

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION
Revision 1

April 4, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **SJR55** by Williams (Proposing a constitutional amendment appropriating the system benefit fund for the purpose of returning system benefit fund fees to retail electric customers.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SJR55, As Introduced: an impact of \$0 through the biennium ending August 31, 2015.

However, the resolution's actions with respect to the General Revenue-Dedicated System Benefit Account 5100 would result in a (\$811,283,000) reduction to revenue available for certification.

Appropriations:

Fiscal Year	Appropriation out of <i>System Benefit Account</i> 5100
2014	\$811,283,000
2015	\$0

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2014	\$0
2015	\$0
2016	\$0
2017	\$0
2018	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>System Benefit Account</i> 5100	Probable Revenue Gain/(Loss) from <i>New Special Fund</i>
2014	(\$811,283,000)	\$811,283,000
2015	\$0	\$0
2016	\$0	\$0
2017	\$0	\$0
2018	\$0	\$0

Fiscal Analysis

The resolution would propose an amendment to Article VIII of the Texas Constitution regarding the appropriation of system benefit fund revenues for the purpose of returning system benefit fund fees to retail electric customers. On January 1, 2014, the proposed amendment would appropriate the unobligated and otherwise unappropriated balance of the General Revenue-Dedicated System Benefit Account No. 5100 to the Comptroller of Public Accounts (CPA) to be transferred into a new special fund outside of the General Revenue fund. The proposed amendment would require CPA to retain the balance in the new special fund and without further appropriation disburse the money to retail electric customers. The proposed amendment would require the legislature by general law to provide for the Public Utility Commission (PUC) to direct the CPA to disburse the entire balance of the special fund to retail electric customers not earlier than September 1, 2015, and before January 1, 2019.

The proposed amendment would be submitted to voters at an election to be held November 5, 2013.

Methodology

Based on information provided by the CPA, it is assumed that the balance of the General Revenue-Dedicated--System Benefit Account No. 5100 (System Benefit Fund) would be appropriated to the new special fund on January 1, 2014. As appropriations from the System Benefit Fund in the 2014-15 biennium are unknown, the fiscal impact of the proposed amendment were based on the estimated balance in the System Benefit Fund on September 1, 2013, as presented in the Comptroller's 2014-15 Biennial Revenue Estimate. In addition, the proposed amendment requires a second transfer from the System Benefit Fund to the new special fund following the conclusion of the 2014-15 revenue collection and appropriation cycle. This amount cannot be estimated. The proposed amendment would not, in and of itself, provide the mechanism for disbursing funds from the new special fund back to retail electric customers.

Based on information provided by the PUC, duties and responsibilities associated with implementing the provisions of the bill could be accomplished utilizing existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 473 Public Utility Commission of Texas

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