Bill Patterns and Budget Format for Article X

Committee Charge #1

PRESENTED TO: SENATE ADMINISTRATION COMMITTEE

LEGISLATIVE BUDGET BOARD STAFF

August 2018

Statement of Interim Charge

Senate Administration Committee Charge #1: Develop detailed programmatic budget structure for all legislative agencies for use in the General Appropriations Act.

Texas Budgeting Format

- Current budgeting format began in 1991 (HB 2009, 72nd Leg), as part of a **statewide strategic planning** and **performance-based budgeting** initiative

- Prior to this time, agency bill patterns were a mix of level of detail: some were at the agency division / high-level program level, others were itemized specific expenditures (e.g. utilities)

Goal: To change agency bill patterns from:

| Laundry list of expenditure items | → | Groups of programs organized by how they further the agency's mission |

In order to refocus budget decisions from:

| Compliance with law and prior funding levels | → | Outcomes and accountability, with some agency flexibility |

Budgeting Format, 1990-91 GAA

ARTICLE VI

THE LEGISLATURE

Section 1. The following sums or as much of them as may be necessary for the objects and purposes shown, are appropriated from the General Revenue Fund for the expenses of the Legislature of the State of Texas and its offices, the Legislative Budget Board, the Sunset Advisory Commission, the State Auditor, the Legislative Council, the Legislative Reference Library, and the Commission on Uniform State Laws for the years shown:

SENATE

	For the Years Ending	
	August 31, 1990	August 31, 1991
Constitutionally authorized annual salaries for Members of the Senate and the Lieutenant Governor, per diem, other salaries and wages, consumable supplies and materials, current and recurring operating expenses, films, membership dues in any national or regional organization of legislative leaders, capital outlay, building repair and remodeling and other expenses of the Senate including interim expenses of the Seventy-first and Seventy-second Legislatures as may be authorized by law or by resolution	$ 19,219,547	$ 19,385,147
GRAND TOTAL, SENATE	$ 19,219,547	$ 19,385,147

Budgeting Format, 2018-19 GAA

THE LEGISLATURE

Sec. 1. The several sums of money herein specified, or so much thereby as may be necessary, are appropriated out of any funds in the State Treasury not otherwise appropriated, or out of special funds as indicated, for the support, maintenance, or improvement of the designated legislative agencies.

SENATE

	For the Years Ending	
	August 31, 2018	August 31, 2019
Method of Financing:		
General Revenue Fund	$ 32,624,389	$ 35,343,088
Total, Method of Financing	$ 32,624,389	$ 35,343,088
Items of Appropriation:		
A. Goal: SENATE		
A.1.1. Strategy: SENATE	$ 32,624,389	$ 35,343,088
Grand Total, SENATE	$ 32,624,389	$ 35,343,088

Program-Based Budgeting Documents:
State Budget by Program

Section 34.06 of Senate Bill 1 (Relating to certain state fiscal matters, providing penalties) Eighty-second Legislature, First Called Session, established legislative intent that the LBB place information on its website that provides additional program detail for items of appropriation in the General Appropriations Act (GAA). For each state agency and institution of higher education, the program detail must include the specific programs funded, the source of funding, and the related legal authority.

Program-Based Budgeting Documents:
State Budget by Program

- The online application contains program-level detail for all state agencies and institutions of higher education
- Data may be downloaded or are available in standard reports
- Data are searchable and may be filtered by program categories
  - **Program detail report**: description, statutory basis, and methods of finance for each program
  - **Program by strategy report:** includes biennial totals for current and prior biennia, with dollar and percentage difference columns
- Available for budget bills as introduced & for final, printed version of GAA

Article / Agency / PROGRAM / Strategy - MOF		Exp 2015	Est 2016	Bud 2017	Rec 2018	Rec 2019
102-House of Representatives						
LEGISLATIVE OPERATIONS AND SUPPORT						
DESCRIPTION: Legislates Texas laws and resolutions, originates all legislation increasing state taxation, approves the state budget, submits all constitutional amendments to Texas voters, and provides legislative oversight to state agencies.						
LEGAL AUTHORITY:						
STATE: Tex. Constitution, Art. 3, Sec. 1-5, 7-24, 26-41, and 43; Government Code, Ch. 301 and 302						
FEDERAL: NA						
A.1.1 - HOUSE OF REPRESENTATIVES	1 - General Revenue Fund	$42,406,427	$38,191,848	$50,196,421	$39,880,786	$44,971,950
PROGRAM SUBTOTAL, LEGISLATIVE OPERATIONS AND SUPPORT:		$42,406,427	$38,191,848	$50,196,421	$39,880,786	$44,971,950
Agency Subtotal, House of Representatives:		$42,406,427	$38,191,848	$50,196,421	$39,880,786	$44,971,950

Program-Based Budgeting Documents:
Legislative Budget Estimates (LBE) by Program

For the 85th Legislature, the LBB began producing a 4-volume program-based version of the LBE, in addition to the historically produced 2-volume strategy-based version, which is parallel to the General Appropriations Bill.

Statute requires that the LBB produce a "budget of estimated appropriations" to each legislature. Legislative Budget Estimates (LBE) document provides three years of history, along with the agency requested and the LBB recommended funding amounts for a five-year period. For example:

- ○ expended amounts for fiscal years FY 2015 and FY 2016,

- ○ budgeted amounts for FY 2017,

- ○ agency requested amounts for FYs 2018 and 2019, and

- ○ recommended FY 2018 and 2019

Program-Based Budgeting Documents:
Legislative Budget Estimates (LBE) by Program

HOUSE OF REPRESENTATIVES

	Expended 2015	Estimated 2016	Budgeted 2017	Requested 2018	Requested 2019	Recommended 2018	Recommended 2019
Method of Financing:							
General Revenue Fund	$ 42,406,427	$ 38,191,848	$ 50,196,421	$ 39,880,786	$ 44,971,950	$ 39,880,786	$ 44,971,950
Total, Method of Financing	$ 42,406,427	$ 38,191,848	$ 50,196,421	$ 39,880,786	$ 44,971,950	$ 39,880,786	$ 44,971,950

Appropriations by Program:
Program: LEGISLATIVE OPERATIONS AND SUPPORT
Description: Legislates Texas laws and resolutions, originates all legislation increasing state taxation, approves the state budget, submits all constitutional amendments to Texas voters, and provides legislative oversight to state agencies.
Legal Authority:
  State: Tex. Constitution, Art. 3, Sec. 1-5, 7-24, 26-41, and 43; Government Code, Ch. 301 and 302

	Expended 2015	Estimated 2016	Budgeted 2017	Requested 2018	Requested 2019	Recommended 2018	Recommended 2019
A. Goal: HOUSE OF REPRESENTATIVES							
A.1.1. Strategy: HOUSE OF REPRESENTATIVES							
1 General Revenue Fund	$ 42,406,427	$ 38,191,848	$ 50,196,421	$ 39,880,786	$ 44,971,950	$ 39,880,786	$ 44,971,950
Grand Total, HOUSE OF REPRESENTATIVES	$ 42,406,427	$ 38,191,848	$ 50,196,421	$ 39,880,786	$ 44,971,950	$ 39,880,786	$ 44,971,950

Program-Based Budgeting Documents:
General Appropriations Bill

SB 1, General Appropriations Bill, 85th Legislature, As Introduced and Committee Substitute presented the bill patterns of five state agencies in program format rather than strategy format:

Department of Family and Protective Services

Texas Education Agency

Higher Education Coordinating Board

Texas Forest Service

Texas Department of Agriculture

The program appropriations for these agencies were grouped by program area, and associated riders were modified to support this structure.

Budget Format: Article X

The Legislature is funded in Article X of the General Appropriations Act.

The form and content of those appropriations are a product of the legislative process.

A total of 8 entities receive or are authorized funding in Article X:

Senate

House of Representatives

Legislative Budget Board

Sunset Advisory Commission

Legislative Council

Commission on Uniform State Laws

State Auditor's Office

Legislative Reference Library

Budget Format: Article X
State Budget by Program Descriptions

"Legislative Operations and Support" program for each entity:

Senate: Legislates Texas laws and resolutions, approves the state budget, submits all constitutional amendments to Texas voters, and provides legislative oversight to state agencies.

House of Representatives: Legislates Texas laws and resolutions, originates all legislation increasing state taxation, approves the state budget, submits all constitutional amendments to Texas voters, and provides legislative oversight to state agencies.

Legislative Budget Board: Develops budget, strategic plan, and policy recommendations for appropriations; completes fiscal analyses for proposed legislation; supports the legislative process; determines a constitutional spending limit; and conducts reviews to improve performance and efficiency in state and local operations.

Legislative Council: Drafts and analyzes proposed legislation; conducts research and prepares information resources; provides information technology services; and prints, processes, and distributes legislative documents for the legislature and legislative entities.

Commission on Uniform State Laws: Promotes uniformity in state laws in subject areas in which uniformity is desirable and practicable. Promotes uniform judicial interpretation of all uniform state laws, advises the Legislature on adoption of uniform state laws, and sends staff members to national conferences on uniform state laws.

State Auditor's Office: Functions as the independent auditor for the State; performs audits, investigations, and other services to ensure that state agencies, higher education institutions, and other governmental entities follow state and federal laws and regulations. Fulfills State Classification Office responsibilities.

Legislative Reference Library: Performs research for Texas legislators, their staff, and committees; assists the public and state agencies with legislative research; generates and manages data in the Texas Legislative Information System and other databases; operates a telephone service for obtaining information during sessions.

Contact the LBB

Legislative Budget Board
www.lbb.state.tx.us
512.463.1200