

GOVERNMENT CODE

TITLE 3. LEGISLATIVE BRANCH

SUBTITLE C. LEGISLATIVE AGENCIES AND OVERSIGHT COMMITTEES

CHAPTER 325. SUNSET LAW

Sec. 325.001. SHORT TITLE. This chapter may be cited as the Texas Sunset Act.

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985.

Sec. 325.002. DEFINITIONS. In this chapter:

(1) "State agency" means an entity expressly made subject to this chapter.

(2) "Advisory committee" means a committee, council, commission, or other entity created under state law whose primary function is to advise a state agency.

(3) "Commission" means the Sunset Advisory Commission.

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985. Amended by Acts 1987, 70th Leg., ch. 1008, Sec. 1, 2, eff. Sept. 1, 1987; Acts 1987, 70th Leg., ch. 167, Sec. 2.12(a), eff. Sept. 1, 1987; Acts 1989, 71st Leg., ch. 196, Sec. 1, eff. Aug. 28, 1989.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 596 (S.B. 619), Sec. 7.01, eff. June 10, 2019.

Sec. 325.003. SUNSET ADVISORY COMMISSION. (a) The Sunset Advisory Commission is a legislative agency that consists of five members of the senate and one public member appointed by the lieutenant governor and five members of the house of representatives and one public member appointed by the speaker of the house. The lieutenant governor and the speaker of the house may serve as one of the legislative appointees.

(a-1) A public member acts on behalf of the legislature when participating on the commission in furtherance of the legislature's duty to provide oversight of executive branch agencies' implementation of legislative priorities.

(b) An individual is not eligible for appointment as a

public member if the individual or the individual's spouse is:

(1) regulated by a state agency that the commission will review during the term for which the individual would serve;

(2) employed by, participates in the management of, or directly or indirectly has more than a 10 percent interest in a business entity or other organization regulated by a state agency the commission will review during the term for which the individual would serve; or

(3) required to register as a lobbyist under Chapter 305 because of the person's activities for compensation on behalf of a profession or entity related to the operation of an agency under review.

(c) It is a ground for removal of a public member from the commission if the member does not have the qualifications required by Subsection (b) for appointment to the commission at the time of appointment or does not maintain the qualifications while serving on the commission. The validity of the commission's action is not affected by the fact that it was taken when a ground for removal of a public member from the commission existed.

(d) Legislative members serve four-year terms, with terms staggered so that the terms of as near to one-half of the legislative members appointed by the lieutenant governor as possible and the terms of as near to one-half of the legislative members appointed by the speaker as possible expire September 1 of each odd-numbered year. If the lieutenant governor or the speaker serves on the commission, service continues until resignation from the commission or until the individual ceases to hold the office. Public members serve two-year terms expiring September 1 of each odd-numbered year.

(e) Members other than the lieutenant governor and the speaker are subject to the following restrictions:

(1) after a legislative member serves two terms on the commission or a public member serves three terms on the commission, the individual is not eligible for appointment to another term or part of a term;

(2) a legislative member who serves a full term may not be appointed to an immediately succeeding term; and

(3) a public member may not serve more than two consecutive terms, and, for purposes of this prohibition, a member is considered to have served a term only if the member has served more than half of the term.

(e-1) If an individual serves for less than a full term, the term is not counted toward determining the individual's eligibility to serve on the commission under Subsection (e)(1) unless the individual was a member of the commission for each public hearing at which the state agencies being reviewed during the individual's term were discussed.

(f) The lieutenant governor and speaker shall make their appointments before September 1 of each odd-numbered year.

(g) If a legislative member ceases to be a member of the house from which he was appointed, the member vacates his membership on the commission.

(h) If a vacancy occurs, the appropriate appointing authority shall appoint a person to serve for the remainder of the unexpired term in the same manner as the original appointment.

(i) The commission shall have a chairman and vice-chairman as presiding officers. The chairmanship and vice-chairmanship must alternate every two years between the two membership groups appointed by the lieutenant governor and the speaker. The chairman and vice-chairman may not be from the same membership group. The lieutenant governor shall designate a presiding officer from his appointed membership group and the speaker shall designate the other presiding officer from his appointed membership group.

(j) Seven members of the commission constitute a quorum. A final action or recommendation may not be made unless approved by a record vote of a majority of members appointed by the lieutenant governor and the speaker of the house. All other actions by the commission shall be decided by a majority of the members present and voting.

(k) Each member of the commission is entitled to reimbursement for actual and necessary expenses incurred in performing commission duties. Each legislative member is entitled to reimbursement from the appropriate fund of the member's respective house. Each public member is entitled to reimbursement

from funds appropriated to the commission.

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985. Amended by Acts 1987, 70th Leg., ch. 1008, Sec. 2, eff. Sept. 1, 1987; Acts 2003, 78th Leg., 3rd C.S., ch. 3, Sec. 6.17, eff. Jan. 11, 2004.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 928 (H.B. [3249](#)), Sec. 1.01, eff. June 15, 2007.

Acts 2019, 86th Leg., R.S., Ch. 596 (S.B. [619](#)), Sec. 7.02, eff. June 10, 2019.

Sec. 325.004. STAFF. (a) The commission shall employ an executive director to act as the executive head of the commission.

(b) The executive director shall employ persons necessary to carry out this chapter through funds made available by the legislature.

(c) The chairman and vice-chairman of the commission may each employ a staff to work for them on matters related to commission activities.

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985.

Sec. 325.005. RULES. The commission shall adopt rules necessary to carry out this chapter.

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985.

Sec. 325.007. AGENCY REPORT TO COMMISSION. (a) Before September 1 of the odd-numbered year before the year in which a state agency subject to this chapter is abolished, the agency shall report to the commission:

(1) information regarding the application to the agency of the criteria in Section [325.011](#); and

(2) any other information that the agency considers appropriate or that is requested by the commission.

(b) The reports under Subsection (a) must be submitted in electronic format only. The commission shall prescribe the electronic format to be used.

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985. Amended by Acts 1987, 70th Leg., ch. 1008, Sec. 3, eff. Sept. 1, 1987.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 928 (H.B. 3249), Sec. 1.02, eff. June 15, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 668 (S.B. 1618), Sec. 2, eff. September 1, 2011.

Sec. 325.0075. REPORTING REQUIREMENTS OF AGENCY BEING REVIEWED. Before September 1 of the odd-numbered year before the year in which a state agency subject to this chapter is abolished, the agency shall submit to the commission, the governor, the lieutenant governor, and each member of the legislature a report that:

(1) lists each report that the agency is required by a statute to prepare; and

(2) evaluates the need for each report listed in Subdivision (1) based on whether factors or conditions have changed since the date the statutory requirement to prepare the report was enacted.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1128 (H.B. 326), Sec. 1, eff. June 17, 2011.

Sec. 325.008. COMMISSION DUTIES. (a) Before January 1 of the year in which a state agency subject to this chapter and its advisory committees are abolished, the commission shall:

(1) review and take action necessary to verify the reports submitted by the agency under Section 325.007;

(2) consult the Legislative Budget Board, the Governor's Budget, Policy, and Planning Division, the State Auditor, and the comptroller of public accounts, or their successors, on the application to the agency of the criteria provided in Section 325.011;

(3) conduct a review of the agency based on the criteria provided in Section 325.011 and prepare a written report; and

(4) review the implementation of commission recommendations contained in the reports presented to the legislature during the preceding legislative session and the

resulting legislation.

(b) The written report prepared by the commission under Subsection (a)(3) is a public record.

(c) Work performed under this section by the state auditor is subject to approval by the legislative audit committee for inclusion in the audit plan under Section 321.013(c).

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985. Amended by Acts 2003, 78th Leg., ch. 785, Sec. 6, eff. Sept. 1, 2003.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 928 (H.B. 3249), Sec. 1.03, eff. June 15, 2007.

Sec. 325.009. PUBLIC HEARINGS. (a) Before February 1 of the year a state agency subject to this chapter and its advisory committees are abolished, the commission shall conduct public hearings concerning but not limited to the application to the agency of the criteria provided in Section 325.011.

(b) The commission may hold the public hearings after the review of the agency required by Section 325.008(a)(3) is complete and available to the public.

(c) Notwithstanding Subsection (a), the commission may not discuss in a public hearing the application to an agency of the criteria provided in Section 325.011(14). The commission staff shall notify the commission of any findings and recommendations regarding the criteria provided in Section 325.011(14).

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 928 (H.B. 3249), Sec. 1.04, eff. June 15, 2007.

Acts 2019, 86th Leg., R.S., Ch. 596 (S.B. 619), Sec. 7.03, eff. June 10, 2019.

Sec. 325.010. COMMISSION REPORT. (a) At each regular legislative session, the commission shall present to the legislature and the governor a report on the agencies and advisory committees reviewed.

(b) In the report the commission shall include:

(1) its findings regarding the criteria prescribed by Section 325.011, except Section 325.011(14);

(2) its recommendations based on the matters prescribed by Section 325.012, except recommendations relating to criteria prescribed by Section 325.011(14); and

(3) other information the commission considers necessary for a complete review of the agency.

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 928 (H.B. 3249), Sec. 1.05, eff. June 15, 2007.

Acts 2019, 86th Leg., R.S., Ch. 596 (S.B. 619), Sec. 7.04, eff. June 10, 2019.

Sec. 325.011. CRITERIA FOR REVIEW. The commission and its staff shall consider the following criteria in determining whether a public need exists for the continuation of a state agency or its advisory committees or for the performance of the functions of the agency or its advisory committees:

(1) the efficiency and effectiveness with which the agency or the advisory committee operates;

(2)(A) an identification of the mission, goals, and objectives intended for the agency or advisory committee and of the problem or need that the agency or advisory committee was intended to address; and

(B) the extent to which the mission, goals, and objectives have been achieved and the problem or need has been addressed;

(3)(A) an identification of any activities of the agency in addition to those granted by statute and of the authority for those activities; and

(B) the extent to which those activities are needed;

(4) an assessment of authority of the agency relating to fees, inspections, enforcement, and penalties;

(5) whether less restrictive or alternative methods of performing any function that the agency performs could adequately

protect or provide service to the public;

(6) the extent to which the jurisdiction of the agency and the programs administered by the agency overlap or duplicate those of other agencies, the extent to which the agency coordinates with those agencies, and the extent to which the programs administered by the agency can be consolidated with the programs of other state agencies;

(7) the promptness and effectiveness with which the agency addresses complaints concerning entities or other persons affected by the agency, including an assessment of the agency's administrative hearings process;

(8) an assessment of the agency's rulemaking process and the extent to which the agency has encouraged participation by the public in making its rules and decisions and the extent to which the public participation has resulted in rules that benefit the public;

(9) the extent to which the agency has complied with:

(A) federal and state laws and applicable rules regarding equality of employment opportunity and the rights and privacy of individuals; and

(B) state law and applicable rules of any state agency regarding purchasing guidelines and programs for historically underutilized businesses;

(10) the extent to which the agency issues and enforces rules relating to potential conflicts of interest of its employees;

(11) the extent to which the agency complies with Chapters 551 and 552 and follows records management practices that enable the agency to respond efficiently to requests for public information;

(12) the effect of federal intervention or loss of federal funds if the agency is abolished;

(13) the extent to which the purpose and effectiveness of reporting requirements imposed on the agency justifies the continuation of the requirement; and

(14) an assessment of the agency's cybersecurity practices using confidential information available from the

Department of Information Resources or any other appropriate state agency.

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985. Amended by Acts 1995, 74th Leg., ch. 76, Sec. 5.95(83), (94), eff. Sept. 1, 1995; Acts 1999, 76th Leg., ch. 1319, Sec. 33, eff. Sept. 1, 1999; Acts 1999, 76th Leg., ch. 1499, Sec. 1.06, eff. Sept. 1, 1999.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 928 (H.B. 3249), Sec. 1.06, eff. June 15, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 668 (S.B. 1618), Sec. 3, eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 990 (H.B. 1781), Sec. 5, eff. June 17, 2011.

Acts 2017, 85th Leg., R.S., Ch. 683 (H.B. 8), Sec. 2, eff. September 1, 2017.

Sec. 325.0115. CRITERIA FOR REVIEW OF CERTAIN AGENCIES. (a) In this section:

(1) "License" means a license, certificate, registration, permit, or other form of authorization required by law or a state agency rule that must be obtained by an individual to engage in a particular occupation or profession.

(2) "Public interest" means protection from a present and recognizable harm to public health, safety, or welfare. The term does not include speculative threats, or other non-demonstrable menaces to public health, safety, or welfare. For the purposes of this subdivision, the term "welfare" includes the financial health of the public when the absence of governmental regulation unreasonably increases risk and liability to broad classes of consumers.

(b) In an assessment of an agency that licenses an occupation or profession, the commission and its staff shall consider:

- (1) whether the occupational licensing program:
 - (A) serves a meaningful, defined public interest; and
 - (B) provides the least restrictive form of

regulation that will adequately protect the public interest;

(2) the extent to which the regulatory objective of the occupational licensing program may be achieved through market forces, private or industry certification and accreditation programs, or enforcement of other law;

(3) the extent to which licensing criteria, if applicable, ensure that applicants have occupational skill sets or competencies that correlate with a public interest and the impact that those criteria have on applicants, particularly those with moderate or low incomes, seeking to enter the occupation or profession; and

(4) the impact of the regulation, including the extent to which the program stimulates or restricts competition and affects consumer choice and the cost of services.

(c) As part of the commission's review of an agency that licenses an occupation or profession, the commission and its staff shall determine whether the governing body of the agency being reviewed has made an evaluation regarding the type of personal information of license holders that the agency should make available on the agency's Internet website based on the following factors:

(1) the type of information the public needs to file a complaint with the agency;

(2) the type of information the public needs to locate an existing or potential service provider;

(3) the type of information the public needs to verify a license; and

(4) whether making the information available on the agency's Internet website could subject a license holder to harassment, solicitation, or other nuisance.

(d) If the commission determines that the governing body of an agency has not completed the evaluation described by Subsection (c), the commission shall make a recommendation that the governing body of the agency perform such an evaluation.

Added by Acts 2013, 83rd Leg., R.S., Ch. 222 (H.B. 86), Sec. 1, eff. September 1, 2013.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 572 (S.B. 237), Sec. 1, eff. September 1, 2019.

Sec. 325.012. RECOMMENDATIONS. (a) In its report on a state agency, the commission shall:

(1) make recommendations on the abolition, continuation, or reorganization of each affected state agency and its advisory committees and on the need for the performance of the functions of the agency and its advisory committees;

(2) make recommendations on the consolidation, transfer, or reorganization of programs within state agencies not under review when the programs duplicate functions performed in agencies under review;

(3) make recommendations to improve the operations of the agency, its policy body, and its advisory committees, including management recommendations that do not require a change in the agency's enabling statute; and

(4) make recommendations on the continuation or abolition of each reporting requirement imposed on the agency by law.

(b) The commission shall include the estimated fiscal impact of its recommendations and may recommend appropriation levels for certain programs to improve the operations of the state agency, to be forwarded to the Legislative Budget Board.

(c) The commission shall have drafts of legislation prepared to carry out the commission's recommendations under this section.

(d) After the legislature acts on the report under Section 325.010, the commission shall present to the state auditor the commission's recommendations that do not require a statutory change to be put into effect. Based on a risk assessment and subject to the legislative audit committee's approval of including the examination in the audit plan under Section 321.013, the state auditor may examine the recommendations and include as part of the next approved audit of the agency a report on whether the agency has implemented the recommendations and, if so, in what manner.

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985. Amended

by Acts 1987, 70th Leg., ch. 1008, Sec. 4, eff. Sept. 1, 1987; Acts 2003, 78th Leg., ch. 785, Sec. 7, eff. Sept. 1, 2003.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 928 (H.B. 3249), Sec. 1.07, eff. June 15, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 668 (S.B. 1618), Sec. 4, eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 990 (H.B. 1781), Sec. 6, eff. June 17, 2011.

Sec. 325.0123. REVIEW OF CERTAIN AGENCIES FOR RESPECTFUL LANGUAGE. (a) As part of its review of a health and human services agency, the commission shall consider and make recommendations regarding the statutory revisions necessary to use the phrase "intellectual disability" instead of "mental retardation" and to use the phrase "person with intellectual disability" instead of "person with mental retardation."

(b) As part of its review of an agency, the commission shall consider and recommend, as appropriate, statutory revisions in accordance with the person first respectful language initiative under Chapter 392.

Added by Acts 2011, 82nd Leg., R.S., Ch. 272 (H.B. 1481), Sec. 2, eff. September 1, 2011.

Sec. 325.0125. REVIEW OF CERTAIN AGENCIES. (a) In the two-year period preceding the date scheduled for the abolition of a state agency under this chapter, the commission may exempt certain agencies from the requirements of this chapter relating to staff reports, hearings, and reviews.

(b) The commission may only exempt agencies that have been inactive for a period of two years preceding the date the agency is scheduled for abolition, that have been rendered inactive by an action of the legislature, or that the commission determines are unable to participate in the review due to a declared disaster.

(c) The commission's action in exempting agencies under this section must be done by an affirmative record vote and must be decided by a majority of all members present and voting.

Added by Acts 1987, 70th Leg., ch. 1008, Sec. 5, eff. Sept. 1, 1987.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 928 (H.B. [3249](#)), Sec. 1.08, eff. June 15, 2007.

Acts 2021, 87th Leg., R.S., Ch. 850 (S.B. [713](#)), Sec. 8.01, eff. June 16, 2021.

Sec. 325.0126. MONITORING OF RECOMMENDATIONS. During each legislative session, the staff of the commission shall:

(1) monitor legislation affecting agencies that have undergone sunset review immediately before the legislative session;

(2) notify the members of the commission about any amendment to the legislation prepared under Section [325.012\(c\)](#) that modifies the commission's recommendations for a state agency; and

(3) provide legislative services to support the passage of the legislation prepared under Section [325.012\(c\)](#).

Added by Acts 1987, 70th Leg., ch. 1008, Sec. 6, eff. Sept. 1, 1987.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 596 (S.B. [619](#)), Sec. 7.05, eff. June 10, 2019.

Sec. 325.0127. COST OF REVIEW. (a) In this section, "self-directed semi-independent agency" means a state agency that has status as a self-directed semi-independent agency under the Self-Directed Semi-Independent Agency Project Act (Article 8930, Revised Statutes), Chapter [16](#), Finance Code, Chapter [1105](#), Occupations Code, or any other law. The term does not include the Texas Department of Insurance's actuarial division and financial examinations division as those terms are defined by Section [401.251](#), Insurance Code.

(b) A self-directed semi-independent agency shall pay the costs incurred by the commission in performing a review of the agency under this chapter. The commission shall determine the costs of the review, and the agency shall pay the amount of those costs promptly on receipt of a statement from the commission regarding those costs.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1279 (H.B. 1675), Sec. 7.01, eff. June 14, 2013.

Sec. 325.013. ABOLITION OF ADVISORY COMMITTEES. An advisory committee, the primary function of which is to advise a particular state agency, is abolished on the date set for abolition of the agency unless the advisory committee is expressly continued by law.

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985.

Sec. 325.015. CONTINUATION BY LAW. (a) During the regular session immediately before the abolition of a state agency or an advisory committee that is subject to this chapter, the legislature by law may continue the agency or advisory committee for a period not to exceed 12 years.

(b) This chapter does not prohibit the legislature from:

(1) terminating a state agency or advisory committee subject to this chapter at a date earlier than that provided in this chapter; or

(2) considering any other legislation relative to a state agency or advisory committee subject to this chapter.

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985.

Sec. 325.017. PROCEDURE AFTER TERMINATION. (a) A state agency that is abolished in an odd-numbered year may continue in existence until September 1 of the following year to conclude its business. Unless the law provides otherwise, abolishment does not reduce or otherwise limit the powers and authority of the state agency during the concluding year. A state agency is terminated and shall cease all activities at the expiration of the one-year period. Unless the law provides otherwise, all rules that have been adopted by the state agency expire at the expiration of the one-year period.

(b) Any unobligated and unexpended appropriations of an abolished agency or advisory committee lapse on September 1 of the even-numbered year after abolishment.

(c) Except as provided by Subsection (f) or as otherwise

provided by law, all money in a dedicated fund of an abolished state agency or advisory committee on September 1 of the even-numbered year after abolishment is transferred to the General Revenue Fund. The part of the law dedicating the money to a specific fund of an abolished agency becomes void on September 1 of the even-numbered year after abolishment.

(d) Unless the law or a rider in the General Appropriations Act provides otherwise, an abolished state agency or advisory committee funded in the General Appropriations Act for both years of the biennium may not spend or obligate any of the money appropriated to it for the second year of the biennium.

(e) Unless the governor designates an appropriate state agency as prescribed by Subsection (f), property and records in the custody of an abolished state agency or advisory committee on September 1 of the even-numbered year after abolishment shall be transferred to the comptroller. If the governor designates an appropriate state agency, the property and records shall be transferred to the designated state agency.

(f) The legislature recognizes the state's continuing obligation to pay bonded indebtedness and all other obligations, including lease, contract, and other written obligations, incurred by a state agency abolished under this chapter, and this chapter does not impair or impede the payment of bonded indebtedness and all other obligations, including lease, contract, and other written obligations, in accordance with their terms. If an abolished state agency has outstanding bonded indebtedness or other outstanding obligations, including lease, contract, and other written obligations, the bonds and all other obligations, including lease, contract, and other written obligations, remain valid and enforceable in accordance with their terms and subject to all applicable terms and conditions of the laws and proceedings authorizing the bonds and all other obligations, including lease, contract, and other written obligations. The governor shall designate an appropriate state agency that shall continue to carry out all covenants contained in the bonds and in all other obligations, including lease, contract, and other written obligations, and the proceedings authorizing them, including the

issuance of bonds, and the performance of all other obligations, including lease, contract, and other written obligations, to complete the construction of projects or the performance of other obligations, including lease, contract, and other written obligations. The designated state agency shall provide payment from the sources of payment of the bonds in accordance with the terms of the bonds and shall provide payment from the sources of payment of all other obligations, including lease, contract, and other written obligations, in accordance with their terms, whether from taxes, revenues, or otherwise, until the bonds and interest on the bonds are paid in full and all other obligations, including lease, contract, and other written obligations, are performed and paid in full. If the proceedings so provide, all funds established by laws or proceedings authorizing the bonds or authorizing other obligations, including lease, contract, and other written obligations, shall remain with the comptroller or the previously designated trustees. If the proceedings do not provide that the funds remain with the comptroller or the previously designated trustees, the funds shall be transferred to the designated state agency.

(g) Except as provided by Subsections (a), (e), and (f), all legal interests of a state agency abolished in an odd-numbered year are transferred to the comptroller on the date the state agency is terminated under Subsection (a).

(h) On the date a state agency that is abolished in an odd-numbered year is terminated under Subsection (a), the governor may designate another state agency to administer any law previously administered by the abolished state agency that remains in effect and a reference in any law to the abolished state agency means the designated state agency. The governor is not required to designate the same state agency under this subsection that is designated under Subsection (f).

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985. Amended by Acts 1991, 72nd Leg., ch. 582, Sec. 13, eff. Sept. 1, 1991; Acts 1997, 75th Leg., ch. 1423, Sec. 8.05, eff. Sept. 1, 1997; Acts 2001, 77th Leg., ch. 639, Sec. 1, eff. Sept. 1, 2001.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 928 (H.B. 3249), Sec. 1.10, eff. June 15, 2007.

Acts 2007, 80th Leg., R.S., Ch. 937 (H.B. 3560), Sec. 1.44, eff. September 1, 2007.

Acts 2021, 87th Leg., R.S., Ch. 850 (S.B. 713), Sec. 8.02, eff. June 16, 2021.

Sec. 325.018. SUBPOENA POWER. (a) The commission may issue process to compel the attendance of witnesses and the production of books, records, papers, and other objects necessary or proper for the purposes of the commission proceedings. The process may be served on a witness at any place in this state.

(b) If a majority of the commission directs the issuance of a subpoena, the chairman shall issue the subpoena in the name of the commission.

(c) If the chairman is absent, the chairman's designee may issue a subpoena or other process in the same manner as the chairman.

(d) If necessary to obtain compliance with a subpoena or other process, the commission may issue attachments. The attachments may be addressed to and served by any peace officer in this state.

(e) Testimony taken under subpoena must be reduced to writing and given under oath subject to the penalties of perjury.

(f) A witness who attends a commission proceeding under process is entitled to the same mileage and per diem as a witness who appears before a grand jury in this state.

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985.

Sec. 325.019. ASSISTANCE OF AND ACCESS TO STATE AGENCIES.

(a) The commission may request the assistance of state agencies and officers. When assistance is requested, a state agency or officer shall assist the commission.

(b) In carrying out its functions under this chapter, the commission or its designated staff member may attend any meetings and proceedings of any state agency, including any meeting or proceeding of the governing body of the agency that is closed to the

public, and may inspect the records, documents, and files of any state agency, including any record, document, or file that is:

- (1) attorney work product;
- (2) an attorney-client communication; or
- (3) made privileged or confidential by law.

(c) It is the intent of the legislature to allow the commission and its designated staff members to have access to all meetings or proceedings of a state agency being reviewed by the commission under this chapter and to all records, documents, and files of that agency. To the extent that this section conflicts with other law that purports to limit the commission's access to meetings or proceedings or to records, documents, and files, this section controls. If federal law prohibits a state agency from disclosing information in a record, document, or file to the commission, including information in a record, document, or file created as a result of or considered during a meeting or proceeding, the state agency may redact the protected information from the record, document, or file.

(d) Communications, including conversations, correspondence, and electronic communications, between the commission or its staff and a state agency that relate to a request by the commission for assistance in conducting a review under this chapter are confidential. A state agency's internal communications related to a request for assistance by the commission are confidential, including any information prepared or maintained by the state agency at the request of the commission or its staff. With respect to a document, file, or other record prepared or maintained by the state agency that was created in the normal course of the agency's business and not at the request of the commission, the confidentiality created by this subsection applies only to information in the possession of the commission.

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1279 (H.B. [1675](#)), Sec. 7.02, eff. June 14, 2013.

Acts 2019, 86th Leg., R.S., Ch. 596 (S.B. [619](#)), Sec. 7.06, eff. June 10, 2019.

Sec. 325.0195. RECORDS PROTECTED FROM DISCLOSURE. (a) A working paper, including all documentary or other information, prepared or maintained by the commission staff in performing its duties under this chapter or other law to conduct an evaluation and prepare a report is excepted from the public disclosure requirements of Section 552.021.

(b) A record held by another entity that is considered to be confidential by law and that the commission receives in connection with the performance of the commission's functions under this chapter or another law remains confidential and is excepted from the public disclosure requirements of Section 552.021.

(c) A state agency that provides the commission with access to a privileged or confidential communication, record, document, or file under Section 325.019 for purposes of a review under this chapter does not waive the attorney-client privilege, or any other privilege or confidentiality requirement protected or required by the Texas Constitution, common law, statutory law, or rules of evidence, procedure, or professional conduct, with respect to the communication, record, document, or file provided to the commission. For purposes of this subsection, a communication includes a discussion that occurs at a meeting or proceeding of the state agency that is closed to the public.

(d) The state agency may require the commission or the members of the commission's staff who view, handle, or are privy to information, or who attend a meeting that is not accessible to the public, to sign a confidentiality agreement that covers the information and requires that:

(1) the information not be disclosed outside the commission for purposes other than the purpose for which it was received;

(2) the information be labeled as confidential;

(3) the information be kept securely; and

(4) the number of copies made of the information or the notes taken from the information that implicate the confidential nature of the information be controlled, with all copies or notes that are not destroyed or returned to the governmental body

remaining confidential and subject to the confidentiality agreement.

(e) A person who obtains access to confidential information in connection with the performance of the commission's duties under this chapter or another law commits an offense if the person knowingly:

(1) uses the confidential information for a purpose other than the purpose for which the information was received or for a purpose unrelated to the law that permitted the person to obtain access to the information, including solicitation of political contributions or solicitation of clients;

(2) permits inspection of the confidential information by a person who is not authorized to inspect the information; or

(3) discloses the confidential information to a person who is not authorized to receive the information.

Acts 2003, 78th Leg., ch. 1112, Sec. 7.01, eff. Sept. 1, 2003.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1279 (H.B. [1675](#)), Sec. 7.03, eff. June 14, 2013.

Sec. 325.020. RELOCATION OF EMPLOYEES. If an employee is displaced because a state agency or its advisory committee is abolished, reorganized, or continued, the state agency and the Texas Workforce Commission shall make a reasonable effort to relocate the displaced employee.

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 928 (H.B. [3249](#)), Sec. 1.11, eff. June 15, 2007.

Sec. 325.021. SAVING PROVISION. Except as otherwise expressly provided, abolition of a state agency does not affect rights and duties that matured, penalties that were incurred, civil or criminal liabilities that arose, or proceedings that were begun before the effective date of the abolition.

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985.

Sec. 325.022. REVIEW OF PROPOSED LEGISLATION CREATING AN AGENCY. (a) Each bill filed in a house of the legislature that would create a new state agency or a new advisory committee to a state agency shall be reviewed by the commission.

(b) The commission shall review the bill to determine if:

(1) the proposed functions of the agency or committee could be administered by one or more existing state agencies or advisory committees;

(2) the form of regulation, if any, proposed by the bill is the least restrictive form of regulation that will adequately protect the public;

(3) the bill provides for adequate public input regarding any regulatory function proposed by the bill; and

(4) the bill provides for adequate protection against conflicts of interest within the agency or committee.

(c) On request, the commission shall forward a written comment on the legislation to the author of the bill and to the presiding officer of the committee to which the bill is referred.

Added by Acts 1987, 70th Leg., ch. 167, Sec. 2.13(a), eff. Sept. 1, 1987.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 928 (H.B. 3249), Sec. 1.12, eff. June 15, 2007.

Sec. 325.023. REVIEW OF PROPOSED LEGISLATION REGULATING AN OCCUPATION. (a) Not later than December 31 of an odd-numbered year, a member of the legislature may submit proposed legislation that would create an occupational licensing program or significantly affect an existing occupational licensing program to the commission for review and analysis. A request under this section may be submitted after December 31 of an odd-numbered year on the approval of the commission's chair based on the recommendation of the executive director. The commission's chair may, on the recommendation of the executive director, deny a request for review under this section.

(b) If the commission reviews and analyzes legislation

proposing the regulation of an occupation, the commission shall submit a report to the legislature before the start of the next legislative session regarding the commission's findings on the need for regulating the occupation and the type of regulation recommended, if any.

(c) In analyzing legislation proposing the creation of an occupational licensing program, the commission shall determine whether:

(1) the unregulated practice of the occupation would be inconsistent with the public interest as defined by Section [325.0115](#);

(2) the public can reasonably be expected to benefit from an assurance of initial and continuing professional skill sets or competencies; and

(3) the public can be more effectively protected by means other than state regulation.

(d) If the commission reviews and analyzes proposed legislation amending an existing occupational licensing program, the commission shall submit a report to the legislature before the start of the next legislative session regarding the commission's findings on the need for the proposed legislation.

Added by Acts 2013, 83rd Leg., R.S., Ch. 222 (H.B. [86](#)), Sec. 2, eff. September 1, 2013.

Sec. 325.024. GIFTS AND GRANTS. (a) The commission may accept gifts, grants, and donations from any organization described in Section 501(c)(3) of the Internal Revenue Code for the purpose of funding any activity under this chapter.

(b) All gifts, grants, and donations must be accepted in an open meeting by a majority of the voting members of the commission and reported in the public record of the commission with the name of the donor and purpose of the gift, grant, or donation.

Added by Acts 1987, 70th Leg., ch. 617, Sec. 6, eff. Sept. 1, 1987.

Sec. 325.025. RIVER AUTHORITIES SUBJECT TO REVIEW. (a) A river authority listed in Subsection (b) is subject to a limited review under this chapter as if it were a state agency but may not be

abolished.

(b) This section applies to the:

- (1) Angelina and Neches River Authority;
- (2) Bandera County River Authority and Groundwater District;
- (3) Brazos River Authority;
- (4) Guadalupe-Blanco River Authority;
- (5) Lavaca-Navidad River Authority;
- (6) Lower Colorado River Authority;
- (7) Lower Neches Valley Authority;
- (8) Nueces River Authority;
- (9) Red River Authority of Texas;
- (10) Sabine River Authority of Texas;
- (11) San Antonio River Authority;
- (12) San Jacinto River Authority;
- (13) Sulphur River Basin Authority;
- (14) Trinity River Authority of Texas;
- (15) Upper Colorado River Authority; and
- (16) Upper Guadalupe River Authority.

(c) The limited review under this chapter must assess each river authority's:

- (1) governance;
- (2) management;
- (3) operating structure; and
- (4) compliance with legislative requirements.

(d) A river authority shall pay the cost incurred by the commission in performing a review of the authority under this section. The commission shall determine the cost, and the authority shall pay the amount promptly on receipt of a statement from the commission detailing the cost.

(e) A river authority reviewed by the commission under this section may not be required to conduct a management audit under Chapter 292, Title 30, Texas Administrative Code.

Added by Acts 2015, 84th Leg., R.S., Ch. 1148 (S.B. [523](#)), Sec. 1, eff. June 19, 2015.

Amended by:

Acts 2017, 85th Leg., R.S., Ch. 975 (S.B. [2262](#)), Sec. 4, eff.

January 1, 2019.

Acts 2017, 85th Leg., R.S., Ch. 1046 (H.B. [1920](#)), Sec. 10,
eff. September 1, 2017.

Acts 2019, 86th Leg., R.S., Ch. 467 (H.B. [4170](#)), Sec. 8.008,
eff. September 1, 2019.

Acts 2019, 86th Leg., R.S., Ch. 596 (S.B. [619](#)), Sec. 7.07,
eff. June 10, 2019.