

## **BILL ANALYSIS**

Senate Research Center

S.B. 2900  
By: Kolkhorst  
Finance  
7/25/2025  
Enrolled

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

It is the aim of S.B. 2900 to increase efficiency within the Office of the Comptroller of Public Accounts of the State of Texas (comptroller).

The comptroller will review each board and commission, including each committee, council, group and task force, that is a part of the office of the comptroller, under the direction of the comptroller, or administratively attached to the office of the comptroller.

The review will include an assessment of the continuing necessity of each, as well as whether they promote efficiency and effective operations of the comptroller's office.

The comptroller will submit the report to the legislature no later than December 1, 2026.

The comptroller may use the earnings of the account for any investment expense, including to obtain the advice of appropriate investment consultants for managing the assets in the account.

#### Key Provisions

- The comptroller will review the boards and commissions under the jurisdiction of the comptroller.
- The review will include an assessment of the necessity, efficiency, and effectiveness of each.
- The report will be submitted by the comptroller to the legislature no later than December 1, 2026.
- Earnings of the account may be used for an investment expense.

(Original Author's/Sponsor's Statement of Intent)

S.B. 2900 amends current law relating to certain advisory entities and work groups under the jurisdiction of the comptroller of public accounts or on which the comptroller's office is represented and to the repeal or redesignation of certain of those entities.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Comptroller of Public Accounts of the State of Texas in SECTION 5 (Section 404.028, Government Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter B, Chapter 403, Government Code, by adding Section 403.0148, as follows:

Sec. 403.0148. REVIEW OF CERTAIN ADVISORY ENTITIES; REPORT. (a) Defines "advisory entity."

(b) Requires the Comptroller of Public Accounts of the State of Texas (comptroller) to review each advisory entity that is part of the office of the comptroller, under the direction of the comptroller, or administratively attached to the office of the comptroller.

(c) Requires that a review conducted under Subsection (b) assess whether each advisory entity is necessary and promotes the efficient and effective operation of the office of the comptroller.

(d) Requires the comptroller, not later than December 1, 2026, to prepare and submit a report to the presiding officer of each house of the legislature that identifies the advisory entities reviewed under Subsection (b) that are not necessary or that do not promote the efficient or effective operation of the office of the comptroller.

(e) Provides that this section expires December 31, 2026.

SECTION 2. Amends Section 403.1041, Government Code, by amending Subsection (a) and adding Subsections (i) and (j), as follows:

(a) Provides that in Section 403.1041 (Tobacco Settlement Permanent Trust Account) and Section 403.1043 (Restrictions on Lobbying Expenditures), rather than Sections 403.1042 (Tobacco Settlement Permanent Trust Account Investment Advisory Committee) and 403.1043, certain definitions apply, including that "advisory committee" means the tobacco settlement permanent trust account administration, rather than investment, advisory committee established under Section 12.137 (Tobacco Settlement Permanent Trust Account Administration Advisory Committee), Health and Safety Code.

(i) Requires the comptroller to annually present to the advisory committee certain information.

(j) Requires the advisory committee to provide advice and consultation to the comptroller related to the administration of the account's investments and the amount of money to distribute to political subdivisions, subject to the requirements and limitations in the applicable investment policy statement, laws, and rules.

SECTION 3. Amends Section 403.610(b), Government Code, to require the governor to provide written notice of the governor's determination under Subsection (a) (relating to requiring the governor to consider a certain application sent to the governor by the comptroller) to certain entities, rather than certain entities including the Jobs, Energy, Technology, and Innovation Act Oversight Committee, not later than the seventh day after the date the governor makes the determination under that subsection.

SECTION 4. Amends Section 403.615(c), Government Code, to make conforming and nonsubstantive changes.

SECTION 5. Amends Section 404.028, Government Code, as follows:

Sec. 404.028. INVESTMENT ADVISORY BOARD. (a) Requires the comptroller to establish an investment advisory board to advise the comptroller and the trust company regarding investments that the comptroller makes through the trust company under this subchapter or other law.

(b) Requires the members of the advisory board to have knowledge or experience in finance, including management of funds or business operations. Provides that members of the advisory board serve in an advisory capacity and are not fiduciaries with respect to the investments made by the comptroller through the trust company under this subchapter or other law.

(c) Authorizes the comptroller to adopt rules governing members of the advisory board, including rules related to terms of service and removal. Deletes existing text providing that a member serves on the advisory board at the will of the comptroller.

(d) Provides that Chapter 2110 (State Agency Advisory Committees) does not apply to the advisory board, rather than to the size, composition, or duration of the advisory board.

(e) Provides that a person is not eligible for appointment to the advisory board if the person or the person's spouse meets certain criteria.

(f) Requires a member of the advisory board, before the member is authorized to assume the member's duties, to complete a training program providing information regarding assets managed by the comptroller through the trust company under Subchapter C (State Depositories and Investment of State Funds) or other law and certain applicable statutes.

(g) Defines "trust company."

SECTION 6. Amends Section 404.101(1), Government Code, to redefine "advisory board."

SECTION 7. Amends Section 12.137(a) and (h), Health and Safety Code, as follows:

(a) Requires the tobacco settlement permanent trust account administration advisory committee to advise certain entities on certain matters, including the comptroller on the administration of the comptroller's duties under Section 403.1041, Government Code. Makes nonsubstantive changes.

(h) Provides that a member of the advisory committee is prohibited from receiving compensation from the trust fund or state for service on the advisory committee but is authorized to be reimbursed for actual and necessary expenses of attending meetings of the advisory committee or performing other official duties authorized by the comptroller. Deletes existing text prohibiting a member of the advisory committee from being reimbursed from the trust fund or the state for travel expenses incurred while conducting the business of the advisory committee.

SECTION 8. Repealer: Chapter 395 (Community Reinvestment Work Group), Finance Code.

Repealer: Section 403.028(f) (relating to requiring the comptroller to appoint one or more advisory committees to assist the comptroller in identifying and evaluating greenhouse gas emission reduction strategies with members from certain agencies), Government Code.

Repealer: Section 403.1042 (Tobacco Settlement Permanent Trust Account Investment Advisory Committee), Government Code.

Repealer: Section 403.602(14) (relating to defining "oversight committee"), as added by Chapter 377 (H.B. 5), Acts of the 88th Legislature, Regular Session, 2023, Government Code.

Repealers: Sections 403.618 (Jobs, Energy, Technology, and Innovation Act Oversight Committee; Report) and 404.108 (Trust Company Investment Advisory Board), Government Code.

Repealers: Sections 404.109 (Restrictions on Advisory Board Appointment, Membership, and Employment) and 404.110 (Removal of Advisory Board Members), Government Code.

Repealers: Sections 404.111 (Advisory Board Member Training) and 404.112 (Compensation; Expenses), Government Code.

Repealers: Sections 404.113 (Meetings) and 490I.0110 (Board of Advisors), Government Code.

SECTION 9. Effective date: upon passage or September 1, 2025.