

GOVERNMENT CODE

TITLE 7. INTERGOVERNMENTAL RELATIONS

CHAPTER 771. INTERAGENCY COOPERATION ACT

Sec. 771.001. SHORT TITLE. This chapter may be cited as the Interagency Cooperation Act.

Added by Acts 1991, 72nd Leg., ch. 38, Sec. 1, eff. Sept. 1, 1991.

Sec. 771.002. DEFINITIONS. In this chapter:

(1) "Agency" includes:

(A) a department, board, bureau, commission, court, office, authority, council, or institution of state government;

(B) a state university or college, a junior college district, or any service or part of a state institution of higher education;

(C) a local workforce development board created under Section [2308.253](#); and

(D) any statewide job or employment training program for disadvantaged youth that is substantially financed by federal funds and that was created by executive order not later than December 30, 1986.

(2) "Resources" means materials and equipment.

(3) "Services" means special or technical services, including the services of employees.

Added by Acts 1991, 72nd Leg., ch. 38, Sec. 1, eff. Sept. 1, 1991.

Amended by Acts 1993, 73rd Leg., ch. 107, Sec. 4.11(a), eff. Aug. 30, 1993; Acts 1993, 73rd Leg., ch. 684, Sec. 53, eff. Sept. 1, 1993; Acts 2001, 77th Leg., ch. 1004, Sec. 3, eff. Sept. 1, 2001.

Amended by:

Acts 2005, 79th Leg., Ch. 564 (H.B. [1331](#)), Sec. 1, eff. June 17, 2005.

Sec. 771.003. AUTHORITY TO CONTRACT; EXCEPTIONS. (a) An agency may agree or contract with another agency for the provision of necessary and authorized services and resources.

(b) An agency may not construct a highway, road, building,

or other structure for another agency under this chapter, except that the Texas Department of Transportation may enter into an interagency agreement with a state college, university, or public junior college for the maintenance, improvement, relocation, or extension of existing on-campus streets, parking lots, and access-ways.

(c) An agency may not provide services or resources to another agency that are required by Article XVI, Section 21, of the Texas Constitution to be provided under a contract awarded to the lowest responsible bidder.

Added by Acts 1991, 72nd Leg., ch. 38, Sec. 1, eff. Sept. 1, 1991.

Amended by Acts 1993, 73rd Leg., ch. 107, Sec. 4.11(b), eff. Aug. 30, 1993; Acts 1995, 74th Leg., ch. 165, Sec. 22(40), eff. Sept. 1, 1995.

Amended by:

Acts 2005, 79th Leg., Ch. 564 (H.B. 1331), Sec. 2, eff. June 17, 2005.

Sec. 771.004. CONTRACT REQUIREMENTS; EXCEPTIONS. (a) Before an agency may provide or receive a service or resource under this chapter, the agency must have entered into a written agreement or contract that has been approved by the administrator of each agency that is a party to the agreement or contract.

(b) The agreement or contract must specify:

(1) the kind and amount of services or resources to be provided;

(2) the basis for computing reimbursable costs; and

(3) the maximum cost during the period of the agreement or contract.

(c) A written agreement or contract is not required:

(1) in an emergency for the defense or safety of the civil population or in the planning and preparation for those emergencies;

(2) in cooperative efforts, proposed by the governor, for the economic development of the state; or

(3) in a situation in which the amount involved is less than \$50,000.

(d) In an interagency exchange that is exempt from the requirements of a written agreement or contract, the agencies involved shall document the exchange through informal letters of agreement or memoranda.

Added by Acts 1991, 72nd Leg., ch. 38, Sec. 1, eff. Sept. 1, 1991.

Amended by Acts 1993, 73rd Leg., ch. 107, Sec. 4.11(b), eff. Aug. 30, 1993; Acts 1993, 73rd Leg., ch. 684, Sec. 54, 55, eff. Sept. 1, 1993.

Amended by:

Acts 2005, 79th Leg., Ch. 564 (H.B. [1331](#)), Sec. 3, eff. June 17, 2005.

Sec. 771.006. PURCHASES AND SUBCONTRACTS OF SERVICES AND RESOURCES. A contract under this chapter may authorize an agency providing services and resources to subcontract and purchase the services and resources.

Added by Acts 1991, 72nd Leg., ch. 38, Sec. 1, eff. Sept. 1, 1991.

Amended by Acts 1993, 73rd Leg., ch. 107, Sec. 4.11(b), eff. Aug. 30, 1993; Acts 1993, 73rd Leg., ch. 684, Sec. 56, eff. Sept. 1, 1993.

Sec. 771.007. REIMBURSEMENT AND ADVANCEMENT OF COSTS. (a) An agency that receives services or resources under this chapter shall reimburse each agency providing the services or resources the actual cost of providing the services or resources, or the nearest practicable estimate of that cost. Reimbursement is not required if the services or resources are provided:

(1) for national defense or disaster relief; or

(2) in cooperative efforts, proposed by the governor, to promote the economic development of the state.

(b) An agency that receives services or resources under this chapter may advance federal funds to an agency providing the services or resources if the agency receiving the services or resources determines that the advance would facilitate the implementation of a federally funded program.

(c) An agency that receives services or resources under this chapter may advance funds to the agency providing the services or

resources if an advance is necessary to enable the providing agency to provide the services or resources. If an advance is made under this section, the agencies shall ensure after the services or resources are provided that the providing agency has received only sufficient funds to reimburse its total costs. An advance of funds is a reimbursement for the purpose of Section [771.008](#).

Added by Acts 1991, 72nd Leg., ch. 38, Sec. 1, eff. Sept. 1, 1991.

Amended by Acts 1993, 73rd Leg., ch. 107, Sec. 4.11(b), eff. Aug. 30, 1993.

Amended by:

Acts 2005, 79th Leg., Ch. 564 (H.B. [1331](#)), Sec. 4, eff. June 17, 2005.

Sec. 771.008. REIMBURSEMENT PROCEDURES. (a) An agency shall reimburse an agency for the services or resources provided with a voucher payable to the providing agency or electronically as prescribed by the uniform statewide accounting system. The voucher or electronic transfer must be drawn on the appropriation item or account of the receiving agency from which the agency would ordinarily make expenditures for similar services or resources. A receiving agency may authorize a providing agency to gain access to the receiving agency's appropriation items or accounts for reimbursements under this chapter.

(b) A reimbursement received by an agency for services or resources provided under this chapter shall be credited to the appropriation items or accounts from which the agency's expenditures for the services or resources were made.

(c) A payment for an intraagency transaction is accounted for in the same manner as an interagency transaction or an interdivisional transfer of money on the records of the agency, subject to the applicable provisions of the General Appropriations Act.

(d) This subsection applies only if the services or resources are provided under a written contract or agreement. The receiving agency shall reimburse the providing agency within 30 days after the date by which the services or resources are provided and an invoice is received. If the receiving agency does not accept

the services or resources or finds an error in the invoice, it shall notify the providing agency of the fact in writing as soon as possible within the 30-day period and make payment within 10 days after the date the agencies agree the problems are corrected or the error resolved. If the agencies cannot agree on the amount of the reimbursement, the comptroller shall determine the appropriate amount. If the receiving agency does not, within the 30-day period, reimburse the providing agency or give the providing agency written notice of a problem or error, the comptroller on request of the providing agency may transfer from amounts appropriated to the receiving agency the appropriate amount in accordance with this section.

Added by Acts 1991, 72nd Leg., ch. 38, Sec. 1, eff. Sept. 1, 1991.  
Amended by Acts 1993, 73rd Leg., ch. 107, Sec. 4.11(b), eff. Aug. 30, 1993; Acts 1993, 73rd Leg., ch. 684, Sec. 68(b)(1), eff. Sept. 1, 1993; Acts 1999, 76th Leg., ch. 1499, Sec. 1.09, eff. Sept. 1, 1999.

Sec. 771.010. EXCEEDING AUTHORITY PROHIBITED. An agency may not enter into an agreement or contract that requires or permits the agency to exceed its duties and responsibilities or the limitations of its appropriated funds.

Added by Acts 1991, 72nd Leg., ch. 38, Sec. 1, eff. Sept. 1, 1991.

Amended by:

Acts 2005, 79th Leg., Ch. 564 (H.B. [1331](#)), Sec. 5, eff. June 17, 2005.