

By: Otto, Burkett

H.B. No. 5

A BILL TO BE ENTITLED

AN ACT

relating to strategic fiscal reviews of state agencies.

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

SECTION 1. The heading to Section 322.007, Government Code, is amended to read as follows:

Sec. 322.007. ESTIMATES, ~~[AND]~~ REPORTS, AND INFORMATION.

SECTION 2. Sections 322.007(a) and (b), Government Code, are amended to read as follows:

(a) Each institution, department, agency, officer, employee, or agent of the state shall submit:

(1) any estimate or report relating to appropriations requested by the board or under the board's direction; and

(2) any information requested by the board in connection with a strategic fiscal review.

(b) Each estimate, ~~[or]~~ report, or item of information shall be submitted at a time set by the board and in the manner and form prescribed by board rules.

SECTION 3. Chapter 322, Government Code, is amended by adding Section 322.0175 to read as follows:

Sec. 322.0175. STRATEGIC FISCAL REVIEWS OF STATE AGENCIES.

(a) Not later than September 1 of each odd-numbered year, the director shall recommend to the board state agencies to undergo strategic fiscal review before the next regular legislative session.

1 (b) The board shall select the state agencies to undergo
2 strategic fiscal review and conduct the reviews with the assistance
3 of the director.

4 (c) Not later than the seventh day after the date a regular
5 legislative session convenes, the board shall submit to the
6 legislature written reports of the findings of each strategic
7 fiscal review conducted by the board since the previous legislative
8 session.

9 (d) The board shall include in the written report of the
10 findings of a strategic fiscal review:

11 (1) a description of the discrete activities the state
12 agency is charged with conducting or performing together with:

13 (A) a justification for each activity by
14 reference to a statute or other legal authority; and

15 (B) an evaluation of the effectiveness and
16 efficiency of the state agency's policies, management, fiscal
17 affairs, and operations in relation to each activity;

18 (2) for each activity identified under Subdivision
19 (1):

20 (A) a quantitative estimate of any adverse
21 effects that reasonably may be expected to result if the activity
22 were discontinued, together with a description of the methods by
23 which the adverse effects were estimated;

24 (B) an itemized account of expenditures required
25 to maintain the activity at the minimum level of service or
26 performance required by the statute or other legal authority,
27 together with a concise statement of the quantity and quality of

1 service or performance required at that minimum level; and

2 (C) an itemized account of expenditures required
3 to maintain the activity at the current level of service or
4 performance, together with a concise statement of the quantity and
5 quality of service or performance provided at that current level;

6 (3) a ranking of activities identified under
7 Subdivision (1) that illustrates the relative importance of each
8 activity to the overall goals and purposes of the state agency at
9 current service or performance levels; and

10 (4) recommendations to the legislature regarding
11 whether the legislature should continue funding each activity
12 identified under Subdivision (1) and, if so, at what level.

13 (e) The legislature may consider reports of the findings of
14 strategic fiscal reviews in connection with the legislative
15 appropriation process.

16 (f) The legislature may consider a state agency's
17 compliance with the strategic fiscal review process in making
18 appropriations to that agency.

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

1 excepted from required public disclosure under a law other than
2 Section 552.116.

3 SECTION 4. This Act takes effect immediately if it receives
4 a vote of two-thirds of all the members elected to each house, as
5 provided by Section 39, Article III, Texas Constitution. If this
6 Act does not receive the vote necessary for immediate effect, this
7 Act takes effect September 1, 2015.