

By: Bonnen

H.B. No. 2021

A BILL TO BE ENTITLED

AN ACT

relating to state budget execution authority for certain federal funds.

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

SECTION 1. Chapter 317, Government Code, is amended by adding Subchapter A-1 to read as follows:

SUBCHAPTER A-1. CERTAIN FEDERAL FUNDS

Sec. 317.031. DEFINITIONS. In this subchapter:

(1) "Board" means the board on administration of federal funds.

(2) "Federal funds" includes contract or grant funds made available to the state under federal law or regulation.

Sec. 317.032. BOARD ON ADMINISTRATION OF FEDERAL FUNDS; QUORUM; MEETINGS. (a) The board on administration of federal funds consists of:

(1) the lieutenant governor;  
(2) the speaker of the house of representatives;  
(3) the chairman and vice-chairman of the senate finance committee; and

(4) the chairman and vice-chairman of the house appropriations committee.

(b) The lieutenant governor and the speaker are joint chairs of the committee.

(c) A majority of the members of the board from each house

1 constitutes a quorum to transact business. If a quorum is present,  
2 the board may act on any matter that is within its jurisdiction by a  
3 majority vote.

4 (d) The board shall meet as often as necessary to perform  
5 its duties. Meetings may be held at any time at the request of  
6 either of the joint chairs of the board.

7 (e) The board shall meet in Austin, except that if a  
8 majority of the members of the board from each house agree, the  
9 board may meet in any location determined by the board.

10 Sec. 317.033. TYPES OF PROPOSALS RELATED TO CERTAIN FEDERAL  
11 FUNDS. (a) The board may propose:

12 (1) the acceptance or rejection of federal funds made  
13 available to state after the effective date of the general  
14 appropriations bill the availability of which could not have been  
15 reasonably anticipated or included in the act before its final  
16 passage by the legislature;

17 (2) that the authority to spend, obligate the  
18 expenditure of, or distribute part or all of an appropriation of  
19 federal funds made to a state agency:

20 (A) be transferred to another state agency to be  
21 used for a specified purpose; or

22 (B) be retained by the agency to which the  
23 appropriation was made but used for a purpose different from or  
24 additional to the purpose for which the appropriation was made; or

25 (3) allocation of accepted federal funds to a state  
26 agency for a stated purpose that cannot otherwise be allocated to a  
27 state agency and expended for an existing purpose, including a

1 grant or loan program or a funding formula.

2 (b) An acceptance or rejection of federal funds described by  
3 Subdivision (a)(1) on behalf of the state is not effective unless a  
4 proposal is ratified as provided under this subchapter. To the  
5 extent of a conflict between this subsection and any other state  
6 law, including Section 401.041, this subsection controls.

7 Sec. 317.034. TIME AND SCOPE OF PROPOSAL. (a) The board  
8 may make a proposal at any time except during a regular or special  
9 session of the legislature. A proposal may apply to an  
10 appropriation that has been made for any specified fiscal year that  
11 has not ended at the time the proposal is made.

12 Sec. 317.035. PUBLICATION OF PROPOSAL. A proposal under  
13 Section 317.033 must specify the details of the proposal,  
14 including, for a proposal made under Section 317.033(a)(1), a  
15 statement explaining why the availability of federal funds could  
16 not have been reasonably anticipated before final passage of the  
17 general appropriations act. The board shall direct the secretary  
18 of state to publish each proposal, including any accompanying  
19 statements, in the Texas Register.

20 Sec. 317.036. ACTION ON PROPOSAL. (a) After a proposal  
21 under this subchapter is published in the Texas Register, the board  
22 shall conduct a public hearing on the proposal. The board shall  
23 give notice of a hearing under this section in the manner provided  
24 by law for notice of regular meetings of the board. The board also  
25 shall provide notice by mail of its meetings to each member of the  
26 Legislature. The notice of the meeting must include a description  
27 of the nature of the proposal or order to be considered. If the

1 agenda includes a public hearing on a proposal, the notice must so  
2 state.

3 (b) After a hearing and at a meeting held not less than 10  
4 days after the date notice of the meeting was given in the manner  
5 provided for regular board meetings, the board, subject to the  
6 restrictions provided by Subsection (d), may:

7 (1) ratify the proposal by adopting an order changing  
8 the relevant appropriation in the manner specified in the proposal;

9 (2) amend and then ratify the proposal as under  
10 Subdivision (1); or

11 (3) reject the proposal.

12 (c) An amendment to a proposal may change:

13 (1) the proposed amount of money accepted, rejected,  
14 allocated, spent, obligated, distributed, or transferred;

15 (2) the proposed purpose for which the appropriation  
16 may be used;

17 (3) the proposed period for which an appropriation may  
18 be expended, obligated, or distributed;

19 (4) the source or recipient of a proposed transfer; or

20 (5) a proposed time of distribution or availability of  
21 the appropriation that is the subject of the proposal.

22 (d) The board may not adopt an order under this section:

23 (1) expressly postponing the time, whether set by  
24 appropriations act or general law, that an appropriation is  
25 distributed or otherwise made available to a state agency, for a  
26 period that exceeds 180 days;

27 (2) reducing or eliminating an appropriation for the

1 salary of an elected state official or a member of a board or  
2 commission appointed by the governor; or

3 (3) reducing or eliminating an appropriation to a  
4 state agency that receives appropriations under the article of the  
5 General Appropriations Act that makes appropriations to the  
6 legislative branch.

7 (e) The affirmative vote of a majority of the members of the  
8 board from each house is necessary for the adoption of an order by  
9 the board under this section.

10 (f) If the board adopts an order under this section, the  
11 board shall notify the comptroller and the affected state agencies.  
12 The board shall file a copy of the order with the secretary of state  
13 for publication in the Texas Register.

14 Sec. 317.037. EXPIRATION OF PROPOSAL. A proposal made  
15 under this subchapter expires if a regular or special session of the  
16 legislature begins before the board has ratified the proposal.

17 Sec. 317.038. EFFECTIVE AND EXPIRATION DATES OF ORDER. (a)  
18 An order adopted by the board under this chapter takes effect on the  
19 date of adoption, unless the order specifies a later date.

20 (b) An order adopted under this subchapter expires at the  
21 end of the fiscal year to which by its terms it applies, except that  
22 an order may specify an earlier expiration date or a later date that  
23 does not extend beyond the end of the biennium containing each  
24 fiscal year to which the order applies.

25 Sec. 317.039. ENFORCEMENT OF ORDER. During the period for  
26 which an order adopted under this chapter is effective, in regard to  
27 affected appropriations the comptroller may approve vouchers and

1 may issue warrants only in accordance with the terms of the order.

2 Sec. 317.040. SUPERSESSION OF ORDER. An unexpired order  
3 adopted under this subchapter may be superseded by subsequent  
4 action of the board taken as provided by this subchapter, by  
5 enactment of a law to the contrary by the legislature, or by  
6 adoption of a constitutional amendment having contradictory  
7 effect.

8 SECTION 2. This Act takes effect immediately if it receives  
9 a vote of two-thirds of all the members elected to each house, as  
10 provided by Section 39, Article III, Texas Constitution. If this  
11 Act does not receive the vote necessary for immediate effect, this  
12 Act takes effect September 1, 2021.