

By: Riddle

H.B. No. 250

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the constitutional limitation on the rate of growth of
3 state appropriations.

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

5 SECTION 1. Sections 316.001, 316.002, 316.006, 316.007, and
6 316.008, Government Code, are amended to read as follows:

7 Sec. 316.001. LIMIT. The rate of growth of appropriations
8 from the current biennium to the next [~~in a~~] biennium from all
9 sources of revenue except the federal government [~~state tax~~
10 ~~revenues not dedicated by the constitution~~] may not exceed a rate
11 equal to the sum of the estimated rate of growth of the state's
12 population during the next biennium and the estimated rate of
13 inflation in the state during the next biennium [~~economy~~]. For
14 purposes of this subchapter, the base figure for determining the
15 level of appropriations from all sources of revenue except the
16 federal government for the current biennium is the lesser of:

17 (1) the amount of money appropriated for the current
18 biennium from all sources of revenue other than the federal
19 government, as cumulatively estimated by the comptroller at the
20 times the comptroller endorsed, in accordance with Section 49a,
21 Article III, Texas Constitution, the comptroller's certificate on
22 the bills making the appropriations; and

23 (2) the amount of money actually appropriated for the
24 current biennium from all sources of revenue other than the federal

1 government, as estimated by the comptroller at the request of the
2 Legislative Budget Board.

3 Sec. 316.002. DUTIES OF LEGISLATIVE BUDGET BOARD. (a)
4 Before the Legislative Budget Board submits the budget as
5 prescribed by Section 322.008 [~~322.008(b)~~], the board shall
6 establish:

7 (1) the rate equal to the sum of the estimated rate of
8 growth of the state's population during [~~economy from the current~~
9 ~~biennium to~~] the next biennium and the estimated rate of inflation
10 in the state during the next biennium;

11 (2) the level of appropriations for the current
12 biennium from all sources of revenue except the federal government
13 [~~state tax revenues not dedicated by the constitution~~]; and

14 (3) the amount of state revenue from all sources
15 except the federal government [~~tax revenues not dedicated by the~~
16 ~~constitution~~] that could be appropriated for the next biennium
17 within the limit established by the estimated rate computed under
18 Subdivision (1) [~~of growth of the state's economy~~].

19 (b) [~~Except as provided by Subsection (c), the board shall~~
20 ~~determine the estimated rate of growth of the state's economy by~~
21 ~~dividing the estimated Texas total personal income for the next~~
22 ~~biennium by the estimated Texas total personal income for the~~
23 ~~current biennium. Using standard statistical methods, the board~~
24 ~~shall make the estimate by projecting through the biennium the~~
25 ~~estimated Texas total personal income reported by the United States~~
26 ~~Department of Commerce or its successor in function.~~

27 [~~(c) If a more comprehensive definition of the rate of~~

1 ~~growth of the state's economy is developed and is approved by the~~
2 ~~committee established by Section 316.005, the board may use that~~
3 ~~definition in calculating the limit on appropriations.~~

4 ~~[(d)]~~ To ensure compliance with Article VIII, Section 22, of
5 the Texas Constitution, the Legislative Budget Board may not
6 transmit in any form to the governor or the legislature the budget
7 as prescribed by Section 322.008(c) or the general appropriations
8 bill as prescribed by Section 322.008(d) until the limit on the rate
9 of growth of appropriations has been adopted as required by this
10 subchapter.

11 (c) ~~[(e)]~~ In the absence of an action by the Legislative
12 Budget Board to adopt a spending limit as provided in Subsection
13 ~~[Subsections]~~ (a) ~~[and (b)]~~, the ~~[estimated rate of growth in the~~
14 ~~state's economy from the current biennium to the next biennium~~
15 ~~shall be treated as if it were zero, and the]~~ amount of state
16 revenue from all sources except the federal government ~~[tax~~
17 ~~revenues not dedicated by the constitution]~~ that may ~~[could]~~ be
18 appropriated for the next biennium ~~[within the limit established by~~
19 ~~the estimated rate of growth in the state's economy]~~ shall be the
20 same as the level of appropriations from those sources for the
21 current biennium.

22 Sec. 316.006. LIMIT ON BUDGET RECOMMENDATIONS. Unless
23 authorized by majority vote of the members of the board from each
24 house, the Legislative Budget Board budget recommendations
25 relating to the proposed appropriations of revenue from all sources
26 except the federal government ~~[state tax revenues not dedicated by~~
27 ~~the constitution]~~ may not exceed the limit adopted by the committee

1 under Section 316.005.

2 Sec. 316.007. TRANSMISSION OF RECOMMENDATIONS. (a) The
3 Legislative Budget Board shall include in its budget
4 recommendations the proposed limit of appropriations from all
5 sources of revenue except the federal government [~~state tax~~
6 ~~revenues not dedicated by the constitution~~].

7 (b) The board shall transmit the recommendations to the
8 governor and to each member of the legislature.

9 Sec. 316.008. EFFECT OF LIMIT; ENFORCEMENT. (a) Unless the
10 legislature adopts a resolution under Article VIII, Section 22(c)
11 [~~22(b)~~], of the Texas Constitution raising the proposed limit on
12 appropriations, the proposed limit is binding on the legislature
13 with respect to all appropriations for the next biennium made from
14 all sources of revenue except the federal government [~~state tax~~
15 ~~revenues not dedicated by the constitution~~].

16 (b) The rules of the house of representatives and senate
17 shall provide for enforcement of Subsection (a).

18 SECTION 2. The changes in law made by this Act apply only in
19 relation to appropriations made for the state fiscal biennium
20 beginning September 1, 2009, and subsequent state fiscal bienniums.
21 Appropriations for the state fiscal biennium that began September
22 1, 2007, are governed by Sections 316.001, 316.002, 316.006,
23 316.007, and 316.008, Government Code, as those sections existed on
24 January 1, 2007, and the former law is continued in effect for that
25 purpose.

26 SECTION 3. Except as otherwise provided by this Act, this
27 Act takes effect January 1, 2009, but only if the constitutional

1 amendment proposed by the 80th Legislature, Regular Session, 2007,
2 concerning the restriction on the rate of growth of state
3 appropriations is approved by the voters. If that amendment is not
4 approved by the voters, this Act has no effect.