

BILL ANALYSIS

H.B. 426
By: Christian
State Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Under current law, a state agency can adopt rules imposing additional costs on local governments or persons without considering how those costs will be paid for and without obtaining express authorization from the legislature. The purpose of House Bill 426 is to establish procedures which place certain restrictions upon a state agency's ability to adopt rules imposing such costs.

RULEMAKING AUTHORITY

It is the opinion of the committee that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

House Bill 426 amends Subchapter B, Chapter 2001, of the Government Code to redefine the authority of state agencies to adopt rules that impose certain costs on local governments or persons. The bill provides that, unless expressly authorized by the legislature in compliance with the provisions of the bill, a state agency is prohibited from adopting a rule for which the notice given includes a fiscal note estimating additional costs to local governments as a result of enforcing or administering the rule, or a note stating probable economic costs to persons required to comply with the rule. The bill authorizes a state agency to adopt a rule for which the notice estimating the costs described above is given if the legislature by law expressly authorizes the adoption of the rule with those costs. The bill provides that a state agency order finally adopting a rule having such cost implications must include a reference to the law authorizing the adoption of the rule with those costs.

EFFECTIVE DATE

September 1, 2003. The Act applies only to a rule proposed by a state agency for which notice is given under Section 2001.023, Government Code, on or after December 1, 2003.