

## **BILL ANALYSIS**

C.S.H.B. 636  
By: Howard  
Appropriations  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Interested parties note the importance of fiscal responsibility with regard to state finances in the midst of outstanding legal risks. C.S.H.B. 636 seeks to ensure the appropriate parties are informed with regard to such risks by requiring a report on certain pending suits against the state, a state agency, or a state official.

### **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. 636 amends the Government Code to require the comptroller of public accounts to produce a report that identifies each suit against the state, a state agency, or a state official in which the amount of the monetary claim in controversy is \$10 million or more and that is pending as of August 31 of each even-numbered fiscal year. The bill requires the comptroller, in preparing the report, to use available information submitted to the comptroller by state agencies for the purpose of producing the most recent comprehensive annual financial report to the governor. The bill requires a state agency to provide any information on pending suits requested by the comptroller for the purpose of producing the report. The bill establishes that information relating to such a suit provided to the comptroller by a state agency, collected by the comptroller from a state agency, or that is used or created by the comptroller to produce the report is confidential and not subject to disclosure under state public information law. The bill requires the comptroller to deliver the report to the governor, lieutenant governor, speaker of the house of representatives, House Appropriations Committee, Senate Finance Committee, and Legislative Budget Board not later than December 31 of each even-numbered year.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2017.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 636 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Subchapter B, Chapter 403, Government Code, is amended by adding Section 403.0146 to read as follows:

Sec. 403.0146. REPORT ON FISCAL IMPACT OF PENDING SUITS AGAINST THE STATE. (a) The comptroller shall collaborate with the Legislative Budget Board to produce a report on the range of potential fiscal impacts to the state that could result from a judgment entered against the state in any suit against the state, a state agency, or a state official that is pending at the time of the report's publication.

(b) Not later than December 1 of each even-numbered year, the comptroller shall deliver the report produced under Subsection (a) to the governor, lieutenant governor, speaker of the house of representatives, House Appropriations Committee, and Senate Finance Committee.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Subchapter B, Chapter 403, Government Code, is amended by adding Section 403.0146 to read as follows:

Sec. 403.0146. REPORT ON FISCAL IMPACT OF PENDING SUITS AGAINST THE STATE. (a) The comptroller shall produce a report that identifies each suit against the state, a state agency, or a state official:

(1) in which the amount of the monetary claim in controversy is \$10 million or more; and

(2) that is pending as of August 31 of each even-numbered fiscal year.

(b) In preparing the report required under this section, the comptroller shall use available information submitted to the comptroller by state agencies for the purpose of producing the most recent comprehensive annual financial report under Section 403.013(c). A state agency shall provide any information on pending suits requested by the comptroller for the purpose of producing the report.

(c) Information relating to a suit described by Subsection (a) provided to the comptroller by a state agency, collected by the comptroller from a state agency, or that is used or created by the comptroller to produce the report described by this section is confidential and not subject to disclosure under Chapter 552.

(d) Not later than December 31 of each even-numbered year, the comptroller shall deliver the report produced under this section to the governor, lieutenant governor, speaker of the house of representatives, House Appropriations Committee, Senate Finance Committee, and Legislative Budget Board.

SECTION 2. Same as introduced version.