

## **BILL ANALYSIS**

Senate Research Center  
78R9367 MTB-D

H.B. 651  
By: Pitts, et al. (Williams)  
Finance  
5-7-2003  
Engrossed

### **DIGEST AND PURPOSE**

Currently, no savings incentive program for state agencies exists in this state. H.B. 651 allows an agency to retain a portion of its remaining balance at the end of the fiscal year, while remitting the other portion to general revenue.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 2108, Government Code, by adding Subchapter C, as follows:

#### **SUBCHAPTER C. SAVINGS INCENTIVE PROGRAM FOR STATE AGENCY**

Sec. 2108.101. NOTICE. Requires a state agency that spends less undedicated general revenue derived from nonfederal sources than is appropriated to the agency for a fiscal year to send to the comptroller of public accounts of the State of Texas (comptroller) a notice of the amount of the savings before October 30 following the end of the fiscal year in which the savings are realized.

Sec. 2108.102. VERIFICATION OF SAVINGS. Requires the comptroller to verify the amount of savings contained in the notice not later than the 60th day following the date the comptroller receives the notice.

Sec. 2108.103. RETENTION OF FUNDS. (a) Provides that the affected agency retains one-half of the amount of savings verified by the comptroller, not to exceed one percent of the amount of the undedicated general revenue derived from nonfederal sources appropriated to the agency for the fiscal year in which the savings are realized.

(b) Authorizes savings retained under this section to only be appropriated by the legislature to the affected agency. Authorizes the affected agency to spend the savings only on an activity or expense that does not create new or expanded services or require ongoing funding at a later date.

SECTION 2. Effective date: September 1, 2003.