

By: Harrison

H.B. No. 4260

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the establishment of the Legislative Economic Analysis
3 Unit and the expiration of certain state agency rules.

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

5 SECTION 1. Subtitle C, Title 3, Government Code, is amended
6 by adding Chapter 330 to read as follows:

7 CHAPTER 330. LEGISLATIVE ECONOMIC ANALYSIS UNIT

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Sec. 330.001. DEFINITIONS. In this chapter:

10 (1) "Board" means the Legislative Economic Analysis
11 Unit Board established under this chapter.

12 (2) "Major rule" means a state agency rule determined
13 by the Legislative Economic Analysis Unit to be a rule that will or
14 is likely to result in:

15 (A) an annual effect on the state's economy of
16 \$10 million or more;

17 (B) significant adverse effects on competition,
18 employment, investment, productivity, or innovation, including
19 significant adverse effects on individual industries or regions; or

20 (C) significant changes in social and cultural
21 relations among residents of this state, including significant
22 impacts on religious, ethnic, racial, or gender populations.

23 (3) "State agency rule" means a state agency statement
24 of general applicability and future effect designed to implement,

1 interpret, or prescribe law or policy or to describe the
2 organization, procedure, or practice requirements of the agency.

3 (4) "Unit" means the Legislative Economic Analysis
4 Unit established under this chapter.

5 SUBCHAPTER B. LEGISLATIVE ECONOMIC ANALYSIS UNIT BOARD

6 Sec. 330.051. MEMBERSHIP. (a) The Legislative Economic
7 Analysis Unit Board consists of:

8 (1) the lieutenant governor;

9 (2) the speaker of the house of representatives;

10 (3) six senators appointed by the lieutenant governor;

11 and

12 (4) six members of the house of representatives
13 appointed by the speaker of the house of representatives.

14 (b) The lieutenant governor and the speaker of the house of
15 representatives are joint chairs of the board.

16 Sec. 330.052. TERMS; VACANCY. (a) Except for the
17 lieutenant governor and the speaker of the house of
18 representatives, each member of the board serves a term that begins
19 on the date the member is appointed to the board and ends with the
20 convening of the first regular legislative session that occurs
21 after the date of appointment.

22 (b) If a vacancy occurs in the appointed membership of the
23 board, the appropriate appointing authority shall appoint a person
24 to serve for the remainder of the unexpired term.

25 Sec. 330.053. MEETINGS. (a) The board shall meet as often
26 as necessary to perform its duties. Meetings may be held at any
27 time at the request of either of the joint chairs of the board.

1 (b) A majority of the members of the board from each house of
2 the legislature constitutes a quorum. If a quorum is present, the
3 board may act on any matter that is within its jurisdiction by a
4 majority vote.

5 (c) The board shall keep complete minutes of each meeting.

6 (d) Each member of the legislature is entitled to attend and
7 present the member's views in any meeting of the board, except that
8 a legislator who is not a member of the board may not vote.

9 Sec. 330.054. EXPENSES OF MEMBERS. Members of the board are
10 entitled to reimbursement for necessary expenses incurred in
11 performing functions as members of the board.

12 Sec. 330.055. LEGISLATIVE CONSIDERATION OF MAJOR RULES.
13 The board shall adopt procedures to ensure the timely consideration
14 by the legislature of a bill that validates a state agency rule
15 determined to be a major rule before the expiration of that rule
16 under Section 330.151.

17 SUBCHAPTER C. LEGISLATIVE ECONOMIC ANALYSIS UNIT

18 Sec. 330.101. ESTABLISHMENT. The Legislative Economic
19 Analysis Unit is established as an independent agency of the
20 legislature.

21 Sec. 330.102. CHIEF ECONOMIST. (a) The lieutenant
22 governor and speaker of the house of representatives shall jointly
23 appoint a chief economist as the director of the unit.

24 (b) The chief economist serves at the pleasure of the
25 lieutenant governor and speaker of the house of representatives.

26 (c) The board shall set the salary of the chief economist.

27 Sec. 330.103. PERSONNEL. The chief economist may employ

1 professional and clerical staff as necessary and appropriate to
2 perform the duties of the unit, subject to limitations imposed by
3 the board.

4 Sec. 330.104. APPROPRIATION. The legislature shall make an
5 appropriation to the unit in an amount sufficient to fund the
6 operations of the unit.

7 Sec. 330.105. DUTIES. The unit shall:

8 (1) analyze each state agency rule submitted under
9 Section 330.151 to determine whether the rule is a major rule;

10 (2) make a written determination of any state agency
11 rule the unit determines is a major rule, and post that
12 determination on the unit's Internet website;

13 (3) notify a state agency if the unit determines that a
14 state agency rule adopted by the agency is a major rule;

15 (4) request that the Texas Legislative Council draft a
16 bill to validate the major rule;

17 (5) create a written regulatory impact analysis of
18 each state agency rule the unit determines is a major rule;

19 (6) on request of the lieutenant governor or speaker
20 of the house of representatives, create a written grant impact
21 analysis of each grant or other financial benefit that the state has
22 received or is eligible to receive from the federal government or
23 another source; and

24 (7) perform other duties as prescribed by the board.

25 Sec. 330.106. IMPACT ANALYSES. (a) The chief economist
26 shall ensure that each regulatory impact analysis created by the
27 unit under Section 330.105(5) includes the following for the major

1 rule that is the subject of the analysis:

2 (1) a statement indicating whether the rule is
3 necessary;

4 (2) a statement of the legal basis for the rule;

5 (3) an examination of alternative rules;

6 (4) a detailed evaluation of the costs and benefits of
7 adopting the rule;

8 (5) a statement of the sources consulted in creating
9 the analysis;

10 (6) any key assumption made in creating the analysis;

11 and

12 (7) any continued source of uncertainty regarding the
13 analysis.

14 (b) The chief economist shall ensure that each grant impact
15 analysis created by the unit under Section 330.105(6) includes the
16 following for the grant or financial benefit that is the subject of
17 the analysis:

18 (1) a statement of the legal basis for accepting or
19 using the grant or benefit;

20 (2) a detailed evaluation of the costs and benefits of
21 accepting or using the grant or benefit;

22 (3) a statement of the sources consulted in creating
23 the analysis;

24 (4) any key assumption made in creating the analysis;

25 and

26 (5) any continued source of uncertainty regarding the
27 analysis.

1 (c) The chief economist shall ensure that each impact
2 analysis created by the unit is posted on the unit's Internet
3 website.

4 Sec. 330.107. INTERNET WEBSITE. The unit shall maintain an
5 Internet website.

6 SUBCHAPTER D. SUNSET OF MAJOR RULES

7 Sec. 330.151. SUNSET OF MAJOR RULE. (a) Each state agency
8 shall submit each rule adopted by the agency to the unit.

9 (b) Except as provided by Subsection (c), each state agency
10 rule determined by the unit to be a major rule expires on July 1 of
11 the odd-numbered year following the unit's determination that the
12 rule is a major rule.

13 (c) A major rule does not expire if the legislature by
14 general law validates the rule before the date the rule is set to
15 expire.

16 (d) A state agency may not adopt a state agency rule that is
17 the same or substantially the same as a major rule that has expired.

18 SECTION 2. (a) Not later than the 30th day after the
19 effective date of this Act, the lieutenant governor and the speaker
20 of the house of representatives shall appoint the initial members
21 of the Legislative Economic Analysis Unit Board established under
22 Chapter 330, Government Code, as added by this Act.

23 (b) Not later than the 90th day after the effective date of
24 this Act, the lieutenant governor and the speaker of the house of
25 representatives shall appoint the chief economist of the
26 Legislative Economic Analysis Unit as required by Section 330.102,
27 Government Code, as added by this Act.

1 SECTION 3. Section 330.151, Government Code, as added by
2 this Act, applies only to a state agency rule that is adopted on or
3 after the effective date of this Act.

4 SECTION 4. This Act takes effect September 1, 2023.