

House Bill 5246
Senate Amendments
Section-by-Section Analysis

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<p>SECTION 1. Sections 481.0066(d), (e), and (e-1), Government Code, are amended to read as follows:</p> <p>(d) The aerospace and aviation office shall:</p> <p>(1) analyze <u>aerospace-related</u> [space-related] and aviation-related research currently conducted in this state and may conduct activities designed to further that research;</p> <p>(2) analyze the state's economic position in the aerospace and aviation industries;</p> <p>(3) develop short-term and long-term business strategies as part of an industry-specific strategic plan to promote the retention, development, and expansion of aerospace and aviation industry facilities in the state that is consistent with and complementary of the office strategic plan;</p> <p>(4) as part of and to further the purposes of the industry-specific strategic plan described by Subdivision (3), develop short-term and long-term policy initiatives or recommend reforms the state may undertake or implement to:</p> <p>(A) increase investment in aerospace and aviation activities;</p> <p>(B) [support the retention, development, and expansion of spaceports in this state;</p> <p>[(C)] identify and encourage educational, economic, and defense-related opportunities for aerospace and aviation activities;</p> <p><u>(C)</u> [(D) determine the appropriate level of funding for the spaceport trust fund created under Section 481.0069 and] support ongoing projects that have been assisted by the <u>former spaceport trust fund</u> [, including recommending to the legislature an appropriate funding level for the fund]; and</p> <p><u>(D)</u> [(E)] partner with the Texas Higher Education Coordinating Board to foster technological advancement and economic development for <u>aerospace</u> [spaceport] activities by strengthening higher education programs and supporting</p>	<p>SECTION 1. Same as House version.</p>	

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aerospace activities; ~~and~~
~~[(F) — partner with the Texas Workforce Commission to support initiatives that address the high technology skills and staff resources needed to better promote the state's efforts in becoming the leading space exploration state in the nation;]~~
(5) act as a liaison with other state and federal entities with related economic, educational, and defense responsibilities to support the marketing of the state's aerospace and aviation capabilities; and
(6) provide technical support and expertise to the state and to local ~~[spaceport]~~ authorities regarding aerospace and aviation business matters~~;~~ and
~~[(7) — be responsible for the promotion and development of spaceports in this state].~~
(e) The governor shall appoint an aerospace and aviation advisory committee consisting of~~]:~~
~~[(1)]~~ seven qualified members to assist in the state's economic development efforts to recruit and retain aerospace and aviation jobs and investment~~;~~ and
~~[(2) — one member for each active spaceport development corporation in the state who represents the interests of each respective spaceport development corporation].~~
(e-1) The aerospace and aviation advisory committee shall:
(1) advise the governor on the recruitment and retention of aerospace and aviation jobs and investment;
(2) assist the office and the aerospace and aviation office in meeting the state's economic development efforts to recruit and retain aerospace and aviation jobs and investment;
(3) ~~[advise the office, the aerospace and aviation office, and the governor on an appropriate funding level for the spaceport trust fund;~~
~~[(4)]~~ advise the office, the aerospace and aviation office, and

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the governor on recruitment, retention, and expansion of aerospace and aviation industry activities; and
(4) [(5)] collect and disseminate information on federal, state, local, and private community economic development programs that assist or provide loans, grants, or other funding to aerospace and aviation industry activities.

No equivalent provision.

SECTION 2. Sections 482.101(a) and (b), Government Code, are amended to read as follows:
(a) The Texas Space Commission is established to strengthen this state's proven leadership in civil, commercial, and military outer space [aerospace] activity.
(b) The purpose of the commission is to promote:
(1) innovation in the fields of space exploration and commercial aerospace;
(2) commercial aerospace opportunities; and
(3) [,-including] the integration of the space and [,-] aeronautics[,-and-aviation] industries into the economy of this state.

SECTION 3. Section 482.103, Government Code, is amended to read as follows:
Sec. 482.103. SUNSET PROVISION. The commission is subject to Chapter 325 (Texas Sunset Act). Unless continued

SECTION 2. Section 482.001, Government Code, is amended by adding Subdivision (2-a) to read as follows:
(2-a) "Consortium" means the Texas Aerospace Research and Space Economy Consortium established under Subchapter G.

SECTION 3. Sections 482.101(a) and (b), Government Code, are amended to read as follows:
(a) The Texas Space Commission is established to strengthen this state's proven leadership in civil, commercial, and military outer space [aerospace] activity.
(b) The purpose of the commission is to promote:
(1) innovation in the fields of space exploration and commercial space [aerospace];
(2) commercial space opportunities; and
(3) [,-including] the integration of the space and [,-] aeronautics[,-and-aviation] industries into the economy of this state.

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in existence as provided by that chapter, the commission is abolished and this chapter expires September 1, 2033 [2032].

SECTION 4. Section 482.105, Government Code, is amended by amending Subsections (a), (b), (c), (e), and (f) and adding Subsection (a-1) to read as follows:

(a) The commission is governed by a [~~nine-member~~] board of directors [~~—The board is~~] composed of the following nine voting members:

- (1) three members appointed by the governor;
- (2) three members appointed by the lieutenant governor; and
- (3) three members appointed by the speaker of the house of representatives.

(a-1) The executive director of the Texas Economic Development and Tourism Office serves as an ex officio nonvoting member of the board.

(b) In making appointments under Subsection (a), the governor, lieutenant governor, and speaker of the house of representatives shall prioritize appointing individuals with experience in:

- (1) the nongovernmental commercial space industry [~~aerospace~~];
- (2) governmental space operations [~~civil aviation~~];
- (3) military space operations [~~aerospace~~];
- (4) space-related [~~space~~] economic development;
- (5) space-related academic research; and
- (6) nonprofit support of the space economy.

(c) Voting members [~~Members~~] of the board appointed by the governor, lieutenant governor, and speaker of the house serve [~~at the pleasure of the appointing office~~] for staggered six-year terms, with the terms of three [~~two~~] members expiring on

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January 31 of each odd-numbered year.

(e) Not later than the 30th day after the date a voting board member's term expires, the appropriate appointing authority shall appoint a replacement.

(f) The board shall elect a presiding officer from among the voting members of the board.

SECTION 5. Section 482.107, Government Code, is amended to read as follows:

Sec. 482.107. BOARD OF DIRECTORS: AUTHORITY. (a) The board shall:

- (1) direct the activities of, establish goals for, and provide oversight to the commission;
- (2) develop and execute a strategic plan in accordance with Section 482.201;
- (3) establish the appropriate standards and executive bodies to ensure the proper use of funds authorized under this chapter for research and facilities development;
- (4) identify research and funding opportunities for entities within this state that:
 - (A) strengthen and enhance this state's proven leadership position in civil, commercial, and military aeronautics research and development and space flight infrastructure;
 - (B) enhance the integration of the space and [;] aeronautics[; ~~astronautics, and aviation~~] industries into this state's economy; and
 - (C) promote and further research involving materials derived from or developed through space exploration and space flight;
- (5) capitalize, promote, and assist in the development of workforce training to further the development of emerging technologies required for all aspects of space exploration;

SECTION 6. Section 482.107, Government Code, is amended to read as follows:

Sec. 482.107. BOARD OF DIRECTORS: AUTHORITY. (a) The board shall:

- (1) direct the activities of, establish goals for, and provide oversight to the commission;
- (2) develop and execute a strategic plan in accordance with Section 482.201;
- (3) establish the appropriate standards and executive bodies to ensure the proper use of funds authorized under this chapter for research and facilities development;
- (4) identify research and funding opportunities for entities within this state that:
 - (A) strengthen and enhance this state's proven leadership position in civil, commercial, and military aeronautics research and development and space flight infrastructure;
 - (B) enhance the integration of the space and [;] aeronautics[; ~~astronautics, and aviation~~] industries into this state's economy; and
 - (C) promote and further research involving materials derived from or developed through space exploration and space flight;
- (5) capitalize, promote, and assist in the development of workforce training to further the development of emerging technologies required for all aspects of space exploration;

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[and]

(6) solicit proposals from the Texas Aerospace Research and Space Economy Consortium established under Chapter 483 for projects ~~[on funding]~~ and ~~[research]~~ opportunities related to the objectives in this chapter that could be funded with money from the fund; and

(7) enter into an interagency agreement with the Texas Aerospace Research and Space Economy Consortium regarding the submission of proposals for projects eligible for a grant from the fund ~~[from the Texas Aerospace Research and Space Economy Consortium established under Subchapter G]~~.

(b) The board shall employ a chief compliance officer to monitor and report to the board regarding compliance with this chapter and rules adopted under this chapter. The chief compliance officer shall ensure that all grant proposals comply with this chapter and rules adopted under this chapter ~~[before the proposals are submitted to the board for approval]~~.

(b-1) The board shall employ a general counsel to advise the commission and perform duties assigned by the board.

(c) The board may:

(1) establish ad hoc advisory committees as necessary to carry out the board's duties under this chapter;

(2) adopt and use an official seal;

(3) solicit and accept gifts, ~~[or]~~ grants, or donations and contract with any entity;

(4) acquire and convey property or an interest in property;

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[and]

(6) solicit recommendations from the consortium for projects ~~[proposals on funding]~~ and ~~[research]~~ opportunities related to the objectives in this chapter that may be funded with money from the fund;

(7) market and promote the state as the premier location for space-related industries and promote commission activities;

(8) develop a database that provides information on the promotion of space-related and aeronautics-related economic development in this state; and

(9) establish procedures for the commission as necessary to provide administrative and staff support to the consortium ~~[from the Texas Aerospace Research and Space Economy Consortium established under Subchapter G]~~.

(b) The board shall employ a chief compliance officer to monitor and report to the board regarding compliance with this chapter and rules adopted under this chapter. The chief compliance officer shall ensure that all grant proposals comply with this chapter and rules adopted under this chapter ~~[before the proposals are submitted to the board for approval]~~.

(b-1) The board shall employ a general counsel to advise the commission and the consortium and perform other duties assigned by the board.

(c) The board may:

(1) establish ad hoc advisory committees as necessary to carry out the board's duties under this chapter;

(2) adopt and use an official seal;

(3) solicit and accept gifts, ~~[or]~~ grants, or donations, including donations of goods or services provided in accordance with commission specifications at no cost to the commission;

(4) ~~[and]~~ contract with any entity;

(5) ~~[(4)]~~ acquire and convey property or an interest in

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- (5) procure insurance and pay premiums on insurance of any type, in accounts, and from insurers as the board considers necessary and advisable to accomplish any of the commission's purposes;
- (6) make grants to public or private persons with an established presence within this state to encourage economic development related to space and aerospace;
- (7) make grants to enhance the capacity of institutions of higher education to participate in and support classified research;
- (8) provide matching funding to external funding provided by relevant federal agencies, private industry, or private research organizations; ~~and~~
- (9) engage in the planning and implementation of space exploration and spaceflight-related ~~[aerospace-related]~~ educational opportunities within this state in coordination with the Texas Aerospace Research and Space Economy Consortium established under Chapter 483; and
- (10) subject to the governor's approval, enter into an intergovernmental agreement with another state or the United States, including the United States Department of Defense and the National Aeronautics and Space Administration, as necessary to carry out the purposes of this chapter ~~[Subchapter G]~~.

SECTION 6. Subchapter B, Chapter 482, Government Code, is amended by adding Sections 482.108 and 482.109 to read as follows:
Sec. 482.108. PROCUREMENT OF CERTAIN SPACE-

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- property;
- ~~(6) [(5)]~~ procure insurance and pay premiums on insurance of any type, in accounts, and from insurers as the board considers necessary and advisable to accomplish any of the commission's purposes;
 - ~~(7) [(6)]~~ make grants to public or private persons with an established presence within this state to encourage economic development related to space and aerospace;
 - ~~(8) [(7)]~~ make grants to enhance the capacity of institutions of higher education to participate in and support classified research;
 - ~~(9) [(8)]~~ provide matching funding to external funding provided by relevant federal agencies, private industry, or private research organizations; ~~and~~
 - ~~(10) [(9)]~~ engage in the planning and implementation of space exploration and spaceflight-related ~~[aerospace-related]~~ educational opportunities within this state in coordination with the consortium; and
 - (11) subject to the governor's approval, enter into an intergovernmental agreement with another state or the United States, including the United States Department of Defense and the National Aeronautics and Space Administration, as necessary to carry out the purposes of this chapter ~~[Texas Aerospace Research and Space Economy Consortium established under Subchapter G]~~.

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<p><u>RELATED VEHICLES AND EQUIPMENT. (a) Notwithstanding Section 2155.083 or any other law and subject to Subsection (b), the board may authorize the commission to procure, lease, or otherwise secure access to capacity on or through a spacefaring vehicle, platform, or infrastructure, including a rocket, shuttle, spaceplane, satellite, space station, lunar or planetary base, and other orbital, suborbital, or extraterrestrial transport or habitation system, regardless of whether the vehicle, platform, or infrastructure is owned or operated by a governmental, commercial, or private entity.</u></p> <p><u>(b) Before the commission takes a proposed action under Subsection (a), the board must:</u></p> <p><u>(1) determine the proposed action:</u></p> <p><u>(A) promotes or serves a legitimate and clearly defined public purpose;</u></p> <p><u>(B) provides demonstrable value, taking into consideration:</u></p> <p><u>(i) the feasibility and cost-effectiveness of the proposed action;</u></p> <p><u>(ii) alternative approaches to attaining the same or a similar public purpose as the proposed action; and</u></p> <p><u>(iii) potential benefits of the proposed action; and</u></p> <p><u>(C) is subject to appropriate controls and contractual requirements sufficient to protect the interests of the state;</u></p> <p><u>(2) discuss the determinations the board must find under Subdivision (1) in an open meeting held in accordance with Chapter 551; and</u></p> <p><u>(3) by a majority vote of the voting board members present and voting, authorize the action in an open meeting held in accordance with Chapter 551.</u></p> <p><u>Sec. 482.109. CERTAIN GRANT APPLICATIONS AND DEFENSE, MILITARY, AND AEROSPACE ISSUES:</u></p>		

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CLOSED MEETING. (a) The board may conduct a closed meeting in accordance with Subchapter E, Chapter 551, to deliberate or confer with one or more employees, consultants of the commission, or legal counsel of the commission to discuss:

(1) a grant application being considered by the board if, before conducting the closed meeting, a majority of the voting members of the board in an open meeting vote that deliberating or conferring in an open meeting would:

(A) reveal the grant applicant's confidential information;

(B) reveal national security information; or

(C) have a detrimental effect on the position of the commission in negotiations with a grant applicant; or

(2) a matter related to:

(A) the establishment of an office, base, or major facility in this state by the United States Department of Defense or the National Aeronautics and Space Administration; or

(B) an economic incentive a governmental body may offer to a private entity or nonprofit organization to meet a match requirement or other requirement established by the United States Department of Defense or the National Aeronautics and Space Administration in relation to grants or strategic endeavors.

(b) Notwithstanding any other law, the commission may disclose a matter discussed under Subsection (a)(2) with any state agency if the presiding officer of the board determines it necessary to accomplish the establishment of an office, base, or major facility in this state by the United States Department of Defense or the National Aeronautics and Space Administration.

(c) Any vote or final action taken on a matter described by Subsection (a)(1) or (2) must be conducted in an open

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meeting.

SECTION 7. Section 482.201(a), Government Code, is amended to read as follows:

(a) The commission shall develop and **annually** update a strategic plan for the promotion of space and [;] aeronautics[; ~~and aviation~~] economic development in this state.

SECTION 8. Section 482.301(a), Government Code, is amended to read as follows:

(a) The space exploration and aeronautics research fund is established to provide grants to eligible entities and for other purposes as provided by this chapter.

No equivalent provision.

SECTION 9. Section 482.302, Government Code, is amended by amending Subsections (a) and (b) and adding Subsections (b-1), (e), (e-1), (f), (g), and (h) to read as follows:

SECTION 8. Sections 482.201(a) and (d), Government Code, are amended to read as follows:

(a) The commission shall develop and **biennially** ~~[annually]~~ update a strategic plan for the promotion of space and [;] aeronautics[; ~~and aviation~~] economic development in this state.

(d) The board shall submit the strategic plan to the governor, the lieutenant governor, and the speaker of the house of representatives not later than December 31 of each even-numbered year.

SECTION 9. Same as House version.

SECTION 10. The heading to Section 482.302, Government Code, is amended to read as follows:

Sec. 482.302. **USE OF [SPACE EXPLORATION AND AERONAUTICS RESEARCH] FUND** FOR [;] GRANTS.

SECTION 11. Section 482.302, Government Code, is amended by amending Subsections (a) and (b) and adding Subsections (b-1), (e), (e-1), (f), (g), and (h) to read as follows:

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(a) Using money available in the fund, the commission may provide grants to eligible entities described by Subsection (b) for the purposes of:

- (1) development of emerging technologies required for any aspect of human space flight, including aeronautics;
- (2) research involving any aspect of space exploration and space flight, including aeronautics;
- (3) workforce training to promote space exploration and space flight, including aeronautics;
- (4) curation of post-mission materials involved in space exploration and space flight; and
- (5) development of infrastructure useful or necessary for the establishment or maintenance of a spaceport.

(b) The following entities are eligible for a grant made under this subchapter:

- (1) a business or nonprofit entity involved in the space exploration and space [;] research industry[;] or the aeronautics industry; ~~[and]~~
- (2) a governmental entity involved in the space exploration and space research industry or the aeronautics industry; and
- (3) the Texas Aerospace Research and Space Economy Consortium established under Chapter 483 ~~[with which the commission has entered into an intergovernmental agreement for that purpose]~~.

(b-1) If the board approves a grant for a governmental entity described by Subsection (b)(2), the governmental entity shall enter into an intergovernmental agreement with the commission with respect to the project or activity for which the grant was awarded.

(e) The commission shall establish sufficient controls to ensure that a grant awarded under this subchapter promotes the purposes listed in Subsection (a).

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(a) Using money available in the fund, the commission may provide grants to eligible entities described by Subsection (b) for the purposes of:

- (1) development of emerging technologies required for any aspect of human space flight, including aeronautics;
- (2) research involving any aspect of space exploration and space flight, including aeronautics;
- (3) workforce training to promote space exploration and space flight, including aeronautics;
- (4) curation of post-mission materials involved in space exploration and space flight; and
- (5) development of infrastructure useful or necessary for the establishment or maintenance of a spaceport.

(b) The following entities are eligible for a grant made under this subchapter:

- (1) a business or nonprofit entity involved in the space exploration and space [;] research industry[;] or the aeronautics industry; ~~[and]~~
- (2) a governmental entity involved in the space exploration and space research industry or the aeronautics industry; and
- (3) the consortium ~~[with which the commission has entered into an intergovernmental agreement for that purpose]~~.

(b-1) If the board approves a grant for a governmental entity described by Subsection (b)(2), the governmental entity shall enter into an intergovernmental agreement with the commission with respect to the project or activity for which the grant was awarded.

(e) The commission shall establish sufficient controls to ensure that a grant awarded under this subchapter promotes the purposes listed in Subsection (a).

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(e-1) Using money available in the fund, and subject to the approval of the governor, the commission may provide grants to, or fund the costs and expenses incurred under agreements between the commission and, another state, the United States, or entities described by Subsection (b) for the purposes of:

(1) establishing a space-related office, base, or major facility in this state by the United States Department of Defense or the National Aeronautics and Space Administration; and

(2) relocating or acquiring decommissioned assets related to the space industry to this state.

(f) The commission shall adopt a policy on advance payments to grant recipients.

(g) Except as otherwise provided by this section, money awarded under this subchapter may be used for authorized expenses, including honoraria, salaries and benefits, travel, conference fees and expenses, consumable supplies, other operating expenses, contracted research and development, capital equipment, and construction or renovation of state or private facilities.

(h) An entity receiving money under this subchapter for space exploration or aeronautics research may not spend more than five percent of the money for indirect costs. For purposes of this subsection, "indirect costs" means the expenses of doing business that are not readily identified with a particular grant, contract, project, function, or activity, but are necessary for the general operation of the entity or the performance of the entity's activities.

SECTION 10. Subchapter D, Chapter 482, Government Code, is amended by adding Section 482.303 to read as follows:

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(e-1) Using money available in the fund, and subject to the approval of the governor, the commission may provide grants to, or fund the costs and expenses incurred under agreements between the commission and, another state, the United States, or entities described by Subsection (b) for the purposes of:

(1) establishing a space-related office, base, or major facility in this state by the United States Department of Defense or the National Aeronautics and Space Administration; and

(2) relocating or acquiring decommissioned assets related to the space industry to this state.

(f) The commission shall adopt a policy on advance payments to grant recipients.

(g) Except as otherwise provided by this section, money awarded under this subchapter may be used for authorized expenses, including honoraria, salaries and benefits, travel, conference fees and expenses, consumable supplies, other operating expenses, contracted research and development, capital equipment, and construction or renovation of state or private facilities.

(h) An entity receiving money under this subchapter for space exploration or aeronautics research may not spend more than five percent of the money for indirect costs. For purposes of this subsection, "indirect costs" means the expenses of doing business that are not readily identified with a particular grant, contract, project, function, or activity, but are necessary for the general operation of the entity or the performance of the entity's activities.

SECTION 12. Subchapter D, Chapter 482, Government Code, is amended by adding Section 482.303 to read as follows:

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Sec. 482.303. USE OF FUND FOR OTHER PURPOSE.
Money available in the fund may be used to fund the costs and expenses incurred under intergovernmental agreements between the commission and another state or the United States under this subchapter.

SECTION 11. Section 482.501, Government Code, is amended to read as follows:

Sec. 482.501. RULES; CERTAIN LIMITATIONS ON [FOR] GRANT AWARDS [AWARD PROCEDURE]. (a) The board shall adopt rules regarding the procedure for awarding grants to applicants ~~[an applicant]~~ under this chapter. The rules must authorize the commission to:
(1) identify the specific purpose under Section 482.302(a) for which the commission awards a grant; and
(2) obtain information from the Texas Aerospace Research and Space Economy Consortium established under Chapter 483 as necessary to make award determinations~~[, including a procedure for the Texas Aerospace Research and Space Economy Consortium to make recommendations to the board for grant awards].~~

(b) The board may not award a grant to an applicant who has made a gift or grant to the commission or a nonprofit organization established to provide support to the commission during the preceding two years.

SECTION 12. Section 482.505, Government Code, is amended to read as follows:

Sec. 482.505. GRANT RECORDS; PUBLIC INFORMATION EXCEPTION. (a) The commission shall

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Sec. 482.303. USE OF FUND FOR OTHER PURPOSES.
Money available in the fund may be used to fund the costs and expenses incurred under intergovernmental agreements between the commission and another state or the United States under this subchapter.

SECTION 13. Section 482.501, Government Code, is amended to read as follows:

Sec. 482.501. RULES; CERTAIN LIMITATIONS ON [FOR] GRANT AWARDS [AWARD PROCEDURE]. (a) The board shall adopt rules regarding the procedure for awarding grants to applicants ~~[an applicant]~~ under this chapter. The rules must authorize the commission to:
(1) identify the specific purpose under Section 482.302(a) for which the commission awards a grant; and
(2) obtain information from the consortium as necessary to make award determinations~~[, including a procedure for the Texas Aerospace Research and Space Economy Consortium to make recommendations to the board for grant awards].~~

(b) The board may not award a grant to an applicant who has made a gift, ~~[or]~~ grant, or donation to the commission or a nonprofit organization established to provide support to the commission during the preceding year.

SECTION 14. Section 482.505, Government Code, is amended to read as follows:

Sec. 482.505. (a) GRANT RECORDS; PUBLIC INFORMATION EXCEPTION. The commission shall

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maintain complete records of:

- (1) the review of each grant application submitted to the board, including an application reviewed in accordance with rules adopted under this chapter, even if the grant application is not funded by the board or is withdrawn after submission;
 - (2) ~~[each grant recipient's]~~ financial reports of each grant recipient described by Section 482.302(b), including the amount of matching money dedicated to the ~~research~~ specified for the grant award, if applicable;
 - (3) each grant recipient's progress reports; and
 - (4) the board's review of the grant recipient's financial reports, if applicable, and progress reports.
- (b) A grant application submitted to the commission is confidential and not subject to disclosure under Chapter 552.

SECTION 13. Subchapter G, Chapter 482, Government Code, is redesignated as Chapter 483, Government Code, and amended to read as follows:

~~CHAPTER 483 [SUBCHAPTER G].~~ TEXAS AEROSPACE RESEARCH AND SPACE ECONOMY CONSORTIUM
Sec. 483.001 ~~[482.601].~~ DEFINITIONS. In this ~~chapter~~ [subchapter]:

- (1) "Commission" means the Texas Space Commission.
- (2) "Consortium" means the Texas Aerospace Research and Space Economy Consortium.
- (3) ~~[(2)]~~ "Executive committee" means the executive committee of the consortium.
- (4) "Institution of higher education" has the meaning assigned by Section 61.003, Education Code.

Sec. 483.002 ~~[482.602].~~ SUNSET PROVISION. The consortium is subject to Chapter 325 (Texas Sunset Act).

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maintain complete records of:

- (1) the review of each grant application submitted to the board, including an application reviewed in accordance with rules adopted under this chapter, even if the grant application is not funded by the board or is withdrawn after submission;
 - (2) ~~[each grant recipient's]~~ financial reports of each grant recipient described by Section 482.302(b), including the amount of matching money dedicated to the ~~project~~ [research] specified for the grant award, if applicable;
 - (3) each grant recipient's progress reports; and
 - (4) the board's review of the grant recipient's financial reports, if applicable, and progress reports.
- (b) A grant application submitted to the commission is confidential and not subject to disclosure under Chapter 552.

SECTION 15. Subchapter G, Chapter 482, Government Code, is amended to read as follows:

SUBCHAPTER G. TEXAS AEROSPACE RESEARCH AND SPACE ECONOMY CONSORTIUM
Sec. 482.601. DEFINITION ~~[DEFINITIONS]~~. In this subchapter, [:

- ~~[(1) "Consortium" means the Texas Aerospace Research and Space Economy Consortium.~~
- ~~[(2)]~~ "executive ~~[Executive]~~ committee" means the executive committee of the consortium.

Sec. 482.602. SUNSET PROVISION. The consortium is subject to Chapter 325 (Texas Sunset Act). Unless continued

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Unless continued in existence as provided by that chapter, the consortium is abolished and this subchapter expires September 1, 2033 [2032].

Sec. 483.003 [482.603]. ESTABLISHMENT; PURPOSE. The Texas Aerospace Research and Space Economy Consortium is established to:

(1) identify research opportunities for entities within this state that:

(A) strengthen this state's proven leadership in civil, commercial, and military space-related [aerospace] activity;

(B) enhance this state's position in aeronautics research and development[, ~~astronautics~~], space commercialization, and space flight infrastructure and in the development of space travel technologies; and

(C) enhance the integration of the space and [;] aeronautics[, ~~astronautics, and aviation~~] industries into this state's economy; and

(2) provide [funding and] research recommendations to the commission.

Sec. 483.004 [482.604]. CONSORTIUM COMPOSITION. (a) Subject to Subsections (b) and (c), the [The] consortium is composed of:

(1) each participating institution of higher education; and

(2) any other entity that the executive committee considers necessary.

(b) An institution of higher education is considered a participating member of the consortium if the institution submits to the executive committee the name of a local campus liaison to represent the institution on the consortium.

(c) Selection of an entity for membership in the consortium under Subsection (a)(2) must be based on an application process established by the executive committee.

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in existence as provided by that chapter, the consortium is abolished and this subchapter expires September 1, 2033 [2032].

Sec. 482.603. ESTABLISHMENT; PURPOSE. The Texas Aerospace Research and Space Economy Consortium is established as an advisory committee to the board to:

(1) identify research opportunities for entities within this state that:

(A) strengthen this state's proven leadership in civil, commercial, and military space-related [aerospace] activity;

(B) enhance this state's position in aeronautics research and development[, ~~astronautics~~], space commercialization, and space flight infrastructure and in the development of space travel technologies; and

(C) enhance the integration of the space and [;] aeronautics[, ~~astronautics, and aviation~~] industries into this state's economy; and

(2) provide [funding and] research recommendations to the commission.

Sec. 482.604. CONSORTIUM COMPOSITION. (a) Subject to Subsections (b) and (c), the [The] consortium is composed of:

(1) each participating institution of higher education; and

(2) any other entity that the executive committee considers necessary.

(b) An institution of higher education is considered a participating member of the consortium if the institution submits to the executive committee the name of a local campus liaison to represent the institution on the consortium.

(c) Selection of an entity for membership in the consortium under Subsection (a)(2) must be based on an application process established by the executive committee.

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Sec. 483.005 [482.605]. ADMINISTRATIVE ATTACHMENT. (a) The consortium is administratively attached to the Texas A&M Engineering Experiment Station [office of the governor] for the purpose of receiving and administering appropriations and other funds under this subchapter. The Texas A&M Engineering Experiment Station [office of the governor] is not responsible for providing to the consortium staff, human resources, contract monitoring, purchasing, or any other administrative support services.

(b) The executive committee shall establish procedures for entering into contracts with The Texas A&M University System or applicable subcontractors as necessary to provide administrative and staff support to the consortium.

Sec. 483.006 [482.606]. EXECUTIVE COMMITTEE COMPOSITION. (a) The consortium is governed by an independent executive committee composed of the following nine members:

- (1) two members appointed by the governor;
- (2) two members appointed by the lieutenant governor;
- (3) two members appointed by the speaker of the house of representatives;
- (4) the chancellor of The Texas A&M University System or the chancellor's designee;
- (5) the chancellor of The University of Texas System or the chancellor's designee; and
- (6) the president of Rice University or the president's designee.

(a-1) An appointed member of the committee serves at the pleasure of the appointing official.

(b) In making appointments under Subsection (a), the governor, the lieutenant governor, and the speaker of the house of representatives, respectively, shall:

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Sec. 482.605. ADMINISTRATIVE ATTACHMENT. The consortium is administratively attached to the commission [office of the governor] for the purpose of receiving and administering appropriations and other funds under this subchapter. [The office of the governor is not responsible for providing to the consortium staff, human resources, contract monitoring, purchasing, or any other administrative support services.]

Sec. 482.606. EXECUTIVE COMMITTEE COMPOSITION. (a) The consortium is governed by an independent executive committee composed of the following nine members:

- (1) two members appointed by the governor;
- (2) two members appointed by the lieutenant governor;
- (3) two members appointed by the speaker of the house of representatives;
- (4) the chancellor of The Texas A&M University System or the chancellor's designee;
- (5) the chancellor of The University of Texas System or the chancellor's designee; and
- (6) the president of Rice University or the president's designee.

(a-1) An appointed member of the executive committee serves at the pleasure of the appointing official.

(b) In making appointments under Subsection (a), the governor, the lieutenant governor, and the speaker of the house of representatives, respectively, shall:

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- (1) prioritize appointing individuals with experience in:
 - (A) aeronautics;
 - (B) space economic development; and
 - (C) academic engagement with the space economy; and
- (2) ensure that the appointments reflect, to the extent possible, the ethnic and geographic diversity of this state.

(c) If a [A] vacancy occurs on the executive committee, the appropriate appointing official shall appoint a successor [is filled] in the same manner as the initial appointment. The appropriate appointing official shall appoint the successor not later than the 30th day after the date the vacancy occurs.

(d) The executive committee shall:

- (1) elect a presiding officer from among the members of the committee; and
- (2) meet at the call of the presiding officer.

Sec. 483.007 [482.607]. GIFTS, GRANTS, AND DONATIONS. On behalf of the consortium, the [The] executive committee may solicit, [and] accept, give, or spend any [on behalf of the consortium] gifts, grants, or donations from any public or private source for the purpose of carrying out this subchapter.

Sec. 483.008 [482.608]. GENERAL DUTIES. (a) The executive committee shall:

- (1) develop and execute a comprehensive statewide strategic plan to further the purposes of the consortium;

(2) gather and coordinate recommendations from consortium members on [funding—and] research opportunities in accordance with the purposes of the consortium; and

- (3) establish procedures and policies for the administration of

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- (1) prioritize appointing individuals with experience in:
 - (A) aeronautics;
 - (B) space economic development; and
 - (C) academic engagement with the space economy; and
- (2) ensure that the appointments reflect, to the extent possible, multiple [the ethnic—and] geographic regions [diversity] of this state.

(c) If a [A] vacancy occurs on the executive committee, the appropriate appointing official shall appoint a successor [is filled] in the same manner as the initial appointment. The appropriate appointing official shall appoint the successor not later than the 30th day after the date the vacancy occurs.

(d) The executive committee shall:

- (1) elect a presiding officer from among the members of the committee; and
- (2) meet at the call of the presiding officer.

Sec. 482.607. GIFTS, GRANTS, AND DONATIONS. On behalf of the consortium, the [The] executive committee may solicit, [and] accept, or spend any [on behalf of the consortium] gifts, grants, or donations from any public or private source for the purpose of carrying out this subchapter.

Sec. 482.608. GENERAL DUTIES. (a) The executive committee shall:

- (1) develop an organizational [and execute a comprehensive statewide strategic] plan to further the purposes of the consortium;

(2) gather and coordinate recommendations from consortium members on [funding—and] research and development opportunities in accordance with the purposes of the consortium; and

- (3) establish procedures and policies for the administration of

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the consortium, including:

(A) procedures for documenting compliance by members of the committee and members of the consortium [~~and consortium staff~~] with applicable laws governing conflicts of interest;

(B) designation of a member of the committee as the committee's liaison to the commission; and

(C) procedures for submitting to the board of directors of the commission a request for a grant from the space exploration and aeronautics research fund established under Chapter 482 for recommended projects and activities and for entering into necessary agreements if awarded a grant [~~entering into contracts with The Texas A&M University System as necessary for that system to provide administrative and staff support to the consortium~~].

(b) A member of the consortium may participate in consortium fact-finding and strategic planning and the formation of recommendations for purposes of Subsections (a)(1) and (a)(2). Before assisting the executive committee as provided by this subsection, a member of the consortium must designate a liaison to the executive committee to represent that member.

Sec. ~~483.009~~ [482.609]. BIENNIAL REPORT. Not later than December 31 of each even-numbered year, the executive committee shall submit to the commission a written report that includes for that biennium:

- (1) the activities and objectives of the consortium;
- (2) a synopsis of the funding and research opportunities identified by the consortium;
- (3) legislative recommendations, if any;
- (4) prospective grants or funding the consortium members expect to receive, if any; and

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the consortium, including:

(A) procedures for documenting compliance by members of the committee and members of the consortium [~~and consortium staff~~] with applicable laws governing conflicts of interest;

(B) designation of a member of the committee as the committee's liaison to the commission; and

(C) procedures for submitting to the board a request to fund recommended projects and activities [~~entering into contracts with The Texas A&M University System as necessary for that system to provide administrative and staff support to the consortium~~].

(b) A member of the consortium may participate in consortium fact-finding [~~and strategic planning~~] and the formation of recommendations for purposes of Subsections (a)(1) and (a)(2). Before assisting the executive committee as provided by this subsection, a member of the consortium must designate a liaison to the [~~executive~~] committee to represent that member.

Sec. 482.609. BIENNIAL REPORT. Not later than December 31 of each even-numbered year, the executive committee shall submit to the commission a written report that includes for that biennium:

- (1) the activities and objectives of the consortium;
- (2) a synopsis of the funding and research opportunities identified by the consortium;
- (3) legislative recommendations, if any;
- (4) prospective grants or funding the consortium members expect to receive, if any; and

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(5) research accomplishments associated with the consortium, if any.

Sec. 483.010. COMPENSATION; EXPENSES. Executive committee members serve without compensation but are entitled to reimbursement for actual expenses incurred in attending committee meetings. Those expenses are paid from funds appropriated to the consortium.

Sec. 483.011. APPLICABILITY OF OTHER LAW. Chapter 2110 does not apply to the size, composition, or duration of the executive committee.

SECTION 14. Section 481.0069, Government Code, is repealed.

SECTION 15. (a) In this section:

(1) "Office" means the Texas Economic Development and Tourism Office.

(2) "Spaceport development corporation" has the meaning assigned by Section 507.001, Local Government Code.

(b) On **September 1, 2025**, the spaceport trust fund is abolished and the balance of the fund is transferred to the general revenue fund for use in accordance with legislative appropriation, except as provided by Subsections (d) and (e) of this section.

(c) The abolishment of the spaceport trust fund and the repeal of Section 481.0069, Government Code, do not affect the validity of a contract between the office and a spaceport development corporation that is entered into under Section 481.0069(e), Government Code, before **September 1, 2025**.

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(5) research accomplishments associated with the consortium, if any.

Sec. 482.610. COMPENSATION; EXPENSES. Executive committee members serve without compensation but are entitled to reimbursement for actual expenses incurred in attending committee meetings. Those expenses are paid from funds appropriated to the consortium.

Sec. 482.611. APPLICABILITY OF OTHER LAW. Chapter 2110 does not apply to the size, composition, or duration of the executive committee.

SECTION 16. Same as House version.

SECTION 17. (a) In this section:

(1) "Office" means the Texas Economic Development and Tourism Office.

(2) "Spaceport development corporation" has the meaning assigned by Section 507.001, Local Government Code.

(b) On **the effective date of this Act**, the spaceport trust fund is abolished and the balance of the fund is transferred to the general revenue fund for use in accordance with legislative appropriation, except as provided by Subsections (d) and (e) of this section.

(c) The abolishment of the spaceport trust fund and the repeal of Section 481.0069, Government Code, do not affect the validity of a contract between the office and a spaceport development corporation that is entered into under Section 481.0069(e), Government Code, before **the effective date of this Act**.

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(d) Money that was deposited in the spaceport trust fund as a gift, grant, or donation under Section 481.0069(c)(1), Government Code, shall be held in trust by the comptroller outside the state treasury and shall be administered by the comptroller as trustee as provided by this subsection. The comptroller may:

- (1) spend money encumbered by the specific terms of the gift, grant, or donation only in accordance with those terms;
- (2) return to the donor or grantor, on request, any portion of the amount of a gift, grant, or donation described by this subsection that remains on deposit; or
- (3) transfer to the general revenue fund for use in accordance with legislative appropriation any other remaining money deposited as a gift, grant, or donation under Section 481.0069(c)(1), Government Code.

(e) Money from the spaceport trust fund that is encumbered because the money is obligated by contract before **September 1, 2025**, but under the terms of the contract will not be distributed until a later date shall be held in trust by the comptroller as trustee outside the state treasury and shall be administered by the comptroller as trustee to ensure that the money is distributed in accordance with the terms of the contract. If the office determines that the money will not be distributed in accordance with the terms of contract, the office shall certify that fact to the comptroller. On that certification, the comptroller shall transfer that money to the general revenue fund to be used in accordance with legislative appropriation.

(f) On or after the effective date of this Act, the following payments or other amounts shall be remitted to the comptroller for deposit to the general revenue fund:

- (1) any interest or income earned on the investment of money

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(d) Money that was deposited in the spaceport trust fund as a gift, grant, or donation under Section 481.0069(c)(1), Government Code, shall be held in trust by the comptroller outside the state treasury and shall be administered by the comptroller as trustee as provided by this subsection. The comptroller may:

- (1) spend money encumbered by the specific terms of the gift, grant, or donation only in accordance with those terms;
- (2) return to the donor or grantor, on request, any portion of the amount of a gift, grant, or donation described by this subsection that remains on deposit; or
- (3) transfer to the general revenue fund for use in accordance with legislative appropriation any other remaining money deposited as a gift, grant, or donation under Section 481.0069(c)(1), Government Code.

(e) Money from the spaceport trust fund that is encumbered because the money is obligated by contract before **the effective date of this Act**, but under the terms of the contract will not be distributed until a later date, shall be held in trust by the comptroller as trustee outside the state treasury and shall be administered by the comptroller as trustee to ensure that the money is distributed in accordance with the terms of **the** contract. If the office determines that the money will not be distributed in accordance with the terms of the contract, the office shall certify that fact to the comptroller. On that certification, the comptroller shall transfer that money to the general revenue fund to be used in accordance with legislative appropriation.

(f) On or after the effective date of this Act, the following payments or other amounts shall be remitted to the comptroller for deposit to the general revenue fund:

- (1) any interest or income earned on the investment of money

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<p>in the spaceport trust fund;</p> <p>(2) any money returned by a spaceport development corporation under a contract entered into under Section 481.0069, Government Code; and</p> <p>(3) any money received by a donor or grantor under Subsection (d)(2) of this section that is subsequently returned to the state.</p>	<p>in the spaceport trust fund;</p> <p>(2) any money returned by a spaceport development corporation under a contract entered into under Section 481.0069, Government Code; and</p> <p>(3) any money received by a donor or grantor under Subsection (d)(2) of this section that is subsequently returned to the state.</p>	
<p>SECTION 16. The term of a member serving on the aerospace and aviation advisory committee immediately preceding the effective date of this Act expires on that date. The member may be reappointed to the committee.</p>	<p>SECTION 18. Same as House version.</p>	
<p>SECTION 17. This Act takes effect September 1, 2025.</p>	<p>SECTION 19. Same as House version.</p>	