

AN ACT

relating to the savings incentive program for state agencies.

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

SECTION 1. Section 2108.103, Government Code, is amended by amending Subsection (a) and adding Subsections (c), (d), (e), and (f) to read as follows:

(a) The affected agency retains one-half [~~one-fourth~~] of the amount of savings verified by the comptroller [~~, not to exceed one percent of the amount of undedicated general revenue derived from nonfederal sources appropriated to the agency for the fiscal year in which the savings are realized~~].

(c) Of the savings retained by the agency, one-half:

(1) must be used to make additional principal payments for general obligation bonds issued by the agency or on behalf of the agency by the Texas Public Finance Authority; or

(2) if there are no outstanding general obligation bonds issued by the agency or on behalf of the agency by the Texas Public Finance Authority, may be used to provide bonuses, distributed equally, to each agency employee who:

(A) is a current full-time equivalent employee of the agency;

(B) worked for the agency as a full-time equivalent employee for the entire fiscal year in which the savings were realized; and

1 (C) is directly responsible for or worked in a
2 department, office, or other division within the agency that is
3 responsible for the savings realized.

4 (d) If the amount of agency savings verified under Section
5 2108.102, expressed as a percentage of the total amount of
6 undedicated general revenue derived from nonfederal sources
7 appropriated to the agency for the fiscal year in which the savings
8 were realized, is:

9 (1) less than three percent, a bonus described by
10 Subsection (c)(2) may not exceed \$250;

11 (2) at least three percent but less than five percent,
12 a bonus described by Subsection (c)(2) may not exceed \$500;

13 (3) at least five percent but less than 10 percent, a
14 bonus described by Subsection (c)(2) may not exceed \$750; and

15 (4) 10 percent or more, a bonus described by
16 Subsection (c)(2) may not exceed \$1,000.

17 (e) A state agency may not provide a bonus under Subsection
18 (c)(2) to an employee of the agency who serves in an upper
19 management position, including the chief executive or chief
20 administrator of the agency.

21 (f) A state agency shall adopt rules to implement this
22 section.

23 SECTION 2. This Act applies to notice under Section
24 2108.101, Government Code, of savings from appropriations to a
25 state agency for a state fiscal year beginning on or after September
26 1, 2017.

27 SECTION 3. This Act takes effect September 1, 2017.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 132 passed the Senate on March 20, 2017, by the following vote: Yeas 30, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 132 passed the House on May 24, 2017, by the following vote: Yeas 145, Nays 0, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor