

CHAPTER 449

H.B. No. 1952

AN ACT

relating to the receipt, management, and expenditure of funds and certain bonds by state agencies and state officials; to the deposit of certain official bonds; to certain reviews of state entities by the comptroller; to the distribution of state publications; and to reporting the use of state vehicles.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Article 3, State Purchasing and General Services Act (Article 601b, Vernon's Texas Civil Statutes), is amended by adding Section 3.33 to read as follows:

Sec. 3.33. CREDIT CARDS. (a) If authorized by rule adopted by the comptroller under Section 403.023, Government Code, the commission may contract with one or more credit card issuers for state agencies to use credit cards to pay for purchases. The commission may not enter into a contract that conflicts with the comptroller's rules.

(b) This section does not apply to contracts regarding travel services or the use of credit cards to pay for travel services under Article 14 of this Act.

(c) In this section and notwithstanding Section 1.02 of this Act, "state agency" has the meaning assigned by Section 403.023(e), Government Code.

SECTION 2. Section 3, Article 4348e, Revised Statutes, is amended by amending subsection (h) and adding Subsection (i) to read as follows:

(h) The comptroller may adopt procedures and ~~shall promulgate~~ rules for the effective operation of the uniform statewide accounting system, including procedures and rules relating to the method used to calculate the net compensation of a state officer or employee.

(i) The comptroller may periodically review and analyze the effectiveness and efficiency of the policies and management of any state governmental committee or state agency that is involved in analyzing and recommending improvements to the state's system of records management and the preservation of the essential records of this state, including records relating to financial management information.

SECTION 3. Article 1.12, Title 79, Revised Statutes (Article 5069-1.12, Vernon's Texas Civil Statutes), is amended to read as follows:

Art. 1.12. SURCHARGE FOR USE OF CREDIT CARD. (a) In a sales transaction for goods or services involving the use of a credit card for an extension of credit, the seller may not impose a surcharge on the buyer because the buyer uses a credit card instead of cash, a check, or similar means of payment.

(b) This article does not apply to a state agency, county, local governmental entity, or other governmental entity that accepts credit cards for the payment of fees, taxes, or other charges.

SECTION 4. Section 9(d), Texas Unemployment Compensation Act (Article 5221b-7 Vernon's Texas Civil Statutes), is amended to read as follows:

(d) If a warrant has been issued by the ~~comptroller~~ [Comptroller] in payment of benefits as provided under this Act[,] and [if] the claimant entitled to receive the [such] warrant furnishes proof satisfactory to the comptroller that the claimant has lost [or loses,] or for any reason failed [or fails] to receive the [such] warrant [after such warrant is or has been issued by the Comptroller, and upon satisfactory proof of such], the ~~comptroller~~ [Comptroller] may issue to the claimant a replacement [duplicate] warrant as provided by Section 403.054, Government Code. ~~Notwithstanding Section 403.054, Government Code, the comptroller may not issue a replacement [for in Article 4365, Revised Civil Statutes of Texas, 1925, but in no event shall a duplicate] warrant [be issued] after one year from the date of the original warrant. The state treasurer may not pay a [if, after any] warrant that has been issued [by the Comptroller payable] to pay [a claimant for] benefits under the provisions of this Act unless the warrant is presented[, and such warrant shall have been lost or misplaced, or if claimant for any reason fails or refuses to present said warrant] for payment within twelve [(12)] months after the date of issuance [of such warrant, such warrant shall be cancelled, and thereafter no payment shall be made by the Treasurer on such warrant, and no duplicate warrant in place thereof shall ever be issued].~~

SECTION 5. Article 5999, Revised Statutes, is amended to read as follows:

Art. 5999. DEPOSITORY OF BONDS. *Except as otherwise provided by this article or other law, the* [The] bond of each officer who is required by law to give an official bond payable to the Governor or to the State shall be deposited with the Comptroller by the officer who approves the same. ~~The bond[, except that] of the Comptroller [which] shall be deposited with the Secretary of State.~~

SECTION 6. Section 2(b), Chapter 22, Acts of the 57th Legislature, 3rd Called Session, 1962 (Article 6228a-5, Vernon's Texas Civil Statutes), is amended to read as follows:

(b) The comptroller or the governing board, as the case may be, may:

(1) reduce the salary of participants when authorized *by the participants* [in writing] and shall apply the amount of the reduction to the purchase of annuity contracts or to contributions to any type of investment authorized in Section 403(b) of the Internal Revenue Code of 1954, as it existed on January 1, 1981, the exclusive control of which will vest in the participants; *and*

(2) *develop a system to allow or require participants to electronically authorize:*

(A) *participation under this Act;*

(B) *purchases of annuity contracts; and*

(C) *contributions to investments.*

SECTION 7. Section 2(a), Texas Statewide Volunteer Fire Fighters Retirement Act (Article 6243e.3, Vernon's Texas Civil Statutes), is amended to read as follows:

(a) *The [A] Fire Fighters' Relief and Retirement Fund is a trust fund in the state treasury [created].*

SECTION 8. Section 14, Texas Statewide Volunteer Fire Fighters Retirement Act (Article 6243e.3, Vernon's Texas Civil Statutes), is amended by adding Subsection (f) to read as follows:

(f) When investing the surplus of the fund, the commissioner and the trustees are a governing body of a public retirement system for purposes of Section 802.205, Government Code.

SECTION 9. Sections 1, 2, 3, and 4, Chapter 603, Acts of the 51st Legislature, Regular Session, 1949 (Article 6252-3, Vernon's Texas Civil Statutes), are amended to read as follows:

Sec. 1. Whenever any officer or employee of the State of Texas, or of any county or other political subdivision or municipal corporation therein, shall voluntarily authorize [~~in writing~~] his or her department head, in case such person is a state officer or employee, or the disbursing officer of the county or other political subdivision or municipal corporation, in case such person is an officer or employee of the county or other political subdivision or municipal corporation, to withhold a specified portion of his or her salary or compensation for the purpose of purchasing United States Savings Bonds, said department head or disbursing officer, as the case may be, may withhold from such person's salary or compensation for the period and in the amount stated in the authorization, each and every payday during such period, unless such authorization is terminated as hereinafter provided. Such withholding shall be effected by deducting the amount so authorized on the payroll of such department, county, political subdivision or municipal corporation when presented to the Comptroller of Public Accounts or other disbursing officer, as the case may be, for warrants to be issued *or funds transferred* in payment thereof.

Sec. 2. The Comptroller of Public Accounts shall prescribe the proper form of payroll for State officers and employees in order to comply with this purpose. The disbursing officer of the county or other political subdivision or municipal corporation referred to herein shall, for the same purpose, prescribe the proper form of payroll for the officers and employees thereof. When such payroll is presented to the Comptroller or other disbursing officer, as the case may be, for payment, a warrant shall issue to each officer or employee, whose name appears thereon, for the full amount of his or her salary less the amount deducted for the purpose of purchasing United States Savings Bonds, and a warrant shall issue to the State Department head or to the disbursing officer referred to herein, as the case may be, for the total amount deducted for all officers or employees for the current payroll period. The warrant for said total deduction shall be deposited with the State Treasurer, or with the official Treasurer of the county or other political subdivision or municipal corporation, as the case may be, in trust to be held by said officer until disbursed by said department head or disbursing officer, as the case may be, for the purchase of United States Savings Bonds for the individual designated in said authorization filed with said department head or disbursing officer. Said trust account shall be designated as "War Bond Payroll Savings Account," and funds deposited therein shall be paid out by said Treasurer on proper warrants drawn by said department head or disbursing officer, as the case may be. *If this section requires a written authorization, the authorization may instead be accomplished through electronic means. If this section requires a disbursement, deposit, or purchase to be made by warrant, the disbursement, deposit, or purchase may instead be made through electronic means.*

Sec. 3. The department head or disbursing officer, as the case may be, shall use such funds so withheld and so deposited in trust for the purpose of purchasing United States Savings Bonds of the denomination designated and authorized in said [~~written~~] authorization, whenever such person shall have a sufficient sum of such withheld sums to pay for such bond, and shall immediately deliver the bond to the person entitled thereto or shall mail the same to the address designated by such person in said [~~written~~] authorization. Said department head or disbursing officer, as the case may be, shall keep proper records at all times showing itemization of moneys so withheld and disbursed by him in compliance with this Act.

Sec. 4. The head of any State Department or the disbursing officer of any county or other political subdivision or municipal corporation of the State of Texas shall cease to withhold any

of the above-mentioned funds from any of said salaries or compensations under said ~~written~~ authorization upon the happening of any of the following:

- (a) Termination of employment.
- (b) ~~Notice~~ ~~[Written notice]~~ of cancellation of such former authorization.
- (c) Termination of the arrangement for withholding of such funds by the State Department heads or disbursing officers, as the case may be.

Upon such termination, the money, if any, so withheld, which has not been invested in bonds, shall be immediately remitted by proper warrant *or electronic means* to the officer or employee from whose salary or compensation such money has been withheld.

SECTION 10. Sections 1.36, 1.42, 1.43, 2.45, 2.50, and 2.51, Article 6252-3g, Revised Statutes, are amended to read as follows:

Sec. 1.36. RULEMAKING. The Employees Retirement System may adopt rules, regulations, plans, procedures, and orders necessary to carry out the purposes of this subpart including:

- (1) the selection and regulation of vendors of investment products;
 - (2) the regulation of practices of agents or salesmen employed by vendors of investment products;
 - (3) the disclosure of information concerning investment products;
 - (4) the regulation of advertising materials to be used by vendors of investment products;
- ~~[and]~~
- (5) *the development of a system to facilitate the electronic authorization, distribution, transfer, and investment of deferrals; and*
 - (6) the submission of financial information by a vendor.

Sec. 1.42. CONTRACT FOR DEFERMENT. The Employees Retirement System may contract with an employee of a participating state agency for the deferment of any part of the employee's compensation. As part of the contract, the employee must consent to automatic payroll deductions in an amount equal to the part deferred. The employee may change the amount deferred from the employee's compensation by notifying the plan administrator in *accordance with the plan administrator's requirements* ~~[writing]~~.

Sec. 1.43. INVESTMENT AND TRANSFER. After the execution of the contract between the Employees Retirement System or the Employees Retirement System's designee and an employee, the plan administrator shall:

- (1) invest the employee's deferrals and investment income in the qualified investment products designated ~~[in writing]~~ by the employee; and
- (2) promptly transfer the employee's deferrals and investment income from one qualified investment product to another *in accordance with the plan administrator's requirements* ~~[on the employee's written request]~~.

Sec. 2.45. RULEMAKING. The Employees Retirement System may adopt rules, regulations, plans, procedures, and orders necessary to carry out the purposes of this subpart including:

- (1) the selection and regulation of vendors of investment products;
 - (2) the regulation of practices of agents or salesmen employed by vendors of investment products;
 - (3) the disclosure of information concerning investment products;
 - (4) the regulation of advertising materials to be used by vendors of investment products;
- ~~[and]~~
- (5) *the development of a system to facilitate the electronic authorization, distribution, transfer, and investment of deferrals; and*
 - (6) the submission of financial information by a vendor.

Sec. 2.50. CONTRACT FOR DEFERMENT. The Employees Retirement System may contract with an employee of a participating state agency for the deferment of any part of the employee's compensation. As part of the contract, the employee must consent to automatic

payroll deductions in an amount equal to the part deferred. The employee may change the amount deferred from the employee's compensation by notifying the plan administrator or the plan administrator's designee *in accordance with the plan administrator's requirements* ~~[writing]~~.

Sec. 2.51. INVESTMENT AND TRANSFER. After the execution of the contract between the Employees Retirement System and an employee, the plan administrator shall:

(1) invest the employee's deferrals and investment income in the qualified investment products designated ~~[in writing]~~ by the employee; and

(2) promptly transfer the employee's deferrals and investment income from one qualified investment product to another *in accordance with the plan administrator's requirements* ~~[on the employee's written request]~~.

SECTION 11. Subsections (c), (d), (l), and (m), Section 14, Administrative Procedure and Texas Register Act (Article 6252-13a, Vernon's Texas Civil Statutes), are amended to read as follows:

(c) On its own motion or on the written request of any party to a contested case pending before it, on a showing of good cause, and on deposit of sums that will reasonably insure payment of the amounts estimated to accrue under Subsections (l) ~~[(l)(1)]~~ and (m) ~~[(2)]~~ of this section, an agency shall issue a subpoena addressed to the sheriff or any constable to require the attendance of witnesses and the production of books, records, papers, or other objects as may be necessary and proper for the purposes of the proceedings.

(d) On its own motion or on the written request of any party to a contested case pending before it and on deposit of sums that will reasonably insure payment of the amounts estimated to accrue under Subsections (l) ~~[(l)(1)]~~ and (m) ~~[(2)]~~ of this section, an agency shall issue a commission, addressed to the several officers authorized by statute to take depositions, to require that the deposition of a witness be taken, which commission shall authorize the issuance of any subpoenas necessary to require that the witness appear and produce, at the time the deposition is taken, books, records, papers, or other objects as may be necessary and proper for the purposes of the proceeding. The deposition of a member of an agency board may not be taken after a date has been set for hearing.

(l) A witness or deponent who is not a party and who is subpoenaed or otherwise compelled to attend any hearing or proceeding to give a deposition or to produce books, records, papers, or other objects that may be necessary and proper for the purposes of the proceeding under the authority of this section is entitled to receive:

(1) mileage of 10 cents a mile, or a greater amount as prescribed by agency rule, for going to, and returning from the place of the hearing or the place where the deposition is taken, if the place is more than 25 miles from the person's place of residence *and the person uses the person's personally owned or leased motor vehicle for the travel*;

(2) *reimbursement of the transportation expenses of the witness or deponent while going to and returning from the place of the hearing or the place where the deposition is taken, if the place is more than 25 miles from the person's place of residence and the person does not use the person's personally owned or leased motor vehicle for the travel*;

(3) *reimbursement of the meal and lodging expenses of the witness or deponent while going to and returning from the place of the hearing or the place where the deposition is taken, if the place is more than 25 miles from the person's place of residence*; and

(4) ~~[(2)]~~ a fee of \$10 a day, or a greater amount as prescribed by agency rule, for each day or part of a day the person is necessarily present as a witness or deponent.

(m)(1) *The mileage, transportation, meal, and lodging expenses* ~~[Mileage]~~ *and the fees that must be reimbursed or paid* ~~[to which a witness is entitled]~~ under this section shall be paid or reimbursed by the party or agency at whose request the witness or deponent appears or the deposition is taken. *An agency required to make a payment or reimbursement must present to the comptroller* ~~[, on presentation of proper]~~ *vouchers sworn by the witness or deponent and approved by the agency in accordance with Article 6252-31, Revised Statutes, as added by Chapter 641, Acts of the 72nd Legislature, Regular Session, 1991.*

(2) *An agency may directly pay a commercial transportation company for the transportation expenses and a commercial lodging establishment for the lodging expenses of a*

witness or deponent if this section otherwise requires the agency to reimburse the witness or deponent for those expenses.

(3) An agency may not pay a commercial transportation company or commercial lodging establishment or reimburse a witness or deponent for transportation, meal, or lodging expenses under this section at a rate that exceeds the maximum rates provided by law for state employees. An agency may not adopt rules that provide for payment or reimbursement rates that exceed those maximum rates.

(4) In this subsection:

(A) "Commercial lodging establishment" means a motel, hotel, inn, apartment, or similar entity that offers lodging to the public in exchange for compensation.

(B) "Commercial transportation company" means an entity that offers transportation of people or goods to the public in exchange for compensation.

SECTION 12. Section 1, Chapter 220, Acts of the 42nd Legislature, Regular Session, 1931 (Article 6252-21, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 1. Whoever uses an automobile or truck owned by this State for any purpose shall make a written report of such use to the Head of the Department, Institution, Board, Commission or other Agency of this State having charge of such automobile or truck, such reports to be made daily when such vehicles are in use, a separate report being made for each day, and such reports shall be made on forms prescribed by the *General Services Commission* [comptroller]. Such reports shall show the purpose for which such vehicle was used, the mileage traveled, the amounts of gasoline and oil consumed, the passengers carried, and such other information as may be necessary to provide a proper record of the use of such vehicle. Said reports shall be official records of the State and shall be subject to inspection by any official of this State who shall be authorized to audit or inspect claims, accounts or records of any State Department, Institution, Board, Commission or Agency of the State.

SECTION 13. Section 1(5), Article 6252-31, Revised Statutes, as added by Chapter 641, Acts of the 72nd Legislature, Regular Session, 1991, is amended to read as follows:

(5) "State agency" means a department, board, commission, committee, council, agency, office, or other entity that is in the executive, legislative, or judicial branch of state government. The term includes an institution of higher education as defined by Section 61.003, Education Code. The term excludes [~~a public junior college and~~] an entity the jurisdiction of which is limited to a geographical portion of the state.

SECTION 14. Section 6, Article 6252-31, Revised Statutes, as added by Chapter 641, Acts of the 72nd Legislature, Regular Session, 1991, is amended by adding Subsection (d) to read as follows:

(d) A system for the electronic submission and approval of vouchers may provide for the secretary of state to approve the comptroller's account electronically.

SECTION 15. Chapter 16, Acts of the 67th Legislature, Regular Session, 1981 (Article 6813e, Vernon's Texas Civil Statutes), is amended by adding Section 3 to read as follows:

Sec. 3. **PRIORITY OF DEDUCTIONS.** *The comptroller may determine by rule the priority of deductions to the extent that the laws, regulations, and rules of this state and the federal government do not otherwise specify the priority. This section applies only to the compensation paid by a state governmental body.*

SECTION 16. Section 22.001(a), Civil Practice and Remedies Code, is amended to read as follows:

(a) Except as provided by Section 22.002, a [A] witness is entitled to:

(1) one dollar for each day the witness attends court; and

(2) six cents for each mile the witness travels in going to and returning from court.

SECTION 17. Subchapter A, Chapter 22, Civil Practice and Remedies Code, is amended by adding Section 22.002 to read as follows:

Sec. 22.002. **FEES FOR WITNESSES SUMMONED BY A STATE AGENCY.** (a) In this section:

(1) "Commercial lodging establishment" means a motel, hotel, inn, apartment, or similar entity that offers lodging to the public in exchange for compensation.

(2) "Commercial transportation company" means an entity that offers transportation of people or goods to the public in exchange for compensation.

(b) A witness summoned by a state agency is entitled to receive from the agency:

(1) one dollar for each day the witness attends court;

(2) mileage at the rate provided by law for state employees if the witness uses the witness's personally owned or leased motor vehicle to attend court;

(3) reimbursement of the witness's transportation expenses if the witness does not use the witness's personally owned or leased motor vehicle to attend court; and

(4) reimbursement of the witness's meal and lodging expenses while attending court if the court is at least 25 miles from the witness's place of residence.

(c) A state agency may directly pay a commercial transportation company for the transportation expenses and a commercial lodging establishment for the lodging expenses of a witness if this section otherwise requires the agency to reimburse the witness for those expenses.

(d) A state agency may not pay a commercial transportation company or a commercial lodging establishment or reimburse a witness for transportation, meal, or lodging expenses under this section at a rate that exceeds the maximum rates provided by law for state employees.

(e) After receiving the witness's affidavit, the court clerk shall issue a certificate showing the fees incurred under this section.

(f) The witness fees must be taxed in the bill of costs as other costs.

SECTION 18. Article 35.27, Code of Criminal Procedure, is amended by amending Sections 1, 2, 3, 4, 7, and 9 and by adding Section 2A to read as follows:

Sec. 1. EXPENSES FOR NONRESIDENT WITNESSES. (a) Every person subpoenaed by either party or otherwise required or requested in writing by the prosecuting attorney or the court to appear for the purpose of giving testimony in a criminal proceeding who resides outside the state [State] or the county in which the prosecution is pending shall be reimbursed [compensated] by the state [State] for the reasonable and necessary transportation, meal, and lodging [travel and daily living] expenses he incurs by reason of his attendance as a witness at such proceeding.

(b) The state may reimburse a witness for transportation only if the transportation is provided by a commercial transportation company or the witness uses the witness's personally owned or leased motor vehicle. In this article, "commercial transportation company" means an entity that offers transportation of people or goods to the public in exchange for compensation.

(c) The state may reimburse a witness for lodging only if the lodging is provided by a commercial lodging establishment. In this article, "commercial lodging establishment" means a motel, hotel, inn, apartment, or similar entity that offers lodging to the public in exchange for compensation.

Sec. 2. AMOUNT OF REIMBURSEMENT [COMPENSATION] FOR EXPENSES. Any person seeking reimbursement [compensation] as a witness shall make an affidavit setting out the transportation, meal, and lodging [travel and daily living] expenses necessitated by his travel to and from and attendance at the place he appeared to give testimony, together with the number of days that such travel and attendance made him absent from his place of residence. A reimbursement [Compensation] paid by the state [State] to a [the] witness for transportation, meal, or lodging [such] expenses may [shall] not be paid at a rate that exceeds the maximum rates provided by law for state employees [exceed \$50 per day for daily living expenses and 16 cents per mile for travel by personal automobile].

Sec. 2A. DIRECT PAYMENT OF TRANSPORTATION OR LODGING EXPENSES. If this article requires the state to reimburse a witness for transportation or lodging expenses, the state may instead directly pay a commercial transportation company or commercial lodging establishment for those expenses.

Sec. 3. OTHER EXPENSES. In addition to *reimbursement or payment* [compensation] for *transportation, meal, and lodging expenses* [travel and living expenses], the *comptroller* [Comptroller of Public Accounts], upon proper application by the attorney for the *state* [State], shall *reimburse or pay the* [such] other expenses [as may be] required by the laws of *this state* [State] or the state from which the attendance of the witness is sought.

Sec. 4. APPLICATION AND APPROVAL BY JUDGE. A *reimbursement* [Compensation] to a *witness* [witnesses] as provided by [for in] this *article* [Article] shall be paid by the *state* [State] to the witness or his assignee. Claim shall be made by sworn application to the *comptroller* [Comptroller of Public Accounts], a copy of which shall be filed with the clerk of the court, setting out the facts showing entitlement as provided in this *article* [Article] to the *reimbursement* [compensation], which application shall be presented for approval by the judge who presided over the court or empaneled the grand jury before whom the criminal proceeding was pending. No fee shall be required of any witness for the processing of his claim for *reimbursement* [compensation].

Sec. 7. ADVANCE BY COUNTY. The county in which a criminal proceeding is pending, upon request of the district attorney or other prosecutor charged with the duty of prosecution in the proceeding, may advance funds from its treasury to any witness who will be entitled to *reimbursement* [compensation] under this *article*. *The amount advanced may not exceed the amount that is* [Article in such amounts as may be] reasonably necessary to enable the witness to attend as required or requested. *However, the amount advanced may include,* [including any] sums in excess of the *reimbursement* [compensation] provided for by this *article if the excess is* [Article which are] required for compliance with Section 4 of Article 24.28 in securing the attendance of a witness from another state under the Uniform Act. *A county that advances funds to a witness under this section is,* [and upon any such advance or advances, the county shall be] entitled to reimbursement by the *state* [State], as an assignee of the [compensation due a] witness [from the State].

Sec. 9. LIMITATIONS. A witness, when attached and conveyed by a sheriff or other officer, is [shall] not *eligible to receive reimbursement of transportation, meal, or lodging expenses incurred* [be entitled to receive compensation] while in the custody of the officer. *A* [such officers and the] court, in its discretion, may limit the number of character witnesses allowed *reimbursement under* [compensation pursuant to] this *article* [Article] to not fewer [less] than two for each defendant and two per defendant for the *state* [State].

SECTION 19. Sections 51.005(a) and (c), Education Code, are amended to read as follows:

(a) True and full accounts shall be kept by the governing board and by the employees of the institution of all funds collected from all sources and of all sums paid out and the persons to whom and the purposes for which the sums are paid. The governing board shall annually, [between September 1 and January 1,] print a complete report of all the sums collected, all expenditures, and all sums remaining on hand. The report shall show the true condition of all funds as of the August 31 preceding as well as the collections and expenditures for the preceding year.

(c) The governing board shall furnish one copy of the report each to the governor, comptroller of public accounts, state auditor, Texas Higher Education Coordinating Board, Legislative Budget Board, House Appropriations Committee, Senate Finance Committee, and Legislative Reference Library. *A copy of the report shall be submitted to the comptroller by the deadline established by the comptroller or the General Appropriations Act as necessary to prepare an audited comprehensive financial report.* The governing board shall retain five copies of the report for distribution to legislators or other state officials on request.

SECTION 20. Section 57.48(f), Education Code, is amended to read as follows:

(f)(1) This subsection applies when a payment is made to a person other than through the comptroller's issuance of a warrant or the comptroller's use of an electronic funds transfer system.

(2) A state agency may not use funds inside or outside the state treasury to pay a person if [the agency knows that] the person is in default on a loan guaranteed under this chapter.

(3) This subsection does not prohibit a state agency from paying the assignee of a person who is in default on a loan guaranteed under this chapter if the assignment became effective before the person defaulted.

(4) This subsection does not prohibit a state agency from paying the compensation of a state officer or employee.

(5) The comptroller may not reimburse a state agency for a payment that is made in violation of this subsection.

SECTION 21. Section 403.001(b), Government Code, is amended by adding Subdivision (5) to read as follows:

(5) “Cash Management Improvement Act” means the federal Cash Management Improvement Act of 1990 (31 U.S.C. Section 6501 et seq.).

SECTION 22. Section 403.005, Government Code, is amended to read as follows:

Sec. 403.005. APPROVAL OF ACCOUNTS. (a) The comptroller’s account against the state may not be sent to the treasurer until the secretary of state approves it.

(b) The secretary of state may provide electronic approval of the comptroller’s account if:

(1) the comptroller establishes a system for the electronic submission and approval of vouchers as authorized by Article 6252–31, Revised Statutes, as added by Chapter 641, Acts of the 72nd Legislature, Regular Session, 1991; and

(2) the system is designed for the secretary of state to provide electronic approval of the comptroller’s account.

SECTION 23. Section 403.013(c), Government Code, is amended to read as follows:

(c) On the last day of February of each year, in addition to the reports required by the constitution and this section, the comptroller shall exhibit to the governor *an audited comprehensive annual* ~~a report including:~~

~~[(1) a statewide] financial report [covering all state agencies, prepared in accordance with generally accepted accounting principles,] that includes [financial information of] all state agencies determined to be part of the statewide accounting [reporting] entity and that is prepared in accordance with generally accepted accounting principles as prescribed or modified in pronouncements of [defined by] the Governmental Accounting Standards Board;~~

~~[(2) the outstanding encumbrances of all those state agencies;~~

~~[(3) the spending authority of those state agencies;~~

~~[(4) all major funds, pension funds, and other funds of those state agencies;~~

~~[(5) a summary of financial information for all state funds held outside the treasury;~~

~~[(6) the status of all outstanding major revenue fund appropriation accounts by agency and appropriation account; and~~

~~[(7) any other information required by the governor, comptroller, state treasurer, state auditor, or legislative budget board].~~

SECTION 24. Section 403.016, Government Code, is amended to read as follows:

Sec. 403.016. ELECTRONIC FUNDS TRANSFER. (a) ~~The [Except as provided by Subsection (b), the]~~ comptroller shall establish and operate an electronic funds transfer system *in accordance with this section. The comptroller may use the services of financial institutions, automated clearinghouses, and the federal government to establish and operate the system.*

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

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

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

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

(1) [and transfer directly into payees’ accounts in financial institutions only;

~~(1) employees' gross state salaries, less deductions specifically authorized by state or federal law, or reimbursement for employees' travel and subsistence;~~

~~(2) payments of more than \$100 to annuitants by the Employees Retirement System of Texas or the Teacher Retirement System of Texas under either system's administrative jurisdiction;~~

~~(2) [(3)] recurring payments to municipalities, counties, political subdivisions, special districts, and other governmental entities of this state; and~~

~~(3) [(4)] payments to vendors designated by the comptroller.~~

~~(d) If the comptroller is not required by this section to use the electronic funds transfer system to pay a person, the comptroller may use the system to pay the person on the person's request.~~

~~(b) An employee, annuitant, or vendor may be paid by warrant drawn by the comptroller on the state treasury instead of by electronic funds transfer if:~~

~~(1) the employee holds a classified position under the state's position classification plan, the position is classified below salary group 8 under the classification salary schedule prescribed by the General Appropriations Act, and the employee makes a written request for payment by warrant; or~~

~~(2) the employee, annuitant, or vendor shows that he or she cannot establish a qualifying account for electronic funds transfer.]~~

~~(e) [(e)] The comptroller may use the [also establish and operate an] electronic funds transfer system to transfer directly any portion of employees' gross state salaries into employees' accounts in a money market mutual fund established in the Texas Treasury Safekeeping Trust Company.~~

~~(f) Except as provided by Subsection (e), the comptroller may use the electronic funds transfer system to deposit payments only to a payee's account at a financial institution. [(d)] A single electronic funds transfer may contain payments to multiple payees. Individual transfers or warrants are not required for each payee. [The comptroller shall establish procedures for administering the system and may use the services of financial institutions, automated clearinghouses, and the federal government.]~~

~~(g) [(e)] When a law requires the comptroller to make a payment by warrant, the comptroller may instead make the payment through the [an] electronic funds transfer system. The comptroller's use of the [an] electronic funds transfer system or any other payment means does not create a right that would not have been created if a [state] warrant had been issued [used].~~

~~(h) Notwithstanding any requirement in this section to make a payment through the electronic funds transfer system, the comptroller shall issue a warrant to pay a person if:~~

~~(1) the person properly notifies the comptroller that:~~

~~(A) receiving the payment by electronic funds transfer would be impractical to the person;~~

~~(B) receiving the payment by electronic funds transfer would be more costly to the person than receiving the payment by warrant; or~~

~~(C) the person is unable to establish a qualifying account at a financial institution to receive electronic funds transfers; or~~

~~(2) the state agency on whose behalf the comptroller makes the payment properly notifies the comptroller that:~~

~~(A) making the payment by electronic funds transfer would be impractical to the agency; or~~

~~(B) making the payment by electronic funds transfer would be more costly to the agency than making the payment by warrant.~~

~~(i) [(f)] Notwithstanding any requirement in this section to make a payment through the electronic funds transfer system [the provisions of this section], the comptroller may make a payment by warrant if the comptroller determines that:~~

(1) ~~using [where]~~ the ~~[use of]~~ electronic funds transfer system would be [is] impractical to the state; or

(2) ~~[where]~~ the cost to the state of using the electronic funds transfer system would exceed the cost of issuing a ~~[use of the]~~ warrant.

(j) *The comptroller shall adopt rules to administer this section, including rules relating to the notifications that may be provided to the comptroller under Subsection (h).*

SECTION 25. Sections 403.0165(a) and (b), Government Code, are amended to read as follows:

(a) An employee of a state agency may authorize ~~[in writing]~~ a transfer each pay period from the employee's salary or wage payment for a membership fee in an eligible state employee organization. The ~~[written]~~ authorization shall remain in effect until an employee, ~~in writing,~~ authorizes a change in the authorization. *Authorizations and changes in authorizations must be provided in accordance with rules adopted by the comptroller.*

(b) The comptroller ~~[by rule shall establish an annual transfer authorization period and]~~ shall adopt ~~[promulgate]~~ rules for transfers by employees to a certified eligible state employee organization. *The rules may authorize electronic transfers of amounts deducted from employees' salaries and wages under this section.*

SECTION 26. Subchapter B, Chapter 403, Government Code, is amended by adding Sections 403.0205 and 403.023 to read as follows:

Sec. 403.0205. *REVIEW BY COMPTROLLER—INTERSCHOLASTIC COMPETITION. The comptroller may periodically review and analyze the effectiveness and efficiency of the policies, management, fiscal affairs, and operations of an organization that is a component or part of a state agency or institution and that sanctions or conducts interscholastic competition. The comptroller shall report the comptroller's findings to the governor, lieutenant governor, and speaker of the house of representatives. The legislature may consider the comptroller's reports in connection with the legislative appropriations process.*

Sec. 403.023. *CREDIT CARDS. (a) The treasurer in consultation with the comptroller may adopt rules relating to the acceptance of credit cards for the payment of fees, taxes, and other charges assessed by state agencies. The rules may:*

(1) *authorize a state agency to accept credit cards if the treasurer determines the best interests of the state would be promoted;*

(2) *authorize or require a credit card user to pay a processing fee to the state agency that accepts the credit card; and*

(3) *authorize a particular state agency to accept credit cards without providing the same authorization to other state agencies.*

(b) *The comptroller may adopt rules relating to the use of credit cards by state agencies to pay for purchases. The rules may:*

(1) *authorize a state agency to use credit cards if the comptroller determines the best interests of the state would be promoted;*

(2) *authorize a state agency to use credit cards to pay for purchases without providing the same authorization to other state agencies;*

(3) *authorize a state agency to use credit cards to pay for purchases that otherwise may be paid out of the agency's petty cash accounts under Subchapter K; and*

(4) *authorize the General Services Commission to contract with one or more credit card issuers on behalf of state agencies.*

(c) *The treasurer and comptroller may not adopt rules about a particular state agency's acceptance of credit cards that would affect a contract that the state agency has entered into that is in effect on September 1, 1993.*

(d) *The treasurer and comptroller may not adopt rules about a particular state agency's acceptance or use of credit cards if another law specifically authorizes, requires, prohibits, or otherwise regulates the acceptance or use.*

(e) *In this section, "state agency" means:*

(1) a board, commission, department, or other agency in the executive branch of state government that is created by the constitution or a statute of this state, including an institution of higher education as defined by Section 61.003, Education Code, other than a public junior college;

(2) the legislature or a legislative agency; or

(3) the supreme court, the court of criminal appeals, a court of appeals, or a state judicial agency.

SECTION 27. Section 403.054, Government Code, is amended to read as follows:

Sec. 403.054. **REPLACEMENT [DUPLICATE] WARRANT.** (a) Subject to Subsection (b), the comptroller may issue a replacement [duplicate] warrant in place of an original warrant drawn on the state treasury if the state agency on whose behalf the comptroller issued the original warrant notifies the comptroller [is satisfied] that:

(1) the original warrant has been lost, destroyed, or stolen;

(2) the original warrant has not been received; or

(3) the payee's endorsement on the original warrant has been forged.

(b) The comptroller may not issue a replacement warrant if:

(1) the state treasurer has paid the original warrant, unless the treasurer has obtained a refund of the payment;

(2) the period during which the state treasurer may pay the original warrant has expired under Section 404.046 or other applicable law;

(3) the payee of the replacement warrant is not the same as the payee of the original warrant; or

(4) the comptroller is prohibited by Section 403.055 or 481.0841, or by Section 57.48, Education Code, from issuing a warrant to the payee of the replacement warrant [duplicate unless the applicant has filed with the comptroller an affidavit stating that the applicant is the true owner of the original and that the original has been lost, destroyed, or stolen, that it has not been received, or that the payee's endorsement on the instrument has been forged. If the applicant is a government agency, the head of the agency and one other person connected with the handling of warrants for the agency shall make this affidavit for a lost or destroyed warrant belonging to the agency. An applicant, other than a government agency, shall also file with the comptroller a bond in the amount of the claim, payable to the governor, approved by the comptroller, and conditioned that the applicant will hold the state harmless and return to the comptroller on demand the duplicate or the amount of money specified in the duplicate and all costs of the state in collecting the amount. For the purposes of this subsection, "government agency" means a state agency, court, school, school district, or a federal agency].

(c) A replacement warrant:

(1) must reflect the same fiscal year as the original warrant; and

(2) may not be paid by the state treasurer unless presented for payment to the treasurer or a financial institution before the expiration of two years after the close of the fiscal year in which the original warrant was issued.

(d) The state treasurer may not pay an original warrant after the comptroller has notified the treasurer that the comptroller has issued a replacement warrant for the original warrant.

(e) [(e)] If the comptroller determines that a replacement warrant [duplicate] was improperly issued or that the [applicant or the] person to whom the replacement [duplicate] was issued was not its owner, the comptroller shall immediately demand return of the replacement [duplicate] or, if the replacement [duplicate] has been paid, the amount paid by the state. If this demand is not satisfied, the comptroller shall refer the matter to the attorney general for appropriate action [file suit on the bond in Travis County].

(f) A person [(d) An entity] other than a law enforcement official that has possession of a lost or stolen warrant or a warrant on which the payee's endorsement has been forged shall, on request, immediately deliver the warrant to the [issuing agency or the] comptroller or the state agency on whose behalf the comptroller issued the warrant [on request]. The agency or comptroller shall issue a receipt for the warrant.

(g) ~~(e)~~ Failure to reimburse the state on demand *as required by Subsection (e)* constitutes a debt to the state and further payment to the *person [applicant]* shall be held as provided by Section 403.055.

(h) ~~(f)~~ The comptroller shall adopt rules and forms regarding the issuance of *replacement [duplicate]* warrants.

SECTION 28. Section 403.055(e), Government Code, is amended to read as follows:

(e)(1) This subsection applies when a payment is made to a person other than through the comptroller's issuance of a warrant or the comptroller's use of an electronic funds transfer system.

(2) A state agency may not use funds inside or outside the state treasury to pay a person if the ~~[agency knows that the]~~ person is indebted or owes delinquent taxes to the state or owes delinquent taxes under a tax that the comptroller administers or collects until the debt or taxes are paid.

(3) This subsection does not prohibit a state agency from paying the assignee of a person who is indebted or owes delinquent taxes to the state if the assignment became effective before the person became indebted to the state or delinquent in the payment of taxes to the state.

(4) This subsection does not prohibit a state agency from paying the compensation of a state officer or employee.

(5) The comptroller may not reimburse a state agency for a payment that is made in violation of this subsection.

SECTION 29. Section 403.071(f), Government Code, is amended to read as follows:

(f) A person commits an offense if the person knowingly makes a false certificate on a claim against the state for the purpose of authenticating a claim against the state. An offense under this section is punishable by imprisonment in the *institutional division of the Texas Department of Criminal Justice [Corrections]* for not less than two or more than five years.

SECTION 30. Subchapter E, Chapter 403, Government Code, is amended by adding Section 403.0721 to read as follows:

Sec. 403.0721. NET COMPENSATION CALCULATION. The comptroller may adopt procedures and rules relating to the method used to calculate the net compensation of a state officer or employee.

SECTION 31. Section 403.092, Government Code, is amended to read as follows:

Sec. 403.092. **TEMPORARY TRANSFER OF SURPLUS AND OTHER CASH.** (a) To allow efficient management of the cash flow of the general revenue fund and to avoid temporary cash deficiency in that fund, the comptroller, with the consent of the state treasurer, may transfer surplus cash, except constitutionally dedicated revenues, between funds in the state treasury. As soon as practicable the comptroller shall return the surplus cash to the fund from which it was transferred. The comptroller shall preserve the fund equity and the state treasurer shall allocate the depository interest as if the transfer had not been made.

(b) If the comptroller submits a statement under Article III, Section 49a, of the Texas Constitution when surplus cash transferred under *Subsection (a) [this section]* is in the general revenue fund, the comptroller shall indicate in that statement that the transferred surplus cash is in the general revenue fund, is a liability of that fund, and is not available for appropriation by the legislature.

(c) *The comptroller may temporarily transfer cash from the general revenue fund to a special fund in the state treasury or to an account in the general revenue fund if:*

(1) the transfer contributes toward minimizing the state's interest liability under the Cash Management Improvement Act of 1990 (31 U.S.C. Section 6501 et seq.) by delaying the receipt of federal money;

(2) the amount transferred does not exceed the amount necessary for the comptroller to process a payroll claim that a state agency submits before the end of the payroll period under Section 403.072;

(3) the comptroller determines before the transfer occurs that other money is not available to process the payroll claim;

(4) before the transfer occurs, the comptroller is notified by the state agency whose payroll claim will be processed that the federal government is legally required to provide by payday sufficient money to pay the claim;

(5) the transfer does not occur earlier than the 10th day before payday; and

(6) the amount transferred is returned to the general revenue fund as soon as possible after the federal money is received but not later than payday.

(d) The amount transferred under Subsection (c) is a receivable of the general revenue fund for the purposes of statements that the comptroller submits under Article III, Section 49a, of the Texas Constitution. The transferred amount is available for appropriation by the legislature.

(e) The comptroller may adopt procedures and rules to administer Subsections (c) and (d).

SECTION 32. Section 403.111, Government Code, is amended by amending Subsection (a) and adding Subsection (f) to read as follows:

(a) Except as provided by Subsection (f), the [The] comptroller shall obtain suitable books for use as bond registers by the comptroller's office. The volumes of the books shall be separately designated.

(f) The comptroller may use electronic means, including the central electronic computing and data processing center established under Section 403.015, instead of books to register bonds.

SECTION 33. Section 404.071, Government Code, is amended by adding Subsections (e)–(h) to read as follows:

(e) The treasurer shall notify the comptroller of the amount of interest paid from the general revenue fund as a result of the federal Cash Management Improvement Act of 1990 (31 U.S.C. Section 6501 et seq.). The treasurer shall provide the notifications in accordance with the comptroller's requirements for frequency, method, and format.

(f) For each special fund or account that contains depository interest, the comptroller shall transfer from the fund or account to the general revenue fund an amount equal to the interest paid from the general revenue fund on behalf of the fund or account. In this subsection:

(1) "Account" means a subdivision of a special fund or the general revenue fund.

(2) "Fund" and "special fund" have the meanings assigned by Section 403.001.

(g) The comptroller may adopt procedures and rules to administer Subsections (e) and (f).

(h) Subsections (e) and (f) apply notwithstanding any other law.

SECTION 34. Section 402.273(b), Health and Safety Code, is amended to read as follows:

(b) This subsection applies only if [If] the authority does not issue bonds under Subchapter K. The[,the] waste disposal fees must also include an amount sufficient to allow the authority to recover expenses incurred before beginning operation of the disposal site amortized over a period of not more than 20 years beginning on the first day of operation of the disposal site. The fees must be sufficient to recover the depository interest that the general revenue fund would have earned had the fund not been used to pay expenses incurred before the disposal site begins operation. Depository interest recovered under this subsection shall be deposited to the credit of the general revenue fund. Principal recovered under this subsection shall be deposited to the credit of the general revenue fund until the amount deposited has fully reimbursed the fund for expenses paid from the fund before the disposal site begins operation. The remainder of the principal shall be deposited as provided by Section 402.272(a).

SECTION 35. Section 31.039, Human Resources Code, is amended to read as follows:

Sec. 31.039. ISSUANCE OF REPLACEMENT [DUPLICATE] ASSISTANCE WARRANTS. The comptroller may issue a replacement [duplicate] financial assistance warrant to a recipient who has failed to receive or has lost the original warrant in accordance with

Section 403.054, Government Code [Article 4365, Revised Civil Statutes of Texas, 1925, as amended].

SECTION 36. The Texas Employees Uniform Group Insurance Benefits Act (Article 3.50-2, Vernon's Texas Insurance Code) is amended by adding Section 4C to read as follows:

Sec. 4C. ELECTRONIC AUTHORIZATIONS. (a) The trustee may develop a system for an employee, school district employee, or annuitant to electronically authorize:

(1) enrollment in a coverage or benefit program;

(2) contributions to a coverage or benefit program; and

(3) deductions or reductions to the compensation or annuity of the employee, school district employee, or annuitant for participation in a coverage or benefit program.

(b) The trustee may permit or require an authorization covered by Subsection (a) of this section to be made electronically, notwithstanding any law to the contrary.

SECTION 37. Section 14, Texas Employees Uniform Group Insurance Benefits Act (Article 3.50-2, Vernon's Texas Insurance Code), as amended by Chapters 391 and 850, Acts of the 72nd Legislature, Regular Session, 1991, is amended to read as follows:

Sec. 14. PAYMENT OF CONTRIBUTIONS. (a) The trustee shall use the amount appropriated for employer contributions in accordance with Section 15 of this Act and Subsection (a-1) of this section to fund the basic coverage. The trustee may equitably allocate to each health benefits plan the employer contributions that would be required to fund basic health coverage for participants in the plans to the extent funds are available. In allocating the employer contributions among plans, the trustee shall consider the relevant risk characteristics of each plan's enrollment, including demographic variations in the use and cost of health care and the prevailing cost patterns in the area in which the plan operates. The allocation must be reasonable and set in a manner which assures employees a fair choice among health benefit plans providing a basic plan. The contribution set for each employee shall be within the total amount appropriated in the General Appropriations Act.

(a-1) [(b)] Each participating school district shall contribute, for each school district employee covered by the program, an amount equal to the employee only cost of the plans of group coverages authorized by the trustee for school district employees, provided that the school district's contribution may not exceed the amount contributed for each state employee by the state and the employee's employing department [in accordance with Subsection (a) of this section]. If the cost of the plan authorized by the trustee for school district employees exceeds the amount of the district's contribution, the district shall deduct from the monthly compensation of the employee an amount sufficient to pay the amount of the premiums not covered by the district's contribution.

(b) Any employer contributions remaining after the basic coverage has been funded may be allocated by the trustee to fund optional coverages in any manner the trustee determines is appropriate.

(c) The trustee may not allocate any employer contributions to fund voluntary coverages. Voluntary coverages must be funded solely by employee contributions.

(d) If the cost of the basic coverage for a state employee or annuitant exceeds the amount of employer contributions allocated to fund the basic coverage, the state shall deduct from or reduce the monthly compensation of the state employee and shall deduct from the retirement benefits of the annuitant an amount sufficient to pay the cost of the basic coverage.

(e) The trustee shall apply the amount of any employer contribution allocated to fund optional coverages to the excess of the cost of the basic and optional coverages for which the employee or annuitant has applied over the basic coverage contribution. Except as provided by Subsection (h) of this section, if an employee or annuitant applies for basic and optional coverages for which the cost exceeds the contributions for those coverages under this Act, the employee or annuitant shall authorize [in writing] in a form and manner satisfactory to the trustee a deduction from the employee's or annuitant's monthly compensation or annuity equal to the difference between the cost of basic and optional coverages for which the employee or annuitant has applied and the employer contributions for basic and optional coverage.

(f) Except as provided by Subsection (h) of this section, if an employee or annuitant applies for voluntary coverages, the employee shall authorize ~~[in writing]~~ in a form *and manner* satisfactory to the trustee a deduction from the employee's monthly compensation or annuity equal to the cost of the voluntary coverages.

(g) If an employee or annuitant refuses the coverages or benefits provided under this Act ~~[in writing]~~ in a form *and manner* satisfactory to the trustee, the state and the employee's department may not make any contribution to the cost of any coverages or benefits for the employee or annuitant.

(h) If an employee elects to participate in the cafeteria plan, the employee must execute a salary reduction agreement under which the employee's monthly compensation will be reduced in an amount that is equal to the difference between the employer contributions for basic and optional coverages and the cost of the cafeteria plan coverages identified by the trustee as comparable to the basic and optional coverages for which the employee is eligible. The salary reduction agreement must also provide for an additional reduction in the employee's compensation equal to the cost of voluntary coverages for which the employee has applied. An employee who executes a salary reduction agreement for insurance coverage included in the cafeteria plan has elected to participate in the cafeteria plan and agreed to a salary reduction for the insurance coverages for subsequent plan years unless the participant, during an annual enrollment period specified by the trustee, elects in a *form and manner satisfactory to the trustee* ~~[writing]~~ not to participate for the next plan year in the insurance coverages. An employee who has elected not to participate in the cafeteria plan insurance coverages may re-enroll by executing a new salary reduction agreement during a subsequent annual enrollment period. A salary reduction agreement for cafeteria plan benefits other than insurance coverages must be executed annually, during the annual enrollment period. The employee shall pay any remaining portion of the cost of benefits that is not covered by the contributions for basic and optional coverages and the salary reduction under the cafeteria plan by executing a payroll deduction agreement.

SECTION 38. Subchapter B, Chapter 111, Tax Code, is amended by adding Section 111.062 to read as follows:

Sec. 111.062. ACCEPTANCE OF CREDIT CARDS FOR PAYMENT OF CERTAIN TAXES AND FEES. (a) *The comptroller may accept a credit card in payment of:*

- (1) *a delinquent tax and related penalties and interest imposed by this code;*
- (2) *a fee charged for:*
 - (A) *an account status certificate;*
 - (B) *a no tax due certificate;*
 - (C) *postage;*
 - (D) *a certified copy;*
 - (E) *a copy of a document;*
 - (F) *a microfilm copy;*
 - (G) *written evidence of the comptroller's records;*
 - (H) *research;*
 - (I) *labor;*
 - (J) *a minerals tax history; and*
 - (K) *a minerals tax extract; and*
- (3) *any other service fee charged by the comptroller.*

(b) *If the comptroller accepts a payment by credit card, the comptroller may require the payment of a processing fee by the credit card user.*

SECTION 39. (a) Section 5(c), Chapter 720, Acts of the 66th Legislature, Regular Session, 1979 (Article 4413(33a), Vernon's Texas Civil Statutes), is repealed.

(b) Section 9, Chapter 720, Acts of the 66th Legislature, Regular Session, 1979 (Article 4413(33a), Vernon's Texas Civil Statutes), is repealed.

(c) Section 10, Chapter 720, Acts of the 66th Legislature, Regular Session, 1979 (Article 4413(33a), Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 10. APPLICATION. Sections 4 through 8 [9] of this Act do not apply to the distribution of information that is required by law.

SECTION 40. This Act takes effect September 1, 1993.

SECTION 41. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

Passed by the House on May 14, 1993, by a non-record vote; the House concurred in Senate amendments to H.B. No. 1952 on May 26, 1993, by a non-record vote; passed by the Senate, with amendments, on May 23, 1993, by a viva-voce vote.

Approved June 6, 1993.

Effective Sept. 1, 1993.