

## **BILL ANALYSIS**

C.S.H.B. 3684  
By: Callegari  
Government Efficiency & Reform  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

The bill seeks to heighten the transparency and accountability measures that directly impact taxpayers.

Currently in many instances, a fiscal note is not required if a concurrent resolution, for example, directs an agency to conduct a task. The bill requires a fiscal note on a concurrent resolution that authorizes an expenditure or grants permission to sue the state. This is important so that legislators know what the fiscal implications are prior to approving such measures.

Also, the Government Code, at one time, had an interagency work group to identify mandates and the implications they have on political subdivisions. Since that workgroup is now defunct, The bil would allow the Sunset Advisory Commission, in its review of agencies that affect political subdivisions, to review any mandates, conduct a cost-benefit analysis, and include this information in its report. This provision would also allow political subdivisions to present information, recommend changes, and periodically review mandates and address efficiency measures. This bill also expands the definition of "mandate" to include restrictions as well as requirements.

The bill also proposes the repeal of several sections of code that create unnecessary reporting or review requirements, and certain unfunded mandates.

### **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**

The bill amends the Civil Practices and Remedies Code, to require that a resolution granting permission to sue the state be accompanied by a fiscal note.

The bill amends the Government Code, to require that the Legislative Budget Board establish a system of fiscal notes identifying the probable costs of each joint resolution or concurrent resolution.

The bill amends the Government Code, to require that each state agency prepare an economic impact statement for any concurrent resolution that directly affects that agency at the request of the lieutenant governor or speaker of the house of representatives.

The bill amends the Government Code, to clarify that the word "mandate" includes a restriction made by statute, or a rule enacted by a state agency. The bill strikes the limitation on the scope of the term "mandate" for the purposes of Chapter 320, Government Code to apply to those mandates enacted on or after 1 January 1997. The bill clarifies that the term "mandate" may

include a required report but does not include a provision of additional flexibility in allocating resources.

The bill amends the Government Code, to authorize the Sunset Advisory Commission to review unfunded mandates while reviewing a state agency that affects political subdivisions, and include the findings from its review of the legislative history of any mandate and the cost/benefit evaluation of those mandates on affected political subdivisions within the Commission's required report on agencies subject to Sunset review. The bill strikes language requiring that the interagency work group review unfunded mandates within certain deadlines, and present a written report on the group's findings to the legislature and the governor. The bill authorizes a political subdivision affected by an unfunded mandate to present information to the Sunset Commission regarding mandates and cost, and to recommend statutory or rule changes to provide for more efficient use of resources. The bill authorizes a political subdivision to periodically review mandates and address efficiency measures and operations, including recommendations for the elimination of mandates. The bill strikes language authorizing the legislature to continue, by law, the mandate for a period not to exceed three years, repeal the mandate, or take no action on the mandate during the regular session immediately following the issuance of the report required by the interagency work group on unfunded mandates.

The bill amends the Government Code, to provide that a fiscal note for a proposed rule that affects a political subdivision may include a statement that evaluates whether the proposed rule creates an additional requirement or restriction on the political subdivision and, if so, whether any additional time or expenditures will be required.

The bill makes conforming changes and repeals the following sections:

- §320.003, Government Code, requiring that the interagency work group publish a list of certain unfunded mandates;
- §2056.011, Government Code, requiring that the Texas Higher Education Coordinating Board develop a consolidated public junior and community college strategic plan in conjunction with all state-funded junior and community colleges;
- §303.004, Labor Code, requiring that the Texas Higher Education Coordinating Board review training programs under the Skills Development Fund;
- §240.903, Local Government Code, requiring that the Attorney General prepare a list describing the powers and duties given to counties regarding the regulation of land use, regulation of structures, the platting and subdividing of land, and the provision and regulation of water, sewer and other utility service to residential property.

### **EFFECTIVE DATE**

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2011.

### **COMPARISON OF ORIGINAL TO SUBSTITUTE**

The introduced version of HB 3684 repealed §1951.212, Occupations Code, which oversees the integrated pest management system for public school districts. The substitute does not repeal that section.