

CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

5/30/25

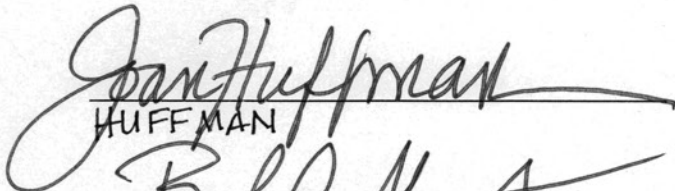
Date


Honorable Dan Patrick
President of the Senate

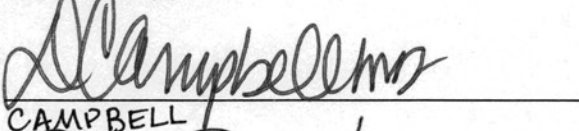
Honorable Dustin Burrows
Speaker of the House of Representatives

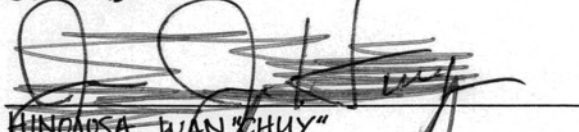
Sirs:

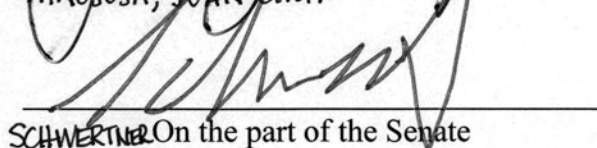
We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on HB 5246 have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.


HUFFMAN


BETTENCOURT


CAMPBELL

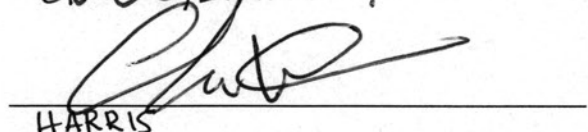

HINOJOSA, IVAN "CHUY"

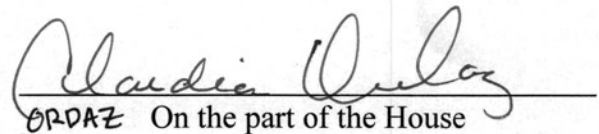

SCHWERTNER On the part of the Senate


BONNEN


CAPRIGLIONE


GARCIA, LINDA


HARRIS


ORDAZ On the part of the House

Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.

CONFERENCE COMMITTEE REPORT

3rd Printing

H.B. No. 5246

A BILL TO BE ENTITLED

AN ACT

relating to the administration, powers, and duties of the Texas Space Commission and Texas Aerospace Research and Space Economy Consortium, to other governmental entities regarding aerospace, aviation, and space exploration initiatives and activities, and to the abolishment of the spaceport trust fund.

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

SECTION 1. Sections 481.0066(d), (e), and (e-1), Government Code, are amended to read as follows:

(d) The aerospace and aviation office shall:

(1) analyze aerospace-related [~~space-related~~] and aviation-related research currently conducted in this state and may conduct activities designed to further that research;

(2) analyze the state's economic position in the aerospace and aviation industries;

(3) develop short-term and long-term business strategies as part of an industry-specific strategic plan to promote the retention, development, and expansion of aerospace and aviation industry facilities in the state that is consistent with and complementary of the office strategic plan;

(4) as part of and to further the purposes of the industry-specific strategic plan described by Subdivision (3), develop short-term and long-term policy initiatives or recommend reforms the state may undertake or implement to:

1 (A) increase investment in aerospace and
2 aviation activities;

3 (B) ~~[support the retention, development, and~~
4 ~~expansion of spaceports in this state,~~

5 ~~[(C)]~~ identify and encourage educational,
6 economic, and defense-related opportunities for aerospace and
7 aviation activities;

8 (C) ~~[(D) determine the appropriate level of~~
9 ~~funding for the spaceport trust fund created under Section 481.0069~~
10 ~~and] support ongoing projects that have been assisted by the former~~
11 ~~spaceport trust fund[, including recommending to the legislature an~~
12 ~~appropriate funding level for the fund]; and~~

13 (D) ~~[(E)]~~ partner with the Texas Higher
14 Education Coordinating Board to foster technological advancement
15 and economic development for aerospace ~~[spaceport]~~ activities by
16 strengthening higher education programs and supporting aerospace
17 activities; ~~and~~

18 ~~[(F) partner with the Texas Workforce Commission~~
19 ~~to support initiatives that address the high technology skills and~~
20 ~~staff resources needed to better promote the state's efforts in~~
21 ~~becoming the leading space exploration state in the nation,]~~

22 (5) act as a liaison with other state and federal
23 entities with related economic, educational, and defense
24 responsibilities to support the marketing of the state's aerospace
25 and aviation capabilities; and

26 (6) provide technical support and expertise to the
27 state and to local ~~[spaceport]~~ authorities regarding aerospace and

1 aviation business matters[~~and~~
2 [~~(7)~~ be responsible for the promotion and development
3 of spaceports in this state].

4 (e) The governor shall appoint an aerospace and aviation
5 advisory committee consisting of[+

6 [~~(1)~~] seven qualified members to assist in the state's
7 economic development efforts to recruit and retain aerospace and
8 aviation jobs and investment[~~and~~

9 [~~(2)~~ one member for each active spaceport development
10 corporation in the state who represents the interests of each
11 respective spaceport development corporation].

12 (e-1) The aerospace and aviation advisory committee shall:

13 (1) advise the governor on the recruitment and
14 retention of aerospace and aviation jobs and investment;

15 (2) assist the office and the aerospace and aviation
16 office in meeting the state's economic development efforts to
17 recruit and retain aerospace and aviation jobs and investment;

18 (3) [~~advise the office, the aerospace and aviation~~
19 ~~office, and the governor on an appropriate funding level for the~~
20 ~~spaceport trust fund,~~

21 [~~(4)~~] advise the office, the aerospace and aviation
22 office, and the governor on recruitment, retention, and expansion
23 of aerospace and aviation industry activities; and

24 (4) [~~(5)~~] collect and disseminate information on
25 federal, state, local, and private community economic development
26 programs that assist or provide loans, grants, or other funding to
27 aerospace and aviation industry activities.

SECTION 2. Section 482.001, Government Code, is amended by adding Subdivision (2-a) to read as follows:

(2-a) "Consortium" means the Texas Aerospace Research and Space Economy Consortium established under Subchapter G.

SECTION 3. Sections 482.101(a) and (b), Government Code, are amended to read as follows:

(a) The Texas Space Commission is established to strengthen this state's proven leadership in civil, commercial, and military outer space ~~[aerospace]~~ activity.

(b) The purpose of the commission is to promote:

(1) innovation in the fields of space exploration and commercial space;

(2) commercial space ~~[aerospace]~~ opportunities; and

(3) ~~[including]~~ the integration of the space and ~~[and]~~ aeronautics~~[and aviation]~~ industries into the economy of this state.

SECTION 4. Section 482.103, Government Code, is amended to read as follows:

Sec. 482.103. SUNSET PROVISION. The commission is subject to Chapter 325 (Texas Sunset Act). Unless continued in existence as provided by that chapter, the commission is abolished and this chapter expires September 1, 2033 ~~[2032]~~.

SECTION 5. Section 482.105, Government Code, is amended by amending Subsections (a), (b), (c), (e), and (f) and adding Subsection (a-1) to read as follows:

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

1 members:

2 (1) three members appointed by the governor;

3 (2) three members appointed by the lieutenant
4 governor; and

5 (3) three members appointed by the speaker of the
6 house of representatives.

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

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

14 (1) the nongovernmental commercial space industry
15 [aerospace];

16 (2) governmental space operations [civil aviation];

17 (3) military space operations [aerospace];

18 (4) space-related [space] economic development;

19 (5) space-related academic research; and

20 (6) nonprofit support of the space economy.

21 (c) Voting members [Members] of the board appointed by the
22 governor, lieutenant governor, and speaker of the house serve [at
23 the pleasure of the appointing office] for staggered six-year
24 terms, with the terms of three [two] members expiring on January 31
25 of each odd-numbered year.

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

1 appoint a replacement.

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

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

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

8 (1) direct the activities of, establish goals for, and
9 provide oversight to the commission;

10 (2) develop and execute a strategic plan in accordance
11 with Section 482.201;

12 (3) establish the appropriate standards and executive
13 bodies to ensure the proper use of funds authorized under this
14 chapter for research and facilities development;

15 (4) identify research and funding opportunities for
16 entities within this state that:

17 (A) strengthen and enhance this state's proven
18 leadership position in civil, commercial, and military aeronautics
19 research and development and space flight infrastructure;

20 (B) enhance the integration of the space and [7]
21 aeronautics[~~7, astronautics, and aviation~~] industries into this
22 state's economy; and

23 (C) promote and further research involving
24 materials derived from or developed through space exploration and
25 space flight;

26 (5) capitalize, promote, and assist in the development
27 of workforce training to further the development of emerging

1 technologies required for all aspects of space exploration; ~~[and]~~

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

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

9 (8) as necessary to promote space-related industries
10 and further commission activities, including implementing the
11 strategic plan developed under Section 482.201, and
12 notwithstanding any other law, issue an order, subject to the
13 approval of the municipality's governing body, to temporarily close
14 in a municipality a highway as defined by Section 221.001,
15 Transportation Code, a venue as defined by Section 334.001, Local
16 Government Code, or an area specified by Section 33.203(11),
17 Natural Resources Code;

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

21 (10) establish procedures for the commission as
22 necessary to provide administrative and staff support to the
23 consortium ~~[from the Texas Aerospace Research and Space Economy~~
24 ~~Consortium established under Subchapter C].~~

25 (b) The board shall employ a chief compliance officer to
26 monitor and report to the board regarding compliance with this
27 chapter and rules adopted under this chapter. The chief compliance

1 officer shall ensure that all grant proposals comply with this
2 chapter and rules adopted under this chapter [~~before the proposals~~
3 ~~are submitted to the board for approval~~].

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

7 (c) The board may:

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

10 (2) adopt and use an official seal;

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

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

16 (5) ~~[(4)]~~ acquire and convey property or an interest
17 in property;

18 (6) ~~[(5)]~~ procure insurance and pay premiums on
19 insurance of any type, in accounts, and from insurers as the board
20 considers necessary and advisable to accomplish any of the
21 commission's purposes;

22 (7) ~~[(6)]~~ make grants to public or private persons
23 with an established presence within this state to encourage
24 economic development related to space and aerospace;

25 (8) ~~[(7)]~~ make grants to enhance the capacity of
26 institutions of higher education to participate in and support
27 classified research;

1 (9) [~~48~~] provide matching funding to external
2 funding provided by relevant federal agencies, private industry, or
3 private research organizations; ~~and~~

4 (10) [~~49~~] engage in the planning and implementation
5 of space exploration and spaceflight-related [~~aerospace-related~~]
6 educational opportunities within this state in coordination with
7 the consortium; and

8 (11) subject to the governor's approval, enter into an
9 intergovernmental agreement with another state or the United
10 States, including the United States Department of Defense and the
11 National Aeronautics and Space Administration, as necessary to
12 carry out the purposes of this chapter [~~Texas Aerospace Research~~
13 ~~and Space Economy Consortium established under Subchapter G~~].

14 SECTION 7. Subchapter B, Chapter 482, Government Code, is
15 amended by adding Sections 482.108 and 482.109 to read as follows:

16 Sec. 482.108. PROCUREMENT OF CERTAIN SPACE-RELATED
17 VEHICLES AND EQUIPMENT. (a) Notwithstanding Section 2155.083 or
18 any other law and subject to Subsection (b), the board may authorize
19 the commission to procure, lease, or otherwise secure access to
20 capacity on or through a spacefaring vehicle, platform, or
21 infrastructure, including a rocket, shuttle, spaceplane,
22 satellite, space station, lunar or planetary base, and other
23 orbital, suborbital, or extraterrestrial transport or habitation
24 system, regardless of whether the vehicle, platform, or
25 infrastructure is owned or operated by a governmental, commercial,
26 or private entity.

27 (b) Before the commission takes a proposed action under

1 Subsection (a), the board must:

2 (1) determine the proposed action:

3 (A) promotes or serves a legitimate and clearly
4 defined public purpose;

5 (B) provides demonstrable value, taking into
6 consideration:

7 (i) the feasibility and cost-effectiveness
8 of the proposed action;

9 (ii) alternative approaches to attaining
10 the same or a similar public purpose as the proposed action; and

11 (iii) potential benefits of the proposed
12 action; and

13 (C) is subject to appropriate controls and
14 contractual requirements sufficient to protect the interests of the
15 state;

16 (2) discuss the determinations the board must find
17 under Subdivision (1) in an open meeting held in accordance with
18 Chapter 551; and

19 (3) by a majority vote of the voting board members
20 present and voting, authorize the action in an open meeting held in
21 accordance with Chapter 551.

22 Sec. 482.109. CERTAIN GRANT APPLICATIONS AND DEFENSE,
23 MILITARY, AND AEROSPACE ISSUES: CLOSED MEETING. (a) The board may
24 conduct a closed meeting in accordance with Subchapter E, Chapter
25 551, to deliberate or confer with one or more employees,
26 consultants of the commission, or legal counsel of the commission
27 to discuss:

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

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

7 (B) reveal national security information; or

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

10 (2) a matter related to:

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

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

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

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

27 SECTION 8. Sections 482.201(a) and (d), Government Code,

1 are amended to read as follows:

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

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

9 SECTION 9. Section 482.301(a), Government Code, is amended
10 to read as follows:

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

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

16 Sec. 482.302. USE OF [~~SPACE EXPLORATION AND AERONAUTICS~~
17 ~~RESEARCH~~] FUND FOR [~~+~~] GRANTS.

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

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

24 (1) development of emerging technologies required for
25 any aspect of human space flight, including aeronautics;

26 (2) research involving any aspect of space exploration
27 and space flight, including aeronautics;

1 (3) workforce training to promote space exploration
2 and space flight, including aeronautics;

3 (4) curation of post-mission materials involved in
4 space exploration and space flight; and

5 (5) development of infrastructure useful or necessary
6 for the establishment or maintenance of a spaceport.

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

9 (1) a business or nonprofit entity involved in the
10 space exploration and space [7] research industry[7] or the
11 aeronautics industry; ~~and~~

12 (2) a governmental entity involved in the space
13 exploration and space research industry or the aeronautics
14 industry; and

15 (3) the consortium [~~with which the commission has~~
16 ~~entered into an intergovernmental agreement for that purpose~~].

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

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

25 **(e-1) Using money available in the fund, and subject to the**
26 **approval of the governor, the commission may provide grants to, or**
27 **fund the costs and expenses incurred under agreements between the**

1 commission and, another state, the United States, or entities
2 described by Subsection (b) for the purposes of:

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

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

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

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

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

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

26 Sec. 482.303. USE OF FUND FOR OTHER PURPOSES. Money
27 available in the fund may be used to fund the costs and expenses

1 incurred under intergovernmental agreements between the commission
2 and another state or the United States under this subchapter.

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

5 Sec. 482.501. RULES; CERTAIN LIMITATIONS ON [FOR] GRANT
6 AWARDS [AWARD PROCEDURE]. (a) The board shall adopt rules
7 regarding the procedure for awarding grants to applicants [~~an~~
8 ~~applicant~~] under this chapter. The rules must authorize the
9 commission to:

10 (1) identify the specific purpose under Section
11 482.302(a) for which the commission awards a grant; and

12 (2) obtain information from the consortium as
13 necessary to make award determinations [~~, including a procedure for~~
14 ~~the Texas Aerospace Research and Space Economy Consortium to make~~
15 ~~recommendations to the board for grant awards~~].

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

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

22 Sec. 482.505. (a) GRANT RECORDS; PUBLIC INFORMATION
23 EXCEPTION. The commission shall maintain complete records of:

24 (1) the review of each grant application submitted to
25 the board, including an application reviewed in accordance with
26 rules adopted under this chapter, even if the grant application is
27 not funded by the board or is withdrawn after submission;

(2) ~~[each grant recipient's]~~ financial reports of each grant recipient described by Section 482.302(b), including the amount of matching money dedicated to the project ~~[research]~~ specified for the grant award, if applicable;

(3) each grant recipient's progress reports; and

(4) the board's review of the grant recipient's financial reports, if applicable, and progress reports.

(b) A grant application submitted to the commission is confidential and not subject to disclosure under Chapter 552.

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

SUBCHAPTER G. TEXAS AEROSPACE RESEARCH AND SPACE ECONOMY

CONSORTIUM

Sec. 482.601. DEFINITION ~~[DEFINITIONS]~~. In this subchapter, +

~~[(1)] "Consortium" means the Texas Aerospace Research and Space Economy Consortium.~~

~~[(2)]~~ "executive ~~[Executive]~~ committee" means the executive committee of the consortium.

Sec. 482.602. SUNSET PROVISION. The consortium is subject to Chapter 325 (Texas Sunset Act). Unless continued in existence as provided by that chapter, the consortium is abolished and this subchapter expires September 1, 2033 ~~[2032]~~.

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

(1) identify research opportunities for entities

1 within this state that:

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

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

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

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

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

16 (1) each participating institution of higher
17 education; and

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

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

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

27 Sec. 482.605. ADMINISTRATIVE ATTACHMENT. The consortium is

1 administratively attached to the commission [~~office of the~~
2 ~~governor~~] for the purpose of receiving and administering
3 appropriations and other funds under this subchapter. [~~The office~~
4 ~~of the governor is not responsible for providing to the consortium~~
5 ~~staff, human resources, contract monitoring, purchasing, or any~~
6 ~~other administrative support services.~~]

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

- 10 (1) two members appointed by the governor;
11 (2) two members appointed by the lieutenant governor;
12 (3) two members appointed by the speaker of the house
13 of representatives;
14 (4) the chancellor of The Texas A&M University System
15 or the chancellor's designee;
16 (5) the chancellor of The University of Texas System
17 or the chancellor's designee; and
18 (6) the president of Rice University or the
19 president's designee.

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

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

- 25 (1) prioritize appointing individuals with experience
26 in:

27 (A) aeronautics;

1 (B) space economic development; and
2 (C) academic engagement with the space economy;
3 and

4 (2) ensure that the appointments reflect, to the
5 extent possible, multiple ~~[the ethnic and]~~ geographic regions
6 ~~[diversity]~~ of this state.

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

12 (d) The executive committee shall:

13 (1) elect a presiding officer from among the members
14 of the committee; and

15 (2) meet at the call of the presiding officer.

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

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

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

26 (2) gather and coordinate recommendations from
27 consortium members on ~~[funding and]~~ research and development

1 opportunities in accordance with the purposes of the consortium;
2 and

3 (3) establish procedures and policies for the
4 administration of the consortium, including:

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

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

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

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

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

25 (1) the activities and objectives of the consortium;

26 (2) a synopsis of the funding and research
27 opportunities identified by the consortium;

(3) legislative recommendations, if any;

(4) prospective grants or funding the consortium members expect to receive, if any; and

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

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

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

SECTION 16. Section 481.0069, Government Code, is repealed.

SECTION 17. (a) In this section:

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

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

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

(c) The abolishment of the spaceport trust fund and the repeal of Section 481.0069, Government Code, do not affect the validity of a contract between the office and a spaceport

1 development corporation that is entered into under Section
2 481.0069(e), Government Code, before the effective date of this
3 Act.

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

9 (1) spend money encumbered by the specific terms of
10 the gift, grant, or donation only in accordance with those terms;

11 (2) return to the donor or grantor, on request, any
12 portion of the amount of a gift, grant, or donation described by
13 this subsection that remains on deposit; or

14 (3) transfer to the general revenue fund for use in
15 accordance with legislative appropriation any other remaining
16 money deposited as a gift, grant, or donation under Section
17 481.0069(c)(1), Government Code.

18 (e) Money from the spaceport trust fund that is encumbered
19 because the money is obligated by contract before the effective
20 date of this Act, but under the terms of the contract will not be
21 distributed until a later date, shall be held in trust by the
22 comptroller as trustee outside the state treasury and shall be
23 administered by the comptroller as trustee to ensure that the money
24 is distributed in accordance with the terms of the contract. If the
25 office determines that the money will not be distributed in
26 accordance with the terms of the contract, the office shall certify
27 that fact to the comptroller. On that certification, the

1 comptroller shall transfer that money to the general revenue fund
2 to be used in accordance with legislative appropriation.

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

6 (1) any interest or income earned on the investment of
7 money in the spaceport trust fund;

8 (2) any money returned by a spaceport development
9 corporation under a contract entered into under Section 481.0069,
10 Government Code; and

11 (3) any money received by a donor or grantor under
12 Subsection (d)(2) of this section that is subsequently returned to
13 the state.

14 SECTION 18. The term of a member serving on the aerospace
15 and aviation advisory committee immediately preceding the
16 effective date of this Act expires on that date. The member may be
17 reappointed to the committee.

18 SECTION 19. This Act takes effect September 1, 2025.

House Bill 5246
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (CS)

CONFERENCE

[The conference committee may have exceeded the limitations imposed on its jurisdiction, but only the presiding officer can make the final determination on this issue.]

SECTION 1. Sections 481.0066(d), (e), and (e-1), Government Code, are amended.

SECTION 1. Same as House version.

SECTION 1. Same as House version.

No equivalent provision.

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

SECTION 2. Same as Senate version.

SECTION 2. Sections 482.101(a) and (b), Government Code, are amended to read as follows:

(a) The Texas Space Commission is established to strengthen this state's proven leadership in civil, commercial, and military outer space [~~aerospace~~] activity.

(b) The purpose of the commission is to promote:

(1) innovation in the fields of space exploration and commercial *aerospace*;

(2) commercial *aerospace* opportunities; and

(3) [~~including~~] the integration of the space and [~~]~~ aeronautics[~~and aviation~~] industries into the economy of this state.

SECTION 3. Sections 482.101(a) and (b), Government Code, are amended to read as follows:

(a) The Texas Space Commission is established to strengthen this state's proven leadership in civil, commercial, and military outer space [~~aerospace~~] activity.

(b) The purpose of the commission is to promote:

(1) innovation in the fields of space exploration and commercial *space* [~~aerospace~~];

(2) commercial *space* opportunities; and

(3) [~~including~~] the integration of the space and [~~]~~ aeronautics[~~and aviation~~] industries into the economy of this state.

SECTION 3. Substantially the same as Senate version.

SECTION 3. Section 482.103, Government Code, is amended.

SECTION 4. Same as House version.

SECTION 4. Same as House version.

SECTION 4. Section 482.105, Government Code, is amended.

SECTION 5. Same as House version.

SECTION 5. Same as House version.

House Bill 5246
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (CS)

CONFERENCE

[The conference committee may have exceeded the limitations imposed on its jurisdiction, but only the presiding officer can make the final determination on this issue.]

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

Sec. 482.107. BOARD OF DIRECTORS: AUTHORITY.

(a) The board shall:

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

SECTION 6. Same recitation as House version.

Sec. 482.107. BOARD OF DIRECTORS: AUTHORITY.

(a) The board shall:

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

SECTION 6. Same recitation as House version.

Sec. 482.107. BOARD OF DIRECTORS: AUTHORITY.

(a) The board shall:

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

House Bill 5246
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (CS)

CONFERENCE

[The conference committee may have exceeded the limitations imposed on its jurisdiction, but only the presiding officer can make the final determination on this issue.]

Chapter 483 for projects ~~[on funding]~~ and ~~[research]~~ opportunities related to the objectives in this chapter that could be funded with money from the fund; and
(7) enter into an interagency agreement with the Texas Aerospace Research and Space Economy Consortium regarding the submission of proposals for projects eligible for a grant from the fund ~~[from the Texas Aerospace Research and Space Economy Consortium established under Subchapter G].~~

related to the objectives in this chapter that may be funded with money from the fund;

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

(8) develop a database that provides information on the promotion of space-related and aeronautics-related economic development in this state; and
(9) establish procedures for the commission as necessary to provide administrative and staff support to the consortium ~~[from the Texas Aerospace Research and Space Economy Consortium established under Subchapter G].~~

(b)

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

(b) Same as House version.

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

related to the objectives in this chapter that may be funded with money from the fund;

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

(8) as necessary to promote space-related industries and further commission activities, including implementing the strategic plan developed under Section 482.201, and notwithstanding any other law, issue an order, subject to the approval of the municipality's governing body, to temporarily close in a municipality a highway as defined by Section 221.001, Transportation Code, a venue as defined by Section 334.001, Local Government Code, or an area specified by Section 33.203(11), Natural Resources Code;
(9) develop a database that provides information on the promotion of space-related and aeronautics-related economic development in this state; and
(10) establish procedures for the commission as necessary to provide administrative and staff support to the consortium ~~[from the Texas Aerospace Research and Space Economy Consortium established under Subchapter G].~~

(b) Same as House version.

(b-1) Same as Senate version.

House Bill 5246
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (CS)

CONFERENCE

[The conference committee may have exceeded the limitations imposed on its jurisdiction, but only the presiding officer can make the final determination on this issue.]

(c) The board may:

(c) The board may:

(c) The board may:

(1)-(2)

(1)-(2) Same as House version.

(1)-(2) Same as House version.

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

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

(3)-(4) Same as Senate version.

(4) [and] contract with any entity;

(4)-(8)

(5)-(9) Same as House version.

(5)-(9) Same as House version.

(9) engage in the planning and implementation of space exploration and spaceflight-related [aerospace-related] educational opportunities within this state in coordination with the *Texas Aerospace Research and Space Economy Consortium established under Chapter 483*; and

(10) [(9)] engage in the planning and implementation of space exploration and spaceflight-related [aerospace-related] educational opportunities within this state in coordination with the consortium; and

(10)-(11) Same as Senate version.

(10) subject to the governor's approval, enter into an intergovernmental agreement with another state or the United States, including the United States Department of Defense and the National Aeronautics and Space Administration, as necessary to carry out the purposes of this chapter [Subchapter G].

(11) subject to the governor's approval, enter into an intergovernmental agreement with another state or the United States, including the United States Department of Defense and the National Aeronautics and Space Administration, as necessary to carry out the purposes of this chapter [~~*Texas Aerospace Research and Space Economy Consortium established under*~~ Subchapter G].

SECTION 6. Subchapter B, Chapter 482, Government Code, is amended.

SECTION 7. Same as House version.

SECTION 7. Same as House version.

House Bill 5246
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (CS)

CONFERENCE

[The conference committee may have exceeded the limitations imposed on its jurisdiction, but only the presiding officer can make the final determination on this issue.]

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

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

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

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

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

SECTION 8. Same as Senate version.

SECTION 8. Section 482.301(a), Government Code, is amended.

SECTION 9. Same as House version.

SECTION 9. Same as House version.

No equivalent provision.

SECTION 10. The heading to Section 482.302, Government Code, is amended to read as follows:
Sec. 482.302. USE OF [SPACE EXPLORATION AND AERONAUTICS RESEARCH] FUND FOR [;] GRANTS.

SECTION 10. Same as Senate version.

SECTION 9. Section 482.302, Government Code, is amended. Among other provisions, amends (b) as follows:

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

(1) a business or nonprofit entity involved in the space exploration and space [;] research industry[;] or the aeronautics industry; ~~[and]~~

(2) a governmental entity involved in the space exploration and space research industry or the aeronautics industry; and

SECTION 11. Same as House version except as follows:

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

(1) a business or nonprofit entity involved in the space exploration and space [;] research industry[;] or the aeronautics industry; ~~[and]~~

(2) a governmental entity involved in the space exploration and space research industry or the aeronautics industry; and

SECTION 11. Same as Senate version.

House Bill 5246
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (CS)

CONFERENCE

[The conference committee may have exceeded the limitations imposed on its jurisdiction, but only the presiding officer can make the final determination on this issue.]

(3) the *Texas Aerospace Research and Space Economy Consortium established under Chapter 483* [with which the commission has entered into an intergovernmental agreement for that purpose].

(3) the *consortium* [with which the commission has entered into an intergovernmental agreement for that purpose].

SECTION 10. Subchapter D, Chapter 482, Government Code, is amended.

SECTION 12. Substantially the same as House version.

SECTION 12. Same as Senate version.

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

Sec. 482.501. RULES; CERTAIN LIMITATIONS ON [FOR] GRANT AWARDS [AWARD PROCEDURE]. (a) The board shall adopt rules regarding the procedure for awarding grants to applicants [an applicant] under this chapter. The rules must authorize the commission to:

(1) identify the specific purpose under Section 482.302(a) for which the commission awards a grant; and

(2) obtain information from the *Texas Aerospace Research and Space Economy Consortium established under Chapter 483* as necessary to make award determinations[, including a procedure for the Texas Aerospace Research and Space Economy Consortium to make recommendations to the board for grant awards].

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

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

Sec. 482.501. RULES; CERTAIN LIMITATIONS ON [FOR] GRANT AWARDS [AWARD PROCEDURE]. (a) The board shall adopt rules regarding the procedure for awarding grants to applicants [an applicant] under this chapter. The rules must authorize the commission to:

(1) identify the specific purpose under Section 482.302(a) for which the commission awards a grant; and

(2) obtain information from the *consortium* as necessary to make award determinations[, including a procedure for the Texas Aerospace Research and Space Economy Consortium to make recommendations to the board for grant awards].

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

SECTION 13. Same as Senate version.

House Bill 5246
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

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

Sec. 482.505. GRANT RECORDS; PUBLIC INFORMATION EXCEPTION. (a) The commission shall maintain complete records of:

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

(b) A grant application submitted to the commission is confidential and not subject to disclosure under Chapter 552.

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

CHAPTER 483 ~~[SUBCHAPTER—G]~~. TEXAS AEROSPACE RESEARCH AND SPACE ECONOMY CONSORTIUM

Sec. 483.001 ~~[482.601]~~. DEFINITIONS. In this chapter ~~[subchapter]~~:

- (1) "Commission" means the Texas Space Commission.

SENATE VERSION (CS)

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

Sec. 482.505. (a) GRANT RECORDS; PUBLIC INFORMATION EXCEPTION. The commission shall maintain complete records of:

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

(b) A grant application submitted to the commission is confidential and not subject to disclosure under Chapter 552.

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

SUBCHAPTER G. TEXAS AEROSPACE RESEARCH AND SPACE ECONOMY CONSORTIUM

Sec. 482.601. DEFINITION ~~[DEFINITIONS]~~. In this subchapter, [:

CONFERENCE

[The conference committee may have exceeded the limitations imposed on its jurisdiction, but only the presiding officer can make the final determination on this issue.]

SECTION 14. Same as Senate version.

SECTION 15. Same as Senate version.

House Bill 5246
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (CS)

CONFERENCE

[The conference committee may have exceeded the limitations imposed on its jurisdiction, but only the presiding officer can make the final determination on this issue.]

(2) "Consortium" means the Texas Aerospace Research and Space Economy Consortium.

(3) [(2)] "Executive committee" means the executive committee of the consortium.

(4) "Institution of higher education" has the meaning assigned by Section 61.003, Education Code.

Sec. 483.002 [482.602]. SUNSET PROVISION. The consortium is subject to Chapter 325 (Texas Sunset Act). Unless continued in existence as provided by that chapter, the consortium is abolished and this subchapter expires September 1, 2033 [2032].

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

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

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

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

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

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

~~**[(1) "Consortium" means the Texas Aerospace Research and Space Economy Consortium.**~~

~~**[(2)] "executive [Executive] committee" means the executive committee of the consortium.**~~

Sec. 482.602. SUNSET PROVISION. The consortium is subject to Chapter 325 (Texas Sunset Act). Unless continued in existence as provided by that chapter, the consortium is abolished and this subchapter expires September 1, 2033 [2032].

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

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

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

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

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

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

House Bill 5246
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (CS)

CONFERENCE

[The conference committee may have exceeded the limitations imposed on its jurisdiction, but only the presiding officer can make the final determination on this issue.]

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

- (1) each participating institution of higher education; and
- (2) any other entity that the executive committee considers necessary.

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

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

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

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

Sec. 483.006 [482.606]. EXECUTIVE COMMITTEE COMPOSITION. (a) The consortium is governed by an

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

- (1) each participating institution of higher education; and
- (2) any other entity that the executive committee considers necessary.

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

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

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

Sec. 482.606. EXECUTIVE COMMITTEE COMPOSITION. (a) The consortium is governed by an

House Bill 5246
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

independent executive committee composed of the following nine members:

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

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

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

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

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

SENATE VERSION (CS)

independent executive committee composed of the following nine members:

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

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

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

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

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

CONFERENCE

[The conference committee may have exceeded the limitations imposed on its jurisdiction, but only the presiding officer can make the final determination on this issue.]

House Bill 5246
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (CS)

CONFERENCE

[The conference committee may have exceeded the limitations imposed on its jurisdiction, but only the presiding officer can make the final determination on this issue.]

(d) The executive committee shall:

(1) elect a presiding officer from among the members of the committee; and

(2) meet at the call of the presiding officer.

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

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

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

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

(3) establish procedures and policies for the administration of the consortium, including:

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

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

(d) The executive committee shall:

(1) elect a presiding officer from among the members of the committee; and

(2) meet at the call of the presiding officer.

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

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

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

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

(3) establish procedures and policies for the administration of the consortium, including:

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

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

House Bill 5246
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (CS)

CONFERENCE

[The conference committee may have exceeded the limitations imposed on its jurisdiction, but only the presiding officer can make the final determination on this issue.]

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

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

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

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

Sec. 483.010. COMPENSATION; EXPENSES. Executive committee members serve without compensation but are

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

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

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

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

Sec. 482.610. COMPENSATION; EXPENSES. Executive committee members serve without compensation but are

House Bill 5246
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (CS)

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entitled to reimbursement for actual expenses incurred in attending committee meetings. Those expenses are paid from funds appropriated to the consortium.

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

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

SECTION 15. (a)

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

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

(d)

entitled to reimbursement for actual expenses incurred in attending committee meetings. Those expenses are paid from funds appropriated to the consortium.

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

SECTION 16. Same as House version.

SECTION 17. (a) Same as House version.

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

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

(d) Same as House version.

SECTION 16. Same as House version.

SECTION 17. (a) Same as House version.

(b) Same as Senate version.

(c) Same as Senate version.

(d) Same as House version.

House Bill 5246
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (CS)

CONFERENCE

[The conference committee may have exceeded the limitations imposed on its jurisdiction, but only the presiding officer can make the final determination on this issue.]

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

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

(e) Same as Senate version.

(f)

(f) Same as House version.

(f) Same as House version.

SECTION 16. The term of a member serving on the aerospace and aviation advisory committee immediately preceding the effective date of this Act expires on that date. The member may be reappointed to the committee.

SECTION 18. Same as House version.

SECTION 18. Same as House version.

SECTION 17. This Act takes effect September 1, 2025.

SECTION 19. Same as House version.

SECTION 19. Same as House version.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 30, 2025

TO: Honorable Dan Patrick, Lieutenant Governor, Senate
Honorable Dustin Burrows, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **HB5246** by Bonnen (Relating to the administration, powers, and duties of the Texas Space Commission and Texas Aerospace Research and Space Economy Consortium, to other governmental entities regarding aerospace, aviation, and space exploration initiatives and activities, and to the abolishment of the spaceport trust fund.), **Conference Committee Report**

Estimated Two-year Net Impact to General Revenue Related Funds for HB5246, Conference Committee Report: a positive impact of \$7,206,000 through the biennium ending August 31, 2027.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

| <i>Fiscal Year</i> | Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i> |
|--------------------|--|
| 2026 | \$7,206,000 |
| 2027 | \$0 |
| 2028 | \$0 |
| 2029 | \$0 |
| 2030 | \$0 |

All Funds, Five-Year Impact:

| <i>Fiscal Year</i> | Probable Revenue Gain/(Loss) from <i>Spaceport Trust Fund</i> 806 | Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i> 1 |
|--------------------|---|---|
| 2026 | (\$7,206,000) | \$7,206,000 |
| 2027 | \$0 | \$0 |
| 2028 | \$0 | \$0 |
| 2029 | \$0 | \$0 |
| 2030 | \$0 | \$0 |

Fiscal Analysis

The bill would modify the purpose, duties, and makeup of the board of directors of the Texas Space Commission. It would extend the date of Sunset review and abolishment of the Texas Space Commission by one year to September 1, 2033.

The bill would abolish the Spaceport Trust Fund Account 0806 on September 1, 2025. The balance of the trust

fund, with certain exceptions, would be transferred to the General Revenue Fund.

Methodology

The Spaceport Trust Fund 0806 currently has a cash balance of \$7,180,000. That amount, plus any interest earned before September 1, 2025, and less any expenditures made before the date of transfer or encumbrances described in the bill, would be transferred to the General Revenue Fund on September 1, 2025.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 116 Sunset Advisory Commission, 300 Trusteed Programs Within the Office of the Governor, 304 Comptroller of Public Accounts, 320 Texas Workforce Commission, 405 Department of Public Safety, 601 Department of Transportation, 710 Texas A&M University System Administrative and General Offices, 712 Texas A&M Engineering Experiment Station, 717 Texas Southern University, 720 The University of Texas System Administration, 758 Texas State University System, 768 Texas Tech University System Administration, 769 University of North Texas System Administration, 781 Higher Education Coordinating Board, 783 University of Houston System Administration

LBB Staff: JMc, SD, KK, LCO, KCu, RStu, NV