By:Israel, Capriglione, Longoria, Klick,
AnchiaH.B. No. 362Substitute the following for H.B. No. 362:ExerciseBy:KlickC.S.H.B. No. 362

A BILL TO BE ENTITLED

1	AN ACT			
2	relating to the creation of a fund to assist local governments with			
3	the acquisition of voting system equipment.			
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:			
5	SECTION 1. Chapter 123, Election Code, is amended by adding			
6	Subchapter D to read as follows:			
7	SUBCHAPTER D. VOTING SYSTEM FUND			
8	Sec. 123.091. DEFINITIONS. In this subchapter:			
9	(1) "Eligible equipment" means voting system			
10	equipment that is certified by the United States Election			
11	Assistance Commission and the secretary of state on the date it is			
12	acquired and that uses or produces a paper ballot by which a voter			
13	can verify that the voter's selections are accurately reflected.			
14	(2) "Fund" means the voting system fund.			
15	Sec. 123.092. VOTING SYSTEM FUND. (a) The voting system			
16	fund is an account in the general revenue fund.			
17	(b) The fund consists of money transferred to the fund at			
18	the discretion of the legislature.			
19	(c) Money in the fund may be appropriated only for a grant			
20	under Section 123.093.			
21	(d) The fund is exempt from the application of Section			
22	403.095, Government Code.			
23	Sec. 123.093. GRANTS FROM FUND. (a) A county or city may			
24	apply to the secretary of state for a grant under this subchapter to			

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C.S.H.B. No. 362 1 replace voting system equipment or to reimburse the replacement or conversion of voting system equipment purchased on or after 2 December 1, 2016. A county or city is eligible to receive a grant 3 equal to not more than 50 percent of the total cost of the eligible 4 5 equipment. 6 (b) The secretary of state shall develop criteria for the 7 fair and proportional distribution of grants that consider: 8 (1) the number of voters likely to be served by the eligible equipment; 9 10 (2) the age and condition of any equipment replaced, converted, or proposed for replacement or conversion; 11 12 (3) the need for equitable distribution of grant funds to both rural and urban counties and cities; 13 14 (4) whether the county or city governing body has 15 adopted a reasonable long-term plan to address the maintenance, repair, and eventual replacement needs for the eligible equipment; 16 17 and (5) any other factor considered relevant by the 18 19 secretary of state. (c) If the total amount requested under qualifying grant 20 applications exceeds the total amount available for the purpose of 21 awarding grants, amounts shall be allocated using the criteria 22 23 developed by the secretary of state under Subsection (b). 24 Sec. 123.094. APPLICATION FOR GRANT; VERIFICATION OF COSTS. (a) To receive a grant under Section 123.093, a county or city must 25 26 submit an application to the secretary of state. The secretary of state shall prescribe a form for the application. 27

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1	(b) The application must describe:			
2	(1) the type or types of eligible equipment purchased,			
3	leased, converted, or proposed for purchase, lease, or conversion;			
4	(2) the actual or expected total cost of the eligible			
5	equipment and any sources of funding used or that will be used for			
6	its purchase, lease, or conversion in addition to the grant funding			
7	provided by this subchapter;			
8	(3) the county's or city's plan to address the			
9	long-term maintenance, repair, and eventual replacement costs for			
10	the eligible equipment; and			
11	(4) any other information required by the secretary of			
12	state.			
13	(c) The secretary of state shall establish:			
14	(1) a deadline for receipt of grant applications;			
15	(2) a procedure for awarding and distributing grants;			
16	and			
17	(3) a process for verifying the proper use of the			
18	grants after distribution.			
19	Sec. 123.095. STUDY ON VOTING SYSTEM FUNDING. (a) The			
20	secretary of state, in cooperation with county officers who			
21	administer elections, shall conduct a study to determine the best			
22	manner in which to fund the voting system fund under this subchapter			
23	for the replacement or conversion of voting system equipment, and			
24	make recommendations based on the determinations.			
25	(b) Not later than December 31, 2020, the secretary of state			
26	shall report the study's findings to the committees of each house of			
27	the legislature with jurisdiction over elections.			

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1	(c) This s	ection expires September 1, 2021.
2	SECTION 2.	This Act takes effect September 1, 2019.