

By: Hinojosa

S.B. No. 424

A BILL TO BE ENTITLED

AN ACT

relating to state agency enforcement of laws regulating small businesses.

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

SECTION 1. Subchapter A, Chapter 2006, Government Code, is amended by adding Section 2006.003 to read as follows:

Sec. 2006.003. OPPORTUNITY TO REMEDY VIOLATION; POLICY.

(a) This section applies only to a state agency with regulatory authority over a small business.

(b) A state agency may not impose an administrative penalty or request imposition of a civil penalty against a small business for a first violation of a statute or a rule administered by the agency unless the agency first provides the small business written notice of the violation and an opportunity to remedy the violation within a reasonable time of receipt of the notice. Notwithstanding any other law, a violation is not considered to be a continuing violation during the reasonable time in which the small business is attempting to remedy the violation.

(c) Each state agency subject to this section shall adopt a policy consistent with the requirements of Subsection (b). The policy must provide that the agency will not attempt to recover an administrative penalty or request imposition of a civil penalty during the reasonable time in which the small business is attempting to remedy the violation.

1 SECTION 2. Not later than January 1, 2022, each state agency
2 shall adopt and implement the policy required by Section 2006.003,
3 Government Code, as added by this Act.

4 SECTION 3. This Act takes effect September 1, 2021.