

## **BILL ANALYSIS**

Senate Research Center  
82R1466 KJM-D

S.B. 202  
By: Shapiro  
Administration  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Texas taxpayers spend billions of dollars every year to fund new programs and projects that legislative members add to Texas' budget. Taxpayers should only be asked to fund programs and projects that are shown to be successful. Currently, fiscal notes on legislation prepared by the Legislative Budget Board (LBB) show the fiscal implication to the state and performance measures are included in the General Appropriations Act. These measures do not show the actual success of programs. Taxpayers deserve a legislature that will continually review programs and projects to determine whether or not these funded items are actually serving the purpose for which they were intended and whether or not the taxpayers are getting the most out of their financial investment.

This bill creates a new fiscal note strategy under which LBB, working with a bill's author or sponsor, determines measureable success benchmarks for each bill that has a fiscal implication. If, after two sessions of funding, the program does not achieve those defined success measures, the legislature will determine whether or not the program should continue to be funded or if the statutes relating to the program should be amended or repealed.

As proposed, S.B. 202 amends current law relating to achievement benchmarks in fiscal notes and to legislative review of those benchmarks.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 314, Government Code, by adding Section 314.006, as follows:

Sec. 314.006. PURPOSE STATEMENT AND BENCHMARKS; LEGISLATIVE REVIEW. (a) Requires the Legislative Budget Board (LBB) to include in any fiscal note attached to a bill that authorizes or requires the expenditure or diversion of state funds a statement of the purposes of the bill and a set of reasonable benchmarks that provide a mechanism for measuring whether and to what degree the bill's purposes have been achieved.

(b) Requires LBB, in preparing the statement and benchmarks under Subsection (a), to coordinate with the author or sponsor of the bill to determine the purposes of the bill and to set reasonable benchmarks.

(c) Requires LBB, before the first day of the third regular legislative session after a bill subject to this section becomes law, to evaluate whether the benchmarks required under Subsection (a) have been met and to provide to the lieutenant governor and the speaker of the house of representatives a report on its findings regarding each bill subject to review under this section.

(d) Requires the legislature, if the report submitted under Subsection (c) indicates that LBB finds a benchmark has not been met, to review the statutes enacted or

amended by the bill to determine whether additional expenditure or diversion of state funds should be made to fund the purposes of the bill or the statutes enacted or amended by the bill should be repealed or amended.

SECTION 2. Makes application of this Act prospective to bills filed on or after September 1, 2011.

SECTION 3. Effective date: September 1, 2011.