

AN ACT

relating to the abolishment of the State Council on Competitive Government and the transfer of its functions to the comptroller.

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

SECTION 1. Section 662.0071(a), Government Code, is amended to read as follows:

(a) A state agency shall accept the balance of compensatory time accrued under Section 662.007 by a state employee who transfers to that agency from another state agency if the employee transfers as a direct result of

~~(1)~~ the legislature's transfer of legal authority or duties from the agency that formerly employed the employee to the agency that currently employs the employee

~~(2) a requirement of the State Council on Competitive Government for the agency that formerly employed the employee to bid a commercially available service that the agency previously performed].~~

SECTION 2. Sections 2054.131(b) and (d), Government Code, are amended to read as follows:

(b) If the department ~~[State Council on Competitive Government]~~ and the Legislative Budget Board each determine that a cost savings may be realized through a private vendor selected under this section, the department ~~[State Council on Competitive Government]~~ may implement a project that establishes a common

1 electronic infrastructure through which each state agency,
2 including any retirement system created by statute or by the
3 constitution, shall:

4 (1) require its work site benefits plan participants
5 to electronically:

6 (A) enroll in any work site benefits plans
7 provided to the person by the state or a state agency;

8 (B) add, change, or delete benefits;

9 (C) sign any payroll deduction agreements to
10 implement a contribution made to a plan in which the participant
11 enrolls;

12 (D) terminate participation in a voluntary plan;

13 (E) initiate account investment changes and
14 withdrawals in a retirement plan;

15 (F) obtain information regarding plan benefits;

16 and

17 (G) communicate with the plan administrator; and

18 (2) administer its work site benefits plans
19 electronically by using the project to:

20 (A) enroll new plan participants and, when
21 appropriate, terminate plan participation;

22 (B) generate eligibility and enrollment reports
23 for plan participants;

24 (C) link plan administration with payroll
25 administration to facilitate payroll deductions for a plan;

26 (D) facilitate single-source billing
27 arrangements between the agency and a plan provider; and

1 (E) transmit and receive information regarding
2 the plan.

3 (d) If the department [~~State Council on Competitive~~
4 ~~Government~~] implements an electronic infrastructure project under
5 this section, the department [~~State Council on Competitive~~
6 ~~Government~~] shall select and contract with a single private vendor
7 to implement the project. The contract must require the
8 application of the project to all state agencies without cost to the
9 state until the project is initially implemented.

10 SECTION 3. Section 2171.104(a), Government Code, is amended
11 to read as follows:

12 (a) The office of vehicle fleet management [~~, as directed by~~
13 ~~the State Council on Competitive Government,~~] shall develop a
14 management plan with detailed recommendations for improving the
15 administration and operation of the state's vehicle fleet.

16 SECTION 4. Section 32.0461, Human Resources Code, is
17 amended by amending Subsections (a) and (c) and adding Subsection
18 (d) to read as follows:

19 (a) The [~~In consultation and coordination with the State~~
20 ~~Council on Competitive Government, the~~] commission shall seek
21 competitive bids for the claims processing function of the vendor
22 drug program.

23 (c) The commission may award a contract under this section
24 to another person only if the commission determines [~~department and~~
25 ~~the State Council on Competitive Government determine~~] that the
26 provision of services under that contract would be more
27 cost-effective and the time to process claims under the contract

1 would be the same as or faster than having employees of the
2 commission continue to process claims.

3 (d) The commission may consult with the comptroller in
4 administering this section.

5 SECTION 5. Sections 11.0255(b) and (c), Parks and Wildlife
6 Code, are amended to read as follows:

7 (b) In calculating the costs under Subsection (a), the
8 department[+

9 [~~1~~] shall consider both direct and indirect costs of
10 department employees who perform project tasks[~~, and~~

11 [~~2~~] ~~may use the cost accounting procedures and~~
12 ~~instructions developed by the State Council on Competitive~~
13 ~~Government under Section 2162.102, Government Code].~~

14 (c) On request, the comptroller [~~State Council on~~
15 ~~Competitive Government]~~ shall provide technical assistance to the
16 department[~~, including assistance with the application of the~~
17 ~~council's cost accounting procedures and instructions].~~

18 SECTION 6. Section 223.042(d), Transportation Code, is
19 amended to read as follows:

20 (d) The department shall consider all of its direct and
21 indirect costs in determining the cost of providing the services.

22 [~~The department shall use the cost accounting procedures and~~
23 ~~instructions developed by the State Council on Competitive~~
24 ~~Government under Section 2162.102(c)(2), Government Code, in~~
25 ~~determining its cost. On request, the State Council on Competitive~~
26 ~~Government shall provide technical assistance to the department~~
27 ~~about the cost accounting procedures and instructions.]~~

1 SECTION 7. The following laws are repealed:

- 2 (1) Section 161.037(b), Agriculture Code;
- 3 (2) Chapter 236, Family Code;
- 4 (3) Section 662.0071(c), Government Code;
- 5 (4) Section 670.003, Government Code;
- 6 (5) Chapter 2162, Government Code;
- 7 (6) Section 2163.001(d), Government Code; and
- 8 (7) Section 11.153(b), Parks and Wildlife Code.

9 SECTION 8. (a) On the effective date of this Act, the State
10 Council on Competitive Government is abolished.

11 (b) The validity of an action taken by or in connection with
12 the authority of the State Council on Competitive Government before
13 the date the agency is abolished is not affected by the abolition.

14 SECTION 9. On the effective date of this Act:

- 15 (1) all powers and duties of the State Council on
16 Competitive Government are transferred to the comptroller;
- 17 (2) a rule, form, policy, procedure, or decision of
18 the State Council on Competitive Government continues in effect as
19 a rule, form, policy, procedure, or decision of the comptroller
20 until superseded by an act of the comptroller;
- 21 (3) a reference in law to the State Council on
22 Competitive Government means the comptroller;
- 23 (4) any action or proceeding before the State Council
24 on Competitive Government is transferred without change in status
25 to the comptroller and the comptroller assumes, without a change in
26 status, the position of the State Council on Competitive Government
27 in any action or proceeding to which the State Council on

1 Competitive Government is a party;

2 (5) all money, contracts, leases, rights, bonds, and
3 obligations of the State Council on Competitive Government are
4 transferred to the comptroller;

5 (6) all personal property, including records, in the
6 custody of the State Council on Competitive Government becomes the
7 property of the comptroller; and

8 (7) all funds appropriated by the legislature to the
9 State Council on Competitive Government are transferred to the
10 comptroller.

11 SECTION 10. This Act takes effect September 1, 2017.

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S.B. No. 706

Don Patul
President of the Senate

Joe Straus
Speaker of the House

I hereby certify that S.B. No. 706 passed the Senate on April 4, 2017, by the following vote: Yeas 31, Nays 0. _____

Ratsey Spaw
Secretary of the Senate

I hereby certify that S.B. No. 706 passed the House on May 4, 2017, by the following vote: Yeas 143, Nays 0, two present not voting. _____

Robert Haney
Chief Clerk of the House

Approved:

5-17-2017
Date

Beggs
Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
4 PM O'CLOCK

MAY 18 2017

RRP
Secretary of State

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 23, 2017

TO: Honorable Gary Elkins, Chair, House Committee on Government Transparency & Operation

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB706 by Birdwell (Relating to the abolishment of the State Council on Competitive Government and the transfer of its functions to the comptroller.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would repeal Chapter 2162, Government Code, to abolish the State Council on Competitive Government (Council) on September 1, 2017 and transfer the Council's powers and duties to the Comptroller of Public Accounts. The bill would make conforming changes elsewhere in the Texas Statutes. The bill would also transfer from the Council to the Department of Information Resources duties related to implementing a state electronic benefits enrollment and administration system. The bill would also repeal Chapter 236, Family Code, relating to competitive bidding for child support collection services. According to the analyses of several agencies, among which include the Comptroller of Public Accounts, Office of the Attorney General, and Department of Information Resources, any costs associated with implementation of provisions of the bill could be absorbed within existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 313 Department of Information Resources, 529 Health and Human Services Commission, 601 Department of Transportation, 802 Parks and Wildlife Department

LBB Staff: UP, LBO, LCO, CL, NV, JSm, TBo

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 29, 2017

TO: Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **SB706** by Birdwell (Relating to the abolishment of the State Council on Competitive Government and the transfer of its functions to the comptroller.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

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LBB Staff: UP, LCO, CL, NV, JSm, TBo

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 20, 2017

TO: Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **SB706** by Birdwell (Relating to the abolishment of the State Council on Competitive Government and the transfer of its functions to the comptroller.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would repeal Chapter 2162, Government Code, to abolish the State Council on Competitive Government (Council) on September 1, 2017 and transfer the Council's powers and duties to the Comptroller of Public Accounts. The bill would make conforming changes elsewhere in the Texas Statutes. The bill would transfer duties of the Council related to competitive bidding for child support collection services to the Title IV-D agency, which is the Office of the Attorney General. The bill would also transfer from the Council to the Department of Information Resources duties related to implementing a state electronic benefits enrollment and administration system. According to the analysis of several agencies, among which include the Comptroller of Public Accounts, Office of the Attorney General, and Department of Information Resources, any costs associated with implementation of provisions of the bill could be absorbed within existing resources.

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