

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 20, 2015

TO: Honorable Jane Nelson, Chair, Senate Committee on Finance

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SJR19 by Perry (Proposing a constitutional amendment limiting appropriations from the economic stabilization fund to a total amount that the comptroller of public accounts estimates will not result at any time in a fund balance of less than a prescribed minimum amount, other than in an emergency if certain requirements are met.), **As Introduced**

No fiscal implication to the State is anticipated, other than the cost of publication.

The cost to the state for publication of the resolution is \$118,681.

The resolution would propose an amendment to Section 49-g, Article III, of the Texas Constitution, by adding new Subsection (g-1) to establish a minimum level for the unappropriated balance of the Economic Stabilization Fund (ESF) at all times as an amount equal to at least 5 percent of the amount of the biennial state taxes and fees for General Revenue as provided in the Biennial Revenue Estimate issued prior to the start of the biennium. New Subsection (g-2) would provide for an exception to the appropriation limitations in (g-1) in case of an emergency and imperative public necessity, and new Subsection (g-3) would make certain appropriations from the ESF under this Section subject to the Comptroller certification in this resolution's proposed amendment to Section 49a.

This resolution would propose an amendment to Section 49a, Article III, of the Texas Constitution, to require the Comptroller to determine that an appropriation from the ESF would not exceed the 5 percent threshold as proposed by this resolution. The Comptroller, when determining whether to certify such an appropriation bill, would consider the Comptroller's forecast of the unappropriated balance of the ESF.

The proposed amendments would have no revenue implications. Based on the 2016-17 Biennial Revenue Estimate, and applying the 5 percent minimum as described in the resolution, the minimum unappropriated balance in the ESF during the 2016-17 biennium would be \$5.52 billion. The balance in the ESF as of February 26, 2015 is \$8.46 billion.

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

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts
LBB Staff: UP, KK, SD