

Representative Drew Darby - August 2014

Continued Transparency Improvements with Speaker's Strategic Fiscal Review

When the 84th Legislature convenes in January 2015, budget writers will be faced with prioritizing border security, transportation, education and many other concerns. What many legislators and maybe fewer Texans realize is that budget writers have discretion over less than 17% of all funds in that budget. The rest is federally mandated, constitutionally dedicated or statutorily required spending that saddles every legislature with fewer choices on how your tax dollars are spent or returned in tax relief.

I support House Speaker Joe Straus' call for a Strategic Fiscal Review to utilize a new budget writing process to ask fundamental questions more closely resembling the state's well-established Sunset process: What does the Texas Constitution and state law require of this agency? Does the mission of this agency align with its delivery model? Are there alternative agencies better-suited for the work? Does the funding for this agency align with its original intent and purpose? And can the mission be satisfied with fewer dollars, employees or resources?

This special review will be incredibly complex and rely heavily on the Legislative Budget Board, legislators and their staff working closely with the identified agencies to answer these questions before the House adopts the next state budget. The agencies the Speaker has identified in this initial review constitute \$29.5 billion in budgeted funds, plus a review of approximately \$31 billion in the Available University and Texas Emissions Reduction Plan funds. The House needs to answer how these agencies will meet their core functions before moving forward with a budget.

I have particular interest in four of the eleven selected agencies because I am the Appropriations subcommittee chair for articles of the budget dealing with transportation, environmental regulation and the electric utility market. I also want to build on the success of last session, when I joined with Chairman John Otto and the Speaker to pass significant budget transparency reforms through House Bill 7. These agencies include:

- The Department of Public Safety (DPS) has never been more critical to the protection of our citizens' safety and property, and its mission is growing to meet the challenges of federal inaction. The budget has traditionally funded border security and highway patrol out of State Highway Fund dollars until last session when \$400 million was restored by ending a portion of this diversion. The Speaker has rightfully called to finish the job by using Highway Fund dollars entirely for transportation. As a result, DPS will require a significant influx of other dollars in order to accomplish its mission.
- The Texas Department of Transportation (TxDOT) fulfills a critical mission to build and maintain the public transportation networks of this state. There is no question we need more money for roads and bridges. But this review should answer whether we need more money for TxDOT.
- The Texas Emissions Reduction Plan at the Texas Commission on Environmental Quality is a worthwhile program for areas of this state that do not meet federal air standards. Unfortunately, my constituents and other rural Texans are paying to fund these programs through higher vehicle registration fees and construction equipment rental taxes without seeing the benefit.
- Finally, the Public Utility Commission has historically been funded by the administrative proceeds from a tax on electric bills known as the System Benefit Fund. Since House Bill 7 eliminated that tax, the legislature will be faced with how to pay for the administration of the state's electric, telephone and water utility markets.

Speaker Straus has been bold and I look forward to working with the members of the Appropriations Committee to meet his challenge and bring the 84th Legislature a more straightforward and honest state budget.