#### House Bill 4751 Senate Amendments

# Section-by-Section Analysis

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SECTION 1. Chapter 481, Government Code, is amended by adding Subchapter HH to read as follows: SUBCHAPTER HH. TEXAS QUANTUM INITIATIVE Sec. 481.681. DEFINITIONS. In this subchapter: (1) "Executive committee" means the executive committee of the initiative. (2) "Initiative" means the Texas Quantum Initiative. (3) "Institution of higher education" has the meaning assigned by Section 61.003, Education Code. Sec. 481.682. ESTABLISHMENT; PURPOSES. (a) The Texas Quantum Initiative is established to: (1) establish and advance this state's position as a national leader in the quantum industry; and accelerate the integration of quantum computing, (2)networking, and sensing technology into the economy of this state. (b) The purposes of the initiative are to: (1) leverage the expertise and capacity of regulatory stakeholders and institutions of higher education and industry to advise and provide input to the office regarding a comprehensive strategic plan to ensure the development of quantum technologies in this state; (2) identify obstacles and provide recommendations to the governor and legislature regarding quantum economic opportunities and technologies; (3) provide strategic leadership with respect to quantum initiatives: (4) identify and advise the office on opportunities for workforce training and development related to the research, design, and manufacturing of quantum computing technology;

SECTION 1. Chapter 481, Government Code, is amended by adding Subchapter HH to read as follows: SUBCHAPTER HH. TEXAS QUANTUM INITIATIVE Sec. 481.681. DEFINITIONS. In this subchapter: (1) "Advisory committee" means the advisory committee of the initiative. [FA1(1)] (2) "Initiative" means the Texas Quantum Initiative. (3) "Institution of higher education" has the meaning assigned by Section 61.003, Education Code. Sec. 481.682. ESTABLISHMENT; PURPOSES. (a) The Texas Quantum Initiative is a program established within the office to: [FA1(2)] (1) establish and advance this state's position as a national leader in the quantum industry; and accelerate the integration of quantum computing, (2)networking, and sensing technology into the economy of this state. (b) The purposes of the initiative are to: (1) leverage the expertise and capacity of regulatory stakeholders and institutions of higher education and industry to advise and provide input to the office regarding the comprehensive strategic plan described by Section 481.686; (2) identify obstacles and provide recommendations to the governor and legislature regarding quantum economic opportunities and technologies; (3) provide strategic leadership with respect to quantum initiatives:

(4) identify opportunities for workforce training and development related to the research, design, and manufacturing of quantum computing technology; and

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(5) support existing quantum computing and networking industries in this state;

(6) provide recommendations to the office on research and funding opportunities related to quantum research, design, commercialization, and manufacturing;

(7) support the development of a quantum manufacturing supply chain in this state; and

(8) develop a comprehensive strategic plan for the state to ensure ongoing quantum leadership, prioritizing commercial and practical utility, through investments in the necessary foundational infrastructure, including quantum systems and networking equipment, jobs and workforce, and real property.

Sec. 481.683. ADMINISTRATIVE ATTACHMENT. (a) The initiative is administratively attached to the office of the governor.

(b) The office of the governor shall hire or otherwise provide the staff and provide the facilities necessary to assist the initiative in performing the initiative's duties under this subchapter.

Sec. 481.684. EXECUTIVE COMMITTEE COMPOSITION. (a) The initiative is governed by an executive committee composed of seven members appointed by the governor.

(b) In making appointments under Subsection (a), priority shall be given to individuals from the quantum design and manufacturing sectors.

(b-1) Appointments to the executive committee shall be made without regard to the race, color, disability, sex, religion, age, (B) the development of a quantum manufacturing supply

(A) existing quantum computing and networking industries in

(5) identify opportunities to support:

this state; and

chain in this state.

(c) The initiative may establish ad hoc advisory committees as necessary to carry out the initiative's duties under this subchapter. [FA1(3)]
 [Deleted by FA1(4)]

Sec. 481.683. ADVISORY COMMITTEE COMPOSITION. (a) The initiative is advised by an advisory committee composed of six members appointed by the governor. [FA1(5)-(6)]

(b) In making appointments under Subsection (a), priority shall be given to individuals from the quantum design and manufacturing sectors.

(b-1) Appointments to the advisory committee shall be made without regard to the race, color, disability, sex, religion, age,

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or national origin of the appointee. [FA1(23)(A)]

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(c) In making appointments under Subsection (a), the governor shall ensure that the members of the executive committee include: (1) at least one representative from a quantum infrastructure provider who has demonstrated experience in: (A) implementing quantum networks in similar settings; and (B) deploying leading edge quantum computing systems in third-party data centers; and (2) at least one representative of a manufacturer of a quantum computing system with the ability to enable the creation and deployment of quantum solutions with commercial and practical use. (d) An executive committee member serves a six-vear term at the pleasure of the governor. The terms of executive committee members must be staggered so that, to the extent practicable, the terms of one-third of executive committee members expire on January 31 of each odd-numbered year. An executive committee member may be reappointed for additional terms.

or national origin of the appointee.

(e) A vacancy on the executive committee shall be filled by appointment. The authority that appointed the former member of the vacant position shall appoint a new member to the vacant position.

(f) Initial executive committee appointments shall be made by October 1, 2025. This subsection expires December 31, 2025.

(c) In making appointments under Subsection (a), the governor shall ensure that the members of the advisory committee include: [FA1(23)(B)] (1) at least one representative from a quantum infrastructure provider who has demonstrated experience in: (A) implementing quantum networks in similar settings; and (B) deploying leading edge quantum computing systems in third-party data centers; and (2) at least one representative of a manufacturer of a quantum computing system with the ability to enable the creation and deployment of quantum solutions with commercial and practical use. (d) An advisory committee member serves a six-year term at the pleasure of the governor. The terms of advisory committee members must be staggered so that, to the extent practicable, the terms of one-third of advisory committee members expire on January 31 of each odd-numbered year. An advisory committee member may be reappointed for additional terms. [FA1(23)(C)]

(e) A vacancy on the advisory committee shall be filled by the governor.

(f) Advisory committee members serve without compensation but are entitled to reimbursement for actual expenses incurred in attending committee meetings. Reimbursements under this subsection may be paid from the fund established under Section 481.688.

(g) Chapter 2110 does not apply to the size, composition, or

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hire an executive director. The executive director shall direct initiative staff and assist the initiative in performing the initiative's duties under this subchapter. Sec. 481.686. DUTIES OF EXECUTIVE COMMITTEE. The executive committee shall: (1) advise and provide input to the office regarding the comprehensive statewide strategic plan to further the purposes (A) the initiative under Section 481.682; and (B) the executive committee under this section; (2) solicit recommendations from institutions of higher education, initiative members, and stakeholders on funding

Sec. 481.685. EXECUTIVE DIRECTOR. The office shall

and research opportunities related to quantum education and research, design, commercialization, community outreach, and manufacturing projects; and (3) administer funds, including any funds appropriated by the legislature or available under Section 481.689, to support quantum design and manufacturing, capital projects, supply

chain development, and other initiatives.

Sec. 481.687. STRATEGIC PLAN. (a) The office shall develop a strategic plan for the promotion of the quantum economy in this state. The plan must include:

(1) a list of potential projects that further the goals of the initiative;

(2) a list of federal grant opportunities that are related to quantum technology and for which institutions in this state are

duration of the advisory committee. [FA1(7)] Sec. 481.684. DIRECTOR; STAFF. The office shall hire a director. The director shall hire and direct staff to assist the initiative in performing the initiative's duties under this subchapter. [FA1(8)-(10)] Sec. 481.685. DUTIES OF ADVISORY COMMITTEE. The advisory committee shall: [FA1(11),FA1(23)(D)] (1) advise and provide input to the office regarding the comprehensive strategic plan described by Section 481.686; [FA1(12)]

(2) solicit recommendations from institutions of higher education, initiative members, and stakeholders on funding and research opportunities related to quantum education and research, design, commercialization, community outreach, and manufacturing projects; and

(3) provide recommendations related to research and funding opportunities pertaining to quantum research, design, commercialization, and manufacturing. [FA1(13)] Sec. 481.686. STRATEGIC PLAN. (a) The office shall, in collaboration with the initiative, develop a strategic plan for the promotion of the quantum economy in this state. The plan must include: [FA1(14)-(15)] (1) a list of potential projects that further the goals of the initiative; (2) a list of federal grant opportunities that are related to

quantum technology and for which institutions in this state are

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### eligible to apply;

(3) an assessment of the availability of external funding sources for each project identified under Subdivision (1); and

(4) any other information the office and the executive committee determine is relevant to further the initiative's goals.

(b) The office shall submit the strategic plan required by this section not later than December 31 of each year to the governor, the lieutenant governor, and the speaker of the house of representatives.

Sec. 481.688. BIENNIAL REPORT. Not later than December 1 of each even-numbered year, the office shall prepare and submit to the Legislative Budget Board a written report that outlines:

(1) activities undertaken to meet the purposes of the initiative under Section 481.682;

(2) a summary of the funding and research opportunities identified by the office;

(3) any legislative recommendations to further the purposes of the initiative;
(4) any prospective grants or funding the initiative members

eligible to apply; (3) an assessment of the availability of external funding sources for each project identified under Subdivision (1); [FA1(16)] (4) a description of suggested methods and opportunities the state may use to promote the development of quantum technologies in this state; (5) a description of suggested approaches the state may use to ensure the quantum leadership of this state by prioritizing commercial and practical utility through investments in necessary foundational infrastructure, including quantum systems and networking equipment, jobs and workforce, and real property; and (6) any other information the office, in collaboration with the advisory committee, determines is relevant to further the initiative's goals. [FA1(17)] (b) The office shall submit the strategic plan required by this section not later than December 31 of each year to the governor, the lieutenant governor, and the speaker of the house of representatives. Sec. 481.687. BIENNIAL REPORT. Not later than December 1 of each even-numbered year, the office shall prepare and submit to the Legislative Budget Board a written report that outlines: [FA1(18)] (1) activities undertaken to meet the purposes of the initiative under Section 481.682; (2) a summary of the funding and research opportunities identified by the advisory committee with the input of the office: [FA1(19)] (3) any legislative recommendations to further the purposes of the initiative; (4) any prospective grants or funding the initiative expects to

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expect to apply for or receive; and (5) any research accomplishments associated with the initiative. Sec. 481.689. QUANTUM UNIVERSITY AND BUSINESS INNOVATION FOR TEXAS FUND. (a) In this section, "fund" means the Quantum University and Business Innovation for Texas Fund created by this section. (b) The Quantum University and Business Innovation for Texas Fund is created as a dedicated account within the general revenue fund. The fund consists of: (1) gifts, grants, or donations to the fund; (2) money from any other source designated by the legislature; and (3) interest earned from investing money from the fund. (c) The office may invest money from the fund or use money in the fund to: (1) provide matching funding to state entities, including institutions of higher education, for quantum manufacturing and design projects; (2) award grants to business entities to encourage economic development related to quantum manufacturing and design projects; and (3) pay for staff support services described by Section 481.683(b). Matching funding to state entities for quantum

(d) Matching funding to state entities for quantum manufacturing and design projects may come from any lawful source, including general revenue, local bonds, grants, or other money from the United States, or private endowments.

apply for or receive; and [FA1(20)] (5) any research accomplishments associated with the initiative. Sec. 481.688. QUANTUM UNIVERSITY AND BUSINESS INNOVATION FOR TEXAS FUND. (a) In this section, "fund" means the Quantum University and Business Innovation for Texas Fund created by this section. [FA1(21)] (b) The Quantum University and Business Innovation for Texas Fund is created as a dedicated account within the general revenue fund. The fund consists of: (1) gifts, grants, or donations to the fund; (2) money from any other source designated by the legislature: and (3) interest earned from investing money from the fund. (c) The office may use money in the fund to: (1) award grants to state entities, including institutions of higher education, for quantum manufacturing and design projects:

(2) award grants to business entities, including nonprofit organizations with a purpose associated with or significant ties to the quantum industry, to encourage economic development related to quantum manufacturing and design projects; and

(3) pay for staffing costs described by Section 481.684. [FA1(22)]

(d) Matching funding to state entities for quantum manufacturing and design projects may come from any lawful source, including general revenue, local bonds, grants, or other money from the United States, or private endowments.

No equivalent provision.

SECTION \_\_\_. Not later than January 1, 2026, the governor

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	shall make the initial appointments to the advisory committee of the Texas Quantum Initiative established by Section 481.683, Government Code, as added by this Act. [FA1(24)]
No equivalent provision.	<ul> <li>SECTION</li></ul>

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SECTION 2. This Act takes effect September 1, 2025.

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SECTION 2. Same as House version.