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S.B. No. 15

A BILL TO BE ENTITLED

AN ACT

relating to state tax reductions and the limit on appropriations
from certain state tax revenue for a state fiscal biennium.

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

SECTION 1. Section 316.001, Government Code, is amended to
read as follows:

Sec. 316.001. LIMIT. The rate of growth of appropriations
in a biennium from state tax revenues, other than state tax revenues
~~[not]~~ dedicated by the constitution and state tax revenues
appropriated for the purpose of paying for tax relief, may not
exceed the estimated rate of growth of the state's economy.

SECTION 2. Sections 316.002(a) and (e), Government Code,
are amended to read as follows:

(a) Before the Legislative Budget Board submits the budget
as prescribed by Section 322.008(c), the board shall establish:

(1) the estimated rate of growth of the state's economy
from the current biennium to the next biennium;

(2) the level of appropriations for the current
biennium from state tax revenues, other than state tax revenues
~~[not]~~ dedicated by the constitution and state tax revenues
appropriated for the purpose of paying for tax relief; and

(3) the amount of state tax revenues, other than state
tax revenues ~~[not]~~ dedicated by the constitution and state tax
revenues appropriated for the purpose of paying for tax relief,

1 that could be appropriated for the next biennium within the limit
2 established by the estimated rate of growth of the state's economy.

3 (e) In the absence of an action by the Legislative Budget
4 Board to adopt a spending limit as provided in Subsections (a) and
5 (b), the estimated rate of growth in the state's economy from the
6 current biennium to the next biennium shall be treated as if it were
7 zero, and the amount of state tax revenues, other than state tax
8 revenues ~~[not]~~ dedicated by the constitution and state tax revenues
9 appropriated for the purpose of paying for tax relief, that could be
10 appropriated within the limit established by the estimated rate of
11 growth in the state's economy shall be the same as the level of
12 appropriations for the current biennium.

13 SECTION 3. Section 316.006, Government Code, is amended to
14 read as follows:

15 Sec. 316.006. LIMIT ON BUDGET RECOMMENDATIONS. Unless
16 authorized by majority vote of the members of the board from each
17 house, the Legislative Budget Board budget recommendations
18 relating to the proposed appropriations of state tax revenues,
19 other than state tax revenues ~~[not]~~ dedicated by the constitution
20 and state tax revenues appropriated for the purpose of paying for
21 tax relief, may not exceed the limit adopted by the committee under
22 Section 316.005.

23 SECTION 4. Section 316.007(a), Government Code, is amended
24 to read as follows:

25 (a) The Legislative Budget Board shall include in its budget
26 recommendations the proposed limit of appropriations from state tax
27 revenues, other than state tax revenues ~~[not]~~ dedicated by the

1 constitution and state tax revenues appropriated for the purpose of
2 paying for tax relief.

3 SECTION 5. Section 316.008(a), Government Code, is amended
4 to read as follows:

5 (a) Unless the legislature adopts a resolution under
6 Section 22(b), Article VIII, [Section 22(b), of the] Texas
7 Constitution, raising the proposed limit on appropriations, the
8 proposed limit is binding on the legislature with respect to all
9 appropriations for the next biennium made from state tax revenues,
10 other than state tax revenues ~~[not]~~ dedicated by the constitution
11 and state tax revenues appropriated for the purpose of paying for
12 tax relief.

13 SECTION 6. (a) The changes in law made by this Act apply
14 only in relation to appropriations made for the state fiscal
15 biennium beginning September 1, 2017, and subsequent state fiscal
16 bienniums.

17 (b) Appropriations for the state fiscal biennium that
18 begins September 1, 2015, are governed by Subchapter A, Chapter
19 316, Government Code, as that subchapter provided immediately
20 before the effective date of this Act, and the former law is
21 continued in effect for that purpose.

22 SECTION 7. This Act takes effect on the effective date of
23 the constitutional amendment proposed by the 84th Legislature,
24 Regular Session, 2015, excepting certain appropriations for
25 reducing state debt from the constitutional limitation on the rate
26 of growth of appropriations. If that amendment is not approved by
27 the voters, this Act has no effect.