 1, 2015.

**COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 3983 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

**INTRODUCED**

**HOUSE COMMITTEE SUBSTITUTE**

SECTION 1. Title 3, Agriculture Code, is amended by adding Chapter 50E to read as follows:

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CHAPTER 50E. GLOBAL AGRICULTURAL INITIATIVE INSTITUTE

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SUBCHAPTER A. GENERAL PROVISIONS

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Sec. 50E.001. DEFINITIONS. In this chapter:

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(1) "Council" means the Global Agricultural Initiative Institute Council.

(1) "Board" means the Global Agricultural Innovation Institute Board.

(2) "Program" means the Global Agricultural Initiative Institute program.

(2) "Program" means the Global Agricultural Innovation Institute program.

Sec. 50E.002. POWERS AND DUTIES OF COMMISSIONER AND DEPARTMENT.

(a) The department shall administer this chapter and may adopt rules necessary to implement this chapter.

(b) The commissioner may appoint or employ consultants or other agents as necessary for the business of the program.

(c) The department may contract with any state institution of higher education, state agency, domestic or foreign person, or federal agency to perform services or provide facilities for the council.

Sec. 50E.003. AVAILABILITY OF FUNDS.

Notwithstanding any other provision of this chapter, the department is not required to award grants or otherwise implement this chapter and the commissioner is not required to appoint council members unless the department is appropriated money or accepts a gift, grant, or donation for the purpose of implementing this chapter.

SUBCHAPTER B. GLOBAL AGRICULTURAL INITIATIVE INSTITUTE PROGRAM

Sec. 50E.051. PROGRAM ESTABLISHED.

The department may establish the program to enhance and create developing technologies, recruit businesses to this state, and enhance and create markets to advance and promote the sale of Texas agricultural products and services worldwide.

Sec. 50E.052. AWARD OF GRANTS.

The department may award grants to further the purposes of the program. The use of grant money is restricted by the terms of the grant.

Sec. 50E.053. PROGRAM ACCOUNT.

(a) The Global Agricultural Initiative Institute account is an account in the general revenue fund. The account is composed of:  
(1) legislative appropriations;

Sec. 50E.002. POWERS AND DUTIES OF COMMISSIONER AND DEPARTMENT.

(a) The department shall administer this chapter and may adopt rules necessary to implement this chapter.

(b) The commissioner may appoint or employ consultants or other agents as necessary for the business of the program.

(c) The department may contract with any state institution of higher education, state agency, domestic or foreign person, or federal agency to perform services or provide facilities for the board.

Sec. 50E.003. AVAILABILITY OF FUNDS.

Notwithstanding any other provision of this chapter, the department is not required to grant awards or otherwise implement this chapter and the commissioner is not required to appoint board members unless the department accepts a gift, grant, or donation of money or real or personal property for the purpose of implementing this chapter.

SUBCHAPTER B. GLOBAL AGRICULTURAL INNOVATION INSTITUTE PROGRAM

Sec. 50E.051. PROGRAM ESTABLISHED.

The department may establish the program to enhance and create developing technologies, recruit businesses to this state, develop businesses in this state, and enhance and create markets to advance and promote the sale of Texas agricultural products and services worldwide.

Sec. 50E.052. AWARDS.

The department may award grants of money from the Global Agricultural Innovation Institute account and real or personal property held outside the account to further the purposes of the program. The use of the award is restricted by the terms of the award. The department may use only money or property received under Section 50E.054 to grant an award under this chapter.

Sec. 50E.053. PROGRAM ACCOUNT.

(a) The Global Agricultural Innovation Institute account is an account in the general revenue fund. The account is composed of:

(2) gifts, grants, and donations received under Section 50E.054; and  
(3) other money required by law to be deposited in the account.

(b) Money in the account may be appropriated only to the department for the purpose of the program.

(c) Income from money in the account shall be credited to the account.

(d) The account is exempt from the application of Section 403.095, Government Code.

(e) The department may transfer to the account money from another account or fund administered by the department to the extent that money may be used for the purposes of this chapter.

(f) To the extent provided by legislative appropriation, the department may carry forward money in the account from the first fiscal year of a biennium to the second year and may carry forward the unexpended balance of the account from one fiscal biennium to the next.

Sec. 50E.054. GIFTS, GRANTS, AND DONATIONS. The council and the department may solicit, accept, and use gifts, grants, and donations from public and private sources for the purposes of this chapter, subject only to limitations contained in the gifts, grants, or donations.

SUBCHAPTER C. GLOBAL AGRICULTURAL INITIATIVE INSTITUTE COUNCIL

Sec. 50E.101. MEMBERSHIP AND TERMS. (a) The council is composed of:

(1) the commissioner or the commissioner's designee, who is the chair of the council; and

(2) one representative of each of the following, appointed by the commissioner:

(A) Texas A&M University;

(B) The University of Texas at Austin;

(C) Texas Tech University;

(1) gifts, grants, and donations of money received under Section 50E.054; and  
(2) other money required by law to be deposited in the account.

(b) Money in the account may be appropriated only to the department for the purpose of the program.

(c) Income from money in the account shall be credited to the account.

(d) The account is exempt from the application of Section 403.095, Government Code.

Sec. 50E.054. GIFTS, GRANTS, AND DONATIONS. The board and the department may solicit, accept, and use gifts, grants, and donations of money or real or personal property from public and private sources for the purposes of this chapter, subject only to limitations contained in the gifts, grants, or donations.

SUBCHAPTER C. GLOBAL AGRICULTURAL INNOVATION INSTITUTE BOARD

Sec. 50E.101. MEMBERSHIP AND TERMS. (a) The board is composed of:

(1) the commissioner or the commissioner's designee;

(2) one representative of each of the following, appointed by the commissioner:

(A) The Texas A&M University System;

(B) The University of Texas System;

(C) the Texas Tech University System;

(D) the Texas State University System;

(E) the University of Houston System;

(F) the University of North Texas System;

(G) independent institutions of higher education in this state;

(H) private institutions of higher education in this state;

- (D) the agriculture marketing industry;
- (E) international agricultural financing businesses;
- (F) the livestock industry in this state;
- (G) the crop production industry in this state;
- (H) international trade; and

(I) humanitarian interests.

(b) Members appointed under Subsection (a)(2) serve staggered six-year terms, with as near as possible to one-third of the members' terms expiring on February 1 of each odd-numbered year.

(c) Membership on the council by a state officer or employee is an additional duty of the officer's or employee's employment.

Sec. 50E.102. DUTIES OF COUNCIL. (a) The council shall advise the department in the administration of the program.

(b) The council shall select the recipients of any grants awarded under the program.

(c) The council may conduct surveys, research, or investigations for the purposes of the program.

Sec. 50E.103. MEETINGS. The council shall meet at least once each year at the call of the chair.

- (I) the agriculture marketing industry;
- (J) international agricultural financing businesses;
- (K) the livestock industry in this state;
- (L) the crop production industry in this state;
- (M) international trade;

(N) the horticultural industry in this state; and

(O) humanitarian interests; and

(3) at least four additional at-large members appointed by the commissioner who represent diverse sectors of the agricultural industry.

(b) Members appointed under Subsections (a)(2) and (3) serve staggered six-year terms, with as near as possible to one-third of the members' terms expiring on February 1 of each odd-numbered year.

(c) The board members shall nominate and elect a board member as chair. The chair serves a one-year term. A person who has served as chair for three consecutive terms is not eligible for reelection as chair until the third anniversary of the date the person last served as chair.

(d) Membership on the board by a state officer or employee is an additional duty of the officer's or employee's employment.

(e) A board member is not a state officer for purposes of Section 572.021, Government Code, solely because of the member's service on the board. Board members otherwise required to comply with Section 572.021, Government Code, are not exempt from that requirement as a result of service on the board.

Sec. 50E.102. DUTIES OF BOARD. (a) The board shall advise the department in the administration of the program.

(b) The board shall select the recipients of and grant all awards, contracts, and partnerships related to the program.

(c) The board may conduct surveys, research, or investigations for the purposes of the program.

Sec. 50E.103. MEETINGS. (a) The board shall meet at least twice each year at the call of the chair.

(b) Notwithstanding Chapter 551, Government Code, the board may hold an open or closed meeting by telephone conference call if immediate action is

required and the convening at one location of a quorum of the board is inconvenient for any member of the board.

(c) The meeting held by telephone conference call is subject to the notice requirements applicable to other meetings.

(d) The notice of a meeting held by telephone conference call must specify as the location of the meeting the location where meetings of the board are usually held.

(e) Each part of a meeting held by telephone conference call that is required to be open to the public shall be audible to the public at the location specified in the notice of the meeting as the location of the meeting and shall be recorded.

Sec. 50E.104. EXPENSES. A member of the council is not entitled to compensation for service on the council or reimbursement for travel expenses incurred by the member while conducting council business.

Sec. 50E.105. STAFF AND RESOURCES. The commissioner shall provide the council with necessary staff and resources to perform the council's duties under this chapter, as determined by the commissioner.

SECTION 2. This Act takes effect September 1, 2015.

Sec. 50E.104. COMPENSATION. (a) A member of the board is not entitled to compensation for service on the board.

(b) A member of the board is entitled to reimbursement for travel expenses incurred by the member while conducting board business.

Sec. 50E.105. STAFF AND RESOURCES. (a) The commissioner shall provide the board with necessary staff and resources to perform the board's duties under this chapter, as determined by the commissioner during the state fiscal biennium in which the board is established and during the next state fiscal biennium.

(b) The board shall hire through an application and interview process a chief executive officer. The board shall determine the duties of the chief executive officer.

(c) After the period described by Subsection (a), the chief executive officer shall employ staff necessary to implement the program, shall have sole authority to employ and terminate employees, and may appoint or employ consultants, professionals, or other agents necessary to conduct the business of the program.

SECTION 2. Same as introduced version.