

By: Watson

S.B. No. 696

A BILL TO BE ENTITLED

AN ACT

relating to quarterly financial condition reports on collected and anticipated state revenue.

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

SECTION 1. The heading to Subchapter I, Chapter 403, Government Code, is amended to read as follows:

SUBCHAPTER I. REVENUE ESTIMATES AND FINANCIAL CONDITION REPORTS

SECTION 2. Subchapter I, Chapter 403, Government Code, is amended by adding Section 403.122 to read as follows:

Sec. 403.122. QUARTERLY STATE FINANCIAL CONDITION REPORT.

(a) Except as provided by Subsection (c), the comptroller shall prepare and submit to the governor, the legislature, and the Legislative Budget Board a report regarding the financial condition of this state not later than the last day of the month following the last day of each state fiscal quarter. The report must:

(1) specify for each revenue source included in determining the estimate of anticipated revenue for purposes of the most recent statement required by Section 49a, Article III, Texas Constitution, the total net revenue actually collected from that source for the state fiscal year as of the end of the most recent state fiscal quarter;

(2) compare for the period described by Subdivision (1) the total net revenue collected from each revenue source required to be specified under that subdivision with the

1 anticipated revenue from that source that was included for purposes
2 of determining the estimate of anticipated revenue in the statement
3 required by Section 49a, Article III, Texas Constitution;

4 (3) specify for each state revenue source resulting
5 from a law taking effect after the comptroller submitted the most
6 recent statement required by Section 49a, Article III, Texas
7 Constitution, the total net revenue collected from that source for
8 the state fiscal year as of the end of the most recent state fiscal
9 quarter;

10 (4) summarize indicators of state economic trends
11 experienced since the most recent statement required by Section
12 49a, Article III, Texas Constitution, and anticipated state
13 economic trends and their effect on future state revenue
14 collections; and

15 (5) based on actual state revenue collections and
16 experienced and anticipated trends in those revenue collections,
17 provide revised projections for the current and subsequent state
18 fiscal bienniums regarding those revenue collections.

19 (b) The information required by Subsections (a)(1), (2),
20 (3), and (5) must be separately stated for each state revenue
21 source, including state sales and use tax revenue. The report must
22 also provide an aggregated summary for all state revenue sources of
23 the state revenue data described by those subsections.

24 (c) The comptroller is not required to prepare and submit
25 the report required by Subsection (a) that would otherwise be
26 required to be submitted in December of each even-numbered year.

27 (d) The Legislative Budget Board shall hold a public hearing

1 during the second month following the last day of each state fiscal
2 quarter after receiving a report under Subsection (a) to hear
3 testimony on the report. Before the hearing, the board shall make
4 the report available to the public through:

5 (1) the board's Internet website; and

6 (2) another means, on request.

7 SECTION 3. The comptroller of public accounts shall prepare
8 and submit the initial quarterly state financial condition report
9 required by Section 403.122, Government Code, as added by this Act,
10 not later than December 31, 2011.

11 SECTION 4. This Act takes effect September 1, 2011.