

By: Hughes

S.B. No. 943

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the establishment and duties of the Texas Regulatory
3 Efficiency Office and the Texas Regulatory Efficiency Advisory
4 Panel.

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

6 SECTION 1. Subtitle E, Title 4, Government Code, is amended
7 by adding Chapter 465 to read as follows:

8 CHAPTER 465. REGULATORY AND RULEMAKING EFFICIENCY

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 465.0001. DEFINITIONS. (a) The definitions in
11 Chapter 2001 apply to this chapter.

12 (b) In this chapter:

13 (1) "Institution of higher education" has the meaning
14 assigned by Section 61.003, Education Code.

15 (2) "Office" means the Texas Regulatory Efficiency
16 Office.

17 (3) "Panel" means the Texas Regulatory Efficiency
18 Advisory Panel.

19 Sec. 465.0002. APPLICATION OF SUNSET ACT TO OFFICE AND
20 PANEL. (a) The Texas Regulatory Efficiency Office and the Texas
21 Regulatory Efficiency Advisory Panel are subject to Chapter 325
22 (Texas Sunset Act).

23 (b) Unless continued in existence as provided by Chapter 325
24 (Texas Sunset Act), the office and panel are abolished September 1,

1 2037.

2 SUBCHAPTER B. TEXAS REGULATORY EFFICIENCY OFFICE

3 Sec. 465.0051. ESTABLISHMENT OF OFFICE. The Texas
4 Regulatory Efficiency Office is established as an office within the
5 office of the governor.

6 Sec. 465.0052. PURPOSES OF OFFICE. (a) The office is
7 established to:

8 (1) identify and expand opportunities for
9 implementing efficiencies in:

10 (A) the process by which state agencies adopt
11 rules;

12 (B) the regulatory review process; and

13 (C) the manner in which contested cases are
14 conducted;

15 (2) assist state agencies in identifying:

16 (A) unnecessary and ineffective rules;

17 (B) the effect and cost to this state and
18 regulated persons of the agencies' rules and proposed rules; and

19 (C) opportunities to repeal or amend rules to
20 provide effective protection to the public with the least cost and
21 inconvenience to regulated persons;

22 (3) coordinate with the secretary of state, the
23 Department of Information Resources, and other state agencies in
24 the secretary of state's efforts under Section 2001.007 to:

25 (A) improve public access to information
26 regarding state agency rules, forms, and filings; and

27 (B) create an interactive Internet website for

1 use by the public to search and obtain information regarding rules,
2 forms, and filings applicable to specific regulated occupations,
3 industries, professions, and activities;

4 (4) establish a goal for each state agency to reduce
5 rules or other regulatory requirements, including by:

6 (A) eliminating unnecessary or ineffective rules
7 or other regulatory requirements; and

8 (B) reducing the inefficiencies resulting from
9 rules or other regulatory requirements adopted by the agency by:

10 (i) reducing required training hours;

11 (ii) reducing the number of forms a
12 regulated person is required to complete;

13 (iii) reducing the amount of information
14 required by forms that a regulated person is required to complete;

15 (iv) reducing the amount of or eliminating
16 fees imposed by the rules;

17 (v) reducing the number of activities
18 covered by the rules; or

19 (vi) creating waivers for or exemptions
20 from the rules under certain circumstances; and

21 (5) prepare and publish written manuals, guides, or
22 other publications as required by this chapter.

23 (b) The office shall coordinate with the panel, state
24 agencies, and the governor's office to accomplish the purposes of
25 the office.

26 Sec. 465.0053. REGULATORY ECONOMIC ANALYSIS MANUAL. (a)
27 The office shall prepare and publish a regulatory economic analysis

1 manual.

2 (b) The manual required by Subsection (a) must identify and
3 describe best practices for state agencies related to:

4 (1) preparing a local employment impact statement
5 under Section 2001.022;

6 (2) conducting a regulatory analysis under Section
7 2001.0225;

8 (3) preparing a fiscal note under Section 2001.024;
9 and

10 (4) preparing a note regarding public benefits and
11 costs under Section 2001.024.

12 (c) The office shall ensure that the manual required by
13 Subsection (a) is written in plain language that may be easily
14 understood by the public.

15 Sec. 465.0054. REGULATORY REDUCTION GUIDE. (a) The office
16 shall prepare and publish a regulatory reduction guide.

17 (b) The purpose of the guide required by Subsection (a) is
18 to assist each state agency to:

19 (1) meet the goal established by the agency under
20 Section 465.0052(a)(4); and

21 (2) document that the agency met the goal described by
22 Subdivision (1).

23 (c) The office shall ensure that the guide required by
24 Subsection (a) is written in plain language that may be easily
25 understood by the public.

26 Sec. 465.0055. RULEMAKING AND REGULATORY EFFICIENCY FORUM.

27 The office shall establish a forum for interested persons described

1 by Section 2001.021(d) to assist the office and the panel to
2 accomplish the purposes of the office and panel.

3 SUBCHAPTER C. TEXAS REGULATORY EFFICIENCY ADVISORY PANEL

4 Sec. 465.0101. ESTABLISHMENT OF PANEL. The Texas
5 Regulatory Efficiency Advisory Panel is established as an advisory
6 panel to the governor and the legislature.

7 Sec. 465.0102. ADMINISTRATIVE ATTACHMENT AND SUPPORT. (a)
8 The panel is administratively attached to the office of the
9 governor.

10 (b) The office established under this chapter shall provide
11 staff, facilities, and other administrative support necessary to
12 assist the panel in performing the panel's duties under this
13 chapter.

14 Sec. 465.0103. COMPOSITION OF PANEL. (a) The panel is
15 composed of the following seven members appointed by the governor:

16 (1) one member who represents regulated small
17 businesses;

18 (2) one member who represents regulated large
19 businesses;

20 (3) one member who holds an occupational license
21 issued by a state agency;

22 (4) one member employed by an institution of higher
23 education who conducts research at the institution and has
24 experience addressing issues related to state agency rules;

25 (5) one member who represents state agencies that
26 adopt rules; and

27 (6) two members of the public.

1 (b) In making appointments under Subsection (a), the
2 governor shall give priority to individuals with expertise in state
3 agency rules and the rulemaking process, including expertise in
4 regulatory research, compliance, cost, and impact analysis, and
5 related law and procedure.

6 Sec. 465.0104. TERMS; VACANCY. (a) Members of the panel
7 serve two-year terms.

8 (b) A vacancy on the panel shall be filled in the same manner
9 and is subject to the same qualifications as the original
10 appointment. A panel member appointed to fill a vacancy on the
11 panel shall serve the remainder of the unexpired term.

12 Sec. 465.0105. REIMBURSEMENT FOR EXPENSES. Members of the
13 panel serve without compensation but are entitled to reimbursement
14 for actual and necessary expenses incurred in performing official
15 duties under this chapter.

16 Sec. 465.0106. PRESIDING OFFICER. The governor shall
17 appoint one member of the panel to serve as the panel's presiding
18 officer.

19 Sec. 465.0107. MEETINGS. The panel shall meet at the call
20 of the panel's presiding officer.

21 Sec. 465.0108. PURPOSES OF PANEL. The panel is established
22 to:

23 (1) use the knowledge and expertise of regulated
24 persons, small and large businesses, institutions of higher
25 education, and state agencies to identify and expand opportunities
26 for implementing efficiencies in:

27 (A) the process by which state agencies adopt

1 rules;

2 (B) the regulatory review process; and

3 (C) the manner in which contested cases are
4 conducted; and

5 (2) assist the office and state agencies in
6 identifying:

7 (A) unnecessary and ineffective rules;

8 (B) the effect and cost to this state and
9 regulated persons of the agencies' rules and proposed rules; and

10 (C) opportunities to repeal or amend rules to
11 provide effective protection to the public with the least cost and
12 inconvenience to regulated persons.

13 Sec. 465.0109. APPLICATION OF OTHER LAW. Chapter 2110 does
14 not apply to the panel.

15 SUBCHAPTER D. REPORTING REQUIREMENT

16 Sec. 465.0151. BIENNIAL REPORT. (a) Not later than
17 December 1 of each even-numbered year, the office shall prepare and
18 submit to the governor and the Legislative Budget Board a written
19 report that describes:

20 (1) the activities undertaken by the office during the
21 two-year period preceding the date of the report to accomplish the
22 purposes of the office;

23 (2) any findings and recommendations of the office
24 related to the office's purposes under this chapter; and

25 (3) any legislative recommendations of the office to
26 accomplish and further the findings and recommendations described
27 by Subdivision (2).

1 (b) The panel may assist the office in preparing the report
2 required by Subsection (a).

3 SECTION 2. Section 2001.007, Government Code, is amended by
4 adding Subsection (e) to read as follows:

5 (e) The secretary of state, Department of Information
6 Resources, and Texas Regulatory Efficiency Office shall jointly
7 coordinate with each other state agency to establish an Internet
8 website that allows a person to search the rules and related
9 information made available by state agencies under Subsection (a)
10 by:

11 (1) the general topic of the rule;

12 (2) the type of activity or business regulated by the
13 rule; and

14 (3) if applicable, the North American Industry
15 Classification System (NAICS) sector code for the type of activity
16 or business regulated by the rule.

17 SECTION 3. (a) As soon as practicable after the effective
18 date of this Act, but not later than January 1, 2026, the governor
19 shall appoint the members of the Texas Regulatory Efficiency
20 Advisory Panel as required by Section 465.0103, Government Code, as
21 added by this Act.

22 (b) Not later than the 60th day after the date the governor
23 appoints the members of the Texas Regulatory Efficiency Advisory
24 Panel under Subsection (a) of this section, the panel shall hold its
25 first meeting.

26 SECTION 4. This Act takes effect immediately if it receives
27 a vote of two-thirds of all the members elected to each house, as

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1 provided by Section 39, Article III, Texas Constitution. If this
2 Act does not receive the vote necessary for immediate effect, this
3 Act takes effect September 1, 2025.