

## **BILL ANALYSIS**

Senate Research Center  
86R2887 SRA-D

S.B. 68  
By: Nelson  
Finance  
3/4/2019  
As Filed

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

Creates a process in which the Legislative Budget Board analyzes individual programs within agencies under Sunset review and recommends whether or not the programs should be funded at the current level, if at all (zero-based budgeting).

As proposed, S.B. 68 amends current law relating to strategic fiscal reviews of state agencies and programs.

### **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 322, Government Code, by adding Section 322.0175, as follows:

Sec. 322.0175. STRATEGIC FISCAL REVIEW OF STATE AGENCIES AND PROGRAMS. (a) Requires the Legislative Budget Board (LBB) to perform a strategic fiscal review for each state agency currently the subject of Sunset Advisory Commission review under Chapter 325 (Texas Sunset Act).

(b) Requires the LBB to 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) Requires that the strategic fiscal review report 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 activities identified under Subdivision (I) and, if so, at what level.

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

(e) Provides that until the LBB 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 (Exception: Audit Working Papers). Provides that 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.

SECTION 2. Effective date: upon passage or September 1, 2019.