

House Joint Resolution 2
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SECTION 1. Sections 49-g(c), (d), (e), and (h), Article III, Texas Constitution, are amended to read as follows:

(c) Not later than the 90th day of each fiscal year, the comptroller of public accounts shall transfer from general revenue to the economic stabilization fund an amount equal to the amount by which the sum of the amounts allocated under [prescribed by] Subsections (d) and (e) of this section for transfer under this subsection exceeds the amount to be transferred to the available school fund in that fiscal year in accordance with Section 5(h), Article VII, of this constitution. However, if necessary, the comptroller shall reduce proportionately the amounts to be transferred to the economic stabilization fund to prevent the amount in the fund from exceeding the limit in effect for that biennium under Subsection (g) of this section.

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SECTION 1. Section 49-g, Article III, Texas Constitution, is amended by amending Subsections (c), (d), and (e) and adding Subsections (c-1) and (c-2) to read as follows:

(c) Not later than the 90th day of each fiscal year, the comptroller of public accounts shall transfer from the general revenue fund to the economic stabilization fund and the state highway fund the sum of the amounts described ~~[prescribed]~~ by Subsections (d) and (e) of this section, to be allocated as provided by Subsections (c-1) and (c-2) of this section. However, if necessary and notwithstanding the allocations prescribed by Subsections (c-1) and (c-2) of this section, the comptroller shall reduce proportionately the amounts described by Subsections (d) and (e) of this section to be transferred and allocated to the economic stabilization fund to prevent the amount in that [the] fund from exceeding the limit in effect for that biennium under Subsection (g) of this section. Revenue transferred to the state highway fund under this subsection may be used only for constructing, maintaining, and acquiring rights-of-way for public roadways other than toll roads.

(c-1) Of the sum of the amounts described by Subsections (d) and (e) of this section and required to be transferred from the general revenue fund under Subsection (c) of this section, the comptroller shall allocate one-half to the economic stabilization fund and the remainder to the state highway fund, except as provided by Subsection (c-2) of this section.

(c-2) If the anticipated balance of the economic stabilization fund after any transfer that may be made under Subsection (b) of this section and any transfer and allocation of money that may be made as provided by Subsections (c) and (c-1) of this section would be less than \$6 billion, the comptroller shall reduce the amount that would otherwise be allocated to the state highway fund as provided by Subsection (c-1) of this section by the lesser of the total amount of the allocation to

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(d) If in the preceding year the state received from oil production taxes a net amount greater than the net amount of oil production taxes received by the state in the fiscal year ending August 31, 1987, the comptroller shall allocate for transfer to the economic stabilization fund under Subsection (c) of this section an amount of general revenue equal to 75 percent of the difference between those amounts. ~~[The comptroller shall retain the remaining 25 percent of the difference as general revenue.]~~ In computing the net amount of oil production taxes received, the comptroller may not consider refunds paid as a result of oil overcharge litigation.

(e) If in the preceding year the state received from gas production taxes a net amount greater than the net amount of gas production taxes received by the state in the fiscal year ending August 31, 1987, the comptroller shall allocate for transfer to the economic stabilization fund under Subsection (c) of this section an amount of general revenue equal to 75 percent of the difference between those amounts. ~~[The comptroller shall retain the remaining 25 percent of the difference as general revenue.]~~ For the purposes of this subsection, the comptroller shall adjust the [his] computation of revenues to reflect only 12 months of collection.

(h) In preparing an estimate of anticipated revenues for a succeeding biennium as required by Article III, Section 49a,

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that fund or the amount necessary for the anticipated balance of the economic stabilization fund, after any transfer that may be made under Subsection (b) of this section and the transfer and allocation to be made as provided by Subsections (c) and (c-1) of this section, to equal \$6 billion. The comptroller shall allocate to the economic stabilization fund the amount by which the allocation to the state highway fund is reduced under this subsection.

(d) If in the preceding year the state received from oil production taxes a net amount greater than the net amount of oil production taxes received by the state in the fiscal year ending August 31, 1987, the comptroller shall transfer under Subsection (c) of this section and allocate in accordance with Subsections (c-1) and (c-2) of this section ~~[to the economic stabilization fund]~~ an amount equal to 75 percent of the difference between those amounts. ~~The comptroller shall retain the remaining 25 percent of the difference as general revenue.~~ In computing the net amount of oil production taxes received, the comptroller may not consider refunds paid as a result of oil overcharge litigation.

(e) If in the preceding year the state received from gas production taxes a net amount greater than the net amount of gas production taxes received by the state in the fiscal year ending August 31, 1987, the comptroller shall transfer under Subsection (c) of this section and allocate in accordance with Subsections (c-1) and (c-2) of this section ~~[to the economic stabilization fund]~~ an amount equal to 75 percent of the difference between those amounts. ~~The comptroller shall retain the remaining 25 percent of the difference as general revenue.~~ For the purposes of this subsection, the comptroller shall adjust the [his] computation of revenues to reflect only 12 months of collection.

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of this constitution, the comptroller shall estimate the amount of the transfers that will be made under Subsections (b) and (c)~~[(d), and (e)]~~ of this section. The comptroller shall deduct that amount from the estimate of anticipated revenues as if the transfers were made on August 31 of that fiscal year.

SECTION 2. Section 5, Article VII, Texas Constitution, is amended by adding Subsections (h) and (i) to read as follows:

(h) Not later than the 90th day of each fiscal year, the comptroller of public accounts shall transfer from general revenue to the available school fund an amount equal to 25 percent of the net revenue remaining after payment of all refunds allowed by law and expenses of collection that is derived in the preceding fiscal year from all taxes, except gross production and ad valorem taxes, imposed on motor fuels used to propel motor vehicles over public roadways at the lesser of:

(1) the tax rates in effect at the time the taxes are imposed; or
(2) the tax rates in effect on July 1, 2013, if the taxes were imposed at those rates.

(i) In preparing an estimate of anticipated revenues for a succeeding biennium as required by Section 49a, Article III, of this constitution, the comptroller shall estimate the amount of the transfers that will be made under Subsection (h) of this section. The comptroller shall deduct that amount from the estimate of anticipated revenues as if the transfers were made on August 31 of that fiscal year.

SECTION 3. Section 7-a, Article VIII, Texas Constitution, is amended to read as follows:

Sec. 7-a. Subject to legislative appropriation, allocation and direction, all net revenues remaining after payment of all refunds allowed by law and expenses of collection derived from motor vehicle registration fees, and all taxes, except

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No equivalent provision.

No equivalent provision.

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gross production and ad valorem taxes, on motor fuels and lubricants used to propel motor vehicles over public roadways, shall be used for the sole purpose of acquiring rights-of-way, constructing, maintaining, and policing such public roadways, and for the administration of such laws as may be prescribed by the Legislature pertaining to the supervision of traffic and safety on such roads; ~~and for the payment of the principal and interest on county and road district bonds or warrants voted or issued prior to January 2, 1939, and declared eligible prior to January 2, 1945, for payment out of the County and Road District Highway Fund under existing law;~~] provided, however, that one-fourth (1/4) of such net revenue from the motor fuel tax shall be used for the sole purpose of acquiring rights-of-way, constructing, and maintaining such public roadways, other than toll roads ~~[shall be allocated to the Available School Fund]~~; and, provided, however, that the net revenue derived by counties from motor vehicle registration fees shall never be less than the maximum amounts allowed to be retained by each County and the percentage allowed to be retained by each County under the laws in effect on January 1, 1945. Nothing contained herein shall be construed as authorizing the pledging of the State's credit for any purpose.

No equivalent provision.

SECTION 4. The following temporary provision is added to the Texas Constitution:
TEMPORARY PROVISION. (a) This temporary provision applies to the constitutional amendment proposed by the 83rd

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SECTION 2. Section 49-p, Article III, Texas Constitution, is amended by adding Subsection (e) to read as follows:
(e) Revenue transferred to the state highway fund under Section 49-g(c) of this article may be appropriated to pay the principal of and interest on bonds issued under this section.

SECTION 3. The following temporary provision is added to the Texas Constitution:
TEMPORARY PROVISION. (a) This temporary provision applies to the constitutional amendment proposed by the 83rd

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Legislature, 2nd Called Session, 2013, to provide for revenue from motor fuel taxes to be used solely for constructing, maintaining, and acquiring rights-of-way for certain public roadways and to provide for the transfer of certain general revenue to the economic stabilization fund and the available school fund.

(b) The amendments to Section 49-g, Article III, and Section 5, Article VII, of this constitution take effect immediately on the final canvass of the election on the amendments. If, between September 1, 2013, and the effective date of the amendments to Section 49-g, Article III, and Section 5, Article VII, of this constitution, the comptroller of public accounts has transferred from general revenue to the economic stabilization fund amounts in accordance with Sections 49-g(c), (d), and (e), Article III, as those subsections provided at the time of the transfer, as soon as practicable after the effective date of the amendments, the comptroller shall return the transferred amounts from the economic stabilization fund to general revenue and transfer from general revenue to the available school fund and the economic stabilization fund amounts in accordance with the amended provisions, irrespective of whether the transfers for that fiscal year occur before, on, or after the 90th day of the fiscal year beginning September 1, 2013.

(c) The amendment to Section 7-a, Article VIII, of this constitution takes effect January 1, 2014, and applies only to the collection and allocation of tax revenue derived from tax liability accruing on and after that date.

(d) This temporary provision expires January 1, 2015.

SECTION 5. This proposed constitutional amendment shall be submitted to the voters at an election to be held November

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Legislature, 2nd Called Session, 2013, to provide for the transfer of certain general revenue to the economic stabilization fund, to provide for the transfer of certain general revenue to the state highway fund and the dedication of that revenue, and to authorize the payment of the principal and interest on certain highway improvement bonds from certain general revenue transferred to the state highway fund.

(b) The amendment to Section 49-g, Article III, of this constitution takes effect January 1, 2014, and applies only to a transfer of revenue made by the comptroller of public accounts as provided by Subsection (c) of that section on or after January 1, 2014.

(c) This temporary provision expires January 1, 2015.

SECTION 4. This proposed constitutional amendment shall be submitted to the voters at an election to be held November

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5, 2013. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment to provide for revenue from motor fuel taxes to be used solely for constructing, maintaining, and acquiring rights-of-way for certain public roadways and to provide for the transfer of certain general revenue to the economic stabilization fund and the available school fund."

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5, 2013. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment providing for the use and dedication of certain money deposited or transferred to the state highway fund to assist in the completion of transportation construction, maintenance, and rehabilitation projects other than toll roads."

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