

- SUBJECT:** Requiring the use of state credit or charge cards for agency purchases
- COMMITTEE:** Government Transparency and Operation — committee substitute recommended
- VOTE:** 6 ayes — Elkins, Galindo, Gonzales, Gutierrez, Leach, Scott Turner
- 0 nays
- 1 absent — Walle
- WITNESSES:** For — Mary Lewis, Citibank; Ron Lewis, Mastercard; (*Registered, but did not testify*: David Cox, Citibank; Brian Yarbrough, JPMorgan Chase; Kelly Rodgers, Wells Fargo Bank)
- Against — None
- On — (*Registered, but did not testify*: Ron Pigott, Health and Human Services Commission; Chuks Amajor and Rob Coleman, Comptroller of Public Accounts)
- BACKGROUND:** Government Code, sec. 403.023 authorizes the Comptroller of Public Accounts to establish rules regarding the use of credit and charge cards for agency purchases. The comptroller can authorize particular state agencies to use credit or charge cards and authorize credit or charge cards' use in the place of petty cash.
- DIGEST:** CSHB 1743 would allow the comptroller, under existing authority, to develop rules that would require most state agencies in the executive branch to use a state credit or charge card for all purchases, unless the comptroller determined a different form of payment was more advantageous to the state.
- The rules also would prohibit state employees from using personal credit or charge cards for agency purchases, including travel expenses and services. Higher education institutions, the Health and Human Services

Commission (HHSC), health and human services agencies, and the governor's office would not be required to follow these rules.

The bill would require the HHSC executive commissioner to develop by rule a policy that would encourage HHSC and other health and human services agencies to use a state credit or charge card to pay for travel expenses.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2015.

**NOTES:**

The Legislative Budget Board's analysis stated that CSHB 1743 would have an indeterminate cost to the state, but that the cost was expected to be insignificant, depending on determinations made by the comptroller's office.