

By: Watson

S.B. No. 704

A BILL TO BE ENTITLED

AN ACT

relating to interim budget reduction requests.

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

SECTION 1. Chapter 322, Government Code, is amended by adding Section 322.022 to read as follows:

Sec. 322.022. PUBLIC HEARING ON INTERIM BUDGET REDUCTION REQUEST. (a) In this section:

(1) "Interim budget reduction request" means a request communicated in any manner for a state agency to make adjustments to the strategies, methods of finance, performance measures, or riders applicable to the agency through the state budget in effect on the date the request is communicated that, if implemented, would reduce the agency's total expenditures for the current state fiscal biennium to an amount less than the total amount that otherwise would be permissible based on the appropriations made to the agency in the budget.

(2) "State agency" means an office, department, board, commission, institution, or other entity to which a legislative appropriation is made.

(b) A state agency shall provide to the board a detailed report of any expenditure reduction plan that:

(1) the agency develops in response to an interim budget reduction request made by the governor, the lieutenant governor, or a member of the legislature, or any combination of

1 those persons; and

2 (2) if implemented, would reduce the agency's total
3 expenditures for the current state fiscal biennium to an amount
4 less than the total amount that otherwise would be permissible
5 based on the appropriations made to the agency in the state budget
6 for the biennium.

7 (c) The board shall hold a public hearing to solicit
8 testimony on an expenditure reduction plan a state agency reports
9 to the board as required by Subsection (b) as soon as practicable
10 after receiving the report. The agency may not implement any
11 element of the plan until the conclusion of the hearing.

12 (d) This section does not apply to an expenditure reduction
13 a state agency desires to make that does not directly or indirectly
14 result from an interim budget reduction request made by the
15 governor, the lieutenant governor, or a member of the legislature,
16 or any combination of those persons.

17 SECTION 2. This Act takes effect September 1, 2011.