

By: Pickett

H.B. No. 1

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the creation and functions of legislative select  
3 committees on transportation funding, expenditures, and finance  
4 and to the preservation of a sufficient balance in the economic  
5 stabilization fund.

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

7 SECTION 1. (a) The speaker of the house of representatives  
8 shall appoint nine members to a House Select Committee on  
9 Transportation Funding, Expenditures, and Finance and designate  
10 one member as chair. The lieutenant governor shall appoint nine  
11 members to a Senate Select Committee on Transportation Funding,  
12 Expenditures, and Finance and designate one member as chair. The  
13 speaker and lieutenant governor shall make the appointments not  
14 later than November 30, 2013.

15 (b) The committees established under this section may meet  
16 separately at the call of the chair of the committee or jointly at  
17 the call of both chairs. In joint meetings, the chairs shall act as  
18 joint chairs.

19 (c) The committees established under this section, meeting  
20 separately or jointly, shall review, study, and evaluate:

21 (1) the future reliability of all current state  
22 transportation funding sources;

23 (2) alternatives that may increase available state  
24 funding for surface transportation, including an examination of

1 increases to current surface-transportation-related funding  
2 streams and possible diversions of  
3 non-surface-transportation-related funding streams toward surface  
4 transportation funding;

5 (3) the use of debt financing in state transportation  
6 funding, including the uses of the Texas Mobility Fund, and the  
7 effects on long-term transportation planning of using debt  
8 financing;

9 (4) alternative transportation funding options in use  
10 nationally and internationally;

11 (5) current and historic appropriations to the Texas  
12 Department of Transportation, including:

13 (A) whether that agency's budget structure best  
14 maximizes the application of limited public funds toward highway  
15 maintenance and construction;

16 (B) whether there are opportunities to reduce the  
17 use of money from the state highway fund by that agency for  
18 activities not related to highway maintenance and construction,  
19 including such uses as employee salaries and benefits; and

20 (C) possible benefits of developing a budget for  
21 that agency for the 2016-2017 state fiscal biennium using  
22 zero-based budgeting principles;

23 (6) the uses of the state highway fund for agencies  
24 other than the Texas Department of Transportation, including and  
25 emphasizing the use of that fund for the Department of Public Safety  
26 of the State of Texas; and

27 (7) the original purpose of the economic stabilization

1 fund established by Section 49-g, Article III, Texas Constitution,  
2 whether that purpose remains relevant, and whether it remains  
3 appropriate to continue using the net amount of oil and gas  
4 production taxes received in the 1987 state fiscal year as the basis  
5 for making general revenue transfers to the economic stabilization  
6 fund.

7 (d) Following consideration of the factors described by  
8 Subsection (c) of this section, the committees established under  
9 this section shall jointly adopt recommendations related to the  
10 reviewed subjects and shall provide a written report of the  
11 committees' recommendations on the reviewed subjects to the  
12 legislature not later than November 1, 2014.

13 (e) The committees established under this section may  
14 exercise any power of a committee of their respective chambers and  
15 any powers of a joint committee. For the purposes of this Act, the  
16 committees established under this section are considered a joint  
17 committee and the cost of operation of each committee may be borne  
18 in the same manner as the cost of a joint committee. The Texas  
19 Legislative Council may provide funding for the operations of the  
20 committees. To the extent not inconsistent with this resolution,  
21 the joint rules adopted by the 83rd Legislature for the  
22 administration of joint interim legislative study committees apply  
23 to the committees established under this section.

24 (f) This section expires January 13, 2015.

25 SECTION 2. (a) Chapter 316, Government Code, is amended by  
26 adding Subchapter H to read as follows:

1 SUBCHAPTER H. PRESERVATION OF SUFFICIENT BALANCE IN ECONOMIC

2 STABILIZATION FUND

3 Sec. 316.091. DEFINITIONS. In this subchapter:

4 (1) "Board" means the Legislative Budget Board.

5 (2) "Fund" means the economic stabilization fund.

6 Sec. 316.092. DETERMINATION OF SUFFICIENT BALANCE;

7 LEGISLATIVE APPROVAL. (a) For the purposes of Section 49-g(c-2),  
8 Article III, Texas Constitution, before the board submits the  
9 budget as prescribed by Section 322.008(c), the board shall  
10 determine and adopt for the next state fiscal biennium a sufficient  
11 balance of the fund in an amount that the board estimates will  
12 ensure an appropriate amount of revenue available in the fund. In  
13 determining the sufficient balance for that fiscal biennium, the  
14 board shall consider:

15 (1) the history of fund balances;

16 (2) the history of transfers to the fund;

17 (3) estimated fund balances during that fiscal  
18 biennium;

19 (4) estimated transfers to the fund to occur during  
20 that fiscal biennium;

21 (5) information available to the board regarding state  
22 highway congestion and funding demands; and

23 (6) any other information requested by the board  
24 regarding the state's financial condition.

25 (b) On or before October 1 of each even-numbered year, the  
26 comptroller shall provide to the board the comptroller's projection  
27 of the amounts to be transferred to the fund during the next state

1 fiscal biennium.

2 (c) The legislature by adoption of a resolution approved by  
3 at least two-thirds of the members of each house must approve the  
4 sufficient balance of the fund determined by the board under this  
5 section. If the legislature does not adopt a resolution as provided  
6 by this subsection, the comptroller shall adjust the allocation of  
7 amounts to be transferred to the fund and to the state highway fund  
8 as provided by Section 49-g(c), Article III, Texas Constitution, so  
9 that the total of those amounts are transferred to the economic  
10 stabilization fund, except that the comptroller shall reduce a  
11 transfer made under this subsection as necessary to prevent the  
12 amount in the fund from exceeding the limit in effect for that  
13 biennium under Section 49-g(g) of that article.

14 Sec. 316.093. ADJUSTMENT OF CONSTITUTIONAL ALLOCATIONS TO  
15 FUND AND STATE HIGHWAY FUND. (a) Before the comptroller makes  
16 transfers for a state fiscal year in accordance with Section  
17 49-g(c), Article III, Texas Constitution, the comptroller shall  
18 determine whether the sum of the balance of the fund on the  
19 preceding August 31, any projected transfer to the fund under  
20 Sections 49-g(b) of that article, and any projected transfer to the  
21 fund under Section 49-g(c) of that article in accordance with the  
22 allocations for the transfer as provided by Section 49-g(c-1) of  
23 that article is less than the sufficient balance adopted under  
24 Section 316.092.

25 (b) If the sum described by Subsection (a) is less than the  
26 sufficient balance adopted under Section 316.092, the comptroller  
27 shall adjust the allocation of amounts to be transferred to the fund

1 and to the state highway fund as provided by Section 49-g(c),  
2 Article III, Texas Constitution, so that:

3 (1) the amount allocated for transfer to the fund is  
4 increased by an additional amount equal to the lesser of the  
5 remaining one-half of the sum of the amounts allocated for transfer  
6 under Sections 49-g (d) and (e) of that article or the amount  
7 necessary for the sufficient balance to be reached when considered  
8 together with other estimated transfers to the fund during the  
9 then-current fiscal year; and

10 (2) the amount allocated for transfer to the state  
11 highway fund is reduced by the amount of the increased allocation to  
12 the fund under Subdivision (1).

13 (c) If the board has not adopted under Section 316.092 a  
14 sufficient balance for the comptroller to consider under this  
15 section, the comptroller shall adjust the allocation of amounts to  
16 be transferred to the fund and to the state highway fund as provided  
17 by Section 49-g(c), Article III, Texas Constitution, so that the  
18 total of those amounts are transferred to the economic  
19 stabilization fund, except that the comptroller shall reduce a  
20 transfer made under this subsection as necessary to prevent the  
21 amount in the fund from exceeding the limit in effect for that  
22 biennium under Section 49-g(g) of that article.

23 (d) As soon as practicable after the effective date of this  
24 section, the board shall determine and adopt a sufficient balance  
25 of the fund applicable to the transfers to be made under Section  
26 49-g(c), Article III, Texas Constitution, for the state fiscal year  
27 beginning September 1, 2014, and a sufficient balance of the fund

1 applicable to the transfers to be made under that section for the  
2 next fiscal biennium. The comptroller may not make the transfers  
3 required under that section for the state fiscal year beginning  
4 September 1, 2014, until the board has adopted a sufficient balance  
5 under this subsection. However, if the board has not adopted the  
6 balance before the 30th day after the effective date of this  
7 section, the comptroller shall make that transfer on the 30th day  
8 after the effective date of this section in accordance with  
9 Subsection (c) of this section. This subsection expires September  
10 1, 2015.

11 (b) This section takes effect immediately on the final  
12 canvass of the election on the constitutional amendment proposed by  
13 the 83rd Legislature, 3rd Called Session, 2013, to provide for the  
14 transfer of certain general revenue to the economic stabilization  
15 fund and the state highway fund and for the dedication of the  
16 revenue transferred to the state highway fund, but only if that  
17 amendment is approved by the voters. If that amendment is not  
18 approved by the voters, this section has no effect.

19 SECTION 3. Except as otherwise provided by this Act:

20 (1) this Act takes effect immediately if it receives a  
21 vote of two-thirds of all the members elected to each house, as  
22 provided by Section 39, Article III, Texas Constitution; and

23 (2) if this Act does not receive the vote necessary for  
24 immediate effect, this Act takes effect on the 91st day after the  
25 last day of the legislative session.