

GOVERNMENT CODE

TITLE 3. LEGISLATIVE BRANCH

SUBTITLE C. LEGISLATIVE AGENCIES AND OVERSIGHT COMMITTEES

CHAPTER 322. LEGISLATIVE BUDGET BOARD

Sec. 322.001. MEMBERSHIP. (a) The Legislative Budget Board consists of:

- (1) the lieutenant governor;
- (2) the speaker of the house of representatives;
- (3) the chairman of the senate finance committee;
- (4) the chairman of the house appropriations committee;
- (5) the chairman of the house ways and means committee;
- (6) three members of the senate appointed by the lieutenant governor; and
- (7) two other members of the house appointed by the speaker.

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

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985. Amended by Acts 2003, 78th Leg., ch. 1328, Sec. 5, eff. June 21, 2003; Acts 2003, 78th Leg., 3rd C.S., ch. 3, Sec. 6.03, eff. Jan. 11, 2004.

Sec. 322.003. QUORUM; MEETINGS. (a) A majority of the members of the board from each house constitutes a quorum to transact business. If a quorum is present, the board may act on any matter that is within its jurisdiction by a majority vote.

(b) The board shall meet as often as necessary to perform its duties. Meetings may be held at any time at the request of either of the joint chairs of the board or on written petition of a majority of the members of the board from each house.

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

(d) As an exception to Chapter 551 and other law, if a meeting is located in Austin and the joint chairs of the board are

physically present at the meeting, then any number of the other members of the board may attend the meeting by use of telephone conference call, video conference call, or other similar telecommunication device. This subsection applies for purposes of constituting a quorum, for purposes of voting, and for any other purpose allowing a member of the board to otherwise fully participate in any meeting of the board. This subsection applies without exception with regard to the subject of the meeting or topics considered by the members.

(e) A meeting held by use of telephone conference call, video conference call, or other similar telecommunication device:

(1) is subject to the notice requirements applicable to other meetings;

(2) must specify in the notice of the meeting the location in Austin of the meeting at which the joint chairs will be physically present;

(3) must be open to the public and shall be audible to the public at the location in Austin specified in the notice of the meeting as the location of the meeting at which the joint chairs will be physically present; and

(4) must provide two-way audio communication between all members of the board attending the meeting during the entire meeting, and if the two-way audio communication link with any member attending the meeting is disrupted at any time, the meeting may not continue until the two-way audio communication link is reestablished.

(f) The board shall hold a public hearing each state fiscal year to receive a report from the comptroller and receive invited testimony regarding the financial condition of this state. The report from the comptroller shall include, to the extent practicable:

(1) information on each revenue source included in determining the estimate of anticipated revenue for purposes of the most recent statement required by Section 49a, Article III, Texas Constitution, and the total net revenue actually collected from that source for the state fiscal year as of the end of the most recent state fiscal quarter;

(2) a comparison for the period described by Subdivision (1) of the total net revenue collected from each revenue source required to be specified under that subdivision with the anticipated revenue from that source that was included for purposes of determining the estimate of anticipated revenue in the statement required by Section 49a, Article III, Texas Constitution;

(3) information on state revenue sources resulting from a law taking effect after the comptroller submitted the most recent statement required by Section 49a, Article III, Texas Constitution, and the estimated total net revenue collected from that source for the state fiscal year as of the end of the most recent state fiscal quarter;

(4) a summary of the indicators of state economic trends experienced since the most recent statement required by Section 49a, Article III, Texas Constitution; and

(5) a summary of anticipated state economic trends and the anticipated effect of the trends on state revenue collections.

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985. Amended by Acts 2003, 78th Leg., 3rd C.S., ch. 3, Sec. 4.01, 6.04, eff. Jan. 11, 2004.

Amended by:

Acts 2005, 79th Leg., Ch. 741 (H.B. 2753), Sec. 3, eff. June 17, 2005.

Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 34.01, eff. September 28, 2011.

Sec. 322.004. DIRECTOR. (a) The board shall appoint a director to serve at the pleasure of the board. The director is accountable only to the board.

(b) The director may make recommendations and, when the board specifically requests, shall make recommendations on a matter before the board relating to a function or duty of any state institution, department, agency, officer, or employee.

(c) The director may not vote on a question or issue before the board.

(d) The board shall set the salary of the director.
Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985.

Sec. 322.005. PERSONNEL. (a) The director may employ personnel as necessary to perform the functions of the board.

(b) The director shall set the salaries of the personnel employed by the director.

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985.

Amended by:

Acts 2005, 79th Leg., Ch. 741 (H.B. 2753), Sec. 4, eff. June 17, 2005.

Sec. 322.007. ESTIMATES AND REPORTS. (a) Each institution, department, agency, officer, employee, or agent of the state shall submit any estimate or report relating to appropriations requested by the board or under the board's direction.

(b) Each estimate or report shall be submitted at a time set by the board and in the manner and form prescribed by board rules.

(c) An estimate or report required under this section is in addition to an estimate or report required by other law, including those estimates or reports relating to appropriations required by Chapter 401.

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985. Amended by Acts 1995, 74th Leg., ch. 76, Sec. 5.95(10), eff. Sept. 1, 1995.

Sec. 322.008. APPROPRIATIONS BILL. (a) The director, under the direction of the board, shall prepare the general appropriations bill for introduction at each regular legislative session.

(b) Repealed by Acts 2019, 86th Leg., R.S., Ch. 943 (H.B. 3), Sec. 4.001(b), eff. September 1, 2019.

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

(d) Not later than the seventh day after a regular legislative session convenes, the director shall transmit a copy of the general appropriations bill to the governor and each member of

the legislature.

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985. Amended by Acts 1990, 71st Leg., 6th C.S., ch. 1, Sec. 1.19, eff. Sept. 1, 1990; Acts 1997, 75th Leg., ch. 165, Sec. 6.12, eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 1071, Sec. 26, eff. Sept. 1, 1997.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 943 (H.B. 3), Sec. 4.001(b), eff. September 1, 2019.

Sec. 322.0081. BUDGET DOCUMENTS ONLINE. (a) The board shall post on the board's Internet website documents prepared by the board that are provided to a committee, subcommittee, or conference committee of either house of the legislature in connection with an appropriations bill.

(b) The board shall post a document to which this section applies as soon as practicable after the document is provided to a committee, subcommittee, or conference committee.

(c) The document must be downloadable and provide data in a format that allows the public to search, extract, organize, and analyze the information in the document.

(d) The requirement under Subsection (a) does not supersede any exceptions provided under Chapter 552.

(e) The board shall promulgate rules to implement the provisions of this section.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 34.02, eff. September 28, 2011.

Sec. 322.009. INSPECTION COMMITTEES. Either of the joint chairs of the board, with the approval of the board, may appoint a committee to visit, inspect, and report on any state institution, department, agency, officer, or employee.

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985. Amended by Acts 2003, 78th Leg., 3rd C.S., ch. 3, Sec. 6.06, eff. Jan. 11, 2004.

Sec. 322.010. INSPECTIONS AND HEARINGS. (a) The board or an employee under the direction of the board may inspect the

property, equipment, and facilities of a state department or agency for which an appropriation is to be made and may inspect all accounts and general and local funds.

(b) An inspection performed under Subsection (a) may be made either before or after an estimate required under Section 322.007 has been submitted.

(c) The board may hold hearings to consider the estimates required under Section 322.007 and any information gathered under Subsection (a).

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985.

Sec. 322.011. PERFORMANCE AUDITS AND REPORTS. (a) The board shall establish a system of performance audits and evaluations designed to provide a comprehensive and continuing review of the programs and operations of each state institution, department, agency, or commission.

(b) The board may evaluate the programs and operations of any institution, department, agency, or commission that received an appropriation in the most recent General Appropriations Act or is a state agency. An institution, department, agency, or commission may not be evaluated until after the end of the first full fiscal year of its operation.

(c) As soon as practicable after completion of the audit or evaluation under Subsection (a), the board shall make a performance report to the governor and the legislature.

(d) The report shall analyze the operational efficiency and program performance of each institution, department, agency, and commission evaluated. The report shall explicitly state the statutory function each entity is to perform and how, in terms of unit-cost measurement, work load efficiency data, and program output standards established by the board, these statutory functions are being accomplished.

(e) The performance report shall be published in the form prescribed by the board.

(f) The director, with the approval of the board, shall appoint an assistant director for program evaluation. The assistant director shall report to and be responsible to the

director.

(g) The director shall employ sufficient personnel to carry out the provisions of this section.

Acts 1985, 69th Leg., ch. 479, Sec. 1, eff. Sept. 1, 1985. Amended by Acts 1993, 73rd Leg., ch. 963, Sec. 1, eff. Aug. 30, 1993.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1312 (S.B. 59), Sec. 24, eff. September 1, 2013.

Sec. 322.012. GIFTS AND GRANTS. (a) The board may accept gifts, grants, and donations from any organization described in Section 501(c)(3) of the Internal Revenue Code for the purpose of funding any activity under this chapter.

(b) All gifts, grants, and donations must be accepted in an open meeting by a majority of the voting members of the board and reported in the public record of the board with the name of the donor and purpose of the gift, grant, or donation.

Added by Acts 1987, 70th Leg., ch. 617, Sec. 3, eff. Sept. 1, 1987.

Sec. 322.013. REVIEW OF EDUCATIONAL POLICY IMPLEMENTATION.

(a) The standing committees of the senate and house of representatives with primary jurisdiction over the public school system shall oversee and review the implementation of legislative education policy by state agencies that have the statutory duty to implement that policy, including policy relating to:

- (1) fiscal matters;
- (2) academic expectations; and
- (3) evaluation of program cost-effectiveness.

(b) The committees shall periodically review the actions or proposed actions of the State Board of Education for the purpose of ensuring compliance with legislative intent. If a committee determines that any action or proposed action of the State Board of Education conflicts with legislative educational policy, the committee shall submit its comments on the conflict to the State Board of Education in writing. If a committee determines that a final action of the board conflicts with the intent of legislative educational policy, the committee may:

(1) request additional information from the State Board of Education relating to the intent of the board's action;

(2) request a joint meeting with the State Board of Education to discuss the conflict between the action and legislative educational policy;

(3) request that the State Board of Education reconsider its action; or

(4) notify the governor, lieutenant governor, speaker of the house, and the legislature of the conflict presented.

(c) The board shall assist the committees in administering this section.

(d) For purposes of carrying out its duties, the board may administer oaths and issue subpoenas, signed by either of the joint chairs of the board, to compel the attendance of witnesses and the production of books, records, and documents. A subpoena of the board shall be served by a peace officer in the manner in which district court subpoenas are served. On application of the board, a district court of Travis County shall compel compliance with a subpoena issued by the board in the same manner as for district court subpoenas.

Added by Acts 1993, 73rd Leg., ch. 520, Sec. 24, eff. Sept. 1, 1993.
Amended by Acts 2003, 78th Leg., 3rd C.S., ch. 3, Sec. 6.07, eff. Jan. 11, 2004.

Sec. 322.014. REPORT ON MAJOR INVESTMENT FUNDS. (a) In this section, "state investment fund" means any investment fund administered by or under a contract with any state governmental entity, including a fund:

(1) established by statute or by the Texas Constitution; or

(2) administered by or under a contract with:

(A) a public retirement system as defined by Section [802.001](#) that provides service retirement, disability retirement, or death benefits for officers or employees of the state;

(B) an institution of higher education as defined by Section [61.003](#), Education Code; or

(C) any other entity that is part of state government.

(b) The board shall evaluate and publish an annual report on the risk-adjusted performance of each state investment fund that in the opinion of the board contains a relatively large amount of assets belonging to or administered by the state. The board in its report shall:

(1) compare the risk-adjusted performance of the funds; and

(2) examine the risk-adjusted performance, within and among the funds, of similar asset classes and comparable portfolios within asset classes.

(c) Each state governmental entity that administers a state investment fund and each person that administers a state investment fund under contract shall provide the board with the information the board requests regarding the performance of the fund.

(d) The board shall publish the annual report in a format and using terminology that a person without technical investment expertise can understand.

Added by Acts 2001, 77th Leg., ch. 1410, Sec. 1, eff. June 16, 2001.

Sec. 322.015. REVIEW OF INTERSCHOLASTIC COMPETITION. The board may periodically review and analyze the effectiveness and efficiency of the policies, management, fiscal affairs, and operations of an organization that is a component or part of a state agency or institution and that sanctions or conducts interscholastic competition. The board shall report the findings to the governor and the legislature. The legislature may consider the board's reports in connection with the legislative appropriations process.

Added by Acts 2003, 78th Leg., 3rd C.S., ch. 3, Sec. 6.09, eff. Jan. 11, 2004.

Sec. 322.016. PERFORMANCE REVIEW OF SCHOOL DISTRICTS. (a) The board may periodically review the effectiveness and efficiency of the operations of school districts, including the district's expenditures for its officers' and employees' travel services. A

review of a school district may be initiated by the board at its discretion or on the request of the school district. A review may be initiated by a school district only by resolution adopted by a majority of the members of the board of trustees of the district.

(b) If a review is initiated on the request of the school district, the district shall pay 25 percent of the cost incurred in conducting the review.

(c) The board shall:

(1) prepare a report showing the results of each review conducted under this section;

(2) file the report with the school district, the governor, the lieutenant governor, the speaker of the house of representatives, the chairs of the standing committees of the senate and the house of representatives with jurisdiction over public education, and the commissioner of education; and

(3) make the entire report and a summary of the report available to the public on the Internet.

(d) Until the board has completed a review under this section, all information, documentary or otherwise, prepared or maintained in conducting the review or preparing the review report, including intra-agency and interagency communications and drafts of the review report or portions of those drafts, is excepted from required public disclosure as audit working papers under Section [552.116](#). This subsection does not affect whether information described by this subsection is confidential or excepted from required public disclosure under a law other than Section [552.116](#). Added by Acts 2003, 78th Leg., 3rd C.S., ch. 3, Sec. 6.09, eff. Jan. 11, 2004.

Amended by:

Acts 2005, 79th Leg., Ch. 741 (H.B. [2753](#)), Sec. 5, eff. June 17, 2005.

Sec. 322.0165. PERFORMANCE REVIEW OF INSTITUTIONS OF HIGHER EDUCATION. (a) In this section, "public junior college" and "general academic teaching institution" have the meanings assigned by Section [61.003](#), Education Code.

(b) The board may periodically review the effectiveness and

efficiency of the budgets and operations of:

- (1) public junior colleges; and
- (2) general academic teaching institutions.

(c) A review under this section may be initiated by the board or at the request of:

- (1) the governor; or
- (2) the public junior college or general academic teaching institution.

(d) A review may be initiated by a public junior college or general academic teaching institution only at the request of the president of the college or institution or by a resolution adopted by a majority of the governing body of the college or institution.

(e) If a review is initiated by a public junior college or general academic teaching institution, the college or institution shall pay 25 percent of the cost incurred in conducting the review.

(f) The board shall:

- (1) prepare a report showing the results of each review conducted under this section;

- (2) file the report with:

- (A) the chief executive officer of the public junior college or general academic teaching institution that is the subject of the report; and

- (B) the governor, the lieutenant governor, the speaker of the house of representatives, the chairs of the standing committees of the senate and of the house of representatives with primary jurisdiction over higher education, and the commissioner of higher education; and

- (3) make the entire report and a summary of the report available to the public on the Internet.

(g) Until the board has completed a review under this section, all information, documentary or otherwise, prepared or maintained in conducting the review or preparing the review report, including intra-agency and interagency communications and drafts of the review report or portions of those drafts, is excepted from required public disclosure as audit working papers under Section [552.116](#). This subsection does not affect whether information described by this subsection is confidential or excepted from

required public disclosure under a law other than Section [552.116](#).
Added by Acts 2003, 78th Leg., 3rd C.S., ch. 3, Sec. 6.09, eff. Jan.
11, 2004.

Amended by:

Acts 2005, 79th Leg., Ch. 741 (H.B. [2753](#)), Sec. 6, eff. June
17, 2005.

Sec. 322.017. EFFICIENCY REVIEW OF STATE AGENCIES. (a) In
this section, "state agency" has the meaning assigned by Section
[2056.001](#).

(b) The board periodically may review and analyze the
effectiveness and efficiency of the policies, management, fiscal
affairs, and operations of state agencies.

(c) The board shall report the findings of the review and
analysis to the governor and the legislature.

(d) The legislature may consider the board's reports in
connection with the legislative appropriations process.

(e) Until the board has completed a review and analysis
under this section, all information, documentary or otherwise,
prepared or maintained in conducting the review and analysis or
preparing the review report, including intra-agency and
interagency communications and drafts of the review report or
portions of those drafts, is excepted from required public
disclosure as audit working papers under Section [552.116](#). This
subsection does not affect whether information described by this
subsection is confidential or excepted from required public
disclosure under a law other than Section [552.116](#).

Added by Acts 2003, 78th Leg., 3rd C.S., ch. 3, Sec. 6.09, eff. Jan.
11, 2004.

Amended by:

Acts 2005, 79th Leg., Ch. 741 (H.B. [2753](#)), Sec. 7, eff. June
17, 2005.

Sec. 322.0171. EFFICIENCY REVIEW OF RIVER AUTHORITIES.
(a) The board periodically may review and analyze the
effectiveness and efficiency of the policies, management, fiscal
affairs, and operations of a river authority.

(b) The board shall report the findings of a review and analysis to the governor and the legislature.

(c) Until the board has completed a review and analysis under this section, all information, documentary or otherwise, prepared or maintained in conducting the review and analysis or preparing the review report, including intra-agency and interagency communications and drafts of the review report or portions of those drafts, is excepted from required public disclosure as audit working papers under Section 552.116. This subsection does not affect whether information described by this subsection is confidential or excepted from required public disclosure under a law other than Section 552.116.

Added by Acts 2013, 83rd Leg., R.S., Ch. 1293 (H.B. 2362), Sec. 2, eff. September 1, 2013.

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 reference to a statute or other legal authority; and

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

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

(A) 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;

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

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

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

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

(d) The legislature may consider the strategic fiscal review reports in connection with the legislative appropriations process.

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

Added by Acts 2019, 86th Leg., R.S., Ch. 510 (S.B. 68), Sec. 1, eff.

June 7, 2019.

Sec. 322.018. RECORDS MANAGEMENT REVIEW. (a) In this section, "state agency" has the meaning assigned by Section [2056.001](#).

(b) The board may periodically review and analyze the effectiveness and efficiency of the policies and management of a state governmental committee or state agency that is involved in:

(1) analyzing and recommending improvements to the state's system of records management; and

(2) preserving the essential records of this state, including records relating to financial management information.

Added by Acts 2003, 78th Leg., 3rd C.S., ch. 3, Sec. 6.09, eff. Jan. 11, 2004.

Sec. 322.019. CRIMINAL JUSTICE POLICY ANALYSIS. (a) The board may develop and perform functions to promote a more effective and cohesive state criminal justice system.

(b) The board may serve as the statistical analysis center for the state and as the liaison for the state to the United States Department of Justice on criminal justice issues of interest to the state and federal government relating to data, information systems, and research if an executive branch agency or institution of higher education is not designated by the governor to perform those functions.

(c) The director may consult the lieutenant governor, the speaker of the house of representatives, and the presiding officer of each standing committee of the senate and house of representatives having primary jurisdiction over matters relating to criminal justice and state finance or appropriations from the state treasury.

(d) The Department of Public Safety, the Texas Department of Criminal Justice, and the Texas Juvenile Justice Department shall provide the board with data relating to a criminal justice policy analysis under this section in the manner requested.

Added by Acts 2005, 79th Leg., Ch. 741 (H.B. [2753](#)), Sec. 8, eff. June 17, 2005.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 734 (H.B. 1549), Sec. 91, eff. September 1, 2015.

Sec. 322.020. MAJOR CONTRACTS DATABASE. (a) In this section, "major contract" means:

(1) a contract for which notice is required under one of the following sections:

- (A) Section 2054.008;
- (B) Section 2166.2551;
- (C) Section 2254.006; or
- (D) Section 2254.0301; or

(2) a contract, including an amendment, modification, renewal, or extension:

(A) for which notice is not required under a section listed in Subdivision (1);

(B) that is not a purchase order, an interagency contract, or a contract paid only with funds not appropriated by the General Appropriations Act; and

(C) with a value that exceeds \$50,000.

(b) Each state agency shall provide the Legislative Budget Board copies of the following documents:

(1) each major contract entered into by the agency; and

(2) each request for proposal, invitation to bid, or comparable solicitation related to the major contract.

(c) The Legislative Budget Board shall post on the Internet:

(1) each major contract of a state agency; and

(2) each request for proposal, invitation to bid, or comparable solicitation related to the major contract.

(d) The Legislative Budget Board shall allow public access to the information posted under this section, except for information that is not subject to disclosure under Chapter 552. Information that is not subject to disclosure under Chapter 552 must be referenced in an appendix that generally describes the information without disclosing the specific content of the information.

(e) The Legislative Budget Board shall make the information searchable by contract value, state agency, and vendor. The Legislative Budget Board may make the information searchable by other subjects as appropriate.

(f) In this section, "state agency" has the meaning assigned by Section 2054.003, except that the term does not include a university system or institution of higher education, the Health and Human Services Commission, an agency identified in Section 531.001(4), or the Texas Department of Transportation.

Added by Acts 2005, 79th Leg., Ch. 469 (H.B. 26), Sec. 3, eff. June 17, 2005.

Redesignated from Government Code, Section 2177.052 and amended by Acts 2007, 80th Leg., R.S., Ch. 1270 (H.B. 3430), Sec. 5, eff. October 1, 2007.

Sec. 322.022. PUBLIC HEARING ON INTERIM BUDGET REDUCTION REQUEST. (a) In this section:

(1) "Interim budget reduction request" means a request communicated in any manner for a state agency to make adjustments to the strategies, methods of finance, performance measures, or riders applicable to the agency through the state budget in effect on the date the request is communicated that, if implemented, would reduce the agency's total expenditures for the current state fiscal biennium to an amount less than the total amount that otherwise would be permissible based on the appropriations made to the agency in the budget.

(2) "State agency" means an office, department, board, commission, institution, or other entity to which a legislative appropriation is made.

(b) A state agency shall provide to the board a detailed report of any expenditure reduction plan that:

(1) the agency develops in response to an interim budget reduction request made by the governor, the lieutenant governor, or a member of the legislature, or any combination of those persons; and

(2) if implemented, would reduce the agency's total expenditures for the current state fiscal biennium to an amount

less than the total amount that otherwise would be permissible based on the appropriations made to the agency in the state budget for the biennium.

(c) The board shall hold a public hearing to solicit testimony on an expenditure reduction plan a state agency reports to the board as required by Subsection (b) as soon as practicable after receiving the report. The agency may not implement any element of the plan until the conclusion of the hearing.

(d) This section does not apply to an expenditure reduction a state agency desires to make that does not directly or indirectly result from an interim budget reduction request made by the governor, the lieutenant governor, or a member of the legislature, or any combination of those persons.

Added by Acts 2011, 82nd Leg., 1st C.S., Ch. 4 (S.B. 1), Sec. 34.03, eff. September 28, 2011.

Sec. 322.024. REDUCTION OF RELIANCE ON AVAILABLE DEDICATED REVENUE FOR BUDGET CERTIFICATION. (a) In this section, "available dedicated revenue" means revenue that Section 403.095 makes available for certification under Section 403.121.

(b) The board shall:

(1) develop and implement a process to review:

(A) new legislative enactments that create dedicated revenue; and

(B) the appropriation and accumulation of dedicated revenue and available dedicated revenue;

(2) develop and implement tools to evaluate the use of available dedicated revenue for state government financing and budgeting; and

(3) develop specific and detailed recommendations on actions the legislature may reasonably take to reduce state government's reliance on available dedicated revenue for the purposes of certification under Section 403.121 as authorized by Section 403.095.

(c) The board shall incorporate into the board's budget recommendations appropriate measures to reduce state government's reliance on available dedicated revenue for the purposes of

certification under Section 403.121 as authorized by Section 403.095 and shall include with the budget recommendations plans for further reducing state government's reliance on available dedicated revenue for those purposes for the succeeding six years.

(d) The board shall consult the comptroller as necessary to accomplish the objectives of Subsections (b) and (c).

Added by Acts 2013, 83rd Leg., R.S., Ch. 835 (H.B. 7), Sec. 1, eff. June 14, 2013.