

SUBJECT: Adjusting Sunset dates for certain entities; providing disaster exemption

COMMITTEE: State Affairs — favorable, without amendment

VOTE: 11 ayes — Paddie, Hernandez, Deshotel, Harless, Hunter, P. King, Metcalf, Raymond, Shaheen, Slawson, Smithee

0 nays

2 absent — Howard, Lucio

SENATE VOTE: On final passage, April 19 — 31-0, on Local and Uncontested Calendar

WITNESSES: None

BACKGROUND: Government Code ch. 325 requires the Sunset Advisory Commission and the Legislature to evaluate certain state agencies periodically to determine whether a public need exists for their continuation or their functions. A state agency is subject to the act if a date is set in statute for it to be reviewed or abolished.

DIGEST: SB 713 would revise the review cycle for certain entities subject to the Texas Sunset Act, remove certain entities from the review process, and provide an exemption from review during a declared disaster.

Entities given 2023 Sunset date. The following entities' statutory Sunset dates would be postponed from 2021 to 2023:

- the Texas Economic Development and Tourism Office;
- the Office of State-Federal Relations; and
- the San Jacinto River Authority.

The bill would move forward from 2025 to 2023 the statutory Sunset dates of the Public Utility Commission and the Office of Public Utility Counsel.

Entities given 2025 Sunset date. The following entities' statutory Sunset dates would be postponed from 2023 to 2025:

- the Texas Department of Insurance and the department's Division of Workers' Compensation;
- the Office of Public Insurance Counsel; and
- the Office of Injured Employee Counsel.

Entities given 2027 Sunset date. The following entities' statutory Sunset dates would be postponed from 2023 to 2027:

- the Texas Public Finance Authority;
- the Texas State Affordable Housing Corporation; and
- the Commission on State Emergency Communications.

Entities given 2029 Sunset date. The bill would postpone the statutory Sunset date of the Cancer Prevention and Research Institute of Texas from 2023 to 2029.

State Board of Veterinary Medical Examiners. The State Board of Veterinary Medical Examiners' statutory Sunset date would be postponed from 2021 to 2029.

The Sunset Advisory Commission would be required to conduct a special-purpose review of the State Board of Veterinary Medical Examiners for the 88th Legislature. In conducting the review, the Sunset Advisory Commission staff evaluation and report would be limited to the implementation of the board's database system and processes and procedures for collecting and analyzing data, as recommended by the commission to the 87th Legislature. The commission's recommendations to the 88th Legislature could include any recommendation considered appropriate based on the special-purpose review.

The state auditor would have to conduct an effectiveness audit of the board to evaluate its implementation of the data-related recommendations submitted by the commission to the 85th Legislature and identified as not

fully implemented in the report submitted by the commission to the 87th Legislature. The audit also would have to evaluate any additional recommendations made in the report of the special-purpose review. The audit could not begin before December 1, 2023, and the auditor would have to submit a report to the chair and executive director of the Sunset Advisory Commission by December 1, 2024.

Entities given 2031 Sunset date. The bill would postpone from 2025 to 2031 the statutory Sunset dates of the Texas Real Estate Commission and the Texas Appraiser Licensing and Certification Board.

Entities removed from Sunset review. The bill would remove the requirement that the Texas A&M Forest Service be subject to Sunset review.

The bill would remove a requirement that the Sunset Advisory Commission conduct a limited-scope review of the Health and Human Services Commission during fiscal 2023.

The Sunset Advisory Commission would no longer be required to conduct a special-purpose review of the Health and Human Services Commission's Office of Inspector General during the 2022-23 review cycle.

Procedures during declared disaster. The Sunset Advisory Commission could exempt agencies from certain requirements of the Texas Sunset Act that the commission determined were unable to participate in the review due to a declared disaster.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2021.

SUPPORTERS
SAY:

SB 713 is the Sunset schedule bill, which is used to balance the Sunset Advisory Commission's workload and better align agencies set for review in upcoming biennia to ensure Sunset staff would have the resources to provide comprehensive reviews in future cycles. The bill also would

amend provisions in the Texas Sunset Act to allow the commission to effectively operate during declared disasters or emergencies, such as the COVID-19 pandemic.

In response to Winter Storm Uri in February, the bill would move up the reviews of the Public Utility Commission, the Electric Reliability Council of Texas, and Office of Public Utility Counsel to next biennium instead of 2025. This change also would align these reviews with that of the Texas Commission on Environmental Quality.

The bill would move the review of the Economic Development and Tourism Office and the Office of State-Federal Relations within the governor's office from 2023 to 2025. These reviews, which originally were scheduled for 2021, were postponed due to the offices' roles in the state's response to the COVID-19 pandemic.

The bill would change the reviews of the Texas Department of Insurance and the department's Division of Workers' Compensation, the Office of Public Insurance Counsel, and the Office of Injured Employee Counsel to provide these agencies time to respond to changing insurance market conditions.

The bill would require a special-purpose review of the State Board of Veterinary Medical Examiners and a limited-scope state audit, while setting the board's next full Sunset review to align with other agencies that regulate the prescribing and dispensing of controlled substances.

The bill could be amended to remove the requirement that the Texas Low-Level Radioactive Waste Disposal Compact Commission be subject to Sunset review.

**CRITICS
SAY:**

SB 713 should remove the Texas Low-Level Radioactive Waste Disposal Compact Commission from Sunset review. Because it is not a state agency and instead an independent entity established under federal law and governed by the Texas Low-Level Radioactive Waste Disposal Compact, the Sunset Advisory Commission has little ability to conduct a

meaningful review or recommend significant changes.

NOTES:

According to the Legislative Budget Board, the bill would cost \$139,907 in appropriated receipts through fiscal 2023 for the Sunset reviews of the San Jacinto River Authority and the Low-Level Radioactive Waste Disposal Compact Commission. Some entities, such as river authorities and self-directed, semi-independent agencies, are required to pay for the cost of their reviews.

The bill's sponsor intends to offer a floor amendment that would:

- remove the requirement that the Texas Low-Level Radioactive Waste Disposal Compact Commission be subject to Sunset review; and
- postpone the statutory Sunset date of the Texas State Affordable Housing Corporation from 2023 to 2025.

The House companion bill, HB 1860 by Cyrier, was considered by the House State Affairs Committee in a public hearing on April 1 and was left pending.