

By: Paxton

S.B. No. 861

A BILL TO BE ENTITLED

AN ACT

relating to a zero-based budget legislative appropriations request process.

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

SECTION 1. Chapter 322, Government Code, is amended by adding Section 322.0071 to read as follows:

Sec. 322.0071. REPORT ON ZERO-BASED BUDGET LEGISLATIVE APPROPRIATIONS REQUESTS. (a) In each even-numbered year, the board shall prepare a report that includes each zero-based budget legislative appropriations request form submitted to the board in that year by a state agency, institution, or other entity required to submit the form under Section 401.0422. The report must include the information described by Sections 401.0422(d)(1) and (2) for each agency, institution, or entity.

(b) Not later than December 1 of each even-numbered year, the board shall:

(1) deliver the report required under Subsection (a) to the governor, the lieutenant governor, and each member of the legislature; and

(2) publish the report on the board's Internet website in the manner provided by Section 322.0081.

SECTION 2. Section 322.008, Government Code, is amended by adding Subsection (b-1) to read as follows:

(b-1) The general appropriations bill may include as an

1 informational item information from a zero-based budget
2 legislative appropriations request form submitted to the board by a
3 state agency, institution, or other entity as required under
4 Section 401.0422.

5 SECTION 3. Section 401.042, Government Code, is amended by
6 adding Subsection (a-1) to read as follows:

7 (a-1) Notwithstanding Subsection (a), the governor shall
8 design and prepare a zero-based budget legislative appropriations
9 request form on which a state agency, institution, or other entity
10 required to submit a zero-based budget legislative appropriations
11 request under Section 401.0422 must prepare its request. The form
12 must be designed to allow the agency, institution, or entity to
13 provide the information required under Section 401.0421.

14 SECTION 4. Subchapter C, Chapter 401, Government Code, is
15 amended by adding Sections 401.0421 and 401.0422 to read as
16 follows:

17 Sec. 401.0421. CONTENT AND ORGANIZATION OF ZERO-BASED
18 BUDGET LEGISLATIVE APPROPRIATIONS REQUEST FORM. (a) A state
19 agency, institution, or other entity submitting legislative
20 appropriation requests on the zero-based budget legislative
21 appropriations request form as required by Section 401.042(b) must:

22 (1) include on the form a citation to:

23 (A) the agency's, institution's, or entity's
24 authority under the Texas Constitution to operate, if applicable;
25 and

26 (B) the law specifying the agency's,
27 institution's, or entity's primary purpose or mission; and

1 (2) organize the agency's, institution's, or entity's
2 requests for legislative appropriations by program or activity.

3 (b) For each specific program or activity administered by a
4 state agency, institution, or other entity for which the agency,
5 institution, or entity is making a legislative appropriation
6 request on the zero-based budget legislative appropriations
7 request form, the agency, institution, or entity must include:

8 (1) a line item that describes the program or activity
9 and cites the law that authorizes or requires the program or
10 activity;

11 (2) the appropriation made for the program or activity
12 for the state fiscal biennium preceding the state fiscal biennium
13 for which the requested appropriation is made;

14 (3) the amount of the requested appropriation with a
15 succinct notation justifying the amount;

16 (4) a statement that specifies whether the requested
17 appropriation for the program or activity is from nondedicated
18 money in the general revenue fund, dedicated money in the general
19 revenue fund, federal money, or another source; and

20 (5) the number of full-time equivalent employees
21 authorized for the program or activity for the state fiscal
22 biennium preceding the state fiscal biennium for which the
23 requested appropriation is made and the number of full-time
24 equivalent employees for the biennium that would be authorized
25 under the requested appropriation.

26 Sec. 401.0422. ZERO-BASED BUDGET LEGISLATIVE
27 APPROPRIATIONS REQUEST PROCESS. (a) The governor shall:

1 (1) identify each state agency, institution, or other
2 entity that makes legislative appropriations requests;

3 (2) develop a schedule under which each identified
4 agency, institution, or other entity is required to use the
5 zero-based budget legislative appropriations request process
6 described by this section for one state fiscal biennium out of each
7 of the four consecutive state fiscal bienniums, subject to
8 Subsection (c); and

9 (3) periodically revise the schedule required by
10 Subdivision (2) to account for the creation or abolition of state
11 agencies, institutions, and other entities.

12 (b) Not later than October 1 of each odd-numbered year, the
13 governor shall notify in writing:

14 (1) each state agency, institution, or other entity
15 that is, according to the schedule developed under Subsection (a),
16 required to use a zero-based budget legislative appropriations
17 request process for the legislative appropriations request for the
18 succeeding state fiscal biennium of that requirement; and

19 (2) the Legislative Budget Board of all state
20 agencies, institutions, and other entities that, according to the
21 schedule developed under Subsection (a), are required to use the
22 zero-based budget legislative appropriations request process for
23 the legislative appropriations request for the succeeding state
24 fiscal biennium.

25 (c) The governor may require a state agency, institution, or
26 other entity to use a zero-based budget legislative appropriations
27 request process for a state fiscal biennium for which a budget

1 deficit is projected regardless of whether the agency, institution,
2 or entity is required to use that process in accordance with the
3 schedule developed under Subsection (a). If the governor requires
4 a zero-based budget legislative appropriations request process
5 under this subsection, the governor shall notify each state agency,
6 institution, or entity in writing of the requirement not later than
7 March 1 of the year preceding the state fiscal biennium for which
8 the legislative appropriations requests will be made.

9 (d) A state agency, institution, or other entity required to
10 use a zero-based budget legislative appropriations request process
11 under Subsection (a) or (c) shall prepare its legislative
12 appropriations request in the manner and with the content required
13 by Section 401.0421 and submit the request to the governor and the
14 Legislative Budget Board. The agency, institution, or entity shall
15 also include in the request:

16 (1) for each line item:

17 (A) a statement of the purpose of the program or
18 activity represented by the line item;

19 (B) a statement of the goals of the administering
20 organizational unit of the agency, institution, or entity with
21 respect to the program or activity represented by the line item;

22 (C) an estimate of the cost of any adverse
23 effects that reasonably may be anticipated to result if the program
24 or activity represented by the line item were discontinued and a
25 description of the methods by which the cost was estimated;

26 (D) an itemized account of expenditures required
27 to maintain the minimum level of service required by law to be

1 provided through the program or activity represented by the line
2 item and a succinct statement of the quantity and quality of
3 services provided at that minimum level; and

4 (E) an itemized account of expenditures required
5 to maintain the current level of service provided through the
6 program or activity represented by the line item and a succinct
7 statement of the quantity and quality of services provided at the
8 current level; and

9 (2) a ranking of the programs and activities
10 represented by the line items representing programs and activities
11 administered by the state agency, institution, or entity that
12 reflects the relative importance of each program and activity to
13 the overall goals and purposes of the agency, institution, or
14 entity, assuming the current level of service provided through the
15 program or activity.

16 SECTION 5. Section [552.106](#), Government Code, is amended by
17 adding Subsection (c) to read as follows:

18 (c) A draft or working paper involved in the preparation of
19 a zero-based budget legislative appropriations request under
20 Section 401.0422 is exempted from the requirements of Section
21 [552.021](#).

22 SECTION 6. (a) Not later than March 1, 2020, the governor
23 shall develop the initial schedule required by Section 401.0422(a),
24 Government Code, as added by this Act, and provide the initial
25 notice required by Section 401.0422(b), Government Code, as added
26 by this Act.

27 (b) Section 401.0421, Government Code, as added by this Act,

1 and the zero-based budget legislative appropriations request
2 process required by Section 401.0422, Government Code, as added by
3 this Act, apply beginning with legislative appropriations requests
4 made for the 2022-2023 state fiscal biennium.

5 SECTION 7. This Act takes effect September 1, 2019.