

BILL ANALYSIS

C.S.H.B. 335
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Technology
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Political subdivisions in Texas, such as school districts, cities, and counties, are currently required to publish legal notices in a newspaper. Interested parties contend that such a requirement is outdated, ineffective, and not cost-efficient. A recent survey found that fewer than one-third of Americans had read a print newspaper on the day preceding the survey, and another recent survey found that an even smaller percentage of political subdivision vendors received notification by reading a legal notice in the newspaper. Interested parties report that cities, school districts, and counties across the state collectively spend millions of dollars on print notifications and that most political subdivisions would benefit from the ability to post such notices online.

C.S.H.B. 335 seeks to empower political subdivisions to avoid newspaper advertising costs by granting those subdivisions the authority to use the comptroller's Internet website for posting legal notices.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the comptroller of public accounts in SECTION 1 of this bill.

ANALYSIS

C.S.H.B. 335 amends the Government Code to require the comptroller of public accounts to establish and maintain a web page on the comptroller's Internet website for posting the electronic copy of each notice provided by a political subdivision that is otherwise required by law to be published in a newspaper. The bill requires the comptroller to post the notice on the web page, in the format that the comptroller determines is appropriate, not later than the third day after the date the political subdivision provides the notice to the comptroller. The bill requires the comptroller to establish a system allowing a person on request to receive an e-mail alert for an update to a category of such notices on the web page and to maintain an electronic archive on the comptroller's Internet website of notices posted on the web page.

C.S.H.B. 335 requires a political subdivision to provide to the comptroller an electronic copy of each notice required by law to be published by the political subdivision in a newspaper and to submit the notice to the comptroller in the format required by the comptroller not later than the third day before the date the political subdivision is required to first publish the notice in a newspaper. The bill requires a political subdivision to determine by official action if it will exclusively provide notice on the comptroller's Internet website or will continue to provide notice by publication in a newspaper in addition to providing notice on the comptroller's Internet website. The bill exempts a political subdivision from any requirement to provide the notice by publication in a newspaper if it determines by official action to exclusively provide such notice on the comptroller's Internet website. The bill requires a political subdivision that determines to exclusively provide notice on the comptroller's Internet website to publish in a newspaper of general circulation in the political subdivision once a week for four consecutive weeks the Internet address of the web page on the comptroller's Internet website at which the political

subdivision's notices may be located.

C.S.H.B. 335, in a provision effective September 1, 2013, authorizes the comptroller to adopt rules necessary to implement and administer the bill's provisions. The bill specifies that its provisions do not apply to notice of an election.

EFFECTIVE DATE

Except as otherwise provided, September 1, 2014.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 335 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Chapter 2051, Government Code, is amended by adding Subchapter E to read as follows:

SUBCHAPTER E. NOTICE BY PUBLICATION ON INTERNET FOR POLITICAL SUBDIVISIONS

Sec. 2051.151. NOTICE BY PUBLICATION ON INTERNET.

A political subdivision may satisfy a requirement in any other law to provide notice by publication in a newspaper by posting the notice on its Internet website continuously from the earliest date provided for in the requirement until the day after the date the action for which notice was required occurs.

No equivalent provision.

No equivalent provision.

No equivalent provision.

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Chapter 2051, Government Code, is amended by adding Subchapter E to read as follows:

SUBCHAPTER E. NOTICE BY POSTING ON INTERNET FOR POLITICAL SUBDIVISIONS

Sec. 2051.151. NOTICE BY POSTING ON **COMPTROLLER'S** INTERNET WEBSITE.

No equivalent provision.

(a) This section does not apply to notice of an election.

(b) A political subdivision shall provide to the comptroller an electronic copy of each notice required by law to be published by the political subdivision in a newspaper. The political subdivision must submit the notice to the comptroller in the format required by the comptroller not later than the third day before the date the political subdivision is required to first publish the notice in the newspaper.

(c) A political subdivision shall determine by official action if the political subdivision will exclusively provide notice in the manner

provided by Subsection (b) or continue to provide notice by publication in a newspaper in addition to providing notice in the manner provided by Subsection (b). If a political subdivision determines to exclusively provide notice in the manner provided by Subsection (b), the political subdivision is exempt from any requirement to provide the notice by publication in a newspaper. A political subdivision that determines to exclusively provide notice in the manner provided by Subsection (b) shall publish in a newspaper of general circulation in the political subdivision once a week for four consecutive weeks the Internet address of the web page on the comptroller's Internet website at which the political subdivision's notices may be located.

No equivalent provision.

(d) The comptroller shall establish and maintain a web page on the comptroller's Internet website to post notices provided under Subsection (b). The comptroller shall post the notices on the web page, in the format that the comptroller determines is appropriate, not later than the third day after the date the political subdivision provides the notice to the comptroller.

No equivalent provision.

(e) The comptroller shall establish a system to allow a person on request to receive an e-mail alert for an update to a category of notices on the web page established under Subsection (d). The comptroller shall maintain an electronic archive on the comptroller's Internet website of notices posted on the web page.

No equivalent provision.

(f) The comptroller may adopt rules necessary to implement and administer this section.

SECTION 2. 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, 2013.

SECTION 2. (a) Except as provided by Subsection (b) of this section, this Act takes effect September 1, 2014.

(b) Section 2051.151(f), Government Code, as added by this Act, takes effect September 1, 2013.