

RESOLUTION ANALYSIS

C.S.H.J.R. 111
By: Darby
Appropriations
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties note that, for approximately two decades, unspent funds in general revenue-dedicated accounts have counted toward overall budget certification. The parties contend that the amount of money in those accounts used for budget certification has grown substantially during that time. C.S.H.J.R. 111 proposes a constitutional amendment to end the use of general revenue-dedicated account balances in budget certification.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this resolution does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this resolution does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.J.R. 111 proposes an amendment to the Texas Constitution to prohibit the comptroller of public accounts, in making the determinations necessary to certify that the amount appropriated in a bill containing an appropriation is within the amount estimated to be available in the affected funds, from considering any portion of any revenue of, or money received by, the state, or any account or fund balance, that by law has been dedicated to a particular purpose or entity as available for the purpose of certifying that the amount of appropriations for any other purpose or entity is within the amount estimated to be available in the affected funds. The resolution prohibits the legislature from making by general law an unappropriated balance of a dedicated account or fund available for general governmental purposes or certification except by expressly repealing the dedication. The resolution adds a temporary provision, set to expire January 1, 2024, to make these prohibitions effective January 1, 2023, and applicable only to the certification of an appropriation authorized for all or part of a state fiscal year beginning on or after September 1, 2023.

C.S.H.J.R. 111 prohibits the comptroller, in making the determinations necessary to make the biennial revenue estimate, from considering any portion of any revenue of, or money received by, the state, or any account or fund balance, that by law has been dedicated to a particular purpose or entity as available for appropriation for any other purpose or entity. The resolution adds a temporary provision, set to expire January 1, 2024, to make this prohibition effective January 1, 2016, and applicable to the biennial revenue estimate for all or part of a state fiscal year beginning on or after September 1, 2016.

C.S.H.J.R. 111 prohibits dedicated state revenue or money received by the state from one or more particular sources or that is held in or deposited to an identified account or fund inside or outside the state treasury from being appropriated or expended for any purpose, or to or by any

entity, other than a purpose or entity to which the revenue or money is dedicated unless the legislature expressly repeals the dedication. The resolution adds a temporary provision, set to expire January 1, 2024, to make this prohibition effective September 1, 2023, and applicable only to appropriations authorized for all or part of, or expenditures during, a state fiscal year beginning on or after that date.

ELECTION DATE

The constitutional amendment proposed by this joint resolution will be submitted to the voters at an election to be held November 3, 2015.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.J.R. 111 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the resolution.

INTRODUCED

SECTION 1. Section 49a, Article III, Texas Constitution, is amended by adding Subsection (b-1) to read as follows:

(b-1) In making the determinations necessary for the Comptroller of Public Accounts to endorse the certificate under Subsection (b) of this section, the Comptroller may not consider any portion of any revenue of, or money received by, this state, or any account or fund balance, that by law has been dedicated to a particular purpose or entity as available for the purpose of certifying that the amount of appropriations for any other purpose or entity is within the amount estimated to be available in the affected funds. The Legislature may not by general law make an unappropriated balance of a dedicated account or fund available for general governmental purposes or certification except by expressly repealing the dedication.

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Section 49a, Article III, Texas Constitution, is amended by adding Subsections (b-1) and (b-2) to read as follows:

(b-1) In making the determinations necessary for the Comptroller of Public Accounts to endorse the certificate under Subsection (b) of this section, the Comptroller may not consider any portion of any revenue of, or money received by, this state, or any account or fund balance, that by law has been dedicated to a particular purpose or entity as available for the purpose of certifying that the amount of appropriations for any other purpose or entity is within the amount estimated to be available in the affected funds. The Legislature may not by general law make an unappropriated balance of a dedicated account or fund available for general governmental purposes or certification except by expressly repealing the dedication.

(b-2) In making the determinations necessary for the Comptroller of Public Accounts to make the biennial estimate of anticipated revenue under Subsection (a) of this section, the Comptroller may not consider any portion of any revenue of, or money received by, this state, or any account or fund balance, that by law has been dedicated to a particular purpose or entity as available for appropriation for any other purpose or entity.

SECTION 2. Article VIII, Texas Constitution, is amended.

SECTION 3. The following temporary provision is added to the Texas Constitution:

(a) This temporary provision applies to the constitutional amendment proposed by the 84th Legislature, Regular Session, 2015, prohibiting using revenues, other money, or account or fund balances dedicated by law for nondedicated general governmental purposes or for certification of appropriations for nondedicated purposes or entities.

(b) Section 49a(b-1), Article III, of this constitution takes effect January 1, 2023, and applies only to the certification of an appropriation authorized for all or part of a state fiscal year beginning on or after September 1, 2023.

(c) Section 5, Article VIII, of this constitution takes effect September 1, 2023, and applies only to appropriations authorized for all or part of, or expenditures during, a state fiscal year beginning on or after that date.

(d) This temporary provision expires January 1, 2024.

SECTION 4. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 3, 2015. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment to end fee and other revenue diversions by prohibiting using certain money dedicated by law for nondedicated purposes or entities and to prohibit using that money to certify appropriations for nondedicated purposes or entities."

SECTION 2. Same as introduced version.

SECTION 3. The following temporary provision is added to the Texas Constitution:

(a) This temporary provision applies to the constitutional amendment proposed by the 84th Legislature, Regular Session, 2015, prohibiting using revenues, other money, or account or fund balances dedicated by law for nondedicated general governmental purposes or for certification of appropriations for nondedicated purposes or entities.

(b) Section 49a(b-1), Article III, of this constitution takes effect January 1, 2023, and applies only to the certification of an appropriation authorized for all or part of a state fiscal year beginning on or after September 1, 2023.

(c) Section 49a(b-2), Article III, of this constitution takes effect January 1, 2016, and applies to the biennial estimate of anticipated revenue made under Section 49a(a) of that article for all or part of a state fiscal year beginning on or after September 1, 2016.

(d) Section 5, Article VIII, of this constitution takes effect September 1, 2023, and applies only to appropriations authorized for all or part of, or expenditures during, a state fiscal year beginning on or after that date.

(e) This temporary provision expires January 1, 2024.

SECTION 4. Same as introduced version.