

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 21, 2015

TO: Honorable John Otto, Chair, House Committee on Appropriations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HJR111 by Darby (proposing a constitutional amendment to prohibit 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.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated through fiscal year 2017, other than the cost of publication. The cost to the state for publication of the resolution is \$118,681.

The resolution would limit the treatment and use of balances in General Revenue-Dedicated accounts with respect to appropriations and certification of the budget; the fiscal implication of the resolution would depend on future actions of the Legislature and cannot be determined at this time.

The resolution would propose three amendments to the Texas Constitution that would prohibit the use of unappropriated revenue or balances in accounts dedicated by law to a particular purpose or entity for general government spending purposes and certification of General Revenue Fund appropriations.

The resolution would propose an amendment to the Texas Constitution, Article III, Section 49a, to direct the Comptroller to not consider any portion of any revenue received by the state, or any account or fund balance that by law is dedicated to a particular purpose or entity, as part of the revenue available for certification of General Revenue Fund appropriations. Further, the amendment would prohibit the Legislature from making by enactment of general law an unappropriated balance of a dedicated account or fund available for general government purposes or certification, except by expressly repealing the dedication. If approved by the voters, this amendment would take effect on January 1, 2023.

The resolution also would propose an amendment to Article III, Section 49a, of the Texas Constitution that would prohibit the Comptroller of Public Accounts from considering any portion of any revenue received by the state or any account of fund balance that is dedicated by law for a particular purpose in making the determinations necessary for the agency's preparation of the Biennial Revenue Estimate. If approved by voters, this amendment would take effect on January 1, 2016, and would apply to the biennial estimate for all or part of a state fiscal year beginning on or after September 1, 2016.

The resolution also would propose an amendment to Article VIII of the Texas Constitution to prohibit the appropriation or expenditure of revenue or other money received by the state to an account or fund either within or outside the state Treasury that is dedicated to a particular purpose

or entity, or account or fund balances dedicated by law, for any non-dedicated purpose or entity, unless the revenue or account dedication is repealed. If approved by the voters, this amendment would take effect on September 1, 2023.

The proposed amendments would be submitted to voters at an election to be held November 3, 2015.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, KK, JJ, ZS