By: Carona S.B. No. 1250

## A BILL TO BE ENTITLED

1	AN ACT
2	relating to the creation of an office of regulatory best practices
3	in the Texas Department of Licensing and Regulation and the
4	evaluation by the office of proposals by members of the legislature
5	to regulate occupations.
6	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
7	SECTION 1. Chapter 51, Occupations Code, is amended by
8	adding Subchapters J and K to read as follows:
9	SUBCHAPTER J. OFFICE OF REGULATORY BEST PRACTICES
10	Sec. 51.501. DEFINITIONS. In this subchapter:
11	(1) Notwithstanding Section 51.001, "license" means a
12	license, certificate, registration, permit, or other form of
13	authorization required by law or state agency rule that an
14	individual must obtain to engage in an occupation or profession.
15	(2) "Office" means the office of regulatory best
16	<pre>practices in the department.</pre>
17	(3) "Regulatory agency" means a state agency that
18	receives an appropriation under the article of the General
19	Appropriations Act that makes appropriations to regulatory state
20	agencies.
21	(4) "Regulatory best practice" means a regulatory
22	practice or a similar practice employed by a state agency or
23	business that the office has reviewed, analyzed, and determined

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offers, when implemented, a benefit to the public, regulated

- 1 persons, or the state through cost savings, transparency,
- 2 efficiency, or effectiveness.
- 3 (5) "Regulatory practice" means a practice,
- 4 procedure, process, measure, or idea used by a regulatory agency
- 5 relating to the operation or management of the regulatory agency's
- 6 functions, including issuance of licenses, enforcement, network
- 7 <u>services</u>, human resources, or customer service.
- 8 Sec. 51.502. OFFICE ESTABLISHED. The department shall
- 9 establish, maintain, and administer the office of regulatory best
- 10 practices.
- 11 Sec. 51.503. DUTIES OF OFFICE. The office shall:
- 12 (1) operate the clearinghouse under Section 51.504;
- 13 (2) collect, review, and analyze regulatory practices
- 14 to determine if they are regulatory best practices;
- 15 (3) identify innovative, efficient, and cost-saving
- 16 practices and procedures used at state agencies and businesses and
- 17 determine if they are regulatory best practices;
- 18 (4) identify practices that reduce regulatory
- 19 burdens, improve services to the public, and improve consumer
- 20 protection and determine if they are regulatory best practices;
- 21 (5) foster collaboration among regulatory agencies
- 22 through an electronic interface through which regulatory agencies
- 23 can access the office's findings, submit regulatory practices for
- 24 consideration by the office, and report the use of regulatory
- 25 agencies' best practices and results; and
- 26 (6) review and analyze proposals by members of the
- 27 legislature under Subchapter K.

Sec. 51.504. CLEARINGHOUSE. (a) The office shall establish 1 2 and maintain a clearinghouse to serve as a central repository for the collection, classification, and distribution of regulatory 3 best practices and the steps a regulatory agency may take to 4 5 implement those regulatory best practices. 6 (b) The office shall: 7 (1) recognize state agencies and businesses whose 8 regulatory best practices are included in the clearinghouse; and 9 (2) periodically report findings related to the development and maintenance of the clearinghouse to the governor, 10 the lieutenant governor, the speaker of the house of 11 12 representatives, committees of each house of the legislature having jurisdiction over appropriations, the state auditor's office, and 13 14 the Sunset Advisory Commission. 15 Sec. 51.505. ACCESS TO REGULATORY AGENCY INFORMATION. A regulatory agency shall provide the office access to the regulatory 16 17 agency's financial, statistical, performance, and personnel data. The department may enter into a memorandum of understanding with 18 19 the regulatory agency to maintain the confidentiality of information that is confidential under Chapter 552, Government 20 Code. 21 SUBCHAPTER K. REVIEW OF PROPOSALS BY MEMBERS OF LEGISLATURE TO 22 23 REGULATE OCCUPATIONS Sec. 51.551. DEFINITIONS. In this subchapter: 24

meaning assigned by Section 51.501.

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(1) Notwithstanding Section 51.001, "license" has the

(2) "Office" has the meaning assigned by Section

1 51.501. 2 Sec. 51.552. SUBMISSION OF PROPOSAL BY MEMBER OF THE LEGISLATURE. (a) Not later than January 1 of the even-numbered 3 year preceding a regular legislative session, a member of the 4 5 legislature may submit to the office a written proposal to: 6 (1) impose a statewide licensing requirement or other 7 regulation on an occupation or profession that is currently 8 unregulated by the state; or (2) increase the regulatory requirements imposed on an 9 10 occupation or profession that is currently regulated statewide. (b) A written proposal under Subsection (a) must include: 11 12 (1) a description of the occupation or profession subject to the proposed regulation, including a list of 13 14 associations, organizations, or other groups representing persons 15 who practice the occupation or profession in this state and an estimate of the number of members of each association, 16 17 organization, or group; 18 (2) a statement of the problem or problems addressed 19 by the proposed regulation; (3) a description of the proposed licensing 20 requirement or regulation; 21 22 (4) a statement of support for the proposed regulation signed by at least: 23

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association, organization, or group described by Subdivision (1);

(A) 25 individuals who are members of an

(B) 25 individuals who are not members of an

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or

- 1 association, organization, or group described by Subdivision (1);
- 2 (5) a statement of the reasons why the license
- 3 requirement or other type of regulation is proposed and not another
- 4 type of regulatory requirement; and
- 5 (6) a statement of the expected benefit to the public
- 6 that will result from the proposed regulation.
- 7 Sec. 51.553. EVALUATION AND REPORT BY OFFICE. (a) Except as
- 8 provided by Subsection (b), the office shall evaluate each proposal
- 9 submitted under Section 51.552 and issue a report outlining the
- 10 anticipated costs and benefits to the state, including impacts to
- 11 public health, safety, and welfare. When evaluating a proposal to
- 12 regulate an occupation or profession that is not currently
- 13 regulated, the office shall consider the factors under Chapter 318,
- 14 Government Code, any factors the executive director recommends, and
- 15 any reports or findings by the attorney general regarding the
- 16 <u>occupation or profession</u>.
- 17 (b) Instead of evaluating a proposal and issuing a new
- 18 report, the office may reissue an existing report described by this
- 19 subsection in response to a proposal under Section 51.552 if the
- 20 office:
- 21 (1) previously evaluated a proposal to regulate the
- 22 occupation or profession that is the subject of the current
- 23 proposal;
- 24 (2) issued a report under Subsection (a) or reissued a
- 25 report under this subsection in connection with the proposal
- 26 described by Subdivision (1) not more than 36 months before the date
- 27 the current proposal was submitted; and

- 1 (3) finds that the current proposal contains no new or
- 2 additional information that would cause the office to alter or
- 3 modify the report described by Subdivision (2).
- 4 (c) Not later than October 15 of the year in which a proposal
- 5 is due under Section 51.552(a), the office shall issue or reissue a
- 6 report on the proposal under Subsection (a) or (b) to the member of
- 7 the legislature who submitted the proposal, the speaker of the
- 8 house of representatives, the lieutenant governor, and the
- 9 governor.
- 10 (d) Only a report issued or reissued under this section not
- 11 more than four years before the date a bill is introduced or an
- 12 amendment is offered satisfies the requirement of an evaluation and
- 13 report for purposes of Section 30a, Article III, Texas
- 14 Constitution.
- SECTION 2. Not later than March 31, 2014, the Texas
- 16 Commission of Licensing and Regulation shall adopt any rules
- 17 necessary to implement the changes in law made by this Act.
- SECTION 3. Section 51.553(d), Occupations Code, as added by
- 19 this Act, takes effect on the date on which the constitutional
- 20 amendment proposed by the 83rd Legislature, Regular Session, 2013,
- 21 to require a member of the legislature to obtain and file a report
- 22 on the costs and benefits of a bill or amendment to impose or
- 23 increase an occupational regulation takes effect. If that amendment
- 24 is not approved by the voters, that subsection has no effect.
- 25 SECTION 4. Except as otherwise provided by this Act, this
- 26 Act takes effect September 1, 2013.