

BILL ANALYSIS

Senate Research Center

C.S.H.B. 1168
By: Greenberg (Sibley)
Economic Development
5-16-97
Committee Report (Substituted)

DIGEST

Currently, the Texas Manufacturing Institute (institute) is an advisory committee to the Texas Department of Commerce that oversees the operation of the Texas Manufacturing Assistance Centers. These centers provide advisory and technical assistance to small manufacturers. This bill will establish the institute as a nonprofit corporation and provide regulations for the institute.

PURPOSE

As proposed, C.S.H.B. 1168 establishes the Texas Manufacturing Institute as a nonprofit corporation and provides regulations for the institute.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 484.001, Government Code, to require the Texas Manufacturing Institute (institute) to be established as a nonprofit corporation, organized under Article 1396-1.01 et seq., V.T.C.S. (Texas Non-Profit Corporation Act), to carry out the purposes of this chapter. Deletes existing text providing that the institute consists of certain entities involved in the promotion of manufacturing, that join as members of the institute.

SECTION 2. Amends Section 484.002, Government Code, to make conforming changes.

SECTION 3. Amends Section 484.003, Government Code, as follows:

Sec. 484.003. New heading: GOVERNING BOARD. Provides that the institute is governed by an initial board of directors (board) composed of certain individuals. Requires the bylaws of the institute to provide for a permanent board of directors composed of certain individuals. Requires the board to submit an annual budget and annual report for the institute to certain persons and is subject to Chapter 551, Government Code. Deletes existing text regarding the chairman of the policy board.

SECTION 4. Amends Section 484.005, Government Code, as follows:

Sec. 484.005. New heading: PUBLIC FUNDS. Authorizes the Texas Department of Commerce (department) to enter into performance based contracts with the institute for the purpose of providing state-appropriated funds for use as matching funds for federal grants for programs and purposes within the scope of the institute. Requires the contract to adequately provide for the department's oversight of the use of state funds to ensure that those funds are being used by the institute in accordance with the contract. Deletes existing text regarding specialized equipment and facilities.

SECTION 5. Amends Chapter 484, Government Code, by adding Sections 484.008 and 484.009, as follows:

Sec. 484.008. INFORMATION CONFIDENTIAL. Sets forth regulations regarding the

confidentiality of information developed in whole or part by a customer of the institute.

Sec. 484.009. IMMUNITY FROM LIABILITY. Provides that a member of the board or another person acting on behalf of the institute in executing a contract, commitment, or agreement under this chapter is not personally liable on the contract, commitment, or agreement. Provides that a member of the board or another person acting on behalf of the institute is not personally liable for damage or injury resulting from the performance of duties under this chapter.

SECTION 6. Amends Chapter 484, Government Code, by adding Section 484.010, as follows:

Sec. 484.010. AUDIT. Provides that the institute is subject to audit by the state auditor.

SECTION 7. Repealers: Sections 484.004, 484.006, and 484.007, Government Code (Technical Advisory Council, Disbursement Policy, and Staffing).

SECTION 8. Requires the department to conduct a study to determine when the institute can become a self-supporting entity no longer requiring state appropriation. Requires the department to issue the report to the legislature no later than December 1, 1997.

SECTION 9. Emergency clause.
Effective date: upon passage.

SUMMARY OF COMMITTEE CHANGES

SECTION 3.

Amends Section 484.003, Government Code, regarding a report to be filed by the board.

SECTION 4.

Amends Section 484.005, Government Code, to authorize the Texas Department of Commerce to enter into performance based contracts with the institute for certain purposes.

SECTION 8.

Requires the report to be issued by December 1, 1997, rather than January 1, 1998.