

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83rd LEGISLATURE 3rd CALLED SESSION - 2013

July 30, 2013

TO: Honorable Tommy Williams, Chair, Senate Committee on Finance

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1 by Nichols (Relating to the creation and functions of legislative select committees on transportation funding, expenditures, and finance and to the preservation of a sufficient balance in the economic stabilization fund.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill creates two committees to evaluate various aspects of transportation funding and also establishes a process to preserve a balance in the Economic Stabilization Fund.

The bill creates the House Select Committee on Transportation Funding, Expenditures, and Finance and creates the Senate Select Committee on Transportation Funding, Expenditures, and Finance. The committees are directed to jointly adopt recommendations with respect to various aspects of transportation financing and budgeting, the use of the State Highway Fund, and the purpose and composition of the Economic Stabilization Fund. The report is due no later than November 1, 2014.

The bill establishes a process to preserve a balance in the Economic Stabilization Fund. Prior to submitting a budget as prescribed by the constitution, the Legislative Budget Board is directed to determine and adopt a "sufficient balance of the fund in an amount that the board estimates will ensure an appropriate amount of revenue available in the fund." If the Board does not do so, then the allocation of General Revenue to the State Highway Fund as provided for in HJR 2 would cease. Should the actual balance (determined as the prior year's ending balance plus anticipated deposits) not be maintained, again the allocation of GR to the State Highway Fund provided for in HJR 2 would shift to the Economic Stabilization Fund until the balance is restored.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, SD, SJS, KK, AG