

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**March 24, 2009**

**TO:** Honorable Jim Keffer, Chair, House Committee on Energy Resources

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HJR73** by Deshotel (Proposing a constitutional amendment authorizing the issuance of general obligation bonds to provide and guarantee loans to encourage the use of hydrogen as a cleaner fuel source.), **As Introduced**

**No significant fiscal implication to the State is anticipated**, other than the cost of publication.

The cost to the state for publication of the resolution is \$90,882.

House Joint Resolution (HJR) 73 amends the Texas Constitution to provide that the legislature by general law may authorize the Texas Public Finance Authority to issue general obligation bonds of the State of Texas in an amount not to exceed \$250,000,000. The resolution would limit the use of the bond proceeds to make and guarantee loans to business entities, state agencies, institutions of higher education, and political subdivision of this state for projects related to the manufacture, storage, distribution, or sale in this state of hydrogen as a fuel source.

As proposed, HJR 73 would be submitted to the voters at an election to be held November 3, 2009.

Note: Article III, Section 49-j of the Texas Constitution limits the authorization of additional state debt if the percentage of debt service payable from the General Revenue Fund exceeds 5 percent of the average annual unrestricted General Revenue Fund revenues for the previous three fiscal years.

The \$250,000,000 in new general obligation bond authority for hydrogen fuel source projects is assumed to be repaid with General Revenue Funds and to be not self-supporting general obligation debt. Therefore, these bonds would be factored into the state's constitutional debt limit.

As of the end of fiscal year 2008, the Bond Review Board estimates the constitutional debt limit for issued, and authorized but unissued debt, to be 4.09 percent.

The Bond Review Board estimates that the passage of the resolution would increase the constitutional debt limit by 0.07 percent for a total debt limit of 4.16 percent.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 347 Public Finance Authority, 352 Bond Review Board

**LBB Staff:** JOB, WK, MS, EP, JJO