

By: Paxton

H.B. No. 2786

A BILL TO BE ENTITLED

AN ACT

relating to the preparation of fiscal notes.

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

SECTION 1. Amend Chapter 314.004, Government Code as follows:

314.004. [DYNAMIC FISCAL IMPACT STATEMENT. (a) The board shall prepare for each bill or resolution that raises or lowers a tax or fee a dynamic fiscal impact statement.

(b) The dynamic fiscal impact statement must project cost estimates based on dynamic scoring principles for a five-year period that begins on the effective date of the bill or resolution.

(c) "Dynamic scoring principles" means a measurement of the pace of economic growth or estimating the change in the aggregate level of economic output and incomes using factors including:

(1) the direct impacts on program costs and tax receipts;

(2) the effects on incentives to work, save, invest and conduct economic affairs;

(3) the resulting change in the overall level of economic activity;

(4) the impact of the higher or lower level of economic activity on program costs and tax receipts; and

(5) a calculation of the net impact of the legislation on the unified budget.

1 (d) The dynamic fiscal impact statement must be attached to
2 the bill or resolution immediately following the fiscal note
3 attached under Section 314.003.

4 314.005.] EQUALIZED EDUCATION FUNDING IMPACT STATEMENT.

5 (a) The board shall prepare for each bill or resolution that
6 affects public education an equalized education funding impact
7 statement.

8 (b) The [equalized education funding] impact statement must
9 evaluate the effect of the bill or resolution on all state equalized
10 funding requirements and policies.

11 (c) The [equalized education funding] impact statement must
12 be attached to the bill or resolution immediately following [the
13 latter of:

14 (1) the dynamic fiscal impact statement attached under
15 Section 314.004, or

16 (2)] the fiscal note attached under Section 314.003.

17 SECTION 2. This Act takes effect September 1, 2007.