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| BILL ANALYSIS |

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| C.S.H.B. 1712 |
| By: Shaheen |
| Government Transparency & Operation |
| Committee Report (Substituted) |

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| **BACKGROUND AND PURPOSE** Interested parties contend that certain state government advisory entities are inactive or provide duplicate services and are therefore no longer required for the missions they were initially created to fulfill. C.S.H.B. 1712 seeks to address this obsolescence by abolishing these entities. |
| **CRIMINAL JUSTICE IMPACT**It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision. |
| **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. 1712 abolishes the residential mortgage fraud task force; the Advisory Oversight Community Outreach Committee; the rain harvesting and water recycling task force; the State Cogeneration Council and all rules adopted by the council; the information resources steering committee; the premarital education handbook advisory committee; the independent review organization advisory group for the Texas Department of Insurance; the Vehicle Protection Product Warrantor Advisory Board; the Alternative Fuels Council; the qualified agricultural land and qualified timber land property tax valuation manuals approval committees; and the Communities in Schools advisory committee.C.S.H.B. 1712 amends the Government Code to require the attorney general, if a person reports information to the attorney general regarding fraudulent activity the person determines or reasonably suspects has been committed or is about to be committed, to notify an appropriate law enforcement agency with jurisdiction to investigate the fraudulent activity. The bill authorizes the attorney general, a local, state, or federal law enforcement agency, a prosecuting attorney of the United States or of a county or judicial district of the state, and certain state agencies to share confidential information or information to which access is otherwise restricted by law with one or more such entities. The bill establishes that such shared confidential information remains confidential and that legal restrictions on access to the information apply. C.S.H.B. 1712 transfers the Alternative Fuels Council's role in the evaluation of an application for assistance with alternative fuel projects to the comptroller of public accounts. The bill establishes that, on the bill's effective date, a rule, form, policy, procedure, or decision of the council continues in effect as a rule, form, policy, procedure, or decision of the comptroller until superseded or repealed by an act of the comptroller. The bill authorizes the transfer of property converted to alternative fuel use with the proceeds of a loan provided under the alternative fuels program to another person.C.S.H.B. 1712 amends the Tax Code to require the rules developed by the comptroller under statutory provisions relating to the appraisal of qualified agricultural land and to the appraisal of qualified timber land, before taking effect, to be approved by the comptroller with the review and counsel of the Department of Agriculture and the review and counsel of the Texas A&M Forest Service, respectively. C.S.H.B. 1712 repeals the following provisions:* Sections 402.032, Government Code
* Section 411.0197, Government Code
* Section 2113.301(h), Government Code
* Section 2302.001(3), Government Code
* Section 2302.002, Government Code
* Section 2302.003, Government Code
* Section 2302.004, Government Code
* Section 2302.005, Government Code
* Section 2302.006, Government Code
* Section 2302.007, Government Code
* Section 2302.021(a), Government Code
* Section 2302.022, Government Code
* Section 2.014(d), Family Code
* Section 231.013, Family Code
* Section 4202.011, Insurance Code
* Subchapter C, Chapter 2306, Occupations Code
* Subchapter J, Chapter 113, Natural Resources Code
* Section 16, Chapter 1156 (H.B. 2879), Acts of the 77th Legislature, Regular Session, 2001
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| **EFFECTIVE DATE** September 1, 2017. |
| **COMPARISON OF ORIGINAL AND SUBSTITUTE**While C.S.H.B. 1712 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill. |
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| INTRODUCED | HOUSE COMMITTEE SUBSTITUTE |
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| SECTION 1. RESIDENTIAL MORTGAGE FRAUD TASK FORCE. (a) The residential mortgage fraud task force is abolished.(b) Section 402.033(b), Government Code, is amended to read as follows:(b) If a person determines or reasonably suspects that fraudulent activity has been committed or is about to be committed, the person shall report the information to an authorized governmental agency. [~~If a person reports the information to the attorney general, the attorney general shall notify~~ ~~each agency with representation on the residential mortgage fraud task force under Section 402.032.~~] If a financial institution or person voluntarily or pursuant to this section reports fraudulent activity to an authorized governmental agency, the financial institution or person may not notify any person involved in the fraudulent activity that the fraudulent activity has been reported, and the authorized governmental agency who has any knowledge that such report was made shall not disclose to any person involved in the fraudulent activity that the fraudulent activity has been reported. Any financial institution or person that makes a voluntary report of any possible violation of law or regulation to an authorized governmental agency shall not be liable to any person under any law or regulation of the state or the United States for such report.(c) Section 402.032, Government Code, is repealed. | SECTION 1. RESIDENTIAL MORTGAGE FRAUD TASK FORCE. (a) The residential mortgage fraud task force is abolished.(b) Section 402.033, Government Code, is amended by amending Subsection (b) and adding Subsection (d) to read as follows:(b) If a person determines or reasonably suspects that fraudulent activity has been committed or is about to be committed, the person shall report the information to an authorized governmental agency. If a person reports the information to the attorney general, the attorney general shall notify an appropriate law enforcement agency with jurisdiction to investigate the fraudulent activity [~~each agency with representation on the residential mortgage fraud task force under Section 402.032~~]. If a financial institution or person voluntarily or pursuant to this section reports fraudulent activity to an authorized governmental agency, the financial institution or person may not notify any person involved in the fraudulent activity that the fraudulent activity has been reported, and the authorized governmental agency who has any knowledge that such report was made shall not disclose to any person involved in the fraudulent activity that the fraudulent activity has been reported. Any financial institution or person that makes a voluntary report of any possible violation of law or regulation to an authorized governmental agency shall not be liable to any person under any law or regulation of the state or the United States for such report.(d) An authorized governmental agency may share confidential information or information to which access is otherwise restricted by law with one or more other authorized governmental agencies. Except as provided by this subsection, confidential information that is shared under this subsection remains confidential and legal restrictions on access to the information apply.(c) Section 402.032, Government Code, is repealed. |
| SECTION 2. ADVISORY OVERSIGHT COMMUNITY OUTREACH COMMITTEE.  | SECTION 2. Same as introduced version. |
| SECTION 3. RAIN HARVESTING AND WATER RECYCLING TASK FORCE.  | SECTION 3. Same as introduced version. |
| SECTION 4. STATE COGENERATION COUNCIL.  | SECTION 4. Same as introduced version. |
| SECTION 5. INFORMATION RESOURCES STEERING COMMITTEE.  | SECTION 5. Same as introduced version. |
| SECTION 6. PREMARITAL EDUCATION HANDBOOK ADVISORY COMMITTEE. | SECTION 6. Same as introduced version. |
| SECTION 7. INDEPENDENT REVIEW ORGANIZATION ADVISORY GROUP.  | SECTION 7. Same as introduced version. |
| SECTION 8. VEHICLE PROTECTION PRODUCT WARRANTOR ADVISORY BOARD.  | SECTION 8. Same as introduced version. |
| SECTION 9. ALTERNATIVE FUELS COUNCIL.  | SECTION 9. Same as introduced version. |
| SECTION 10. QUALIFIED AGRICULTURAL LAND AND QUALIFIED TIMBER LAND PROPERTY TAX VALUATION MANUALS APPROVAL COMMITTEES. (a) The committees under Sections 23.52(d) and 23.73(b), Tax Code, as amended by this section, are abolished.(b) Section 23.52(d), Tax Code, is amended to read as follows:(d) The comptroller by rule shall develop and distribute to each appraisal office appraisal manuals setting forth this method of appraising qualified open-space land, and each appraisal office shall use the appraisal manuals in appraising qualified open-space land. The comptroller by rule shall develop and the appraisal office shall enforce procedures to verify that land meets the conditions contained in Subdivision (1) of Section 23.51 of this code. [~~The rules, before taking effect, must be approved by~~ ~~a majority vote of a committee comprised of the following officials or their designees: the governor, the comptroller, the attorney general, the agriculture commissioner, and the Commissioner of the General Land Office.~~](c) Section 23.73(b), Tax Code, is amended to read as follows:(b) The comptroller by rule shall develop and distribute to each appraisal office appraisal manuals setting forth this method of appraising qualified timber land, and each appraisal office shall use the appraisal manuals in appraising qualified timber land. The comptroller by rule shall develop and the appraisal office shall enforce procedures to verify that land meets the conditions contained in Section 23.72 of this code. [~~The rules, before taking effect, must be approved by majority vote of a committee comprised of the following officials or their designees: the governor, the comptroller, the attorney general, the agriculture commissioner, and the Commissioner of the General Land Office.~~] | SECTION 10. QUALIFIED AGRICULTURAL LAND AND QUALIFIED TIMBER LAND PROPERTY TAX VALUATION MANUALS APPROVAL COMMITTEES. (a) The committees under Sections 23.52(d) and 23.73(b), Tax Code, before amendment by this section, are abolished.(b) Section 23.52(d), Tax Code, is amended to read as follows:(d) The comptroller by rule shall develop and distribute to each appraisal office appraisal manuals setting forth this method of appraising qualified open-space land, and each appraisal office shall use the appraisal manuals in appraising qualified open-space land. The comptroller by rule shall develop and the appraisal office shall enforce procedures to verify that land meets the conditions contained in Subdivision (1) of Section 23.51 [~~of this code~~]. The rules, before taking effect, must be approved by the comptroller with the review and counsel of the Department of Agriculture [~~a majority vote of a committee comprised of the following officials or their designees: the governor, the comptroller, the attorney general, the agriculture commissioner, and the Commissioner of the General Land Office~~].(c) Section 23.73(b), Tax Code, is amended to read as follows:(b) The comptroller by rule shall develop and distribute to each appraisal office appraisal manuals setting forth this method of appraising qualified timber land, and each appraisal office shall use the appraisal manuals in appraising qualified timber land. The comptroller by rule shall develop and the appraisal office shall enforce procedures to verify that land meets the conditions contained in Section 23.72 [~~of this code~~]. The rules, before taking effect, must be approved by the comptroller with the review and counsel of the Texas A&M Forest Service [~~majority vote of a committee comprised of the following officials or their designees: the governor, the comptroller, the attorney general, the agriculture commissioner, and the Commissioner of the General Land Office~~]. |
| SECTION 11. COMMUNITIES IN SCHOOLS ADVISORY COMMITTEE.  | SECTION 11. Same as introduced version. |
| SECTION 12. EFFECTIVE DATE.  | SECTION 12. Same as introduced version. |

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