

By: Raymond

H.B. No. 68

A BILL TO BE ENTITLED

AN ACT

relating to an annual state budget and legislative budget sessions in even-numbered years and to political contributions made during a legislative session.

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

SECTION 1. Section 301.001, Government Code, is amended to read as follows:

Sec. 301.001. TIME OF MEETING. (a) In each odd-numbered year, the ~~[The]~~ legislature shall convene in regular session at 12 noon on the second Tuesday in January ~~[of each odd-numbered year]~~.

(b) In each even-numbered year, the legislature shall convene in budget session at 12 noon on the third Tuesday in April.

SECTION 2. Section 316.001, Government Code, is amended to read as follows:

Sec. 316.001. LIMIT. The rate of growth of appropriations in a state fiscal year ~~[biennium]~~ from state tax revenues not dedicated by the constitution may not exceed the estimated rate of growth of the state's economy.

SECTION 3. Sections 316.002(a), (b), and (e), Government Code, are amended to read as follows:

(a) Before the Legislative Budget Board submits the budget as prescribed by Section 322.008(c), the board shall establish:

(1) the estimated rate of growth of the state's economy from the current fiscal year ~~[biennium]~~ to the next fiscal year

1 ~~[biennium]~~;

2 (2) the level of appropriations for the current fiscal
3 year ~~[biennium]~~ from state tax revenues not dedicated by the
4 constitution; and

5 (3) the amount of state tax revenues not dedicated by
6 the constitution that could be appropriated for the next fiscal
7 year ~~[biennium]~~ within the limit established by the estimated rate
8 of growth of the state's economy.

9 (b) Except as provided by Subsection (c), the board shall
10 determine the estimated rate of growth of the state's economy by
11 dividing the estimated Texas total personal income for the next
12 fiscal year ~~[biennium]~~ by the estimated Texas total personal income
13 for the current fiscal year ~~[biennium]~~. Using standard statistical
14 methods, the board shall make the estimate by projecting through
15 the fiscal year ~~[biennium]~~ the estimated Texas total personal
16 income reported by the United States Department of Commerce or its
17 successor in function.

18 (e) In the absence of an action by the Legislative Budget
19 Board to adopt a spending limit as provided in Subsections (a) and
20 (b), the estimated rate of growth in the state's economy from the
21 current fiscal year ~~[biennium]~~ to the next fiscal year ~~[biennium]~~
22 shall be treated as if it were zero, and the amount of state tax
23 revenues not dedicated by the constitution that could be
24 appropriated within the limit established by the estimated rate of
25 growth in the state's economy shall be the same as the level of
26 appropriations for the current fiscal year ~~[biennium]~~.

27 SECTION 4. Section 316.008(a), Government Code, is amended

to read as follows:

(a) Unless the legislature adopts a resolution under Article VIII, Section 22(b), of the Texas Constitution raising the proposed limit on appropriations, the proposed limit is binding on the legislature with respect to all appropriations for the next fiscal year [~~biennium~~] made from state tax revenues not dedicated by the constitution.

SECTION 5. Section 316.045, Government Code, is amended to read as follows:

Sec. 316.045. REDUCTION IN CERTAIN AGENCY FEES. (a) Each state agency that sets the fees charged by that agency in amounts that are reasonable and necessary to cover the administrative costs of the agency shall review the amounts charged as fees on an annual [~~a biennial~~] basis. The agency shall review the fees before the beginning of each state fiscal year [~~biennium~~] and incorporate its recommendations based on that review in its budget request submitted to the Legislative Budget Board and the budget division of the governor's office.

(b) If the agency determines that the fees are set at a level that exceeds the administrative costs of the agency as of the date of the review, the agency shall reduce the amount of the affected fees to the appropriate level and shall charge the reduced fees during the subsequent fiscal year [~~biennium~~]. Each agency shall give specific recognition to reductions in salary expenses resulting from statutorily directed employee attrition.

SECTION 6. Sections 316.092(b), (c), and (d), Government Code, are amended to read as follows:

1 (b) For the purposes of Section 49-g(c-2), Article III,
2 Texas Constitution, not later than December 1 of each
3 ~~[even-numbered]~~ year preceding the year in which this section
4 expires as provided by Subsection (e), the select committee shall
5 determine and adopt for the next state fiscal year ~~[biennium]~~ a
6 sufficient balance of the fund in an amount that the committee
7 estimates will ensure an appropriate amount of revenue available in
8 the fund. In determining the sufficient balance for that fiscal
9 year ~~[biennium]~~, the committee shall consider:

- 10 (1) the history of fund balances;
11 (2) the history of transfers to the fund;
12 (3) estimated fund balances during that fiscal year
13 ~~[biennium]~~;
14 (4) estimated transfers to the fund to occur during
15 that fiscal year ~~[biennium]~~;
16 (5) information available to the committee regarding
17 state highway congestion and funding demands; and
18 (6) any other information requested by the committee
19 regarding the state's financial condition.

20 (c) On or before October 1 of each ~~[even-numbered]~~ year
21 preceding the year in which this section expires as provided by
22 Subsection (e), the comptroller shall provide to the select
23 committee the comptroller's projection of the amounts to be
24 transferred to the fund during the next state fiscal year
25 ~~[biennium]~~.

26 (d) When the select committee has adopted under Subsection
27 (b) the amount of the sufficient balance of the fund for a state

1 fiscal year [~~biennium~~], the matter of approving that amount shall
 2 be presented to each house of the legislature in a concurrent
 3 resolution during the next succeeding [~~regular~~] legislative
 4 session, other than a special session of the legislature. The
 5 resolution must be presented for a vote in each house of the
 6 legislature not later than the 30th day of that legislative
 7 session, must be approved by a vote of a majority of the members of
 8 each house, and must be finally approved by each house not later
 9 than the 45th day of that legislative session. If a resolution
 10 finally approved under this subsection is amended during the
 11 legislative process to provide for a different sufficient balance
 12 of the fund than that adopted under Subsection (b), that different
 13 balance is the sufficient balance adopted under this section for
 14 purposes of Section 316.093. If a resolution finally approved
 15 under this subsection does not provide for a different sufficient
 16 balance of the fund or if a resolution is not finally approved as
 17 provided by this subsection, the sufficient balance adopted under
 18 Subsection (b) is the sufficient balance adopted under this section
 19 for purposes of Section 316.093.

20 SECTION 7. Sections 316.093(c) and (e), Government Code,
 21 are amended to read as follows:

22 (c) If under Section 316.092 a sufficient balance has not
 23 been adopted for the comptroller to consider under this section,
 24 the comptroller shall adjust the allocation of amounts to be
 25 transferred to the fund and to the state highway fund provided by
 26 Section 49-g(c), Article III, Texas Constitution, so that the total
 27 of those amounts is transferred to the economic stabilization fund,

1 except that the comptroller shall reduce a transfer made under this
2 subsection as necessary to prevent the amount in the fund from
3 exceeding the limit in effect for that fiscal year [~~biennium~~] under
4 Section 49-g(g) of that article.

5 (e) For the purposes of Section 49-g(c-2), Article III,
6 Texas Constitution, the comptroller shall adjust the allocation
7 provided by Section 49-g(c-1) of that article of amounts to be
8 transferred to the fund and to the state highway fund under Section
9 49-g(c) of that article in a state fiscal year beginning on or after
10 September 1, 2025, so that the total of those amounts is transferred
11 to the economic stabilization fund, except that the comptroller
12 shall reduce a transfer made under this subsection as necessary to
13 prevent the amount in the fund from exceeding the limit in effect
14 for that fiscal year [~~biennium~~] under Section 49-g(g) of that
15 article.

16 SECTION 8. Section 317.003(a), Government Code, is amended
17 to read as follows:

18 (a) The governor or Legislative Budget Board may make a
19 proposal at any time except during a [~~regular or special~~] session of
20 the legislature. A proposal may apply to an appropriation that has
21 been made for any specified fiscal year that has not ended at the
22 time the proposal is made.

23 SECTION 9. Sections 322.008(a), (c), and (d), Government
24 Code, are amended to read as follows:

25 (a) The director, under the direction of the board, shall
26 prepare the general appropriations bill for introduction at each
27 regular and budget [~~legislative~~] session of the legislature.

1 (c) Not later than the fifth day after a regular or budget
2 [~~legislative~~] session convenes, the director shall transmit a copy
3 of the budget of estimated appropriations prepared by the director
4 to the governor and each member of the legislature.

5 (d) Not later than the seventh day after a regular or budget
6 [~~legislative~~] session convenes, the director shall transmit a copy
7 of the general appropriations bill to the governor and each member
8 of the legislature.

9 SECTION 10. Chapter 322, Government Code, is amended by
10 adding Section 322.021 to read as follows:

11 Sec. 322.021. STUDY TO IMPLEMENT ANNUAL BUDGET. (a) The
12 board, with the assistance of the Texas Legislative Council, shall
13 examine the laws and operations of state government to determine
14 how the implementation of annual state budgets may affect those
15 laws and operations and shall adopt recommendations for legislative
16 and administrative action necessary to implement an annual budget
17 as effectively as practicable.

18 (b) The board shall make its initial recommendations under
19 this section not later than November 1, 2020.

20 SECTION 11. Section 403.121(a), Government Code, is amended
21 to read as follows:

22 (a) In the statement required by Article III, Section 49a,
23 of the Texas Constitution the comptroller shall list outstanding
24 appropriations that may exist after the end of the current fiscal
25 year but may not deduct them from the cash condition of the treasury
26 or the anticipated revenues of the next fiscal year [~~biennium~~]
27 the purpose of certification. The comptroller shall base the

1 reports, estimates, and certifications of available funds on the
2 actual or estimated cash condition of the treasury and shall
3 consider outstanding and undisbursed appropriations at the end of
4 each fiscal year [~~biennium~~] as probable disbursements of the
5 succeeding fiscal year [~~biennium~~] in the same manner that earned
6 but uncollected income of a current fiscal year [~~biennium~~] is
7 considered in probable receipts of the succeeding fiscal year
8 [~~biennium~~]. The comptroller shall consider as probable
9 disbursements warrants that will be issued by the state before the
10 end of the fiscal year.

11 SECTION 12. The heading to Section 253.034, Election Code,
12 is amended to read as follows:

13 Sec. 253.034. RESTRICTIONS ON CONTRIBUTIONS DURING AND
14 FOLLOWING REGULAR OR BUDGET [~~LEGISLATIVE~~] SESSION OF LEGISLATURE.

15 SECTION 13. Section 253.034, Election Code, is amended by
16 amending Subsections (a), (b), and (c) and adding Subsection (a-1)
17 to read as follows:

18 (a) During the period beginning on the 30th day before the
19 date a regular [~~legislative~~] session of the legislature convenes
20 and continuing through the 20th day after the date of final
21 adjournment of that regular session, a person may not knowingly
22 make a political contribution to:

- 23 (1) a statewide officeholder;
- 24 (2) a member of the legislature; or
- 25 (3) a specific-purpose committee for supporting,
26 opposing, or assisting a statewide officeholder or member of the
27 legislature.

1 (a-1) During a budget session of the legislature, a person
2 may not knowingly make a political contribution to:

3 (1) the governor or lieutenant governor;

4 (2) a member of or a candidate for election to the
5 legislature; or

6 (3) a specific-purpose committee for supporting,
7 opposing, or assisting the governor, the lieutenant governor, or a
8 member of or a candidate for election to the legislature.

9 (b) A statewide officeholder, a member of or a candidate for
10 election to the legislature, or a specific-purpose committee for
11 supporting, opposing, or assisting a statewide officeholder or a
12 member of or candidate for election to the legislature may not
13 knowingly accept a political contribution, and shall refuse a
14 political contribution that is received, during an applicable [the]
15 period prescribed by Subsection (a) or (a-1). A political
16 contribution that is received and refused during that period shall
17 be returned to the contributor not later than the 30th day after the
18 date of receipt. A contribution made by United States mail or by
19 common or contract carrier is not considered received during a
20 [that] period if it was properly addressed and placed with postage
21 or carrier charges prepaid or prearranged in the mail or delivered
22 to the contract carrier before the beginning of the period. The
23 date indicated by the post office cancellation mark or the common or
24 contract carrier documents is considered to be the date the
25 contribution was placed in the mail or delivered to the common or
26 contract carrier unless proven otherwise.

27 (c) This section does not apply to a political contribution

that was made and accepted with the intent that it be used:

(1) in an election held or ordered during a ~~[the]~~ period prescribed by Subsection (a) or (a-1) in which the person accepting the contribution is a candidate if the contribution was made after the person appointed a campaign treasurer with the appropriate authority and before the person was sworn in for that office;

(2) to defray expenses incurred in connection with an election contest; or

(3) by a person who holds a state office or a member of the legislature or by a specific-purpose political committee that supports or assists only that person or member if the contribution was made during the period prescribed by Subsection (a) and the person or member was defeated at the general election held immediately before the regular session is convened ~~[or by a specific-purpose political committee that supports or assists only that person or member]~~.

SECTION 14. The heading to Section 253.0341, Election Code, is amended to read as follows:

Sec. 253.0341. RESTRICTIONS ON CONTRIBUTIONS TO LEGISLATIVE CAUCUSES DURING AND FOLLOWING REGULAR OR BUDGET ~~[LEGISLATIVE]~~ SESSION OF LEGISLATURE.

SECTION 15. Sections 253.0341(a) and (b), Election Code, are amended to read as follows:

(a) During the period beginning on the 30th day before the date a regular ~~[legislative]~~ session of the legislature convenes and continuing through the 20th day after the date of final

1 adjournment, or at any time during a budget session of the
2 legislature, a person not a member of the caucus may not knowingly
3 make a contribution to a legislative caucus.

4 (b) A legislative caucus may not knowingly accept from a
5 nonmember a contribution, and shall refuse a contribution from a
6 nonmember that is received, during a ~~[the]~~ period prescribed by
7 Subsection (a). A contribution that is received and refused during
8 a ~~[that]~~ period prescribed by Subsection (a) shall be returned to
9 the contributor not later than the 30th day after the date of
10 receipt. A contribution made by United States mail or by common or
11 contract carrier is not considered received during a ~~[that]~~ period
12 if it was properly addressed and placed with postage or carrier
13 charges prepaid or prearranged in the mail or delivered to the
14 contract carrier before the beginning of the period. The date
15 indicated by the post office cancellation mark or the common or
16 contract carrier documents is considered to be the date the
17 contribution was placed in the mail or delivered to the common or
18 contract carrier unless proven otherwise.

19 SECTION 16. The changes in law made by this Act do not
20 affect the validity of an appropriation made before September 1,
21 2021, for any part of the two consecutive state fiscal years ending
22 August 31, 2023.

23 SECTION 17. (a) This Act takes effect as provided by
24 Subsection (b) of this section, but only if the constitutional
25 amendment proposed by the 86th Legislature, Regular Session, 2019,
26 providing for an annual state budget and annual legislative
27 sessions for budget purposes is approved by the voters. If that

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1 proposed constitutional amendment is not approved by the voters,
2 this Act has no effect.

3 (b) This section and Section 10 of this Act take effect
4 January 1, 2020. The other sections of this Act take effect
5 September 1, 2021.