

By: Campbell

S.J.R. No. 88

A JOINT RESOLUTION

1 proposing a constitutional amendment creating the utilities
2 reliability fund and the utilities reliability revenue fund to
3 provide financial support for projects that enhance the reliability
4 and resiliency of the power grid in this state.

5 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Article III, Texas Constitution, is amended by
7 adding Sections 49-d-15 and 49-d-16 to read as follows:

8 Sec. 49-d-15. (a) The utilities reliability fund is
9 created as a special fund in the state treasury outside the general
10 revenue fund. Money in the utilities reliability fund shall be
11 administered, without further appropriation, by the Public Utility
12 Commission of Texas or that commission's successor in function. In
13 accordance with general law, the utilities reliability fund may be
14 used only to support projects to enhance the reliability and
15 resiliency of the power grid in this state. Separate accounts may
16 be established in the utilities reliability fund as necessary or
17 convenient to administer the fund or the supported projects. The
18 financial assistance authorized by this section may be provided
19 directly to public or private entities as provided by general law.

20 (b) The legislature by general law may authorize the Public
21 Utility Commission of Texas or that commission's successor in
22 function to use the utilities reliability fund to provide financial
23 assistance, including by direct loan or grant, for projects that
24 enhance the reliability and resiliency of the power grid in this

1 state.

2 (c) In accordance with general law, the Public Utility
3 Commission of Texas or that commission's successor in function may,
4 at that entity's discretion, transfer money from the utilities
5 reliability fund to other programs and funds of the commission or
6 that commission's successor in function, including the utilities
7 reliability revenue fund.

8 (d) The utilities reliability fund consists of:

9 (1) money appropriated to the fund;

10 (2) money transferred or deposited to the credit of
11 the fund by general law, including money from any source
12 transferred or deposited to the credit of the fund at the discretion
13 of the Public Utility Commission of Texas or that commission's
14 successor in function as authorized by general law;

15 (3) revenue from any source, including the proceeds of
16 any fee or tax imposed by this state, that the legislature by
17 statute dedicates for deposit to the credit of the fund;

18 (4) investment earnings and interest earned on amounts
19 credited to the fund; and

20 (5) money transferred to the fund from another fund or
21 account to which money from the fund was transferred, as authorized
22 by general law.

23 (e) The legislature by general law shall provide for the
24 manner in which the assets of the utilities reliability fund may be
25 used, subject to the limitations provided by this section. The
26 legislature by general law may provide for costs of investment and
27 administration of the utilities reliability fund to be paid from

1 that fund.

2 (f) For the purposes of Section 22, Article VIII, of this
3 constitution, an appropriation of money from the economic
4 stabilization fund for the purpose of depositing that money to the
5 credit of the utilities reliability fund is considered to be an
6 appropriation of state tax revenues dedicated by this constitution.

7 (g) This section is intended to establish a basic framework
8 of the utilities reliability fund, and the legislature by general
9 law may provide for the implementation and effectuate the design
10 and objects of this section and may delegate duties,
11 responsibilities, functions, and authority to the Public Utility
12 Commission of Texas or that commission's successor in function for
13 those purposes.

14 Sec. 49-d-16. (a) The utilities reliability revenue fund
15 is created as a special fund in the state treasury outside the
16 general revenue fund. Money in the utilities reliability revenue
17 fund shall be administered, without further appropriation, by the
18 Public Utility Commission of Texas or that commission's successor
19 in function. In accordance with general law, the utilities
20 reliability revenue fund may be used only for the purpose of
21 providing financing for projects that enhance the reliability and
22 resiliency of the power grid in this state in accordance with
23 general law and requirements adopted by the Public Utility
24 Commission of Texas or that commission's successor in function.
25 Separate accounts may be established in the utilities reliability
26 revenue fund as necessary to administer the fund or authorized
27 projects. The financial assistance authorized by this section may

1 be provided directly to public or private entities as provided by
2 general law.

3 (b) The legislature by general law may authorize the Public
4 Utility Commission of Texas or that commission's successor in
5 function to issue bonds, make loans or grants, and enter into
6 related credit agreements that are payable from revenues available
7 to the utilities reliability revenue fund.

8 (c) In accordance with general law, the Public Utility
9 Commission of Texas or that commission's successor in function may,
10 at that entity's discretion, transfer money from the utilities
11 reliability revenue fund to the utilities reliability fund.

12 (d) The utilities reliability revenue fund consists of:

13 (1) money appropriated to the fund;

14 (2) money transferred or deposited to the credit of
15 the fund by general law, including money from the utilities
16 reliability fund or any other source transferred or deposited to
17 the credit of the fund at the discretion of the Public Utility
18 Commission of Texas or that commission's successor in function as
19 authorized by general law;

20 (3) the proceeds of any fee or tax imposed by this
21 state that by statute is dedicated for deposit to the credit of the
22 fund;

23 (4) any other revenue that the legislature by statute
24 dedicates for deposit to the credit of the fund;

25 (5) investment earnings and interest earned on amounts
26 credited to the fund;

27 (6) the proceeds from the sale of revenue bonds issued

1 under this section by the Public Utility Commission of Texas or that
2 commission's successor in function for the purpose of providing
3 money for the fund;

4 (7) repayments of loans made from the fund; and

5 (8) money disbursed to the fund from the utilities
6 reliability fund as authorized by general law.

7 (e) The legislature by general law shall provide for the
8 manner in which the assets of the utilities reliability revenue
9 fund may be used, subject to the limitations provided by this
10 section. The legislature by general law may provide for costs of
11 investment of the utilities reliability revenue fund to be paid
12 from that fund.

13 (f) In each fiscal year in which amounts become due under
14 the bonds or agreements authorized by this section, the Public
15 Utility Commission of Texas or that commission's successor in
16 function shall transfer from revenue deposited to the credit of the
17 utilities reliability revenue fund in that fiscal year an amount
18 that is sufficient to pay:

19 (1) the principal of and interest on the bonds that
20 mature or become due during that fiscal year; and

21 (2) any cost related to the bonds, including payments
22 under related credit agreements that become due during that fiscal
23 year.

24 (g) Any obligations authorized by general law to be issued
25 by the Public Utility Commission of Texas or that commission's
26 successor in function under this section shall be special
27 obligations payable solely from amounts in the utilities

1 reliability revenue fund. Obligations issued by the Public Utility
2 Commission of Texas or that commission's successor in function
3 under this section may not be a constitutional state debt payable
4 from the general revenue of the state.

5 (h) Any dedication or appropriation of revenue to the credit
6 of the utilities reliability revenue fund may not be modified so as
7 to impair any outstanding bonds secured by a pledge of that revenue
8 unless provisions have been made for a full discharge of those
9 bonds.

10 (i) Money in the utilities reliability revenue fund is
11 dedicated by this constitution for purposes of Section 22, Article
12 VIII, of this constitution.

13 (j) This section is intended to establish a basic framework
14 of the utilities reliability revenue fund, and the legislature
15 shall have the power to implement and effectuate the design and
16 objects of this section, including the power to delegate such
17 duties, responsibilities, functions, and authority to the Public
18 Utility Commission of Texas or that commission's successor in
19 function.

20 SECTION 2. This proposed constitutional amendment shall be
21 submitted to the voters at an election to be held November 7, 2023.
22 The ballot shall be printed to permit voting for or against the
23 proposition: "The constitutional amendment creating the utilities
24 reliability fund and the utilities reliability revenue fund to
25 provide financial support for projects that enhance the reliability
26 and resiliency of the power grid in this state."