By:  Paxton S.J.R. No. 69

SENATE JOINT RESOLUTION

proposing a constitutional amendment regarding the limitation on the rate of growth of appropriations and the use of surplus state revenue to provide for property tax relief and public school teacher compensation.

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

SECTION 1.  Section 49-g(b), Article III, Texas Constitution, is amended to read as follows:

(b)  The comptroller shall, not later than the 90th day of each biennium, transfer to the economic stabilization fund one-half of any unencumbered positive balance of general revenues on the last day of the preceding biennium. If necessary, the comptroller shall reduce the amount transferred in proportion to the other amounts prescribed by this section to prevent the amount in the fund from exceeding the limit in effect for that biennium under Subsection (g) of this section. For purposes of this subsection, general revenues are considered encumbered on the last day of a biennium only to the extent that general revenues are subject to payment for particular identifiable and legally enforceable obligations of this state that were incurred on or before that day and intended to be paid out of appropriations for that biennium.

SECTION 2.  Article III, Texas Constitution, is amended by adding Section 49-g-5 to read as follows:

Sec. 49-g-5.  (a)  Not later than the 90th day of each state fiscal biennium, the comptroller of public accounts shall determine an amount equal to one-half of the unencumbered positive balance of general revenues on the last day of the preceding state fiscal biennium.

(b)  Of the amount determined under Subsection (a) of this section:

(1)  25 percent may be used only to provide compensation for teachers, counselors, and librarians employed in public schools; and

(2)  the remainder may be used only to provide ad valorem tax relief by reducing school district maintenance and operations ad valorem tax rates.

(c)  For purposes of Subsection (a) of this section, general revenues are considered encumbered on the last day of a state fiscal biennium only to the extent that general revenues are subject to payment for particular identifiable and legally enforceable obligations of this state that were incurred on or before that day and intended to be paid out of appropriations for that state fiscal biennium.

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

TEMPORARY PROVISION. (a)  This temporary provision applies to the constitutional amendment proposed by the 86th Legislature, Regular Session, 2019, regarding the use of surplus state revenue to provide for property tax relief and compensation of certain public school employees.

(b)  The amendments to Section 49-g(b), Article III, of this constitution, and Section 49-g-5, Article III, of this constitution, as added by the amendment, apply beginning with the state fiscal biennium that begins September 1, 2021.

(c)  This temporary provision expires January 1, 2022.

SECTION 4.  This proposed constitutional amendment shall be submitted to the voters at an election to be held November 5, 2019. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment regarding the use of surplus state revenue to provide for property tax relief and compensation for certain public school employees."