

BILL ANALYSIS

C.S.H.B. 4936
By: Curry
Delivery of Government Efficiency
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The bill author has informed the committee that Texas state agencies frequently allocate funds for marketing and promotional activities, ranging from public awareness campaigns to outreach initiatives. However, the bill author has additionally informed the committee that state-funded marketing efforts lack transparency and may not always serve a clear public benefit. In response to these concerns, C.S.H.B. 4936 seeks to help the legislature better understand marketing expenditures by state agencies and evaluate the feasibility of creating a centralized Department of Marketing Services that would oversee state agency marketing campaigns.

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. 4936 requires the Texas Economic Development and Tourism Office (TEDTO) to conduct a study to evaluate the total costs incurred for marketing purposes by state agencies and the feasibility of creating a Department of Marketing Services to review requests by state agencies for expenditures for marketing purposes. The bill requires the study, at minimum, to analyze the following:

- the total costs incurred by each state agency for marketing purposes;
- the number of full-time equivalent positions necessary to create the proposed department and the duties and salaries of each of these positions; and
- all other costs associated with creation of the proposed department.

The bill defines "full-time equivalent position" as an employment position that requires a workweek of at least 40 hours, including authorized leave, and "state agency" as a department, commission, board, office, council, authority, or other agency in the executive branch of state government that is created by the state constitution or a state statute, including a university system or institution of higher education.

C.S.H.B. 4936 requires TEDTO to prepare and submit a report that includes the findings of the study to the governor, the lieutenant governor, the speaker of the house of representatives, and each other member of the legislature not later than September 30, 2026. The bill's provisions expire September 1, 2027.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2025.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.B. 4936 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

While both the introduced and the substitute set out provisions relating to the marketing expenditures of state agencies, those provisions differ as follows:

- the introduced included the following provisions absent from the substitute:
 - provisions creating the Department of Marketing Services and establishing that the department is responsible for reviewing requests submitted to the department by state agencies for approval of an expenditure of state money for marketing purposes and approving or disapproving the expenditure that is the subject of the request;
 - the requirement for a state agency to apply to the department for approval of an expenditure of state money for marketing purposes before making the expenditure;
 - the requirement for the department to review a request and approve or disapprove the expenditure that is the subject of the request not later than the 90th day after the department receives the request;
 - provisions establishing the procedures for approval or disapproval of a request, including approval by non-response of the department;
 - provisions prohibiting a state agency from spending state money unless the expenditure is approved by the department;
 - provisions establishing the composition of the governing board of the department and the terms of those board members;
 - provisions establishing the qualifications of board members and a training program for those members, including provisions entitling members to reimbursement for travel expenses incurred in attending the training program;
 - provisions establishing the manner in which a vacancy on the board may be filled;
 - the requirement for the governor to designate a member of the board to serve as presiding officer of the board and an authorization for the board to elect other officers as determined necessary;
 - the authorization for the department to require each state agency to report to the department, on a schedule adopted by the department, the following information for the period covered by the report:
 - the agency's use of state money for marketing purposes;
 - the agency's use of money other than state money for marketing purposes;
 - the effect of each expenditure of money for marketing purposes by the agency on the duties and functions of the agency;
 - the total cost incurred by the agency for marketing purposes;
 - the agency's rules and procedures relating to expenditures for marketing purposes; and
 - any other information relating to expenditures for marketing purposes that the department determines is appropriate;
 - provisions subjecting the department to the Texas Sunset Act and establishing that, unless continued in existence, the department is abolished and the introduced version's provisions expire September 1, 2037; and
 - the authorization for the department to adopt rules as necessary to accomplish its purposes under the introduced version's provisions; and
- the substitute instead includes the following provisions absent from the introduced:

- a provision that defines the term "full-time equivalent position";
- the requirement for TEDTO to conduct a study to evaluate the total costs incurred for marketing purposes by state agencies and the feasibility of creating a Department of Marketing Services to review requests by state agencies for expenditures for marketing purposes, which study must analyze certain components;
- the requirement for TEDTO to submit a report including the findings of the study to the governor, the lieutenant governor, the speaker of the house of representatives, and each other member of the legislature not later than September 30, 2026; and
- a provision establishing the expiration of the substitute's provisions on September 1, 2027.

Whereas the introduced provided for the bill to take effect September 1, 2025, the substitute provides for the bill to take effect immediately, contingent on receiving the requisite constitutional vote, or, if it does not, on September 1, 2025.