

## **BILL ANALYSIS**

C.S.H.B. 986  
By: Capriglione  
Government Transparency & Operation  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Interested parties assert that the recent recession forced governments at all levels to impose significant budget cuts, contend with a decline in economic development, and cut a large number of jobs. These parties point to innovative organizations that have adapted to such pressures, citing businesses that employ a chief innovation officer to supervise the business's attempts to apply the most current tools and business strategies, often with an eye toward identifying new opportunities. In a governmental entity that creates such a position, the chief innovation officer generally looks for fundamental inefficiencies in carrying out the entity's functions and for ways to either revitalize or transform an internal process to save money and time. It has been suggested that creating a chief innovation officer position at the Legislative Budget Board would help realize these efficiencies and savings. C.S.H.B. 986 seeks to create such a position.

### **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. 986 amends the Government Code to require the director of the Legislative Budget Board to appoint a chief innovation officer as soon as practicable after the bill's effective date. The bill requires the chief innovation officer to develop procedures and processes to improve internal state government efficiency and performance; to develop methods to improve the experience of residents, businesses, and local governments in their interactions with state government; to examine inefficiencies in state government procurement and improve procurement practices; to increase the use of technology by state agencies, in cooperation with the Department of Information Resources, to improve services provided by the agencies and to reduce state expenses and inefficiencies; to provide state agency personnel with training in skills that support innovation; to provide state agency managers with training to support innovation and encourage creative thinking; and to develop and apply measures to document improvements in state government innovation and in employee skills that support innovation. The bill also requires the chief innovation officer, in performing the required duties, to use strategic innovation, promote open innovation, introduce and use group tools and processes that encourage creative thinking, and conduct market research to determine the best practices for increasing innovation and to implement those best practices.

### **EFFECTIVE DATE**

84R 23405

15.105.522

Substitute Document Number: 84R 20206

September 1, 2015.

## COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 986 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. Chapter 321, Government Code, is amended by adding Section 321.0105 to read as follows:

Sec. 321.0105. CHIEF INNOVATION OFFICER. (a) The State Auditor shall appoint a chief innovation officer.

(b) The chief innovation officer shall:

(1) develop procedures and processes to improve internal state government efficiency and performance;

(2) develop methods to improve the experience of residents, businesses, and local governments in their interactions with state government;

(3) examine inefficiencies in state government procurement and improve procurement practices;

(4) in cooperation with the Department of Information Resources, increase the use of technology by state agencies to improve services provided by the agencies and to reduce state expenses and inefficiencies;

(5) provide state agency personnel with training in skills that support innovation;

(6) provide state agency managers with training to support innovation and encourage creative thinking; and

(7) develop and apply measures to document improvements in state government innovation and in employee skills that support innovation.

(c) In performing the duties required under Subsection (b), the chief innovation officer must:

(1) use strategic innovation;

(2) promote open innovation;

(3) introduce and use group tools and processes that encourage creative thinking; and

(4) conduct market research to determine the best practices for increasing innovation and implement those best practices.

SECTION 2. As soon as practicable after

### HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Chapter 322, Government Code, is amended by adding Section 321.0105 to read as follows:

Sec. 321.0105. CHIEF INNOVATION OFFICER. (a) The director shall appoint a chief innovation officer.

(b) The chief innovation officer shall:

(1) develop procedures and processes to improve internal state government efficiency and performance;

(2) develop methods to improve the experience of residents, businesses, and local governments in their interactions with state government;

(3) examine inefficiencies in state government procurement and improve procurement practices;

(4) in cooperation with the Department of Information Resources, increase the use of technology by state agencies to improve services provided by the agencies and to reduce state expenses and inefficiencies;

(5) provide state agency personnel with training in skills that support innovation;

(6) provide state agency managers with training to support innovation and encourage creative thinking; and

(7) develop and apply measures to document improvements in state government innovation and in employee skills that support innovation.

(c) In performing the duties required under Subsection (b), the chief innovation officer must:

(1) use strategic innovation;

(2) promote open innovation;

(3) introduce and use group tools and processes that encourage creative thinking; and

(4) conduct market research to determine the best practices for increasing innovation and implement those best practices.

SECTION 2. As soon as practicable after

the effective date of this Act, the state auditor shall appoint a chief innovation officer as required by Section 321.0105, Government Code, as added by this Act.

SECTION 3. This Act takes effect September 1, 2015.

the effective date of this Act, the director of the Legislative Budget Board shall appoint a chief innovation officer as required by Section 321.0105, Government Code, as added by this Act.

SECTION 3. Same as introduced version.