

SENATE AMENDMENTS

2nd Printing

By: Flynn, Thompson of Harris, Paddie,
Lambert, Nevárez

H.B. No. 1326

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the continuation and functions of the Texas Military
3 Department.

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

5 SECTION 1. Section 437.001(6), Government Code, is amended
6 to read as follows:

7 (6) "Director of state administration" [~~"Executive~~
8 ~~director~~"] means the administrative head of the department who is
9 responsible for managing the department.

10 SECTION 2. Section 437.051, Government Code, is amended to
11 read as follows:

12 Sec. 437.051. SUNSET PROVISION. The department is subject
13 to Chapter 325 (Texas Sunset Act). Unless continued in existence as
14 provided by that chapter, the department is abolished [~~and this~~
15 ~~subchapter expires~~] September 1, 2031 [~~2019~~].

16 SECTION 3. Section 437.052(b), Government Code, is amended
17 to read as follows:

18 (b) The adjutant general shall adopt and implement
19 regulations or policies that clearly separate the adjutant
20 general's responsibilities from the administrative
21 responsibilities of the department's [~~executive~~] director of state
22 administration and staff.

23 SECTION 4. Section 437.053, Government Code, is amended to
24 read as follows:

1 Sec. 437.053. ADJUTANT GENERAL: DUTIES. The adjutant
2 general shall:

3 (1) perform duties assigned by the governor relating
4 to the military affairs of this state;

5 (2) assume responsibility for the overall leadership,
6 management, accountability, and operations of the Texas military
7 forces, including the transportation of troops, munitions,
8 military equipment, and property in this state;

9 (3) assume responsibility for all administration of
10 the department, including ensuring compliance with applicable
11 state law and priorities and overseeing state employees;

12 (4) oversee the preparation of returns and reports
13 required of this state by the United States;

14 (5) [~~(4)~~] maintain a register of all officers of the
15 Texas military forces;

16 (6) [~~(5)~~] publish at state expense, when necessary,
17 state military law and regulations;

18 (7) [~~(6)~~] make available annual reports concerning
19 the Texas military forces;

20 (8) [~~(7)~~] establish reasonable and necessary fees
21 for the administration of this subtitle;

22 (9) [~~(8)~~] employ and arm, as the adjutant general
23 determines appropriate, persons licensed under Title 10,
24 Occupations Code, to protect property that is under the adjutant
25 general's authority and to satisfy applicable security
26 requirements;

27 (10) [~~(9)~~] define and prescribe the kind and amount

1 of supplies, including operational munitions for use in this state,
2 to be purchased for the Texas military forces;

3 (11) [~~(10)~~] prescribe general regulations for the
4 maintenance of supplies and for the transportation and distribution
5 of supplies from the place of purchase to camps, stations,
6 companies, or other necessary places of safekeeping;

7 (12) [~~(11)~~] have supplies, whether the property of
8 the United States or this state, properly cared for and kept in good
9 order and ready for use; and

10 (13) [~~(12)~~] as the adjutant general determines
11 appropriate, sell or destroy property and supplies or exchange
12 property and supplies for other military property and supplies.

13 SECTION 5. Sections 437.060(a), (b), and (c), Government
14 Code, are amended to read as follows:

15 (a) A person may not be appointed adjutant general, a deputy
16 adjutant general, a general officer, judge advocate general, or
17 [~~executive~~] director of state administration if the person is
18 required to register as a lobbyist under Chapter 305 because of the
19 person's activities for compensation on behalf of a profession
20 related to the operation of the department.

21 (b) An officer, employee, or paid consultant of a Texas
22 trade association in the field of defense or veterans affairs may
23 not be appointed adjutant general, a deputy adjutant general, a
24 general officer, judge advocate general, or [~~executive~~] director of
25 state administration.

26 (c) A person who is the spouse of an officer, manager, or
27 paid consultant of a Texas trade association in the field of defense

1 or veterans affairs may not be appointed adjutant general, a deputy
2 adjutant general, a general officer, judge advocate general, or
3 ~~[executive]~~ director of state administration.

4 SECTION 6. Section 437.062(b), Government Code, is amended
5 to read as follows:

6 (b) A deputy adjutant general, general officer, or
7 ~~[executive]~~ director of state administration employed under this
8 chapter is entitled to a salary subject to the classification and
9 salary schedule provisions defined in the General Appropriations
10 Act.

11 SECTION 7. Section 437.063, Government Code, is amended to
12 read as follows:

13 Sec. 437.063. ADJUTANT GENERAL: DELEGATION OF EXPENDITURE
14 APPROVAL AUTHORITY. The adjutant general may delegate the authority
15 to approve department expenditures to the ~~[executive]~~ director of
16 state administration.

17 SECTION 8. Section 437.101, Government Code, is amended to
18 read as follows:

19 Sec. 437.101. ~~[EXECUTIVE]~~ DIRECTOR OF STATE
20 ADMINISTRATION. (a) The ~~[executive]~~ director of state
21 administration is a senior-level ~~[an]~~ employee of the department
22 and is appointed by and serves at the pleasure of the adjutant
23 general.

24 (b) Subject to Sections 437.052 and 437.054, the
25 ~~[executive]~~ director of state administration may enter into
26 contracts related to the purposes or duties of the department and
27 may have and use a corporate seal.

1 (c) The [~~executive~~] director of state administration is
2 responsible for the daily administration of the department's state
3 support operations [~~department~~] and the operational compliance
4 with the cooperative agreements between the department and the
5 National Guard Bureau.

6 (d) The adjutant general shall adopt and implement a policy
7 outlining the director of state administration's responsibility
8 for state administrative interests across all department programs,
9 including evaluating procedures for oversight of state employees
10 and mitigating administrative and other compliance risks.

11 SECTION 9. Section 437.102, Government Code, is amended to
12 read as follows:

13 Sec. 437.102. DEPARTMENT PERSONNEL. (a) The [~~executive~~]
14 director of state administration may hire employees as necessary to
15 carry on the state support operations of the department.

16 (b) The [~~executive~~] director of state administration or the
17 director of state administration's [~~executive director's~~] designee
18 shall provide to the adjutant general and to department employees,
19 as often as necessary, information regarding the requirements for
20 office or employment under this chapter, including information
21 regarding a person's responsibilities under applicable laws
22 relating to standards of conduct for state officers or employees.

23 SECTION 10. Section 437.104, Government Code, is amended to
24 read as follows:

25 Sec. 437.104. CAREER LADDER PROGRAM; PERFORMANCE
26 EVALUATIONS. (a) The [~~executive~~] director of state administration
27 shall develop a career ladder program. The program must require

1 intra-agency postings of all non-entry level positions
2 concurrently with any public posting.

3 (b) The [~~executive~~] director of state administration shall
4 develop a system of employee performance evaluations. The system
5 must require that evaluations be conducted at least annually. All
6 merit pay for department employees must be based on the system
7 established under this subsection.

8 SECTION 11. Section 437.108, Government Code, is amended to
9 read as follows:

10 Sec. 437.108. TECHNOLOGY POLICY. The department shall
11 develop and implement a policy requiring the [~~executive~~] director
12 of state administration and department's employees to research and
13 propose appropriate technological solutions to improve the
14 department's ability to perform its functions. The technological
15 solutions must:

16 (1) ensure that the public is able to easily find
17 information about the department on the Internet;

18 (2) ensure that persons who want to use the
19 department's services are able to:

20 (A) interact with the department through the
21 Internet; and

22 (B) access any service that can be provided
23 effectively through the Internet; and

24 (3) be cost-effective and developed through the
25 department's planning processes.

26 SECTION 12. Section 437.151(a), Government Code, is amended
27 to read as follows:

1 (a) The real property advisory council is composed of the
2 following eight members:

3 (1) two deputy adjutants general;

4 (2) the [~~executive~~] director of state administration;
5 and

6 (3) five public members who are not actively serving
7 in the Texas National Guard and who have experience in
8 architecture, construction management, engineering, property
9 management, facilities maintenance management, real estate
10 services, or real property law.

11 SECTION 13. Section 437.212(f), Government Code, is amended
12 to read as follows:

13 (f) A member of the state military forces who is not a
14 full-time or part-time state employee and who has been on state
15 active duty or on state training or other duty for more than 60
16 consecutive days is, notwithstanding Section 1551.1055, Insurance
17 Code, eligible to participate in the state group benefits program
18 under Chapter 1551, Insurance Code, and is considered to be a
19 full-time state employee for the purposes of that chapter,
20 including the receipt of a full state contribution for insurance
21 coverage, subject to Subsection (f-1) and the following
22 requirements:

23 (1) the participant must be a member of the state
24 military forces at the time of enrollment in the group benefits
25 program; and

26 (2) an application under this subsection for insurance
27 coverage must be submitted in accordance with procedures

1 established by the Employees Retirement System of Texas.

2 SECTION 14. Sections 437.226(c) and (h), Government Code,
3 are amended to read as follows:

4 (c) The adjutant general shall grant assistance for tuition
5 and mandatory fees under this section to eligible service members,
6 in an amount not to exceed the amount provided in the General
7 Appropriations Act. The adjutant general may apportion the number
8 of assistance awards among the components of the Texas military
9 forces necessary to meet the recruitment and retention needs of
10 those components. [~~The number of assistance awards made to members
11 of the Texas State Guard may not exceed 30 for any semester unless
12 the adjutant general finds a compelling need for additional awards
13 to members of the Texas State Guard.~~]

14 (h) From money appropriated for purposes of this section,
15 the department shall authorize the comptroller to reimburse an
16 institution of higher education in an amount equal to the amount of
17 the [~~exemption from~~] tuition and mandatory fees [~~the institution
18 grants to a person~~] under Section 54.345, Education Code.

19 SECTION 15. This Act takes effect September 1, 2019.

ADOPTED

MAY 03 2019

Henry Law
Secretary of the Senate

By: Flynn

H.B. No. 1326

Substitute the following for H.B. No. 1326:

By: N Campbell

C.S. H.B. No. 1326

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5 and

6 (3) five public members who are not actively serving
7 in the Texas National Guard and who have experience in
8 architecture, construction management, engineering, property
9 management, facilities maintenance management, real estate
10 services, or real property law.

11 SECTION 13. This Act takes effect September 1, 2019.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 3, 2019

TO: Honorable Dennis Bonnen, Speaker of the House, House of Representatives

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB1326 by Flynn (Relating to the continuation and functions of the Texas Military Department.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The incremental changes in the substituted version of the bill would not have a net fiscal impact to the state. It is assumed that the provisions of the bill relating to the continuation and functions of the Texas Military Department could be absorbed using existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 401 Military Department, 116 Sunset Advisory Commission, 304
Comptroller of Public Accounts, 405 Department of Public Safety, 537
State Health Services, Department of, 551 Department of Agriculture

LBB Staff: WP, SD, SLE, AI, NA, LCO, SZ, MW, PBO, SMi, AMa

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 29, 2019

TO: Honorable Donna Campbell, Chair, Senate Committee on Veteran Affairs & Border Security

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB1326 by Flynn (relating to the continuation and functions of the Texas Military Department.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The incremental changes in the substituted version of the bill would not have a net fiscal impact to the state. It is assumed that the provisions of the bill relating to the continuation and functions of the Texas Military Department could be absorbed using existing resources.

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No fiscal implication to units of local government is anticipated.

Source Agencies: 401 Military Department, 116 Sunset Advisory Commission, 304
Comptroller of Public Accounts, 405 Department of Public Safety, 537
State Health Services, Department of, 551 Department of Agriculture

LBB Staff: WP, SLE, AI, NA, LCO, SZ, MW, PBO, SMi, AMa

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 21, 2019

TO: Honorable Donna Campbell, Chair, Senate Committee on Veteran Affairs & Border Security

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: **HB1326** by Flynn (Relating to the continuation and functions of the Texas Military Department.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The incremental changes in the substituted version of the bill would not have a net fiscal impact to the state. While the language requiring 60 consecutive days of state active duty, state training, or other duty before receiving state benefits would likely be a cost savings to the state by reducing the number of guard members eligible for benefits, the total cost savings are not anticipated to be significant.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 116 Sunset Advisory Commission, 304 Comptroller of Public Accounts,
401 Military Department

LBB Staff: WP, SLE, AI, NA, LCO

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

March 26, 2019

TO: Honorable Dan Flynn, Chair, House Committee on Defense & Veterans' Affairs

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB1326 by Flynn (Relating to the continuation and functions of the Texas Military Department.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The incremental changes in the substituted version of the bill would not have a net fiscal impact to the state. While the language requiring 60 consecutive days of state active duty, state training, or other duty before receiving state benefits would likely be a cost savings to the state by reducing the number of guard members eligible for benefits, the total cost savings are not anticipated to be significant.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 116 Sunset Advisory Commission, 304 Comptroller of Public Accounts,
401 Military Department

LBB Staff: WP, SLE, AI, NA, LCO

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

March 9, 2019

TO: Honorable Dan Flynn, Chair, House Committee on Defense & Veterans' Affairs

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB1326 by Flynn (Relating to the continuation and functions of the Texas Military Department.), **As Introduced**

No significant fiscal implication to the State is anticipated.

It is assumed that the provisions of the bill relating to the continuation and functions of the Texas Military Department could be absorbed using existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 116 Sunset Advisory Commission, 304 Comptroller of Public Accounts,
401 Military Department

LBB Staff: WP, SLE, AI, NA, LCO