By: Moody H.B. No. 3907

A BILL TO BE ENTITLED

AN ACT

relating to use of the electronic funds transfer system operated by the comptroller.

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

SECTION 1. Section 403.016, Government Code, is amended by amending Subsections (b), (c), and (f) and adding Subsections (f-1) and (f-2) to read as follows:

(b) The comptroller shall use the electronic funds transfer system to pay an employee's net state salary and travel expense reimbursements [~~unless:~~

[~~(1) the employee does not hold a classified position under the state's position classification plan and the employee's gross state salary is less than the gross state salary for a position classified to group 8, step 1, of the state position classification plan; or~~

[~~(2) the employee holds a classified position under the state's position classification plan that is classified below group 8~~].

(c) The comptroller shall use the electronic funds transfer system to make:

(1) payments of more than $100 to annuitants by the Employees Retirement System of Texas, [~~or~~] the Teacher Retirement System of Texas, or the Texas Emergency Services Retirement System under each [~~either~~] system's administrative jurisdiction;

(2) recurring payments to municipalities, counties, political subdivisions, special districts, and other governmental entities of this state; and

(3) payments to vendors who choose to receive payment through the electronic funds transfer system rather than by warrant.

(f) [~~(1)~~] Except as provided by Subsection (f-1) [~~Subdivisions (2) and (4)~~] and subject to any limitation in rules adopted by the comptroller, an automated clearinghouse, or the federal government, the comptroller may use the electronic funds transfer system to deposit payments only to one or more accounts of a payee at one or more financial institutions, including credit unions.

(f-1) [~~(2)~~] The comptroller may also use the electronic funds transfer system to deposit the amount [~~a portion~~] of an employee's payroll deduction made as authorized by law [~~gross pay into the employee's account at a credit union as prescribed by Subchapter C, Chapter 659~~].

(f-2) [~~(3)~~] A single electronic funds transfer may contain payments to multiple payees. Individual transfers or warrants are not required for each payee.

[~~(4) The comptroller may also use the electronic funds transfer system to deposit a portion of an employee's gross pay into an account of an eligible state employee organization for a membership as prescribed by Subchapter C, Chapter 659.~~]

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as

provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2019.