

Amend CSHB 4214 (house committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION _____. Subtitle C, Title 10, Government Code, is amended by adding Chapter 2117 to read as follows:

CHAPTER 2117. FISCAL RISK MANAGEMENT COMMISSION

Sec. 2117.0001. DEFINITIONS. In this chapter:

(1) "Commission" means the Fiscal Risk Management Commission.

(2) "State agency" means a board, commission, department, office, or other agency in the executive branch of state government created by the constitution or a statute of this state, including an institution of higher education as defined by Section 61.003, Education Code.

Sec. 2117.0002. COMPOSITION. (a) The commission is composed of the following seven members:

(1) the comptroller;

(2) the speaker of the house of representatives or a member of the house of representatives designated by the speaker;

(3) the lieutenant governor or a member of the senate designated by the lieutenant governor; and

(4) four members of the public, appointed by the governor, who have experience with state and federal fiscal policy and budgetary analysis.

(b) The comptroller shall serve as the presiding officer of the commission.

(c) Public members serve at the pleasure of the governor.

(d) The state auditor may on request provide advice and technical assistance to the commission.

Sec. 2117.0003. COMPENSATION. A member of the commission serves without compensation but is entitled to reimbursement for actual expenses incurred in performing functions as a member of the commission, subject to any applicable limitation on reimbursement provided by general law or the General Appropriations Act.

Sec. 2117.0004. COMMISSION DUTIES. (a) The commission shall:

(1) meet at least once each year at the call of the

presiding officer; and

(2) study:

(A) the effect of federal fiscal policy on this state's economy, including:

(i) the percentage of this state's budget currently funded by federal money and the effect that a significant reduction or elimination of federal funding for state governments would have on this state's economy;

(ii) the effect of a political or market-led default on the United States' debt obligations on this state's economy; and

(iii) the amount of money earned in this state that is transferred to the federal government as compared to the amount of federal money received by this state from the federal government, and the effect of those transfers on businesses in this state;

(B) the amount of federal money received by each state agency, and the effect that a significant reduction or elimination of federal funding for state governments would have on the continuing operation of, and the delivery of critical services by, each of those agencies;

(C) the effect of the devaluation of the United States dollar on this state's economy, including an examination of:

(i) the effect of a gradual devaluation, a loss of reserve currency status, or an outright collapse of the United States dollar on this state's economy; and

(ii) the advisability of developing a contingency currency;

(D) the risks presented by acts of economic terrorism, including:

(i) the effect of power outages caused by acts of cyberterrorism, including an electromagnetic pulse, on financial markets and critical infrastructure in this state; and

(ii) the effect of an energy embargo or the disruption of the food, water, or power supply chain on the ability of this state and state agencies to continue to provide critical services; and

(E) any other macroeconomic threat to this state's economy the commission considers appropriate.

(b) In conducting the study required by this section, the commission shall consult with and consider papers authored by private entities specializing in fiscal risk management readiness and response. The commission may not rely solely on papers authored by institutions of higher education.

Sec. 2117.0005. FISCAL RISK MANAGEMENT PLAN. The commission biennially shall develop and publish a cohesive, in-depth plan to effectively and efficiently address the effects and risks identified by the commission in conducting the study required by Section 2117.0004.

Sec. 2117.0006. REPORT. (a) Not later than September 1 of each even-numbered year, the commission shall submit a report to the governor and the legislature based on the commission's findings under Section 2117.0004 during the previous two-year period.

(b) The report must include:

(1) a complete explanation of the methods used by the commission in conducting the financial analysis required by the study;

(2) a summary of the commission's findings under Section 2117.0004 and a copy of the plan created under Section 2117.0005; and

(3) drafts of any proposed legislation needed to implement the commission's recommendations.

(c) The first report due under this section must include a thorough evaluation of this state's need to develop a contingency currency in the event of a collapse of the United States dollar. This subsection expires September 1, 2021.

SECTION _____. (a) Not later than the 60th day after the effective date of this Act, the governor and, if applicable, the speaker of the house of representatives and the lieutenant governor shall make the appointments and designations under Chapter 2117, Government Code, as added by this Act.

(b) The Fiscal Risk Management Commission shall submit the first report required by Section 2117.0006, Government Code, as added by this Act, not later than September 1, 2020.