

By: \_\_\_\_\_ .B. No. \_\_\_\_\_

Substitute the following for \_\_\_\_B. No. \_\_\_\_\_:

By: \_\_\_\_\_ C.S. \_\_\_\_B. No. \_\_\_\_\_

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the acceptance, rejection, and uses of certain money  
3 provided by the federal government to this state.

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

5 SECTION 1. Chapter 317, Government Code, is amended by  
6 adding Subchapter C to read as follows:

7 SUBCHAPTER C. DISPOSITION OF CERTAIN FEDERAL MONEY

8 Sec. 317.101. DEFINITION. In this subchapter, "board"  
9 means the board on administration of federal funds established by  
10 this subchapter.

11 Sec. 317.102. APPLICABILITY. (a) Except as provided by  
12 Subsection (b), this subchapter applies only to:

13 (1) federal contract or grant money made available to  
14 the state as a result of the public health emergency declared by the  
15 United States secretary of health and human services under Section  
16 319, Public Health Service Act (42 U.S.C. Section 247d), on January  
17 31, 2020, including money made available under:

18 (A) Section 5001, Coronavirus Aid, Relief, and  
19 Economic Security Act (CARES Act) (42 U.S.C. Section 801);

20 (B) Section 313, Coronavirus Response and Relief  
21 Supplemental Appropriations Act, 2021 (Div. M, Pub. L. No. 116-260,  
22 134 Stat. 1182 (2020), reprinted in note, 20 U.S.C. Section 3401);

23 (C) Section 2001, American Rescue Plan Act of  
24 2021 (Pub. L. No. 117-2, 135 Stat. 4 (2021), reprinted in note, 20

1 U.S.C. Section 3401); or

2 (D) 42 U.S.C. Sections 602 and 604;

3 (2) any additional federal funding appropriated to the  
4 state for federal fiscal years 2022 and 2023 designated by the  
5 United States Congress as being an emergency requirement pursuant  
6 to Section 251(b)(2)(A), Balanced Budget and Emergency Deficit  
7 Control Act of 1985 (2 U.S.C. Section 901); and

8 (3) federal money made available under federal  
9 legislation enacted after the 87th Legislature, Regular Session,  
10 2021, adjourns that addresses investments in infrastructure,  
11 capital projects, and economic and workforce development.

12 (b) This subchapter does not apply to:

13 (1) current and future allocations made to the state  
14 under Section 302(b), Congressional Budget and Impoundment Control  
15 Act of 1974 (2 U.S.C. Section 633); or

16 (2) a federal grant of \$10 million or less in total  
17 allocation from a single grant source in a single award.

18 Sec. 317.103. BOARD ON ADMINISTRATION OF FEDERAL FUNDS.

19 (a) The board on administration of federal funds consists of:

20 (1) the lieutenant governor;

21 (2) the speaker of the house of representatives;

22 (3) the chair and vice chair of the standing committee  
23 of the senate with jurisdiction over appropriations;

24 (4) the chair and vice chair of the standing committee  
25 of the house of representatives with jurisdiction over  
26 appropriations;

27 (5) two members of the senate, appointed by the

1 lieutenant governor; and

2 (6) two members of the house of representatives,  
3 appointed by the speaker of the house of representatives.

4 (b) The lieutenant governor and the speaker of the house of  
5 representatives are joint chairs of the committee.

6 (c) A majority of the board members from each house  
7 constitutes a quorum to transact business. For purposes of this  
8 subsection, the lieutenant governor is considered a member of the  
9 senate. Except as provided by this subchapter, if a quorum is  
10 present, the board may act by a majority vote on any matter that is  
11 within the board's jurisdiction.

12 (d) A board member appointed under Subsection (a)(5) serves  
13 at the pleasure of the lieutenant governor. A board member  
14 appointed under Subsection (a)(6) serves at the pleasure of the  
15 speaker of the house of representatives.

16 Sec. 317.104. VACANCY. A vacancy on the board is filled in  
17 the same manner as the original appointment.

18 Sec. 317.105. BOARD MEETINGS. (a) The board shall meet as  
19 often as necessary to perform the board's duties.

20 (b) A meeting may be held at any time at the request of  
21 either of the joint chairs of the board.

22 (c) The board must meet in Austin, except that if a majority  
23 of the board members from each house agree, the board may meet in  
24 any location determined by the board. For purposes of this  
25 subsection, the lieutenant governor is considered a member of the  
26 senate.

27 (d) The board shall provide notice of each meeting:

1           (1) in the manner provided by Chapter 551; and  
2           (2) by mail to each member of the legislature not later  
3 than the seventh day before the date of the meeting.

4           (e) The notice provided under Subsection (d) must include:

5           (1) the date, time, and location of the meeting;  
6           (2) a description of any proposal under Section  
7 317.106 that will be considered at the meeting; and  
8           (3) if applicable, an indication that the board  
9 intends to hold a public hearing on a proposal at the meeting.

10           Sec. 317.106. PROPOSALS RELATED TO CERTAIN FEDERAL MONEY.

11 (a) Subject to Subsection (b), the board may propose to:

12           (1) accept or reject, allocate to one or more state  
13 agencies, and establish uses for money provided by the federal  
14 government and appropriated to the board for the purposes specified  
15 by this subdivision;

16           (2) accept or reject, allocate to one or more state  
17 agencies, and establish uses for money provided by the federal  
18 government that:

19                   (A) has not been appropriated; and  
20                   (B) is provided by the federal government for a  
21 purpose that is the same as a purpose for which an appropriation of  
22 federal money has been made by the legislature; or

23           (3) reject money provided by the federal government  
24 that has been appropriated to a state agency contingent on the  
25 receipt of the money from the federal government, or accept that  
26 money and:

27                   (A) transfer the authority to spend, obligate the

1 expenditure of, or distribute the money to a different state  
2 agency; or

3 (B) instruct the state agency to use the money  
4 for a purpose different from or in addition to the purpose for which  
5 the appropriation to the state agency was made.

6 (b) The board may not make a proposal under this section:

7 (1) during a regular or special session of the  
8 legislature; or

9 (2) with respect to an appropriation made for a period  
10 during a state fiscal year that ended before the date the proposal  
11 is made.

12 (c) To the extent of a conflict between the provisions of  
13 this subchapter relating to a proposal to accept or reject federal  
14 money under Subsection (a) and any other state law, including  
15 Section 401.041, the provisions of this subchapter prevail.

16 Sec. 317.107. CONTENTS OF PROPOSAL. A proposal made under  
17 Section 317.106 must provide sufficient detail to allow for a  
18 public hearing on the proposal.

19 Sec. 317.108. REQUIRED PUBLICATION AND HEARING. (a) The  
20 board shall direct the secretary of state to publish in the Texas  
21 Register:

22 (1) each proposal the board makes, including any  
23 accompanying statements; and

24 (2) the methods and opportunities for submitting  
25 public comment on the proposal.

26 (b) The board shall hold a public hearing on each proposal  
27 after the proposal is published in the Texas Register.

1           Sec. 317.109. ADOPTION, AMENDMENT, OR REJECTION OF  
2 PROPOSAL. (a) Not later than the 10th day after the date the board  
3 holds a public hearing on a proposal, the board may:

4                   (1) adopt the proposal;

5                   (2) amend the proposal;

6                   (3) amend and adopt the proposal; or

7                   (4) reject the proposal.

8           (b) An amendment to a proposal may change:

9                   (1) the proposed amount of money accepted, rejected,  
10 allocated, transferred, or used for a specific purpose;

11                   (2) the proposed purpose for which money may be used;

12                   (3) the proposed period for which money may be  
13 expended, obligated, or distributed;

14                   (4) the source or recipient of a proposed transfer or  
15 allocation; or

16                   (5) a proposed time of distribution or availability of  
17 the money that is the subject of the proposal.

18           (c) The board may not adopt a proposal:

19                   (1) expressly postponing the time set by law that an  
20 appropriation is distributed or otherwise made available to a state  
21 agency for a period that exceeds 180 days;

22                   (2) reducing or eliminating an appropriation for the  
23 salary of an elected state official or a member of a board or  
24 commission appointed by the governor; or

25                   (3) reducing or eliminating an appropriation to a  
26 state agency that receives appropriations under a provision of a  
27 General Appropriations Act that makes an appropriation to the

1 legislative branch.

2 (d) The board may adopt a proposal under this section only  
3 if the proposal receives an affirmative vote of the majority of the  
4 members of the board from each house. For purposes of this  
5 subsection, the lieutenant governor is considered a member of the  
6 senate.

7 Sec. 317.110. APPROVAL OF PROPOSAL BY GOVERNOR. (a) Upon  
8 adoption of a proposal under Section 317.109, the board shall  
9 submit the proposal to the governor.

10 (b) Not later than the 10th day after the date the board  
11 submits an adopted proposal to the governor, the governor shall  
12 approve or reject the proposal.

13 (c) If the governor does not approve or reject an adopted  
14 proposal during the period described by Subsection (b), the  
15 proposal is considered approved.

16 (d) A proposal adopted by the board takes effect only if  
17 approved by the governor under this section. A proposal approved by  
18 the governor takes effect on the date of approval, unless the  
19 proposal specifies a later effective date.

20 (e) If the governor approves a proposal adopted by the  
21 board, the board shall:

22 (1) notify the comptroller and the affected state  
23 agencies of the proposal; and

24 (2) file a copy of the approved proposal with the  
25 secretary of state for publication in the Texas Register.

26 Sec. 317.111. EXPIRATION OF APPROVED PROPOSAL. A proposal  
27 approved by the governor under Section 317.110 expires on the

1 earlier of:

2 (1) the date the next regular or special session of the  
3 legislature begins; or

4 (2) on the last day of the state fiscal year to which  
5 the proposal applies, except that a proposal may specify an earlier  
6 or later expiration date so long as the expiration date is not later  
7 than the last day of the state fiscal biennium that includes each  
8 state fiscal year to which the proposal applies.

9 Sec. 317.112. ENFORCEMENT OF APPROVED PROPOSAL. During the  
10 period in which a proposal approved under this subchapter is in  
11 effect, the comptroller may approve vouchers and issue warrants  
12 regarding any affected appropriations only in accordance with the  
13 terms of the proposal.

14 Sec. 317.113. SUPERSESSION OF APPROVED PROPOSAL. An  
15 unexpired proposal approved under Section 317.110 may be superseded  
16 by subsequent action of the board, law, or adoption of a  
17 constitutional amendment.

18 SECTION 2. As soon as practicable after the effective date  
19 of this Act, the lieutenant governor and the speaker of the house of  
20 representatives shall make the appointments to the board on  
21 administration of federal funds as required by Section 317.103(a),  
22 Government Code, as added by this Act.

23 SECTION 3. This Act takes effect immediately if it receives  
24 a vote of two-thirds of all the members elected to each house, as  
25 provided by Section 39, Article III, Texas Constitution. If this  
26 Act does not receive the vote necessary for immediate effect, this  
27 Act takes effect September 1, 2021.