

BILL ANALYSIS

C.S.H.J.R. 15
By: Isett
State Affairs
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Under current law, the rate of growth of appropriations from state tax revenues not constitutionally dedicated is prohibited from exceeding the rate of growth of the state's economy in a given biennium. When Article 8, Section 22, of the Texas Constitution was enacted, the voters' intent was to prioritize spending within the available dollars, and those dollars were to be tied to the growth of the economy. Without a change in the law, this intent may not be fulfilled. As proposed, C.S.H.J.R. 15 restricts growth in state appropriations to a rate equal to the sum of the estimated rate of growth of the state's population and the estimated rate of inflation in the state.

RULEMAKING AUTHORITY

It is the opinion of the committee that this resolution does not expressly grant any additional rulemaking authority to a state officer, institution, department, or agency.

ANALYSIS

C.S.H.J.R. 15 amends the Texas Constitution to require that the growth of state appropriations from all sources of revenue except the federal government cannot exceed a rate equal to the sum of the estimated rate of growth of the state's population and the estimated rate of inflation in the state. The resolution includes a methodology for calculating the rate of growth of appropriations from the current biennium to the next biennium, and requires the legislature to enact implementing legislation. The resolution provides that the limitations on growth of appropriations can be exceeded only if a two-thirds majority of each house finds that an emergency exists. The resolution provides that no bill appropriating money from any source except the federal government can be passed unless the Comptroller certifies that the appropriation does not contravene the limit on the rate of growth on appropriations.

FOR ELECTION

This proposed constitutional amendment shall be submitted to the voters at an election to be held November 4, 2003. The changes made to the Texas Constitution by this proposed constitutional amendment would apply only in relation to appropriations made for the state fiscal biennium beginning September 1, 2005, and subsequent fiscal bienniums.

COMPARISON OF ORIGINAL TO SUBSTITUTE

C.S.H.J.R. 15 modifies the original by prohibiting the rate of growth of appropriations in a given biennium from exceeding a rate equal to the sum of the estimated rate of growth of the state's population and the estimated rate of inflation in the state, rather than the estimated rate of growth of total personal income in the state, as was provided in the original bill. The substitute modifies the temporary provision added to the Texas Constitution, as well as the language of the proposition on the voting ballot, in order to accommodate this change.

BILL ANALYSIS

C.S.H.J.R. 15
By: Isett
State Affairs
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Under current law, the rate of growth of appropriations from state tax revenues not constitutionally dedicated is prohibited from exceeding the rate of growth of the state's economy in a given biennium. When Article 8, Section 22, of the Texas Constitution was enacted, the voters' intent was to prioritize spending within the available dollars, and those dollars were to be tied to the growth of the economy. Without a change in the law, this intent may not be fulfilled. As proposed, C.S.H.J.R. 15 restricts growth in state appropriations to a rate equal to the sum of the estimated rate of growth of the state's population and the estimated rate of inflation in the state.

RULEMAKING AUTHORITY

It is the opinion of the committee that this resolution does not expressly grant any additional rulemaking authority to a state officer, institution, department, or agency.

ANALYSIS

C.S.H.J.R. 15 amends the Texas Constitution to require that the growth of state appropriations from all sources of revenue except the federal government cannot exceed a rate equal to the sum of the estimated rate of growth of the state's population and the estimated rate of inflation in the state. The resolution includes a methodology for calculating the rate of growth of appropriations from the current biennium to the next biennium, and requires the legislature to enact implementing legislation. The resolution provides that the limitations on growth of appropriations can be exceeded only if a two-thirds majority of each house finds that an emergency exists. The resolution provides that no bill appropriating money from any source except the federal government can be passed unless the Comptroller certifies that the appropriation does not contravene the limit on the rate of growth on appropriations.

FOR ELECTION

This proposed constitutional amendment shall be submitted to the voters at an election to be held November 4, 2003. The changes made to the Texas Constitution by this proposed constitutional amendment would apply only in relation to appropriations made for the state fiscal biennium beginning September 1, 2005, and subsequent fiscal bienniums.

COMPARISON OF ORIGINAL TO SUBSTITUTE

C.S.H.J.R. 15 modifies the original by prohibiting the rate of growth of appropriations in a given biennium from exceeding a rate equal to the sum of the estimated rate of growth of the state's population and the estimated rate of inflation in the state, rather than the estimated rate of growth of total personal income in the state, as was provided in the original bill. The substitute modifies the temporary provision added to the Texas Constitution, as well as the language of the proposition on the voting ballot, in order to accommodate this change.

