

By: Eckhardt

S.B. No. 309

A BILL TO BE ENTITLED

AN ACT

1
2 relating to an annual state budget and legislative budget sessions
3 in even-numbered years and to political contributions made during a
4 legislative session.

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

6 SECTION 1. Section 301.001, Government Code, is amended to
7 read as follows:

8 Sec. 301.001. TIME AND PLACE OF MEETING. (a) In each
9 odd-numbered year, the [~~The~~] legislature shall convene at the seat
10 of government in regular session at 12 noon on the second Tuesday in
11 January [~~of each odd-numbered year~~].

12 (b) In each even-numbered year, the legislature shall
13 convene at the seat of government in budget session at 12 noon on
14 the second Tuesday in January.

15 SECTION 2. Section 316.001, Government Code, is amended to
16 read as follows:

17 Sec. 316.001. LIMIT. The rate of growth of appropriations
18 in a state fiscal year [~~biennium~~] from state tax revenues not
19 dedicated by the constitution may not exceed the estimated rate of
20 growth of the state's economy.

21 SECTION 3. Sections 316.002(a), (b), and (e), Government
22 Code, are amended to read as follows:

23 (a) Before the Legislative Budget Board submits the budget
24 as prescribed by Section 322.008(c), the board shall establish:

1 (1) the estimated rate of growth of the state's economy
2 from the current fiscal year [~~biennium~~] to the next fiscal year
3 [~~biennium~~];

4 (2) the level of appropriations for the current fiscal
5 year [~~biennium~~] from state tax revenues not dedicated by the
6 constitution; and

7 (3) the amount of state tax revenues not dedicated by
8 the constitution that could be appropriated for the next fiscal
9 year [~~biennium~~] within the limit established by the estimated rate
10 of growth of the state's economy.

11 (b) Except as provided by Subsection (c), the board shall
12 determine the estimated rate of growth of the state's economy by
13 dividing the estimated Texas total personal income for the next
14 fiscal year [~~biennium~~] by the estimated Texas total personal income
15 for the current fiscal year [~~biennium~~]. Using standard statistical
16 methods, the board shall make the estimate by projecting through
17 the fiscal year [~~biennium~~] the estimated Texas total personal
18 income reported by the United States Department of Commerce or its
19 successor in function.

20 (e) In the absence of an action by the Legislative Budget
21 Board to adopt a spending limit as provided in Subsections (a) and
22 (b), the estimated rate of growth in the state's economy from the
23 current fiscal year [~~biennium~~] to the next fiscal year [~~biennium~~]
24 shall be treated as if it were zero, and the amount of state tax
25 revenues not dedicated by the constitution that could be
26 appropriated within the limit established by the estimated rate of
27 growth in the state's economy shall be the same as the level of

1 appropriations for the current fiscal year [~~biennium~~].

2 SECTION 4. Section 316.004, Government Code, is amended to
3 read as follows:

4 Sec. 316.004. PUBLIC HEARING. Not later than December 1 of
5 each [~~even-numbered~~] year, the Legislative Budget Board shall hold
6 a public hearing to solicit testimony regarding the proposed items
7 of information and the methodology used in making the calculations
8 required by Section 316.002.

9 SECTION 5. Section 316.008(a), Government Code, is amended
10 to read as follows:

11 (a) Unless the legislature adopts a resolution under
12 Article VIII, Section 22(b), of the Texas Constitution raising the
13 proposed limit on appropriations, the proposed limit is binding on
14 the legislature with respect to all appropriations for the next
15 fiscal year [~~biennium~~] made from state tax revenues not dedicated
16 by the constitution.

17 SECTION 6. Section 316.009, Government Code, is amended to
18 read as follows:

19 Sec. 316.009. SUBMISSION OF BILL BY GOVERNOR. The governor
20 may prepare a general appropriation bill and submit printed copies
21 of it to the lieutenant governor, the speaker of the house of
22 representatives, and each member of the legislature. The bill must
23 be submitted not later than:

24 (1) the 30th day of the legislature's regular session,
25 except that if a person is inaugurated as governor who was not
26 governor preceding the inauguration, the bill must be submitted not
27 later than the 20th day after the date of that inauguration; or

1 (2) the 30th day of the legislature's budget session.

2 SECTION 7. Section 316.045, Government Code, is amended to
3 read as follows:

4 Sec. 316.045. REDUCTION IN CERTAIN AGENCY FEES. (a) Each
5 state agency that sets the fees charged by that agency in amounts
6 that are reasonable and necessary to cover the administrative costs
7 of the agency shall review the amounts charged as fees on an annual
8 [~~a biennial~~] basis. The agency shall review the fees before the
9 beginning of each state fiscal year [~~biennium~~] and incorporate its
10 recommendations based on that review in its budget request
11 submitted to the Legislative Budget Board and the budget division
12 of the governor's office.

13 (b) If the agency determines that the fees are set at a level
14 that exceeds the administrative costs of the agency as of the date
15 of the review, the agency shall reduce the amount of the affected
16 fees to the appropriate level and shall charge the reduced fees
17 during the subsequent fiscal year [~~biennium~~]. Each agency shall
18 give specific recognition to reductions in salary expenses
19 resulting from statutorily directed employee attrition.

20 SECTION 8. Section 316.092(a), Government Code, is amended
21 to read as follows:

22 (a) For the purposes of adjusting the allocations of
23 transfers in accordance with Section 49-g(c-2), Article III, Texas
24 Constitution, and Section 316.093 for a state fiscal year
25 [~~biennium~~], the comptroller shall determine and adopt for the state
26 fiscal year [~~biennium~~] an amount equal to seven percent of the
27 certified general revenue-related appropriations made for that

1 state fiscal year [~~biennium~~].

2 SECTION 9. Sections 316.093(a), (b), and (c), Government
3 Code, are amended to read as follows:

4 (a) Before the comptroller makes transfers for a state
5 fiscal year in accordance with Section 49-g(c), Article III, Texas
6 Constitution, the comptroller shall determine whether the sum of
7 the balance of the fund on the preceding August 31, any projected
8 transfer to the fund under Section 49-g(b) of that article, and any
9 projected transfer to the fund under Section 49-g(c) of that
10 article in accordance with the allocations for the transfer as
11 provided by Section 49-g(c-1) of that article is less than the
12 amount determined under Section 316.092 for that state fiscal year
13 [~~biennium~~].

14 (b) If the sum described by Subsection (a) is less than the
15 amount determined under Section 316.092 for that state fiscal year
16 [~~biennium~~], the comptroller shall reduce the allocation to the
17 state highway fund provided by Section 49-g(c), Article III, Texas
18 Constitution, and increase the allocation to the economic
19 stabilization fund, in an equal amount, until the amount determined
20 under Section 316.092 for that state fiscal year [~~biennium~~] would
21 be achieved by the transfer to the fund or the total amount of the
22 sum described by Section 49-g(c), Article III, Texas Constitution,
23 is allocated to the fund, whichever occurs first.

24 (c) For the purposes of Section 49-g(c-2), Article III,
25 Texas Constitution, the comptroller shall adjust the allocation
26 provided by Section 49-g(c-1) of that article of amounts to be
27 transferred to the fund and to the state highway fund under Section

1 49-g(c) of that article in a state fiscal year beginning on or after
2 September 1, 2035, so that the total of those amounts is transferred
3 to the economic stabilization fund, except that the comptroller
4 shall reduce a transfer made under this subsection as necessary to
5 prevent the amount in the fund from exceeding the limit in effect
6 for that fiscal year [~~biennium~~] under Section 49-g(g) of that
7 article.

8 SECTION 10. Section 317.003(a), Government Code, is amended
9 to read as follows:

10 (a) The governor or Legislative Budget Board may make a
11 proposal at any time except during a [~~regular or special~~] session of
12 the legislature. A proposal may apply to an appropriation that has
13 been made for any specified fiscal year that has not ended at the
14 time the proposal is made.

15 SECTION 11. Section 317.007, Government Code, is amended to
16 read as follows:

17 Sec. 317.007. EXPIRATION OF PROPOSAL OR CONTINGENT ORDER.
18 A proposal made by the governor or board under this chapter expires
19 if the other entity does not adopt an order ratifying or changing
20 the proposal before the 31st day after the date the proposal is
21 published in the Texas Register. A contingent order adopted by the
22 governor or board under this chapter expires if the other entity
23 does not approve the order before the 31st day after the date the
24 proposal on which the order is based is published in the Texas
25 Register. A proposal or contingent order of either entity also
26 expires if a regular, budget, or special session of the legislature
27 begins before, respectively, the other entity has ratified the

1 proposal or has approved the contingent order.

2 SECTION 12. Section 317.008(b), Government Code, is amended
3 to read as follows:

4 (b) An order adopted under this chapter expires at the end
5 of the fiscal year to which by its terms it applies, except that an
6 order may specify an earlier expiration date [~~or a later date that~~
7 ~~does not extend beyond the end of the biennium containing each~~
8 ~~fiscal year to which the order applies~~].

9 SECTION 13. Section 317.052(c), Government Code, is amended
10 to read as follows:

11 (c) After the hearing, if any, the board shall determine
12 whether the application shows to the satisfaction of the board
13 that:

14 (1) the necessity of the computer equipment was
15 reasonably unforeseen when the current General Appropriations Act
16 was being considered and passed, or that sufficient appropriations
17 to purchase the equipment were inadvertently or erroneously omitted
18 from that Act;

19 (2) the applicant's current appropriations are
20 inadequate or unavailable to purchase the equipment;

21 (3) the applicant has obtained the approvals required
22 by law; and

23 (4) the applicant will not be required to make any
24 payments during the current state fiscal year [~~biennium~~] on the
25 interest and principal of the obligations issued by the Texas
26 Public Finance Authority.

27 SECTION 14. Sections 322.008(a), (c), and (d), Government

1 Code, are amended to read as follows:

2 (a) The director, under the direction of the board, shall
3 prepare the general appropriations bill for introduction at each
4 regular and budget [~~legislative~~] session of the legislature.

5 (c) Not later than the fifth day after a regular or budget
6 [~~legislative~~] session convenes, the director shall transmit a copy
7 of the budget of estimated appropriations prepared by the director
8 to the governor and each member of the legislature.

9 (d) Not later than the seventh day after a regular or budget
10 [~~legislative~~] session convenes, the director shall transmit a copy
11 of the general appropriations bill to the governor and each member
12 of the legislature.

13 SECTION 15. Chapter [322](#), Government Code, is amended by
14 adding Section 322.021 to read as follows:

15 Sec. 322.021. STUDY TO IMPLEMENT ANNUAL BUDGET. (a) The
16 board, with the assistance of the Texas Legislative Council, shall
17 examine the laws and operations of state government to determine
18 how the implementation of annual state budgets may affect those
19 laws and operations and shall adopt recommendations for legislative
20 and administrative action necessary to implement an annual budget
21 as effectively as practicable.

22 (b) The board shall make its initial recommendations under
23 this section not later than November 1, 2022.

24 SECTION 16. Section [403.121](#)(a), Government Code, is amended
25 to read as follows:

26 (a) In the statement required by Article III, Section [49a](#),
27 of the Texas Constitution the comptroller shall list outstanding

1 appropriations that may exist after the end of the current fiscal
2 year but may not deduct them from the cash condition of the treasury
3 or the anticipated revenues of the next fiscal year [~~biennium~~] for
4 the purpose of certification. The comptroller shall base the
5 reports, estimates, and certifications of available funds on the
6 actual or estimated cash condition of the treasury and shall
7 consider outstanding and undisbursed appropriations at the end of
8 each fiscal year [~~biennium~~] as probable disbursements of the
9 succeeding fiscal year [~~biennium~~] in the same manner that earned
10 but uncollected income of a current fiscal year [~~biennium~~] is
11 considered in probable receipts of the succeeding fiscal year
12 [~~biennium~~]. The comptroller shall consider as probable
13 disbursements warrants that will be issued by the state before the
14 end of the fiscal year.

15 SECTION 17. The heading to Section 253.034, Election Code,
16 is amended to read as follows:

17 Sec. 253.034. RESTRICTIONS ON CONTRIBUTIONS DURING AND
18 FOLLOWING REGULAR OR BUDGET [~~LEGISLATIVE~~] SESSION OF LEGISLATURE.

19 SECTION 18. Section 253.034, Election Code, is amended by
20 amending Subsections (a), (b), and (c) and adding Subsection (a-1)
21 to read as follows:

22 (a) During the period beginning on the 30th day before the
23 date a regular [~~legislative~~] session of the legislature convenes
24 and continuing through the 20th day after the date of final
25 adjournment of that regular session, a person may not knowingly
26 make a political contribution to:

27 (1) a statewide officeholder;

1 (2) a member of the legislature; or

2 (3) a specific-purpose committee for supporting,
3 opposing, or assisting a statewide officeholder or member of the
4 legislature.

5 (a-1) During a budget session of the legislature, a person
6 may not knowingly make a political contribution to:

7 (1) the governor or lieutenant governor;

8 (2) a member of or a candidate for election to the
9 legislature; or

10 (3) a specific-purpose committee for supporting,
11 opposing, or assisting the governor, the lieutenant governor, or a
12 member of or a candidate for election to the legislature.

13 (b) A statewide officeholder, a member of or a candidate for
14 election to the legislature, or a specific-purpose committee for
15 supporting, opposing, or assisting a statewide officeholder or a
16 member of or a candidate for election to the legislature may not
17 knowingly accept a political contribution, and shall refuse a
18 political contribution that is received, during an applicable ~~the~~
19 period prescribed by Subsection (a) or (a-1). A political
20 contribution that is received and refused during that period shall
21 be returned to the contributor not later than the 30th day after the
22 date of receipt. A contribution made by United States mail or by
23 common or contract carrier is not considered received during a
24 ~~that~~ period if it was properly addressed and placed with postage
25 or carrier charges prepaid or prearranged in the mail or delivered
26 to the contract carrier before the beginning of the period. The
27 date indicated by the post office cancellation mark or the common or

1 contract carrier documents is considered to be the date the
2 contribution was placed in the mail or delivered to the common or
3 contract carrier unless proven otherwise.

4 (c) This section does not apply to a political contribution
5 that was made and accepted with the intent that it be used:

6 (1) in an election held or ordered during a ~~the~~
7 period prescribed by Subsection (a) or (a-1) in which the person
8 accepting the contribution is a candidate if the contribution was
9 made after the person appointed a campaign treasurer with the
10 appropriate authority and before the person was sworn in for that
11 office;

12 (2) to defray expenses incurred in connection with an
13 election contest; or

14 (3) by a person who holds a state office or a member of
15 the legislature or by a specific-purpose political committee that
16 supports or assists only that person or member if the contribution
17 was made during the period prescribed by Subsection (a) and the
18 person or member was defeated at the general election held
19 immediately before the regular session is convened ~~[or by a~~
20 ~~specific-purpose political committee that supports or assists only~~
21 ~~that person or member]~~.

22 SECTION 19. The heading to Section 253.0341, Election Code,
23 is amended to read as follows:

24 Sec. 253.0341. RESTRICTIONS ON CONTRIBUTIONS TO
25 LEGISLATIVE CAUCUSES DURING AND FOLLOWING REGULAR OR BUDGET
26 ~~[LEGISLATIVE]~~ SESSION OF LEGISLATURE.

27 SECTION 20. Sections 253.0341(a) and (b), Election Code,

1 are amended to read as follows:

2 (a) During the period beginning on the 30th day before the
3 date a regular [~~legislative~~] session of the legislature convenes
4 and continuing through the 20th day after the date of final
5 adjournment, or at any time during a budget session of the
6 legislature, a person not a member of the caucus may not knowingly
7 make a contribution to a legislative caucus.

8 (b) A legislative caucus may not knowingly accept from a
9 nonmember a contribution, and shall refuse a contribution from a
10 nonmember that is received, during a [the] period prescribed by
11 Subsection (a). A contribution that is received and refused during
12 a [that] period prescribed by Subsection (a) shall be returned to
13 the contributor not later than the 30th day after the date of
14 receipt. A contribution made by United States mail or by common or
15 contract carrier is not considered received during a [that] period
16 if it was properly addressed and placed with postage or carrier
17 charges prepaid or prearranged in the mail or delivered to the
18 contract carrier before the beginning of the period. The date
19 indicated by the post office cancellation mark or the common or
20 contract carrier documents is considered to be the date the
21 contribution was placed in the mail or delivered to the common or
22 contract carrier unless proven otherwise.

23 SECTION 21. Section 317.010, Government Code, is repealed.

24 SECTION 22. The changes in law made by this Act do not
25 affect the validity of an appropriation made before September 1,
26 2023, for any part of the two consecutive state fiscal years ending
27 August 31, 2025.

1 SECTION 23. (a) This Act takes effect as provided by
2 Subsection (b) of this section, but only if the constitutional
3 amendment proposed by the 87th Legislature, Regular Session, 2021,
4 providing for an annual state budget and annual legislative
5 sessions for budget purposes is approved by the voters. If that
6 proposed constitutional amendment is not approved by the voters,
7 this Act has no effect.

8 (b) This section and Section 322.021, Government Code, as
9 added by this Act, take effect January 1, 2022. The other
10 provisions of this Act take effect September 1, 2023.