

SUBJECT: Amending county budget authority

COMMITTEE: County Affairs — committee substitute recommended

VOTE: 8 ayes — R. Lewis, Kamel, Bonnen, Chisum, Christian, Denny, Flores, G. Lewis
0 nays
1 absent — Gutierrez

SENATE VOTE: On final passage, Local and Uncontested Calendar, April 17 — 31-0

WITNESSES: No public hearing

BACKGROUND : Chapter 111 of the Local Government Code governs the preparation and administration of county budgets in counties with populations of less than 225,000. Counties may choose to have the county judge or auditor serve as the budget officer or appoint another individual to serve as the budget officer for the county commissioners court. Budget officers prepare a budget to cover all proposed expenditures of the county for the upcoming fiscal year. The budget must contain a complete financial statement of the county that shows outstanding obligations, cash on hand, funds received, funds available, estimated revenues, and an estimated tax rate.

DIGEST: CSSB 1395 would amend Chapter 111 of the Local Government Code to give appointed county budget officers, the county judge, or county auditor consistent authority in the preparation and administration of county budgets.

CSSB 1359 would require all budget officers to certify the receipt of all public or private grant or aid money that was available for disbursement but not included in the budget. After certification, the commissioners court would be required to adopt a special budget for the purpose of spending the grant or aid. In addition, budget officers would have to certify the receipt of all available revenue from intergovernmental contracts and adopt a special budget for the purpose of spending the revenue.

In addition, CSSB 1395 would allow commissioners courts to authorize emergency expenditures as amendments to the original budget to meet an unusual or unforeseen condition that could not have been included in the original budget. The budget could also be amended to transfer an amount budgeted for one item to another without authorizing an emergency expenditure, consistent with the authority given to counties where the county judge serves as the county budget officer.

In counties that choose to have the county judge serve as the budget officer, the judge would be able to require county officers to furnish existing information to prepare the budget. If an officer failed to provide the requested information, the judge could request the commissioners court to direct the officer to produce the information.

CSSB 1395 would require the commissioners courts in counties where the county judge and the county auditor served as the county budget officer to adopt a budget of proposed expenditures to issue county bonds against future revenues. On receipt of the proceeds of the bonds, the county could make expenditures in the same manner as expenditures for general purposes.

CSSB 1359 would allow counties with appointed budget officers to secure bonds or other obligations by pledging security, revenue or receipts obtained from the levy of a state tax if the state was required to pay the proceeds to the county. In addition, the bill would authorize counties where the county auditor served as the county budget officer to issue obligations instead of authorized warrants.

CSSB 1359 would take immediate effect if finally approved by a two-thirds record vote of the membership in each house.

NOTES:

The committee substitute authorized counties with appointed budget officers to secure bonds by pledging security, revenue or receipts from sales taxes and required county officers to furnish existing information to the county judge for budget preparation.