

By: Perry

S.J.R. No. 26

A JOINT RESOLUTION

1 proposing a constitutional amendment limiting appropriations from
2 the economic stabilization fund to prevent the fund balance from
3 falling below a prescribed minimum amount, other than in an
4 emergency if certain requirements are met, and limiting the
5 permissible uses of that appropriated money.

6 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

7 SECTION 1. Section 49a, Article III, Texas Constitution, is
8 amended by amending Subsection (b) and adding Subsections (c), (d),
9 and (e) to read as follows:

10 (b) Except in the case of emergency and imperative public
11 necessity and with a four-fifths vote of the total membership of
12 each House:

13 (1) an [~~no~~] appropriation in excess of the cash and
14 anticipated revenue of the funds from which the [~~such~~]
15 appropriation is to be made is not [~~shall be~~] valid; and

16 (2) an appropriation from the economic stabilization
17 fund is not valid unless the Comptroller of Public Accounts
18 determines the appropriation will not exceed the limitation on
19 appropriations from that fund prescribed by Section 49-g(g-1) of
20 this article.

21 (c) A [~~No~~] bill containing an appropriation is not [~~shall~~
22 ~~be~~] considered as passed and may not [~~or~~] be sent to the Governor
23 for consideration until and unless the Comptroller of Public
24 Accounts endorses the Comptroller's [~~his~~] certificate on the bill

1 ~~[thereon]~~ showing that, subject to the exception provided by
2 Subsection (b) of this section:

3 (1) the amount appropriated is within the amount
4 estimated to be available in the affected funds; and

5 (2) if the bill appropriates an amount from the
6 economic stabilization fund, the appropriated amount, when added to
7 other amounts appropriated from the economic stabilization fund in
8 bills certified under this subdivision, will not exceed the
9 limitation on appropriations from that fund prescribed by Section
10 49-g(g-1) of this article.

11 (d) In determining whether to certify a bill under
12 Subsection (c)(2) of this section, the Comptroller of Public
13 Accounts:

14 (1) shall consider the Comptroller's estimate of the
15 unappropriated balance of the economic stabilization fund as of the
16 first day of the period for which the appropriation is authorized,
17 the estimated amount and timing of anticipated interest to be
18 credited to the economic stabilization fund during the period for
19 which the appropriation is authorized, and the estimated amounts
20 and timing of anticipated transfers to the economic stabilization
21 fund during that period that are required by Sections 49-g(b), (c),
22 (d), and (e) of this article; and

23 (2) may not consider actual or anticipated transfers
24 of money to or from the economic stabilization fund authorized by
25 Section 49-g(j) of this article.

26 (e) When the Comptroller of Public Accounts finds that the
27 Comptroller cannot make the certification required by Subsection

1 (c)(1) or (2) of this section and the exception provided by
2 Subsection (b) of this section does not apply, the Comptroller [an
3 appropriation bill exceeds the estimated revenue he] shall endorse
4 the [such] finding on the bill [thereon] and return the bill to the
5 House in which the bill [same] originated. The finding immediately
6 [Such information] shall be [immediately] made known to both the
7 House of Representatives and the Senate and the necessary steps, as
8 applicable, shall be taken to bring the [such] appropriation to
9 within:

10 (1) the estimated revenue, either by providing
11 additional revenue or reducing the appropriation; or

12 (2) an amount that, when added to other amounts
13 appropriated from the economic stabilization fund in bills
14 certified under Subsection (c)(2) of this section, will not exceed
15 the limitation on appropriations from that fund prescribed by
16 Section 49-g(g-1) of this article.

17 SECTION 2. Section 49-g, Article III, Texas Constitution,
18 is amended by adding Subsections (g-1), (g-2), and (g-3) and
19 amending Subsection (m) to read as follows:

20 (g-1) Except as provided by Subsection (g-2) of this
21 section, the total amount of appropriations of money from the
22 economic stabilization fund for all or any part of a state fiscal
23 biennium may not exceed the estimated maximum amount the
24 comptroller determines may be appropriated so that the
25 unappropriated balance of the economic stabilization fund at all
26 times during the biennium is an amount equal to at least five
27 percent of the amount of the biennial state taxes and fees general

1 revenue estimate provided in advance of the regular legislative
2 session preceding that biennium. For purposes of this subsection,
3 "biennial state taxes and fees general revenue estimate" means the
4 amount of revenue stated in the comptroller's estimate provided in
5 advance of the regular legislative session as required by Section
6 49a(a) of this article that, based on the laws in effect at the time
7 the estimate is made, is anticipated to be received by and for the
8 state from collections of taxes and fees the revenue from which is
9 anticipated to be deposited to the credit of the general revenue
10 fund and is not set aside by law for a particular purpose or entity.
11 The term does not include probable changes to that anticipated
12 revenue as shown in supplemental statements submitted in accordance
13 with Section 49a(a) of this article.

14 (g-2) The limitation on appropriations prescribed by
15 Subsection (g-1) of this section does not apply in a case of
16 emergency and imperative public necessity and with a four-fifths
17 vote of the total membership of each house of the legislature.

18 (g-3) The authority to make an appropriation from the
19 economic stabilization fund under Subsection (k), (l), or (m) of
20 this section is subject to the endorsement of the comptroller's
21 certificate under Section 49a(c)(2) of this article.

22 (m) In addition to the appropriation authority provided by
23 Subsections (k) and (l) of this section, the legislature may, by a
24 two-thirds vote of the members present in each house, appropriate
25 amounts from the economic stabilization fund to:

26 (1) retire state debt;

27 (2) pay costs associated with a state of disaster

1 declared by the governor; or

2 (3) pay nonrecurring costs of infrastructure projects
3 [at any time and for any purpose].

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

6 TEMPORARY PROVISION. (a) This temporary provision applies
7 to the constitutional amendment proposed by the 85th Legislature,
8 Regular Session, 2017, limiting appropriations from the economic
9 stabilization fund to a total amount that the comptroller of public
10 accounts estimates will not result at any time in a fund balance of
11 less than a prescribed minimum amount, other than in an emergency if
12 certain requirements are met, and limiting the permissible uses of
13 that appropriated money.

14 (b) The amendments made to Sections 49a and 49-g, Article
15 III, of this constitution take effect January 1, 2019, and apply
16 only to an appropriation made for all or part of a state fiscal year
17 beginning on or after September 1, 2019.

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

19 SECTION 4. This proposed constitutional amendment shall be
20 submitted to the voters at an election to be held November 7, 2017.
21 The ballot shall be printed to provide for voting for or against the
22 proposition: "The constitutional amendment limiting
23 appropriations from the economic stabilization fund ("rainy day
24 fund") to a total amount that the comptroller of public accounts
25 estimates will not result at any time in a fund balance of less than
26 a prescribed minimum amount, other than in an emergency if certain
27 requirements are met, and limiting the permissible uses of that

1 appropriated money."