## **BILL ANALYSIS**

Senate Research Center 85R4775 DMS-D

S.B. 1544 By: Kolkhorst Intergovernmental Relations 3/24/2017 As Filed

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

Regional planning commissions, also known as councils of governments or regional councils, are comprised of city, county and special districts who join together to plan for development, cooperate on matters of health and public safety, and guide the unified, far-reaching development of a region while eliminating duplication. They provide a setting for uniform planning related to streets, utilities, recreation, economic development, historical preservation, emergency services, garbage collection, and education.

Regional planning commissions have the authority to contract with local governments to provide services. They have the power to apply for grants from nonprofits, the state, a local government, or the federal government. While they do not have the power to tax, their constituent members may appropriate tax dollars to the commission for their use.

Currently, these commissions are required to submit audits and reports to the state auditor. These reports contain extensive information on the amount and sources of funds received and expended by the commission. They also contain data related to job numbers, productivity, and a report on assets disposed of.

S.B. 1544 requires these audits to be submitted to each member of the legislature that represents a district located wholly or partly in the region of the commission and to each participating governmental unit in the region. The bill also requires the commission to provide a more detailed audit that contains a per capita amount of funds expended by the commission according to each participating governmental unit, as well as the name and description of each program, person, or government receiving funds.

S.B. 1544 allows each governmental unit and relevant member of the legislature more access on how these funds are being allocated in the various commissions they interact with.

As proposed, S.B. 1544 amends current law relating to financial reporting requirements of regional planning commissions.

## **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 Section 391.0095, Local Government Code, by amending Subsections (a), (d), and (e) and adding Subsection (d-1), as follows:

- (a) Requires the audit and reporting requirements under Section 391.009(a) (relating to the governor drafting and adopting certain regulations to protect the public interest) to include a requirement that a regional planning commission (commission) submit a report, rather than annually report, not later than December 1 of each year, to the state auditor that includes certain information.
- (d) Makes a nonsubstantive change.

- (d-1) Prohibits the receiver or the commission, if the governor appoints a receiver, from spending any of the commission's funds until the failure is corrected, other than funds necessary to correct the failure.
- (e) Requires a commission to send to the governor, the state auditor, the Texas comptroller of public accounts, the members of the legislature that represent a district located wholly or partly in the region of the commission, each participating governmental unit in the region, and the Legislative Budget Board a copy of each report and audit required under this section or under Section 391.009 (Role of State Auditor, Governor, and State Agencies). Makes no further changes.

SECTION 2. Effective date: September 1, 2017.