

## **BILL ANALYSIS**

Senate Research Center

H.B. 426  
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Government Organization  
5/1/2003  
Engrossed

### **DIGEST AND PURPOSE**

Currently, a state agency may adopt rules imposing additional costs on local governments or persons without considering how those costs will be paid and without obtaining express authorization from the legislature. H.B. 426 establishes procedures which place certain restrictions upon a state agency's ability to adopt rules imposing such costs.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to a state agency in SECTION 1 (Section 2001.041, Government Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter B, Chapter 2001, Government Code, by adding Section 2001.041, as follows:

Sec. 2001.041. RULES IMPOSING COSTS ON LOCAL GOVERNMENTS OR PERSONS. (a) Prohibits a state agency, except as provided by this section, from adopting a rule for which notice given under Sections 2001.023 and 2001.024 includes information indicating certain costs.

(b) Authorizes a state agency to adopt a rule for which the notice estimating the costs described by Subsection (a) is given if certain conditions exist.

(c) Authorizes a state agency adopting a rule as authorized by Subsection (b)(2) to only adopt a rule that meets, but does not exceed, the federal requirements.

(d) Requires a state agency order finally adopting a rule for which notice of the costs described by Subsection (a) is given to include a reference to the law or regulation authorizing the adoption of the rule with those costs.

(e) Provides that for the purposes of this section, the term "adoption of a rule" includes the adoption of a revision of a rule.

SECTION 2. Effective date: September 1, 2003. Provides that this Act applies only to a rule or a revision of a rule that is proposed by a state agency and for which notice is given under Section 2001.023, Government Code, on or after December 1, 2003.