

AN ACT

relating to analyses of agency and state proposals and programs and of the effects of proposed legislation and planning.

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

SECTION 1. Subsection (b), Section 322.011, Government Code, is amended to read as follows:

(b) The board may ~~shall~~ evaluate the programs and operations of any ~~each~~ institution, department, agency, or commission that received an appropriation in the most recent General Appropriations Act or is a state agency. An institution, department, agency, or commission may not be evaluated until after the end of the first full fiscal year of its operation.

SECTION 2. Sections 1, 2, and 3, Article 6252-31, Revised Statutes, as added by Chapter 384, Acts of the 72nd Legislature, Regular Session, 1991, are amended to read as follows:

Sec. 1. DEFINITIONS. In this Act:

(1) "Agency" means a department, commission, board, office, or other entity of state government, including a university system and an institution of higher education as defined by Section 61.003, Education Code, but excluding the office of the Lieutenant Governor and the office of the Governor, that:

(A) has authority that is not limited to a geographical portion of the state;

(B) was created by the constitution or a state statute with an ongoing mission and responsibilities;

(C) is not within the judicial or legislative branch of government;

(D) is not a committee created under state law whose primary function is to advise an agency; and

(E) is not a state-funded junior or community college [an agency, board, commission, or other office of the executive branch of state government, except the office of the Lieutenant Governor].

(2) "Capital improvement" means any building or infrastructure project that will be owned by the state and built with direct appropriations or with the proceeds of state-issued bonds or paid from revenue sources other than general revenue.

(3) "Plan" means a strategic plan as required by this Act.

Sec. 2. STRATEGIC PLANS. (a) Each agency shall develop a strategic plan for its operations in accordance with the provisions of this Act and the goals established hereunder. The Legislative Budget Board and the Governor's Office of Budget and Planning shall determine the elements required to be included in each agency's strategic plan. Unless modified by the Legislative Budget Board and the Governor's Office of Budget and Planning, each [The] plan shall include each of the following items or an explanation why an item does not apply to the agency: [-]

(1) A statement of the mission, goals, and objectives of the agency;

(2) Measures of the output and outcome of the agency in terms of indicators to be developed under this Act;

(3) Identification of priority and other service populations, or other service measures, under current law and how those populations are expected to change within the period of the plan;

(4) An analysis of the use of current agency resources in meeting current needs and expected future needs, and additional resources that may be necessary to meet future needs;

(5) An analysis of any likely or expected changes in the services provided by that agency due to changes in state or federal law;

(6) Plans and strategies for meeting current and future needs and achieving the goals established for the particular area of state government; ~~and~~

(7) A description of the capital improvement needs of the agency during the period covered by the plan;

(8) A prioritization, if appropriate, of the capital improvement needs of the agency during the period; and

(9) Other information that may be required.

(b) Each agency shall issue a plan [~~not later than March 1 of~~] each even-numbered year. The plan will cover a period of five fiscal years beginning with the next odd-numbered fiscal year [~~six years from the date that it is required to be issued~~]. The Texas Higher Education Coordinating Board, in conjunction with all state-funded junior and community colleges, shall develop a consolidated public junior and community college strategic plan under this Act.

(c) Each agency shall send a copy of each plan issued to the Governor, the Lieutenant Governor, the Speaker of the House, the Legislative Budget Board, the Sunset Commission, the State Auditor, and the Comptroller, and two copies to the Legislative Reference Library and the state publications clearinghouse of the Texas State Library.

(d) Compilation of State Agency Plan.

(1) The Governor's Office of Budget and Planning and the Legislative Budget Board shall develop forms and instructions for the use of the agencies in the preparation of their plans.

(2) The Governor's Office of Budget and Planning and the Legislative Budget Board shall work with individual agencies to determine acceptable measures of [~~workload, output, and~~] outcome, output, unit cost, and cost effectiveness for use in plans.

(3) Upon receipt of the individual agency plans, the Governor's Office of Budget and Planning and the Legislative Budget Board may [~~shall~~] work together to compile a long-range strategic plan for state government based on the individual agency plans. The compiled long-range plan shall serve as the strategic plan for the chief executive officer of the state.

(4) If additional information is required concerning any agency plan submitted, the Governor's Office of Budget and Planning or the Legislative Budget Board may request such information from the agency and the information shall be supplied in a timely fashion.

(5) The Legislative Budget Board, together with the Governor's Office of Budget and Planning, may hold hearings on any matter required by this Act.

(6) The final compiled report shall be submitted to the Governor, the Lieutenant Governor, the Comptroller, and each member of the Legislature not later than the seventh working day of each regular session of the Legislature [~~September 1 of each even-numbered year~~].

Sec. 3. GOALS FOR STATE GOVERNMENT. (a) The governor, in cooperation with the Legislative Budget Board, shall establish and adopt goals for achievement for each functional area of state government. Unless modified by the Governor's Office of Budget and Planning and the Legislative Budget Board, these functional areas shall~~[, to]~~ include:

- (1) Education;
- (2) Regulation [~~Regulatory~~];
- (3) Natural Resources;
- (4) Health;
- (5) Human Services;
- (6) Transportation;
- (7) Public Safety and Corrections;
- (8) General Government; and
- (9) State Employee Benefits.

(b) A statement of the goals in each applicable functional area shall be provided to each state agency [~~not later than October 1 of each odd-numbered year~~].

SECTION 3. Subsection (c), Section 4, Article 6252-31, Revised Statutes, as added by Chapter 384, Acts of the 72nd Legislature, Regular Session, 1991, is amended to read as follows:

(c) The information shall be provided not later than March 1 [~~September 1~~] of each even-numbered [~~odd-numbered~~] year.

SECTION 4. Section 7, Article 6252-31, Revised Statutes, as added by Chapter 384, Acts of the 72nd Legislature, Regular Session, 1991, is amended to read as follows:

Sec. 7. COMPTROLLER'S REVIEW. The Comptroller may periodically review and analyze the effectiveness and efficiency of the policies, management, fiscal affairs, and operations of state agencies, and shall report the Comptroller's [~~his~~] findings to the Governor, Lieutenant Governor, and Speaker of the House of Representatives. The Legislature may consider the Comptroller's reports in connection with the legislative appropriations process.

SECTION 5. (a) The Legislative Budget Board shall examine methods to identify and quantify the spending interrelationships between functional areas, agencies, goals, objectives, and strategies.

(b) In examining these methods, the board shall consider interrelationships that are caused by increased or decreased need for state spending by various population groups as well as interrelationships that result from requirements or prohibitions provided by federal and state statutes and case law. The board shall consider demographic projections as well as state revenue projections.

(c) The board may apply methods examined under this section in a pilot program involving the analysis of budget proposals or agency strategic plans in one or more functional areas or of one or more state agencies.

(d) All state agencies shall cooperate with the board in its performance of its functions under this section.

(e) The board shall report to the 74th Legislature its findings and recommendations regarding feasible methodologies and potential applications to the state's strategic planning, budgeting, and legislative processes. The recommendations shall address existing and proposed goals, objectives, and strategies as outlined in the state's strategic plan and the General Appropriations Act.

SECTION 6. The following provisions are repealed:

- (1) Subchapter F, Chapter 316, Government Code;
- (2) Section 7B, Chapter 1078, Acts of the 70th Legislature, Regular Session, 1987 (Article 717k-7, Vernon's Texas Civil Statutes);
- (3) Section 8, Article 6252-31, Revised Statutes, as added by Chapter 384, Acts of the 72nd Legislature, Regular Session, 1991; and
- (4) Article 6252-32, Revised Statutes.

SECTION 7. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

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President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1332 passed the Senate on May 11, 1993, by a viva-voce vote; and that the Senate concurred in House amendments on May 28, 1993, by a viva-voce vote.

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Secretary of the Senate

I hereby certify that S.B. No. 1332 passed the House, with amendments, on May 26, 1993, by a non-record vote.

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Chief Clerk of the House

Approved:

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Date

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Governor