

By: Gonzales

H.B. No. 443

A BILL TO BE ENTITLED

AN ACT

relating to zero-based budgeting for state agencies as part of the sunset review process.

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

SECTION 1. The heading to Section 325.007, Government Code, is amended to read as follows:

Sec. 325.007. AGENCY REPORT TO COMMISSION; ZERO-BASED BUDGET.

SECTION 2. Section 325.007, Government Code, is amended by adding Subsections (c) and (d) to read as follows:

(c) Before November 1 of the odd-numbered year before the year in which a state agency subject to this chapter is abolished, the agency shall present to the commission a zero-based budget for the state fiscal biennium that begins on the date the agency is scheduled to be abolished that contains:

(1) a description of the discrete activities the agency is charged with conducting or performing, together with a justification for each activity by reference to a statute or other legal authority;

(2) for each activity identified under Subdivision (1), a quantitative estimate of any adverse effects that reasonably may be expected to result if the activity were discontinued, together with a description of the methods by which the adverse effects were estimated;

1 (3) for each activity identified under Subdivision
2 (1), an itemized account of expenditures required to maintain the
3 activity at the minimum level of service required by the statute or
4 other legal authority, together with a concise statement of the
5 quantity and quality of service required at that minimum level;

6 (4) for each activity identified under Subdivision
7 (1), an itemized account of expenditures required to maintain the
8 activity at the current level of service, together with a concise
9 statement of the quantity and quality of service provided at that
10 level; and

11 (5) a ranking of activities identified under
12 Subdivision (1) that illustrates the relative importance of each
13 activity to the overall goals and purposes of the agency at current
14 service levels.

15 (d) As part of a state agency's legislative appropriations
16 request for the state fiscal biennium that begins on the date the
17 agency is scheduled to be abolished, the agency shall submit to the
18 Legislative Budget Board:

19 (1) the zero-based budget required under Subsection
20 (c); and

21 (2) a statement of the estimated amount of any unspent
22 and unencumbered money appropriated to the agency for the state
23 fiscal biennium preceding that fiscal biennium.

24 SECTION 3. The changes in law made by this Act apply in
25 relation to the review by the Sunset Advisory Commission of
26 agencies scheduled to be abolished on or after September 1, 2019, if
27 not continued in accordance with Chapter 325, Government Code, and

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1 in relation to any other agencies that by law are reviewed during
2 those review periods by the Sunset Advisory Commission.

3 SECTION 4. This Act takes effect September 1, 2015.