

By: Gonzales

H. B. No. 443

A BILL TO BE ENTITLED

# 1 AN ACT

2 relating to zero-based budgeting for state agencies as part of the  
3 sunset review process.

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

5 SECTION 1. The heading to Section 325.007, Government Code,  
6 is amended to read as follows:

7 Sec. 325.007. AGENCY REPORT TO COMMISSION; ZERO-BASED  
8 BUDGET.

9 SECTION 2. Section 325.007, Government Code, is amended by  
10 adding Subsections (c) and (d) to read as follows:  
11 (c) Before November 1 of the odd-numbered year before the  
12 year in which a state agency subject to this chapter is abolished,  
13 the agency shall present to the commission a zero-based budget for  
14 the state fiscal biennium that begins on the date the agency is  
15 scheduled to be abolished that contains:

1                   (3) for each activity identified under Subdivision  
2                   (1), an itemized account of expenditures required to maintain the  
3                   activity at the minimum level of service required by the statute or  
4                   other legal authority, together with a concise statement of the  
5                   quantity and quality of service required at that minimum level;

6                   (4) for each activity identified under Subdivision  
7                   (1), an itemized account of expenditures required to maintain the  
8                   activity at the current level of service, together with a concise  
9                   statement of the quantity and quality of service provided at that  
10                   level; and

11                   (5) a ranking of activities identified under  
12                   Subdivision (1) that illustrates the relative importance of each  
13                   activity to the overall goals and purposes of the agency at current  
14                   service levels.

15                   (d) As part of a state agency's legislative appropriations  
16                   request for the state fiscal biennium that begins on the date the  
17                   agency is scheduled to be abolished, the agency shall submit to the  
18                   Legislative Budget Board:

19                   (1) the zero-based budget required under Subsection  
20                   (c); and

21                   (2) a statement of the estimated amount of any unspent  
22                   and unencumbered money appropriated to the agency for the state  
23                   fiscal biennium preceding that fiscal biennium.

24                   SECTION 3. The changes in law made by this Act apply in  
25                   relation to the review by the Sunset Advisory Commission of  
26                   agencies scheduled to be abolished on or after September 1, 2019, if  
27                   not continued in accordance with Chapter 325, Government Code, and

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1 in relation to any other agencies that by law are reviewed during  
2 those review periods by the Sunset Advisory Commission.

3 SECTION 4. This Act takes effect September 1, 2015.