# **BILL ANALYSIS**

C.S.H.B. 3714 By: Guerra Economic & Small Business Development Committee Report (Substituted)

# BACKGROUND AND PURPOSE

Interested parties assert that there is a need in Texas for a task force of qualified individuals to review difficulties encountered by small businesses with the regulatory system and review information for small businesses to assure that such information is provided in plain language to the public. C.S.H.B. 3714 seeks to improve the development, growth, and vitality of small businesses through a specified small business advisory task force.

## **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. 3714 amends the Government Code to require the Office of Small Business Assistance to establish the Office of Small Business Assistance Advisory Task Force composed of seven members serving two-year terms appointed by the governor, lieutenant governor, and speaker of the house of representatives, as applicable. The bill requires the governor, lieutenant governor, and speaker, as soon as practicable after the bill's effective date, to appoint the members of the task force and authorizes a task force member to be reappointed for additional terms.

C.S.H.B. 3714 provides that task force members serve without compensation but are entitled to reimbursement for reasonable and necessary expenses incurred in the discharge of their duties. The bill requires the task force to meet as often as necessary but requires the task force to meet at least once a year. The bill requires the task force to advise and assist the office with specified duties to the extent that they relate to small businesses; advise and assist the governor, the lieutenant governor, and the speaker with issues that relate to small businesses; and to provide information in plain language to the public on issues related to small businesses, including issues as specified by the bill.

C.S.H.B. 3714 requires the task force, not later than January 1 of each odd-numbered year, to submit to the legislature a report that describes issues related to small businesses and that proposes legislation to assist small businesses.

## EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2013.

## **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 3714 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.	Title	99,	Busin	less	&
Commerce	Code,	is a	mended	l by	add	ing
Chapter 2005 to read as follows:						
<b>CHAPTER</b>	2005	. S	MALL	BUS	SINE	ESS
ADVISORY TASK FORCE						
SUBCHAP'	TER	А.		GEI	NER.	AL
PROVISIO	NS					
Sec. 2005.001. DEFINITIONS.						

### In this chapter:

 (1) "Small business" means a business that employs at least 25 but not more than 250 individuals.
(2) "Task force" means the small business

advisory task force.

#### No equivalent provision.

# SUBCHAPTER B. TASK FORCE Sec. 2005.051. APPOINTMENT.

The small business advisory task force is composed of seven members appointed as follows:

(1) two members who are not owners or representatives of owners of small businesses, selected by the governor to represent the public;

(2) three members who are owners or who represent owners of small businesses, selected by the speaker of the house of representatives; and

(3) two members who are owners or who represent owners of small businesses, selected by the lieutenant governor.

Sec. 2005.052. TERMS.

The members of the task force serve a term of two years and may be reappointed to the task force for additional terms.

#### No equivalent provision.

### No equivalent provision.

SUBCHAPTERC.POWERSANDDUTIESSec. 2005.101.DUTIES OF TASK FORCE.The task force shall

### HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Subchapter A, Chapter 481, Government Code, is amended by adding Section 481.00681 to read as follows: Sec. 481.00681. OFFICE OF SMALL BUSINESS ASSISTANCE ADVISORY TASK FORCE.

(a) In this section:

(1) "Small business" means a business that employs at least 25 but not more than 250 individuals.

(2) "Task force" means the Office of Small Business Assistance Advisory Task Force.

(b) The Office of Small Business Assistance shall establish the task force.

(c) The task force is composed of seven members appointed as follows:

(1) two members appointed by the governor;

(2) three members appointed by the speaker of the house of representatives; and

(3) two members appointed by the lieutenant governor.

(d) A task force member serves a two-year term. A task force member may be reappointed for additional terms.

(e) Task force members serve without compensation but are entitled to reimbursement for reasonable and necessary expenses incurred in the discharge of their duties.

(f) The task force shall meet as often as necessary but shall meet at least once a year.

(g) The task force shall:

83R 24534

Substitute Document Number: 83R 18726

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make available to small businesses in a form and manner that is understandable to the layperson information applicable to small businesses regarding:

(1) environmental permitting and compliance;

(2) local regulation,

including construction permitting;

(3) the duties of the comptroller as they relate to small businesses;

(4) tax laws; and

(5) the formation of business entities.

Sec. 2005.102. RULES. The task force may adopt rules reasonably necessary to implement this chapter.

### No equivalent provision.

SECTION 2. As soon as practicable after the effective date of this Act, the governor, the lieutenant governor, and the speaker of the house of representatives shall appoint the members of the small business advisory task force as required by Section 2005.051, Business & Commerce Code, as added by this Act.

SECTION 3. This Act takes effect immediately if it receives a vote of twothirds 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. (1) advise and assist the Office of Small Business Assistance with its duties under Section 481.0068(b) to the extent that they relate to small businesses;

(2) advise and assist the governor, the lieutenant governor, and the speaker of the house of representatives with issues that relate to small businesses; and

(3) provide information in plain language to the public on issues related to small businesses, including:

(A) environmental permitting and compliance;

(B) local regulations;

(C) construction permitting;

(D) the duties of the comptroller to the extent that the duties relate to small businesses; and

(E) the formation of business entities.

### No equivalent provision.

(h) Not later than January 1 of each oddnumbered year, the task force shall submit to the legislature a report that:

(1) describes issues related to small businesses; and

(2) proposes legislation to assist small businesses.

SECTION 2. As soon as practicable after the effective date of this Act, the governor, the lieutenant governor, and the speaker of the house of representatives shall appoint the members of the Office of Small Business Assistance Advisory Task Force as required by Section 481.00681, Government Code, as added by this Act.

SECTION 3. Same as introduced version.

83R 24534

Substitute Document Number: 83R 18726