

## **BILL ANALYSIS**

Senate Research Center  
76R3495 GCH-D

S.B. 176  
By: Ratliff  
Finance  
2/25/1999  
As Filed

### **DIGEST**

Currently, the Texas Constitution states that “no bill...shall contain more than one subject.” An exception to the one-subject rule is allowed for General Appropriations Act bills because they aggregate all the subjects on which Texas spends money. However, there is an important limitation that they must be strictly limited to the subjects and accounts of money. This bill clarifies and specifies reporting and accounting requirements in the General Appropriations Act that are applicable to state agencies.

### **PURPOSE**

As proposed, S.B. 176 clarifies and specifies account reporting procedures applicable to state agencies.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 324.008, Government Code, by adding Subsection (d), to require the governing body of a state agency to deliver a certified copy of minutes of any meeting, including changes or corrections, to the library.

SECTION 2. Amends Chapter 403B, Government Code, by adding Section 403.0131, as follows:

Sec. 403.0131. APPROPRIATION CERTIFICATION SUMMARY. Requires the comptroller to prepare a summary table detailing the certification of all major funds. Sets forth the required format of the table and requires that it include the biennial appropriations from all major funds. Requires the comptroller to deliver the table to certain authorities.

SECTION 3. Amends Section 403.021, Government Code, to define “state agency.” Requires a state agency to report all payables and binding encumbrances, rather than estimated encumbrances, by appropriation account for all appropriation years annually. Requires a state agency to report payables and binding encumbrances to the Legislative Budget Board (board), rather than Legislative Budget Office. Requires the comptroller to lapse certain balances by November 1, rather than October 1, of each fiscal year. Requires each state agency to reconcile all expenditures as reported in the uniform statewide accounting system, with the state agency’s own strategic planning and budget structure. Requires each state agency to report a method of financing in the automated budget and evaluation system. Authorizes the board to determine a schedule for the state agencies’ reconciliation. Makes conforming and nonsubstantive changes.

SECTION 4. Amends Section 751.024, Government Code, as follows:

Sec. 751.024. New heading: REPORTS CONCERNING GRANT FUNDS. Requires each agency and institution of higher learning to report certain information to the Office of State-Federal Relations, the board, and the budget division of the governor’s office. Authorizes the board to prescribe, rather than develop, certain procedures and schedules. Deletes text requiring certain action of the board.

SECTION 5. Amends Section 2101.011, Government Code, to define “appropriated money” and “appropriation item.” Requires the executive head of each state agency to submit a financial report of the agency’s use of appropriated money during the preceding fiscal year. Sets forth required information to

be included in the annual report. Deletes text requiring certain action of a state agency. Makes nonsubstantive changes.

SECTION 6. Amends Chapter 2102, Government Code, by adding Section 2102.0091, as follows:

Sec. 2102.0091. REPORTS OF PERIODIC AUDITS. Requires a state agency to file with certain authorities, a copy of each report submitted by its internal auditor. Sets forth filing deadlines. Requires a state agency to file with the governor's office budget division any response made by its governing body to the report of the internal auditor.

SECTION 7. Amends Section 2152.064, Government Code, to require a state agency to file a certain report with the board, rather than the presiding officer of each house of the legislature and other authorities. Requires a state agency to provide justification for the need to use a nonresident bidder for contracts of \$250,000 or more. Requires a state agency to report a listing of the total value of all purchases from nonresident bidders during the six months before the report is filed. Requires the state agency to explain the need to use nonresident bidders if the amount reported exceeds \$1 million or 25 percent of the total value of all purchases. Requires the board to prepare a summary report of the information received under this section for each reporting period, and requires that it be filed with certain authorities.

SECTION 8. Amends Section 2166.152, Government Code, by adding Subsection (e), to prohibit money appropriated by the legislature from being used for a capital construction project until the required analysis is filed with certain authorities.

SECTION 9. Amends Section 2205.039, Government Code, by amending Subsection (b), and adding Subsection (c), as follows:

(b) Adds certain information required to be included in a travel log form.

(c) Requires a state agency other than the State Aircraft Pooling Board to send travel logs to the board for each month the agency operates an aircraft.

SECTION 10. Amends Section 2205.041, Government Code, to set forth required information to be gathered by the aircraft use form.

SECTION 11. Amends Chapter 109, Civil Practice and Remedies Code, by adding Section 109.0015, as follows:

Sec. 109.0015. NOTICE OF CERTAIN LAWSUITS. Defines "state agency." Requires a state agency to notify certain authorities about the filing of lawsuits for which the state may be liable for payment of a judgment. Sets forth requirements concerning the notification.

SECTION 12. Provides a derivation table for provisions of the General Appropriations Act.

SECTION 13. Effective date: September 1, 1999.

SECTION 14. Emergency clause.