

BILL ANALYSIS

C.S.H.B. 2578
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State Affairs
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties observe that currently only the lieutenant governor and the speaker of the house may request that an agency prepare an economic impact statement for pending legislation that directly affects that agency. Interested parties contend that committees of a house of the legislature cannot fully estimate the effects of legislation without the statutory authority to request these impact statements as well. Finally, interested parties argue that a further drawback to such economic impact statements is the absence of a sufficient consideration of the long term.

C.S.H.B. 2578 seeks to address these issues by allowing a committee of a house of the legislature to request an economic impact statement for pending legislation from an agency directly affected by that legislation and expanding the scope of such statements to require consideration of the proposed legislation's extended impact.

RULEMAKING AUTHORITY

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

ANALYSIS

C.S.H.B. 2578 amends the Government Code to include a committee of a house of the legislature among the entities and individuals at whose request a state agency is required to prepare an economic impact statement for any pending bill or joint resolution that directly affects that agency. The bill expands, from each of the two years following the bill's effective date to each of the five years following the bill's effective date, the scope of a statement included in an agency's economic impact statement that describes the manner and extent of the proposal's direct and indirect impact on employment, capital construction, costs of goods and services, and state and local revenue and expenditures. The bill requires the economic impact statement to include a general statement of the analysis of the proposal's impact on each of the specified areas affected by the proposal for the remainder of the 20-year period following the proposal's effective date.

EFFECTIVE DATE

September 1, 2011.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 2578 differs from the original by including a committee of a house of the legislature among the entities and individuals at whose request a state agency is required to prepare an economic impact statement for any pending bill or joint resolution that directly affects that agency, whereas the original includes a member of the legislature.