87R5945 YDB-D

By:  Hinojosa S.B. No. 424

A BILL TO BE ENTITLED

AN ACT

relating to state agency enforcement of laws regulating small businesses.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1.  Subchapter A, Chapter 2006, Government Code, is amended by adding Section 2006.003 to read as follows:

Sec. 2006.003.  OPPORTUNITY TO REMEDY VIOLATION; POLICY. (a) This section applies only to a state agency with regulatory authority over a small business.

(b)  A state agency may not impose an administrative penalty or request imposition of a civil penalty against a small business for a first violation of a statute or a rule administered by the agency unless the agency first provides the small business written notice of the violation and an opportunity to remedy the violation within a reasonable time of receipt of the notice. Notwithstanding any other law, a violation is not considered to be a continuing violation during the reasonable time in which the small business is attempting to remedy the violation.

(c)  Each state agency subject to this section shall adopt a policy consistent with the requirements of Subsection (b). The policy must provide that the agency will not attempt to recover an administrative penalty or request imposition of a civil penalty during the reasonable time in which the small business is attempting to remedy the violation.

SECTION 2.  Not later than January 1, 2022, each state agency shall adopt and implement the policy required by Section 2006.003, Government Code, as added by this Act.

SECTION 3.  This Act takes effect September 1, 2021.