

By: Raymond

H.J.R. No. 78

A JOINT RESOLUTION

1 proposing a constitutional amendment providing for an annual state
2 budget and annual legislative sessions for budget purposes.

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

4 SECTION 1. Section 5(a), Article III, Texas Constitution,
5 is amended to read as follows:

6 (a) The Legislature shall meet every odd-numbered year in
7 regular session and every even-numbered year in budget session [~~two~~
8 ~~years~~] at such times [~~time~~] as may be provided by law. The
9 Legislature also shall meet [~~and~~] at other times when convened by
10 the Governor.

11 SECTION 2. Article III, Texas Constitution, is amended by
12 adding Section 40a to read as follows:

13 Sec. 40a. (a) A budget session of the legislature may not
14 exceed 60 days in duration, except that the legislature by majority
15 vote of the membership of each house may extend a budget session by
16 not more than 30 days. When convened in budget session, a house of
17 the legislature may not consider a bill or proposed constitutional
18 amendment on a matter other than:

19 (1) appropriations, transfers of state money among
20 funds and accounts, or state revenue; or

21 (2) an emergency matter submitted by the governor in a
22 special message to the legislature.

23 (b) Except as otherwise provided by this constitution, a
24 budget session is treated in the same manner as a special session of

1 the legislature for purposes of this constitution.

2 (c) Unless otherwise provided by general law, a budget
3 session shall be convened at noon on the third Tuesday in April.

4 SECTION 3. Section 49(c), Article III, Texas Constitution,
5 is amended to read as follows:

6 (c) The legislature may call an election during any regular
7 session or budget session of the legislature or during any special
8 session of the legislature in which the subject of the election is
9 designated in the governor's proclamation for that special session.
10 The election may be held on any date, and notice of the election
11 shall be given for the period and in the manner required for
12 amending this constitution. The election shall be held in each
13 county in the manner provided by law for other statewide elections.

14 SECTION 4. Subsection (a), Section 49a, Article III, Texas
15 Constitution, is amended to read as follows:

16 (a) It shall be the duty of the Comptroller of Public
17 Accounts in advance of each Regular Session and Budget Session of
18 the Legislature to prepare and submit to the Governor and to the
19 Legislature upon its convening a statement under oath showing fully
20 the financial condition of the State Treasury at the close of the
21 last fiscal period and an estimate of the probable receipts and
22 disbursements for the then current fiscal year. There shall also be
23 contained in said statement an itemized estimate of the anticipated
24 revenue based on the laws then in effect that will be received by
25 and for the State from all sources showing the fund accounts to be
26 credited during each of the next two fiscal years, [~~the succeeding~~
27 ~~biennium~~] and said statement shall contain such other information

1 as may be required by law. Supplemental statements shall be
2 submitted at any Special Session of the Legislature and at such
3 other times as may be necessary to show probable changes.

4 SECTION 5. Subsections (b), (c), (g), (h), (j), (k), and
5 (l), Section 49-g, Article III, Texas Constitution, are amended to
6 read as follows:

7 (b) The comptroller shall, not later than the 90th day of
8 each fiscal year [~~biennium~~], transfer to the economic stabilization
9 fund one-half of any unencumbered positive balance of general
10 revenues on the last day of the preceding fiscal year [~~biennium~~].
11 If necessary, the comptroller shall reduce the amount transferred
12 in proportion to the other amounts prescribed by this section to
13 prevent the amount in the fund from exceeding the limit in effect
14 for that fiscal year [~~biennium~~] under Subsection (g) of this
15 section.

16 (c) Not later than the 90th day of each fiscal year, the
17 comptroller of public accounts shall transfer from general revenue
18 to the economic stabilization fund the amounts prescribed by
19 Subsections (d) and (e) of this section. However, if necessary, the
20 comptroller shall reduce proportionately the amounts transferred
21 to prevent the amount in the fund from exceeding the limit in effect
22 for that fiscal year [~~biennium~~] under Subsection (g) of this
23 section.

24 (g) During each fiscal year [~~biennium~~], the amount in the
25 economic stabilization fund may not exceed an amount equal to 20
26 [~~10~~] percent of the total amount, excluding investment income,
27 interest income, and amounts borrowed from special funds, deposited

1 in general revenue during the preceding fiscal year [~~biennium~~].

2 (h) In preparing an estimate of anticipated revenues for a
3 succeeding fiscal year [~~biennium~~] as required by Article III,
4 Section 49a, of this constitution, the comptroller shall estimate
5 the amount of the transfers that will be made under Subsections (b),
6 (d), and (e) of this section. The comptroller shall deduct that
7 amount from the estimate of anticipated revenues as if the
8 transfers were made on August 31 of that fiscal year.

9 (j) The comptroller may transfer money from the economic
10 stabilization fund to general revenue to prevent or eliminate a
11 temporary cash deficiency in general revenue. The comptroller
12 shall return the amount transferred to the economic stabilization
13 fund as soon as practicable, but not later than August 31 of the
14 fiscal year in which the transfer is made [~~each odd-numbered year~~].
15 The comptroller shall allocate the depository interest as if the
16 transfers had not been made. If the comptroller submits a statement
17 to the governor and the legislature under Article III, Section 49a,
18 of this constitution when money from the economic stabilization
19 fund is in general revenue, the comptroller shall state that the
20 transferred money is not available for appropriation from general
21 revenue.

22 (k) Amounts from the economic stabilization fund may be
23 appropriated during a regular or budget [~~legislative~~] session only
24 for a purpose for which an appropriation from general revenue was
25 made for the current fiscal year [~~by the preceding legislature~~] and
26 may be appropriated in a special session only for a purpose for
27 which an appropriation from general revenue was made in a preceding

1 legislative session of the same legislature. An appropriation from
2 the economic stabilization fund may be made only if the comptroller
3 certifies that appropriations from general revenue made for the
4 current fiscal year [~~by the preceding legislature for the current~~
5 ~~biennium~~] exceed available general revenues and cash balances for
6 the remainder of that fiscal year [~~biennium~~]. The amount of an
7 appropriation from the economic stabilization fund may not exceed
8 the difference between the comptroller's estimate of general
9 revenue for the current fiscal year [~~biennium~~] at the time the
10 comptroller receives for certification the bill making the
11 appropriation and the amount of general revenue appropriations for
12 that fiscal year [~~biennium~~] previously certified by the
13 comptroller. Appropriations from the economic stabilization fund
14 under this subsection may not extend beyond the last day of the
15 current fiscal year [~~biennium~~]. An appropriation from the economic
16 stabilization fund must be approved by a three-fifths vote of the
17 members present in each house of the legislature.

18 (1) If an estimate of anticipated revenues for a succeeding
19 fiscal year [~~biennium~~] prepared by the comptroller pursuant to
20 Article III, Section 49a, of this constitution is less than the
21 revenues that are estimated at the same time by the comptroller to
22 be available for the current fiscal year [~~biennium~~], the
23 legislature may, by a three-fifths vote of the members present in
24 each house, appropriate for the succeeding fiscal year [~~biennium~~]
25 from the economic stabilization fund an amount not to exceed this
26 difference. Following each fiscal year, the actual amount of
27 revenue shall be computed, and if the estimated difference exceeds

1 the actual difference, the comptroller shall transfer the amount
2 necessary from general revenue to the economic stabilization fund
3 so that the actual difference shall not be exceeded. If all or a
4 portion of the difference in revenue from one fiscal year
5 [~~biennium~~] to the next results, at least in part, from a change in a
6 tax rate or base adopted by the legislature, the computation of
7 revenue difference shall be adjusted to the amount that would have
8 been available had the rate or base not been changed.

9 SECTION 6. Section 6, Article VIII, Texas Constitution, is
10 amended to read as follows:

11 Sec. 6. No money shall be drawn from the Treasury but in
12 pursuance of specific appropriations made by law; nor shall any
13 appropriation of money be made for a longer term than one year [~~two~~
14 ~~years~~].

15 SECTION 7. Section 22(a), Article VIII, Texas Constitution,
16 is amended to read as follows:

17 (a) In no fiscal year [~~biennium~~] shall the rate of growth of
18 appropriations from state tax revenues not dedicated by this
19 constitution exceed the estimated rate of growth of the state's
20 economy. The legislature shall provide by general law procedures
21 to implement this subsection.

22 SECTION 8. The following temporary provision is added to
23 the constitution:

24 TEMPORARY PROVISION. (a) The constitutional amendment
25 proposed by the 78th Legislature, Regular Session, 2003, providing
26 for an annual state budget and annual legislative sessions for
27 budget purposes, takes effect September 1, 2005.

1 (b) The amendment does not affect the validity of an
2 appropriation made before that date for any part of the two
3 consecutive state fiscal years ending August 31, 2007.

4 (c) This temporary provision expires January 1, 2008.

5 SECTION 9. This proposed constitutional amendment shall be
6 submitted to the voters at an election to be held November 4, 2003.
7 The ballot shall be printed to permit voting for or against the
8 proposition: "The constitutional amendment providing for an annual
9 state budget and annual legislative sessions for budget purposes."