

BILL ANALYSIS

Senate Research Center
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H.B. 2542
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Government Organization
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Created in 2001, the mission of the Office of Rural Community Affairs (office) is to assist rural communities to enhance their quality of life and support their ongoing contributions to the prosperity of Texas. The office is the state's lead agency for administering the federally funded rural Community Development Block Grant program (program), and for administering health programs to assist rural communities. The office has a staff of 70 employees, with eight single-person field offices. The office is subject to the Sunset Act and will be abolished on September 1, 2007, unless continued by the legislature.

H.B. 2542 enacts the recommendations of the Sunset Advisory Commission (commission) by creating a new 11-member board, continuing the agency for an eight-year period, and including several changes in law to address additional areas needing improvement within the office.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the board of the Office of Rural Community Affairs in SECTION 8 (Section 487.032, Government Code) of this bill.

Rulemaking authority previously expressly granted to the executive committee of the Office of Rural and Community Affairs is transferred to the board of the Office of Rural Community Affairs in SECTION 10 (Section 487.052, Government Code), SECTION 21 (Section 487.109, Government Code), SECTION 22 (Section 487.112, Government Code), SECTION 28 (Section 487.159, Government Code), SECTION 30 (Section 487.163, Government Code), SECTION 31 (Section 487.204, Government Code), SECTION 32 (Section 487.252, Government Code), SECTION 33 (Section 487.253, Government Code), SECTION 37 (Section 487.401, Government Code), SECTION 40 (Section 487.454, Government Code), SECTION 43 (Section 487.555, Government Code), and SECTION 44 (Section 487.556, Government Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 487.001(1), Government Code, to define "board" and to delete the definition of "executive committee."

SECTION 2. Amends Section 487.002, Government Code, to change the sunset date to September 1, 2015, rather than 2007.

SECTION 3. Amends Section 487.021, Government Code, as follows:

Sec. 487.021. New heading: BOARD. (a) Provides that the board of the Office of Rural Community Affairs (board), rather than the executive committee, is the governing body of the Office of Rural Community Affairs (office).

(b) Provides that the board is composed of 11, rather than nine, members and sets forth the specific way in which members are appointed.

(b-1) Provides that the two board members who are members of the legislature are nonvoting members.

(c) Defines "rural city or county." Deletes the provision that the governor, lieutenant governor, and speaker of the house of representatives appoint at least

two members who possess a demonstrated strong understanding of a commitment to rural interests.

(d) Makes a conforming change.

(e) Provides that the members of the board who are not serving an additional duty in a state government office serve staggered six-year terms. Provides that a member of the legislature serves at the will of the appointing authority.

(f) Makes a conforming change.

(g) Requires the governor to designate a member of the board as the presiding officer, rather than requiring the members themselves to elect a presiding officer. Makes conforming changes.

(h) Provides that service on the board by a legislator, the commissioner of agriculture, or an officer of a county or municipality is an additional duty of the individual's office.

SECTION 4. Amends Sections 487.022(b) and (c), Government Code, to make conforming changes.

SECTION 5. Amends Sections 487.023 through 487.027, Government Code, as follows:

Sec. 487.023. New heading: TRAINING FOR MEMBERS OF BOARD. Makes conforming and nonsubstantive changes.

Sec. 487.024. REMOVAL. Makes conforming changes.

Sec. 487.025. DIVISION OF RESPONSIBILITY. Makes conforming changes.

Sec. 487.026. EXECUTIVE DIRECTOR. Makes conforming changes.

Sec. 487.027. PUBLIC HEARINGS. Makes conforming changes.

SECTION 6. Amends Section 487.029, Government Code, to make a conforming change.

SECTION 7. Amends Section 487.030, Government Code, as follows:

Sec. 487.030. COMPLAINTS. (a) Requires the office to maintain a system to promptly and efficiently act on complaints, rather than maintain a file on each written complaint, filed with the office. Requires the office to maintain information about parties to the complaint, the subject matter of the complaint, a summary of the results of the review or investigation of the complaint, and its disposition. Deletes existing text requiring the file to include certain information.

(b) Requires the office to make information available describing its procedures for complaint investigation and resolution. Deletes existing text requiring the office to provide to the person filing the complaint and to each person who is a subject of the complaint a copy of the office's policies and procedures relating to complaint investigation and resolution.

(c) Requires the office periodically, rather than at least quarterly until final disposition of the complaint, to notify the complaint parties of the status of the complaint until final disposition, rather than the status of the investigation unless the notice would jeopardize an undercover investigation.

SECTION 8. Amends Subchapter B, Chapter 487, Government Code, by adding Sections 487.031 and 487.032, as follows:

Sec. 487.031. USE OF TECHNOLOGY. Requires the board to implement a policy requiring the office to use appropriate technological solutions to improve the office's ability to perform its functions. Requires the policy to ensure that the public is able to interact with the office on the Internet.

Sec. 487.032. NEGOTIATED RULEMAKING AND ALTERNATIVE DISPUTE RESOLUTION PROCEDURES. (a) Requires the board to develop and implement a policy to encourage the use of negotiated rulemaking procedures under Chapter 2008 (Negotiated Rulemaking) for the adoption of office rules and appropriate alternative dispute resolution procedures under Chapter 2009 (Alternative Dispute Resolution for Use by Governmental Bodies) to assist in the resolution of internal and external disputes under the office's jurisdiction.

(b) Requires the office's procedures relating to alternative dispute resolution to conform, to the extent possible, to any model guidelines issued by the State Office of Administrative Hearings for the use of alternative dispute resolution by state agencies.

(c) Requires the board to designate a trained person to coordinate the implementation of the policy adopted under Subsection (a), serve as a resource for any training needed to implement the procedures for negotiated rulemaking or alternative dispute resolution, and collect data concerning the effectiveness of those procedures, as implemented by the office.

SECTION 9. Amends Section 487.051, Government Code, as follows:

Sec. 487.051. POWERS AND DUTIES. (a) Requires the office to assist rural communities in the key areas of economic development, community development, rural health, and rural housing, serve as a clearinghouse for information and resources on all state and federal programs affecting rural communities, identify and prioritize policy issues and concerns affecting rural communities in the state while in consultation with certain individuals and groups, make recommendations to the legislature to address the concerns affecting rural communities identified under Subdivision (3), and regularly cross-train office employees with employees of the Texas Department of Agriculture (TDA) regarding the programs administered and services provided by each agency to rural communities. Deletes existing text requiring the office to develop a rural policy for the state in consultation with certain individuals, work with other state agencies and officials to improve the results and the cost-effectiveness of state programs affecting rural communities through coordination of efforts, and develop programs to improve the leadership capacity of rural community leaders.

(b) Authorizes the office to require office employees who work at locations other than the central office to be based in TDA offices.

SECTION 10. Amends Section 487.052, Government Code, to make a conforming change.

SECTION 11. Amends Section 487.053(b), Government Code, to make a conforming change.

SECTION 12. Amends Section 487.054(b), Government Code, to make conforming changes.

SECTION 13. Amends Section 487.055, Government Code, to make conforming changes.

SECTION 14. Amends Section 487.056, Government Code, to make conforming changes.

SECTION 15. Amends Section 487.057(b), Government Code, to make conforming changes.

SECTION 16. Amends Sections 487.059(b), (c), (e), (f), and (g), Government Code, as follows:

(b) Makes conforming changes.

(c) Requires an office employee, in addition to the executive director, who has a financial interest in an entity that applies for a monetary award to take certain actions regarding disclosure of that fact and participation in awarding the money set forth in this subsection. Makes conforming changes.

(e) Makes a conforming change.

(f) Makes conforming changes.

(g) Makes a conforming change.

SECTION 17. Amends Sections 487.103(a), (b), and (c), Government Code, to make conforming changes.

SECTION 18. Amends Sections 487.104(b) and (d), Government Code, to make conforming changes.

SECTION 19. Amends Section 487.107, Government Code, to make conforming changes.

SECTION 20. Amends Section 487.108(a), Government Code, to make conforming changes.

SECTION 21. Amends Sections 487.109(b), (c), and (d), Government Code, to make conforming changes.

SECTION 22. Amends Section 487.112, Government Code, to make conforming changes.

SECTION 23. Amends Section 487.154, Government Code, to make conforming changes.

SECTION 24. Amends Section 487.155(a), Government Code, to make conforming changes.

SECTION 25. Amends Section 487.156(c), Government Code, to make a conforming change.

SECTION 26. Amends Section 487.157(a), Government Code, to make a conforming change.

SECTION 27. Amends Section 487.158(b), Government Code, to make a conforming change.

SECTION 28. Amends Sections 487.159(b), Government Code, to make conforming changes.

SECTION 29. Amends Sections 487.161(b) and (c), Government Code, to make conforming changes.

SECTION 30. Amends Section 487.163, Government Code, to make conforming changes.

SECTION 31. Amends Sections 487.202, 487.203, and 487.204, Government Code, to make conforming changes.

SECTION 32. Amends Section 487.252, Government Code, to make conforming changes.

SECTION 33. Amends Section 487.253(a), Government Code, to make a conforming change.

SECTION 34. Amends Section 487.351, Government Code, by adding Subsection (c), to require the office to give priority to eligible activities in the areas of economic development, community development, rural health, and rural housing to support workforce development in awarding funding for community development block grant programs.

SECTION 35. Amends Subchapter I, Chapter 487, Government Code, by adding Section 487.3515, as follows:

Sec. 487.3515. EVALUATION OF COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM. (a) Requires the office, in consultation with TDA to review and evaluate the administration of the state's allocation of federal funds under the community

development block grant nonentitlement program (program) and, based on the results, streamline administration of the program and program requirements. Requires the office, at a minimum, to evaluate certain aspects of the program.

(b) Requires the office to implement non-statutory changes resulting from the evaluation as soon as possible, but no later than the date the office publishes the next program action plan.

(c) Requires the office to include findings from the evaluation, changes resulting from the evaluation, and any statutory changes needed to make additional changes in the agency's biennial report to the 81st Legislature.

(d) Provides that this section expires September 1, 2009.

SECTION 36. Amends Section 487.353, Government Code, by amending Subsections (i) and (j) and adding Subsections (k) and (l), as follows:

(i) Requires the state community development review committee (committee), among other things and in consultation with the executive director and office staff, to review and approve grant and loan applications and associated funding awards of eligible counties and municipalities and advise and assist the executive director regarding the allocation of program funds to those applicants.

(j) Makes no changes to this subsection.

(k) Authorizes an applicant for a grant, loan, or award under a program to appeal a committee decision by filing a complaint with the board. Requires the board to hold a hearing on such a complaint and render a decision.

(l) Provides that the committee is a governmental body for the purposes of the open meetings law, Chapter 551 (Open Meetings).

SECTION 37. Amends Section 487.401, Government Code, to make conforming changes.

SECTION 38. Amends Section 487.451(1), Government Code, to redefine "health care professional."

SECTION 39. Amends Section 487.452(a), Government Code, to make a conforming change.

SECTION 40. Amends Section 487.454, Government Code, to make conforming changes.

SECTION 41. Amends Section 487.553, Government Code, to make a conforming change.

SECTION 42. Amends Section 487.554(a), Government Code, to make a conforming change.

SECTION 43. Amends Section 487.555(e), Government Code, to make conforming changes.

SECTION 44. Amends Section 487.556, Government Code, to make conforming changes.

SECTION 45. Amends Section 487.608(a), Government Code, to make conforming and nonsubstantive changes.

SECTION 46. Amends Section 110.003(a), Health and Safety Code, to make a conforming change.

SECTION 47. Amends Section 110.010, Health and Safety Code, to make a conforming change.

SECTION 48. (a) Authorizes the nine members of the executive committee of the office who are serving immediately before September 1, 2007, to continue to serve as members of the governing board of the office on and after that date regardless of whether they meet the membership requirements prescribed by Subchapter B, Chapter 487, Government Code, as

amended by this Act. Abolishes those positions on the date on which a majority of the 11 board membership positions created under Section 487.021, Government Code, as amended by this Act, are filled and the appointees qualify for office.

(b) Requires the governor, the lieutenant governor, and the speaker of the house of representatives to make the 10 appointments to the board under Section 487.021, Government Code, as amended by this Act, as soon as possible on or after September 1, 2007. Sets forth the specific requirements of each of those persons in making the initial appointments to the board. Authorizes any person who served as a member of the executive committee before September 1, 2007, to be appointed to the board.

SECTION 49. Effective date: upon passage or September 1, 2007.