By: Watson

S.B. No. 739

## A BILL TO BE ENTITLED

AN ACT

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2 relating to transferring the Legislative Budget Board's
3 performance review duties to the comptroller.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Sections 322.015, 322.016, 322.0165, 322.017, 6 and 322.018, Government Code, are transferred to Chapter 403, 7 Government Code, redesignated as Subchapter O, Chapter 403, 8 Government Code, and amended with the addition of a subchapter 9 heading to read as follows:

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## SUBCHAPTER O. PERFORMANCE REVIEWS

Sec. <u>403.351</u> [<del>322.015</del>]. REVIEW 11 OF INTERSCHOLASTIC 12 COMPETITION. The <u>comptroller</u> [board] may periodically review and analyze the effectiveness and efficiency of the policies, 13 14 management, fiscal affairs, and operations of an organization that is a component or part of a state agency or institution and that 15 16 sanctions or conducts interscholastic competition. The comptroller [board] shall report the findings to the governor and 17 the legislature. The legislature may consider the comptroller's 18 [<del>board's</del>] reports in connection the 19 with legislative 20 appropriations process.

Sec. <u>403.352</u> [<del>322.016</del>]. PERFORMANCE REVIEW OF SCHOOL DISTRICTS. (a) The <u>comptroller</u> [<del>board</del>] may periodically review the effectiveness and efficiency of the operations of school districts, including the district's expenditures for its officers'

1 and employees' travel services. A review of a school district may 2 be initiated by the <u>comptroller</u> [board] at <u>the comptroller's</u> [its] 3 discretion or on the request of the school district. A review may 4 be initiated by a school district only by resolution adopted by a 5 majority of the members of the board of trustees of the district.

6 (b) If a review is initiated on the request of the school 7 district, the district shall pay 25 percent of the cost incurred in 8 conducting the review.

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(c) The comptroller [board] shall:

10 (1) prepare a report showing the results of each 11 review conducted under this section;

12 (2) file the report with the school district, the 13 governor, the lieutenant governor, the speaker of the house of 14 representatives, the chairs of the standing committees of the 15 senate and the house of representatives with jurisdiction over 16 public education, and the commissioner of education; and

17 (3) make the entire report and a summary of the report18 available to the public on the Internet.

Until the <u>comptroller</u> [board] has completed a review 19 (d) under this section, all information, documentary or otherwise, 20 prepared or maintained in conducting the review or preparing the 21 including intra-agency 22 review report, and interagency 23 communications and drafts of the review report or portions of those 24 drafts, is excepted from required public disclosure as audit working papers under Section 552.116. This subsection does not 25 26 affect whether information described by this subsection is confidential or excepted from required public disclosure under a 27

1 law other than Section 552.116.

2 Sec. <u>403.353</u> [<u>322.0165</u>]. PERFORMANCE REVIEW OF 3 INSTITUTIONS OF HIGHER EDUCATION. (a) In this section, "public 4 junior college" and "general academic teaching institution" have 5 the meanings assigned by Section 61.003, Education Code.

6 (b) The <u>comptroller</u> [board] may periodically review the 7 effectiveness and efficiency of the budgets and operations of:

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(1) public junior colleges; and

(2) general academic teaching institutions.

10 (c) A review under this section may be initiated by the 11 <u>comptroller</u> [board] or at the request of:

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(1) the governor; or

13 (2) the public junior college or general academic14 teaching institution.

(d) A review may be initiated by a public junior college or general academic teaching institution only at the request of the president of the college or institution or by a resolution adopted by a majority of the governing body of the college or institution.

(e) If a review is initiated by a public junior college or
general academic teaching institution, the college or institution
shall pay 25 percent of the cost incurred in conducting the review.

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(f) The comptroller [board] shall:

(1) prepare a report showing the results of eachreview conducted under this section;

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(2) file the report with:

26 (A) the chief executive officer of the public27 junior college or general academic teaching institution that is the

1 subject of the report; and

(B) the governor, the lieutenant governor, the speaker of the house of representatives, the chairs of the standing committees of the senate and of the house of representatives with primary jurisdiction over higher education, and the commissioner of higher education; and

7 (3) make the entire report and a summary of the report8 available to the public on the Internet.

9 Until the comptroller [board] has completed a review (q) under this section, all information, documentary or otherwise, 10 prepared or maintained in conducting the review or preparing the 11 12 review report, including intra-agency and interagency communications and drafts of the review report or portions of those 13 drafts, is excepted from required public disclosure as audit 14 15 working papers under Section 552.116. This subsection does not affect whether information described by this subsection is 16 17 confidential or excepted from required public disclosure under a law other than Section 552.116. 18

Sec. <u>403.354</u> [<del>322.017</del>]. EFFICIENCY REVIEW OF STATE AGENCIES. (a) In this section, "state agency" has the meaning assigned by Section 2056.001.

(b) The <u>comptroller</u> [board] periodically may review and
analyze the effectiveness and efficiency of the policies,
management, fiscal affairs, and operations of state agencies.

(c) The <u>comptroller</u> [board] shall report the findings of the
 review and analysis to the governor and the legislature.

27 (d) The legislature may consider the <u>comptroller's</u>

1 [board's] reports in connection with the legislative
2 appropriations process.

S.B. No. 739

Until the comptroller [board] has completed a review and 3 (e) analysis under this section, all information, documentary or 4 5 otherwise, prepared or maintained in conducting the review and analysis or preparing the review report, including intra-agency and 6 interagency communications and drafts of the review report or 7 8 portions of those drafts, is excepted from required public disclosure as audit working papers under Section 552.116. This 9 subsection does not affect whether information described by this 10 subsection is confidential or excepted from required public 11 disclosure under a law other than Section 552.116. 12

Sec. <u>403.355</u> [<u>322.018</u>]. RECORDS MANAGEMENT REVIEW.
(a) In this section, "state agency" has the meaning assigned by
Section 2056.001.

16 (b) The <u>comptroller</u> [board] may periodically review and 17 analyze the effectiveness and efficiency of the policies and 18 management of a state governmental committee or state agency that 19 is involved in:

20 (1) analyzing and recommending improvements to the21 state's system of records management; and

(2) preserving the essential records of this state,including records relating to financial management information.

SECTION 2. (a) In this section, "performance review" means a function performed by the Legislative Budget Board before the effective date of this Act under Section 322.015, 322.016, 322.0165, 322.017, or 322.018, Government Code.

(b) On the effective date of this Act, the following are
 transferred from the Legislative Budget Board to the comptroller of
 public accounts:

4 (1) all employees whose primary duties involved
5 performing or supporting the performance of performance reviews;

6 (2) all records and equipment primarily used by the 7 board in connection with performance reviews; and

8 (3) all appropriations for the state fiscal biennium 9 beginning September 1, 2009, made to or budgeted by the board 10 specifically for performance reviews.

(c) If the Legislative Budget Board does not receive 11 appropriations specifically designated for performance review 12 purposes for the state fiscal biennium beginning September 1, 2009, 13 and has not specifically budgeted amounts for performance review 14 15 purposes for that biennium, an amount equal to the amount of appropriations specifically designated for or budgeted by the 16 17 Legislative Budget Board for performance review purposes for the state fiscal biennium beginning September 1, 2007, is transferred 18 from appropriations made to the Legislative Budget Board for the 19 20 state fiscal biennium beginning September 1, 2009, to the comptroller of public accounts for that biennium. 21

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SECTION 3. This Act takes effect September 1, 2009.