

AN ACT

relating to strategic fiscal reviews of state agencies and programs.

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

SECTION 1. Chapter 322, Government Code, is amended by adding Section 322.0175 to read as follows:

Sec. 322.0175. STRATEGIC FISCAL REVIEW OF STATE AGENCIES AND PROGRAMS. (a) The board shall perform a strategic fiscal review for each state agency currently the subject of Sunset Advisory Commission review under Chapter 325 (Texas Sunset Act). The board shall not perform a review under this section of state agencies listed in Section 325.025(b), Government Code, because these agencies are not subject to the legislative appropriations process.

(b) The board shall prepare and submit a report of the findings of the strategic fiscal review by September 1 of the even-numbered year of the biennium during which the review is conducted to the governor, lieutenant governor, and speaker of the house of representatives and to the members of the senate finance and house appropriations committees.

(c) The strategic fiscal review report must contain:

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

(A) a justification for each activity by

1 reference to a statute or other legal authority; and

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

5 (2) for each activity identified under Subdivision  
6 (1):

7 (A) a quantitative estimate of any adverse  
8 effects that reasonably may be expected to result if the activity  
9 were discontinued, together with a description of the methods by  
10 which the adverse effects were estimated;

11 (B) an itemized account of expenditures required  
12 to maintain the activity at the minimum level of service or  
13 performance required by the statute or other legal authority,  
14 together with a concise statement of the quantity and quality of  
15 service or performance required at that minimum level; and

16 (C) an itemized account of expenditures required  
17 to maintain the activity at the current level of service or  
18 performance, together with a concise statement of the quantity and  
19 quality of service or performance provided at that current level;

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

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

27 (d) The legislature may consider the strategic fiscal

1 review reports in connection with the legislative appropriations  
2 process.

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

14 SECTION 2. This Act takes effect immediately if it receives  
15 a vote of two-thirds of all the members elected to each house, as  
16 provided by Section 39, Article III, Texas Constitution. If this  
17 Act does not receive the vote necessary for immediate effect, this  
18 Act takes effect September 1, 2019.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 68 passed the Senate on April 11, 2019, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 23, 2019, by the following vote: Yeas 31, Nays 0.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 68 passed the House, with amendment, on May 17, 2019, by the following vote: Yeas 141, Nays 0, two present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor