

GOVERNMENT CODE

TITLE 4. EXECUTIVE BRANCH

SUBTITLE F. COMMERCE AND INDUSTRIAL DEVELOPMENT

CHAPTER 482. TEXAS AEROSPACE AND TECHNOLOGY SUPPORT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 482.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the commission.

(2) "Commission" means the Texas Space Commission.

(3) "Fund" means the space exploration and aeronautics research fund.

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

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

SUBCHAPTER B. TEXAS SPACE COMMISSION

Sec. 482.101. ESTABLISHMENT; PURPOSE. (a) The Texas Space Commission is established to strengthen this state's proven leadership in civil, commercial, and military aerospace activity.

(b) The purpose of the commission is to promote innovation in the fields of space exploration and commercial aerospace opportunities, including the integration of space, aeronautics, and aviation industries into the economy of this state.

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

Sec. 482.102. ADMINISTRATIVE ATTACHMENT. (a) The commission is administratively attached to the office of the governor, and the office of the governor shall provide administrative support to the commission as provided by this section. The equal employment opportunity officer and the internal auditor of the office of the governor shall serve the same functions for the commission as they serve for the office of the

governor.

(b) The office of the governor and the board shall enter into a memorandum of understanding detailing:

(1) the administrative support the commission requires from the office of the governor to fulfill the purposes of this chapter;

(2) the reimbursement of administrative expenses to the office of the governor; and

(3) any other provisions available by law to ensure the efficient operation of the commission as attached to the office of the governor.

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

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, 2032.

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

Sec. 482.104. STATE AUDITOR. Nothing in this chapter limits the authority of the state auditor under Chapter 321 or other law.

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

Sec. 482.105. BOARD OF DIRECTORS. (a) The commission is governed by a nine-member board of directors. The board is composed of:

(1) three members appointed by the governor;

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

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

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

representatives shall prioritize appointing individuals with experience in:

- (1) commercial aerospace;
- (2) civil aviation;
- (3) military aerospace;
- (4) space economic development;
- (5) space-related academic research; and
- (6) nonprofit support of the space economy.

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

(d) If a vacancy occurs on the board, the appropriate appointing authority shall appoint a successor, in the same manner as the original appointment, to serve for the remainder of the unexpired term. The appropriate appointing authority shall appoint the successor not later than the 30th day after the date the vacancy occurs.

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

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

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. [3447](#)), Sec. 1, eff. September 1, 2023.

Sec. 482.106. EXECUTIVE DIRECTOR. (a) The board shall hire an executive director. The executive director shall perform the duties required by this chapter and any duty delegated by the board.

(b) The executive director must have a demonstrated ability to lead and develop academic, commercial, military, or governmental partnerships and coalitions.

(c) The executive director may hire staff as necessary to implement the duties of the commission under this chapter.

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. [3447](#)), Sec. 1,

eff. September 1, 2023.

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, aeronautics, astronautics, 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 on funding and research opportunities related to the objectives in this chapter from the Texas Aerospace Research and Space Economy Consortium established under Subchapter G.

(b) The board shall employ a chief compliance officer to monitor and report to the board regarding compliance with this chapter and rules adopted under this chapter. The chief compliance officer shall ensure that all grant proposals comply with this chapter and rules adopted under this chapter before the proposals are submitted to the board for approval.

(c) The board may:

(1) establish ad hoc advisory committees as necessary

to carry out the board's duties under this chapter;

(2) adopt and use an official seal;

(3) solicit and accept gifts or grants, and contract with any entity;

(4) acquire and convey property or an interest in property;

(5) procure insurance and pay premiums on insurance of any type, in accounts, and from insurers as the board considers necessary and advisable to accomplish any of the commission's purposes;

(6) make grants to public or private persons with an established presence within this state to encourage economic development related to space and aerospace;

(7) make grants to enhance the capacity of institutions of higher education to participate in and support classified research;

(8) provide matching funding to external funding provided by relevant federal agencies, private industry, or private research organizations; and

(9) engage in the planning and implementation of aerospace-related educational opportunities within this state in coordination with the Texas Aerospace Research and Space Economy Consortium established under Subchapter G.

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. [3447](#)), Sec. 1, eff. September 1, 2023.

SUBCHAPTER C. STRATEGIC PLAN

Sec. 482.201. STRATEGIC PLAN. (a) The commission shall develop and annually update a strategic plan for the promotion of space, aeronautics, and aviation economic development in this state.

(b) The strategic plan must include a list of potential projects that further the purpose of the commission, and, for each project:

(1) the estimated total cost for completion, including a potential state matching cost; and

(2) an assessment of the availability of external funding sources.

(c) The strategic plan may include any other information the commission determines is relevant to furthering the purpose of the commission.

(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 year.

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

SUBCHAPTER D. SPACE EXPLORATION AND AERONAUTICS RESEARCH FUND

Sec. 482.301. SPACE EXPLORATION AND AERONAUTICS RESEARCH FUND; ESTABLISHMENT. (a) The space exploration and aeronautics research fund is established to provide grants to eligible entities as provided by this chapter.

(b) The fund is a trust fund outside the treasury with the comptroller and administered by the commission.

(c) The fund is composed of:

(1) gifts, grants, and donations provided to the commission; and

(2) money from any source designated by the legislature.

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

Sec. 482.302. SPACE EXPLORATION AND AERONAUTICS RESEARCH FUND; GRANTS. (a) Using money available in the fund, the commission may provide grants to eligible entities described by Subsection (b) for the purposes of:

(1) development of emerging technologies required for any aspect of human space flight;

(2) research involving any aspect of space exploration and space flight;

(3) workforce training to promote space exploration and space flight;

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

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

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

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

(2) a governmental entity with which the commission has entered into an intergovernmental agreement for that purpose.

(c) The board shall comply with the provisions of this chapter in developing the procedures for administration and approval of grants through the fund.

(d) The commission shall provide written notification to the Legislative Budget Board not later than the 30th day after the date a grant award is made from the fund.

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

SUBCHAPTER E. ETHICS AND AUDIT

Sec. 482.401. CONFLICT OF INTEREST. (a) The board shall adopt conflict-of-interest rules to govern members of the board and commission employees.

(b) A board member or commission employee shall recuse himself or herself, as provided by Section 482.402, if the board member or employee, or a person who is related to the board member or employee within the second degree of affinity or consanguinity, has a professional or financial interest in an entity receiving or applying to receive money from the commission.

(c) A person has a financial interest in an entity receiving or applying to receive money from the commission if the person:

(1) owns or controls, directly or indirectly, an ownership interest, including sharing in profits, proceeds, or capital gains, in an entity, or in a foundation or similar organization affiliated with an entity, receiving or applying to receive money from the commission; or

(2) could reasonably foresee that an action or recommendation by the board or commission could result in a financial benefit to the person.

(d) Nothing in this subchapter limits the authority of the board to adopt additional conflict-of-interest standards.

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

Sec. 482.402. DISCLOSURE OF CONFLICT OF INTEREST; RECUSAL.

(a) If a board member has a conflict of interest as described by Section 482.401 regarding an application that comes before the board for review or other action, the board member shall:

(1) provide written notice to the executive director and the presiding officer of the board or the next ranking member of the board if the presiding officer has the conflict of interest;

(2) disclose the conflict of interest in an open meeting of the board; and

(3) recuse himself or herself from participating in the review, discussion, deliberation, and vote on the application and from accessing information regarding the matter to be decided.

(b) If a commission employee has a conflict of interest described by Section 482.401 regarding an application that comes before the employee for review or other action, the employee shall:

(1) provide written notice to the executive director of the conflict of interest; and

(2) recuse himself or herself from participating in the review of the application and be prevented from accessing information regarding the matter to be decided.

(c) A board member or commission employee with a conflict of interest may seek a waiver as provided by Section 482.403.

(d) A board member or commission employee who reports a potential conflict of interest or another impropriety or self-dealing of the member or employee and who fully complies with the recommendations of the general counsel and recusal requirements is considered in compliance with the conflict-of-interest provisions of this subchapter. The member or employee is subject to other applicable laws, rules, requirements, and prohibitions.

(e) A board member or commission employee who intentionally violates this section is subject to removal from further participation in the commission's review process.

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

Sec. 482.403. EXCEPTIONAL CIRCUMSTANCES REQUIRING PARTICIPATION; INVESTIGATION OF UNREPORTED CONFLICT OF INTEREST.

(a) The board shall adopt rules governing the waiver of the conflict-of-interest requirements of this subchapter under exceptional circumstances for a board member or commission employee. The rules must:

(1) authorize the executive director or a board member to propose granting a waiver by submitting to the presiding officer of the board a written statement about the conflict of interest, the exceptional circumstance requiring the waiver, and any proposed limitations to the waiver;

(2) require a proposed waiver to be publicly reported at a meeting of the board;

(3) require a majority vote of the board members present and voting to grant a waiver; and

(4) require the commission to retain documentation of each waiver granted.

(b) The board shall adopt rules governing the investigation and consequences of unreported conflicts of interest.

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

Sec. 482.404. CODE OF CONDUCT. (a) The board shall adopt a code of conduct applicable to each board member and commission employee.

(b) The code of conduct at a minimum must include provisions prohibiting the member, the employee, or the member's or employee's spouse from:

(1) accepting or soliciting any gift, favor, or service that could reasonably influence the member or employee in the discharge of official duties or that the member, employee, or

spouse of the member or employee knows or should know is being offered with the intent to influence the member's or employee's official conduct;

(2) accepting employment or engaging in any business or professional activity that would reasonably require or induce the member or employee to disclose confidential information acquired in the member's or employee's official position;

(3) accepting other employment or compensation that could reasonably impair the member's or employee's independent judgment in the performance of official duties;

(4) making personal investments or having a financial interest that could reasonably create a substantial conflict between the member's or employee's private interest and the member's or employee's official duties;

(5) intentionally or knowingly soliciting, accepting, or agreeing to accept any benefit for exercising the member's official powers or performing the member's or employee's official duties in favor of another;

(6) leasing, directly or indirectly, any property, capital equipment, employee, or service to any entity that receives a grant from the commission;

(7) submitting a grant application for funding by the board;

(8) serving on the board of directors of an organization established with a grant from the commission; or

(9) serving on the board of directors of a grant recipient.

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. [3447](#)), Sec. 1, eff. September 1, 2023.

SUBCHAPTER F. PROCEDURE FOR MAKING AWARDS

Sec. 482.501. RULES FOR GRANT AWARD PROCEDURE. (a) The board shall adopt rules regarding the procedure for awarding grants to an applicant under this chapter, 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.
Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

Sec. 482.502. MULTIYEAR PROJECTS. The board may grant money for a multiyear project. The board shall specify the total amount of money approved to fund the multiyear project. The total amount specified is considered for purposes of this subchapter to have been awarded in the state fiscal year that the project is approved by the board. The board shall distribute only the money that will be expended during that fiscal year. The board shall distribute the remaining grant money as the money is needed in each subsequent state fiscal year.
Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

Sec. 482.503. PREFERENCE FOR TEXAS SUPPLIERS. The board shall establish standards to ensure that grant recipients purchase goods and services from suppliers in this state to the extent reasonably possible, in a good faith effort to achieve a goal of more than 50 percent of those purchases from suppliers in this state.
Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

Sec. 482.504. GRANT EVALUATION. (a) The executive director shall determine the grant review process under this section. The executive director may terminate grants that do not meet contractual obligations.

(b) The executive director shall report at least annually to the board on the progress and continued merit of each grant funded by the commission.

(c) The board shall establish and implement reporting requirements to ensure that each grant recipient complies with the terms and conditions in the grant contract, including verification

of the amounts of matching money dedicated to the research that is the subject of the grant award to the grant recipient.

(d) The commission shall implement a system to:

(1) track the dates on which grant recipient reports are due and are received by the commission; and

(2) monitor the status of any required report that is not timely submitted to the commission by a grant recipient.

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

Sec. 482.505. GRANT RECORDS. 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, including the amount of matching money dedicated to the research specified for the grant award;

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

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

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

SUBCHAPTER G. TEXAS AEROSPACE RESEARCH AND SPACE ECONOMY CONSORTIUM

Sec. 482.601. DEFINITIONS. In this subchapter:

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

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

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

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, 2032.

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

Sec. 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 aerospace activity;

(B) enhance this state's position in aeronautics research and development, astronautics, space commercialization, and space flight infrastructure; and

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

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

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

Sec. 482.604. CONSORTIUM COMPOSITION. The consortium is composed of:

(1) each institution of higher education; and

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

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

Sec. 482.605. ADMINISTRATIVE ATTACHMENT. The consortium is administratively attached to the 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.

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

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

(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) A vacancy on the executive committee is filled in the same manner as the initial appointment.

(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.

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

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

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

Sec. 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 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

(C) procedures for 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.

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. 3447), Sec. 1, eff. September 1, 2023.

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.

Added by Acts 2023, 88th Leg., R.S., Ch. 856 (H.B. [3447](#)), Sec. 1, eff. September 1, 2023.