## **BILL ANALYSIS**

Senate Research Center 85R7133 PAM-D S.B. 622 By: Burton Intergovernmental Relations 3/21/2017 As Filed

## AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current state law mandates several different types of public notice requirements for state and local undertakings, including notice for budget hearings, certain procurements and purchasing decisions, as well as air quality permit granting or renewal. These notices must be placed in local newspapers in general circulation in the county in which the municipality or other jurisdiction is located. These notices fulfill important due process requirements by ensuring that any interested party can be reasonably informed on issues that matter to them.

In accordance with H.C.R. 96 passed by the 84th Legislature, the Joint Interim Committee on Advertising Public Notices met, heard public testimony, and deliberated on statutorily required public notice. Of the several issues discussed by the committee, a key point of consensus was the frustration with the inability of legislators to distinguish expenses for statutorily required public notice from that of general advertising in local government budgets. The lack of clarity in advertising expenditures made the actual cost of these statutorily required notices nearly impossible to determine.

The report of the committee contains a recommendation for legislation requiring local governments to separately itemize expenditures for statutorily required public notice. The committee recommended this legislation so that it may study the issue in greater detail at a later time.

S.B. 622 amends Chapter 140, Local Government Code, to require that political subdivisions itemize expenditures for notices required by law and include a line item in their budgets indicating these expenses.

This change would allow lawmakers and the public to clearly distinguish general advertising expense from statutorily required public notices. This change would also facilitate a more reliable study of the issue of public notice in general.

Supporters of this bill contend that the change will allow the legislature and public to gain a clear understanding of statutorily required public notices.

Opponents cite the cost to local governments of partitioning these expenditures.

As proposed, S.B. 622 amends current law relating to itemizing certain public notice expenditures in political subdivision budgets.

## **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

## SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 140, Local Government Code, by adding Section 140.0045, as follows:

Sec. 140.0045. ITEMIZATION OF CERTAIN PUBLIC NOTICE EXPENDITURES REQUIRED IN POLITICAL SUBDIVISION BUDGETS. Requires the proposed budget of a political subdivision to include a line item indicating expenditures for notices required by law to be published in a newspaper by the political subdivision or a representative of the political subdivision that allows as clear a comparison as practicable between those expenditures in the proposed budget and actual expenditures for the same purpose in the preceding year.

SECTION 2. Makes application of Section 140.0045, Local Government Code, as added by this Act, prospective to January 1, 2018.

SECTION 3. Effective date: upon passage or September 1, 2017.