

## **BILL ANALYSIS**

H.B. 4263  
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State Affairs  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

The American Recovery and Reinvestment Act of 2009 (ARRA) is an economic stimulus package enacted by the 111th United States Congress and signed into law by President Obama on February 17, 2009. The Act is intended to provide a stimulus to the U.S. economy in the wake of the economic downturn. The measures are nominally worth \$787 billion dollars. The Act includes federal tax relief, expansion of unemployment benefits and other social welfare provisions, as well as domestic spending on education, health care, infrastructure, and the energy sector.

Texas received nearly \$16 billion from the ARRA. H.B. 4263 creates an Accountability and Transparency Board, and ensure the people of Texas the utmost transparency and proper utilization of these stimulus dollars.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Recovery Accountability and Transparency Board in SECTION 1 of this bill.

### **ANALYSIS**

H.B. 4263 creates the Texas Recovery Accountability and Transparency Board to provide oversight on the expenditure of recovery funds and provide vital information to the public on the expenditure of recovery funds. The board will be abolished and this chapter expires September 1, 2012 unless continued in existence by subsequent legislation. The board is composed of 11 members, consisting of four members appointed by the Lieutenant Governor: two members of the senate republican caucus; and two members of the senate democratic caucus. It will also include four members appointed by the Speaker of the House of Representatives, consisting of: two members of the house of representatives republican caucus; and two members of the house of representatives democratic caucus. Two public members will be appointed by the Governor; and the Governor or the Governor's designee is also on the board.

H.B. 4263 requires that a person appointed as a public member of the board must be a resident of this state. Public members of the board must be persons who have significant professional experience or persons who specialize in issues relating to economic recovery and development of distressed areas. The original appointing authority shall appoint a replacement to fill any vacancy in an appointed position on the board.

H.B. 4263 states that the Board will require each state agency to report to the Board at the end of each fiscal quarter about the recovery funds received from a state or federal agency. The report must contain the following information: (1) the total amount of recovery funds received from each source; and (2) the amount of recovery funds received that were expended or obligated to projects or activities; and (3) a detailed list of all projects or activities for which recovery funds were expended or obligated, including: the name of the project or activity; a description of the project or activity; an evaluation of the completion status of the project or activity; and (4) the level of performance of all recovery funds expended or obligated on a list of specific performance measures, including: the number of new jobs created in the state of Texas; the number of new jobs created in small- and medium-sized businesses; the estimated economic benefit for small- and medium-sized businesses; the number of new jobs created in women- and minority-owned businesses; the estimated economic benefit for women- and minority-owned

businesses; the number of new jobs created in distressed areas; the estimated economic benefit in distressed areas; the number of new jobs created at or above the median hourly wage in Texas; the increase in jobs providing access to employer-sponsored health insurance; any other performance measures promulgated by the board pursuant to Subsection (a)(3), Section 327.005, Government Code; and (5) an impact statement detailing any impact of recovery funds expended or obligated on a number of energy efficiency goals, including the extent to which Texas electric utility customers have increased access to renewable energy, reductions in Texas's carbon emissions resulting from energy and transportation projects, and the extent to which per capita electric usage in Texas drops as a result of energy efficiency initiatives.

H.B. 4263 requires the board shall issue a report containing the information described by Subsection (1) of this Section not later than 30 days after receiving the reports described by that Subsection. The board shall post the report on the Internet and link it to the website described in Section 327.007, Government Code, as added by this Act. In addition, the board shall provide a paper copy of the report to the House Select Committee on Federal Economic Stabilization Funding. The board may add additional performance measures to those set out in Section 327.006, Government Code. ) The board may make recommendations concerning interagency coordination, cross-cutting opportunities across multiple units of government, and opportunities for public/private partnerships for the use of recovery funds. The board shall adopt rules as necessary for its own procedures. The board may appoint advisory committees to advise the board.

#### **EFFECTIVE DATE**

This act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2009.