

1-1 By: Pitts, et al. (Senate Sponsor - Williams) H.B. No. 651  
1-2 (In the Senate - Received from the House April 10, 2003;  
1-3 April 14, 2003, read first time and referred to Committee on  
1-4 Finance; May 26, 2003, reported favorably by the following vote:  
1-5 Yeas 10, Nays 0; May 26, 2003, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to the creation of a savings incentive program for state  
1-9 agencies.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Chapter 2108, Government Code, is amended by  
1-12 adding Subchapter C to read as follows:

1-13 SUBCHAPTER C. SAVINGS INCENTIVE PROGRAM FOR STATE AGENCY

1-14 Sec. 2108.101. NOTICE. A state agency that spends less  
1-15 undedicated general revenue derived from nonfederal sources than is  
1-16 appropriated to the agency for a fiscal year shall send to the  
1-17 comptroller a notice of the amount of the savings before October 30  
1-18 following the end of the fiscal year in which the savings are  
1-19 realized.

1-20 Sec. 2108.102. VERIFICATION OF SAVINGS. The comptroller  
1-21 shall verify the amount of savings contained in the notice not later  
1-22 than the 60th day following the date the comptroller receives the  
1-23 notice.

1-24 Sec. 2108.103. RETENTION OF FUNDS. (a) The affected agency  
1-25 retains one-half of the amount of savings verified by the  
1-26 comptroller, not to exceed two percent of the amount of the  
1-27 undedicated general revenue derived from nonfederal sources  
1-28 appropriated to the agency for the fiscal year in which the savings  
1-29 are realized.

1-30 (b) Savings retained under this section may only be  
1-31 appropriated by the legislature to the affected agency. The agency  
1-32 may spend the savings only on an activity or expense that does not:

1-33 (1) create new or expanded services; or

1-34 (2) require ongoing funding at a later date.

1-35 SECTION 2. This Act takes effect September 1, 2003.

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