

RESOLUTION ANALYSIS

C.S.H.J.R. 1
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Appropriations
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties contend that the constitutional limit on the rate of growth of certain state appropriations, which limits that rate based on the estimated rate of growth of the state's economy, should be revised. C.S.H.J.R. 1 proposes a constitutional amendment to limit the rate of growth of appropriations based on the rate of growth in the state's population and the estimated rate of inflation.

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. 1 proposes an amendment to the Texas Constitution to replace the limit on the rate of growth of appropriations from state tax revenues not dedicated by the constitution set at the estimated rate of growth of the state's economy with a limit on the rate of growth of appropriations from all sources of state revenue other than the federal government set at, in any biennium, the estimated rate of growth in the state's population during the biennium for which appropriations are made, adjusted by the estimated rate of inflation in the state during the same period. The resolution changes the record vote needed for the legislature to provide for appropriations in excess of the limit from a majority of the members of each house to three-fifths of those members.

C.S.H.J.R. 1 adds a temporary provision set to expire January 1, 2020, making the resolution applicable only in relation to appropriations made for the 2020-2021 state fiscal biennium and subsequent state fiscal bienniums.

ELECTION DATE

The constitutional amendment proposed by this joint resolution will be submitted to the voters at an election to be held November 7, 2017.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.J.R. 1 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. Sections 22(a) and (b), Article VIII, Texas Constitution, are amended to read as follows:

(a) The rate of growth of appropriations from all sources of state revenue other than the federal government for each category of state spending identified by this subsection may not in any [In no] biennium exceed the estimated [shall the] rate of growth in the population served by expenditures in that spending category, adjusted by the estimated rate of inflation in a representative set of goods and services for which appropriations are made for that spending category. The categories of state spending to which this subsection applies are transportation, public primary and secondary education, higher education, health care, public safety and corrections, and other general government [of appropriations from state tax revenues not dedicated by this constitution exceed the estimated rate of growth of the state's economy]. The legislature by general law may define each category of state spending to which this subsection applies and shall provide [~~by general law~~] procedures to implement this subsection.

(b) If the legislature by adoption of a resolution approved by a record vote of a majority of the members of each house finds that an emergency exists and identifies the nature of the emergency, the legislature may provide for appropriations in excess of the amount authorized by Subsection (a) of this section for a category of state spending. The excess amount authorized under this subsection may not exceed the amount specified in the resolution for the category of state spending.

SECTION 2. The following temporary provision is added to the Texas Constitution: TEMPORARY PROVISION. (a) This temporary provision applies to the constitutional amendment proposed by the 85th Legislature, 1st Called Session, 2017,

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Section 22, Article VIII, Texas Constitution, is amended to read as follows:

Sec. 22. (a) The rate of growth of appropriations from all sources of state revenue other than the federal government may not in any [In no] biennium exceed the estimated [shall the] rate of growth in this state's population during the biennium for which appropriations are made, adjusted by the estimated rate of inflation in this state during the same period [of appropriations from state tax revenues not dedicated by this constitution exceed the estimated rate of growth of the state's economy]. The legislature by general law shall provide [~~by general law~~] procedures to implement this subsection.

(b) If the legislature by adoption of a resolution approved by a record vote of three-fifths [a majority] of the members of each house finds that an emergency exists and identifies the nature of the emergency, the legislature may provide for appropriations in excess of the amount authorized by Subsection (a) of this section. The excess amount authorized under this subsection may not exceed the amount specified in the resolution.

(c) In no case shall appropriations exceed revenues as provided in Section 49a, Article III, [Section 49a,] of this constitution. Nothing in this section shall be construed to alter, amend, or repeal Section 49a, Article III, [Section 49a,] of this constitution.

SECTION 2. Same as introduced version.

regarding the limitation on the rate of growth of appropriations.

(b) The amendments to Section 22, Article VIII, of this constitution apply only in relation to appropriations made for the state fiscal biennium beginning September 1, 2019, and subsequent state fiscal bienniums.

(c) This temporary provision expires January 1, 2020.

SECTION 3. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 7, 2017. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment regarding the limitation on the rate of growth of appropriations."

SECTION 3. Same as introduced version.