

By: Callegari

H.B. No. 3684

Substitute the following for H.B. No. 3684:

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C.S.H.B. No. 3684

A BILL TO BE ENTITLED

AN ACT

relating to evaluating governmental financial matters.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 107.002, Civil Practice and Remedies Code, is amended by adding Subsection (c) to read as follows:

(c) A fiscal note prepared by the Legislative Budget Board as described by Chapter 314, Government Code, must be attached to a resolution granting permission to sue before a legislative committee hearing may be held on the resolution.

SECTION 2. Section 314.001, Government Code, is amended to read as follows:

Sec. 314.001. SYSTEM OF FISCAL NOTES. The Legislative Budget Board shall establish a system of fiscal notes identifying the probable costs of each bill or resolution, including a joint or concurrent resolution, that authorizes or requires the expenditure or diversion of state funds for a purpose other than one provided for in the general appropriations bill.

SECTION 3. Section 315.004(a), Government Code, is amended to read as follows:

(a) At the request of the lieutenant governor or speaker of the house of representatives, a state agency shall prepare an economic impact statement for any pending bill, concurrent resolution, or joint resolution that directly affects that agency. Preparation of the statement shall be coordinated through the

1 Legislative Budget Board director.

2 SECTION 4. Section 320.001, Government Code, is amended to
3 read as follows:

4 Sec. 320.001. DEFINITION. In this chapter, "mandate" means
5 a requirement or restriction made by a statute enacted by the
6 legislature or a rule adopted by a state agency [~~on or after January~~
7 ~~1, 1997,~~] that requires a political subdivision to establish,
8 expand, or modify an activity in a way that requires the expenditure
9 of revenue by the political subdivision that would not have been
10 required in the absence of the statutory provision or
11 administrative rule. The term includes a requirement for a report,
12 but does not include a requirement or restriction that only creates
13 flexibility in allocating resources.

14 SECTION 5. Section 320.004, Government Code, is amended to
15 read as follows:

16 Sec. 320.004. REVIEW OF UNFUNDED MANDATES. (a) The Sunset
17 Advisory Commission in performing a review of a state agency whose
18 functions affect political subdivisions may [~~Before September 1 of~~
19 ~~the even-numbered year before the third anniversary of the date of~~
20 ~~enactment of a mandate identified by the interagency work group~~
21 ~~under Section 320.003, the interagency work group shall]:~~

22 (1) review the legislative history of any [~~the~~]
23 mandate related to the functions of the state agency being
24 reviewed;

25 (2) conduct an evaluation on the benefits of the
26 mandate and the costs of the mandate on affected political
27 subdivisions; and

1 (3) include any information gathered under this
2 section in the report required under Section 325.010 [~~present a~~
3 ~~written report to the legislature and the governor on the~~
4 ~~interagency work group's findings~~].

5 (b) During a review of a state agency, a political
6 subdivision affected by a mandate related to the functions of the
7 agency may present information to the commission regarding the
8 mandate and costs associated with the mandate and may recommend
9 changes to current law that may provide more efficient use of
10 resources.

11 (c) A political subdivision may periodically review each
12 mandate to which the political subdivision is subject and recommend
13 changes for making an activity or measure more efficient, including
14 elimination of [~~the regular session immediately following the~~
15 ~~issuance of a report under Subsection (a), the legislature by law~~
16 ~~may continue the mandate for a period not to exceed three years, by~~
17 ~~law may repeal the mandate, or may take no action on]~~ the mandate,
18 to the governor, the lieutenant governor, the speaker of the house
19 of representatives, the Senate Finance Committee, the House
20 Appropriations Committee, and the Sunset Advisory Commission.

21 SECTION 6. Section 2001.024, Government Code, is amended by
22 adding Subsection (d) to read as follows:

23 (d) A fiscal note required under Subsection (a)(4) that is
24 included with a notice for a proposed rule that affects a political
25 subdivision may include a statement identifying any requirement or
26 restriction that the rule imposes on the political subdivision and
27 whether the requirement or restriction includes an additional

1 commitment of time or expense by the political subdivision.

2 SECTION 7. The following provisions are repealed:

3 (1) Section 320.003, Government Code;

4 (2) Section 2056.011, Government Code;

5 (3) Section 303.004, Labor Code; and

6 (4) Section 240.903, Local Government Code.

7 SECTION 8. This Act takes effect immediately if it receives
8 a vote of two-thirds of all the members elected to each house, as
9 provided by Section 39, Article III, Texas Constitution. If this
10 Act does not receive the vote necessary for immediate effect, this
11 Act takes effect September 1, 2011.