

By: Landgraf

H.B. No. 2154

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the allocation of certain constitutional transfers of  
3 money to the economic stabilization fund, the state highway fund,  
4 and the generate recurring oil wealth for Texas (GROW Texas) fund  
5 and to the permissible uses of money deposited to the generate  
6 recurring oil wealth for Texas (GROW Texas) fund.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

8 SECTION 1. Sections 316.092(a), (b), and (c), Government  
9 Code, are amended to read as follows:

10 (a) Not later than September 1 of each even-numbered year  
11 ~~[preceding the year in which this section expires as provided by~~  
12 ~~Subsection (c)]~~, the speaker of the house of representatives and  
13 the lieutenant governor shall appoint a select committee as  
14 follows:

15 (1) the speaker of the house of representatives shall  
16 appoint five members of the house of representatives as members of  
17 the committee; and

18 (2) the lieutenant governor shall appoint five members  
19 of the senate as members of the committee.

20 (b) For the purposes of Section 49-g(c-2), Article III,  
21 Texas Constitution, not later than December 1 of each even-numbered  
22 year ~~[preceding the year in which this section expires as provided~~  
23 ~~by Subsection (c)]~~, the select committee shall determine and adopt  
24 for the next state fiscal biennium a sufficient balance of the fund

1 in an amount that the committee estimates will ensure an  
2 appropriate amount of revenue available in the fund. In  
3 determining the sufficient balance for that fiscal biennium, the  
4 committee shall consider:

5 (1) the history of fund balances;

6 (2) the history of transfers to the fund;

7 (3) estimated fund balances during that fiscal  
8 biennium;

9 (4) estimated transfers to the fund to occur during  
10 that fiscal biennium;

11 (5) information available to the committee regarding  
12 state highway congestion and funding demands; and

13 (6) any other information requested by the committee  
14 regarding the state's financial condition.

15 (c) On or before October 1 of each even-numbered year  
16 [~~preceding the year in which this section expires as provided by~~  
17 ~~Subsection (e)~~], the comptroller shall provide to the select  
18 committee the comptroller's projection of the amounts to be  
19 transferred to the fund during the next state fiscal biennium.

20 SECTION 2. The heading to Section 316.093, Government Code,  
21 is amended to read as follows:

22 Sec. 316.093. ADJUSTMENT OF CERTAIN CONSTITUTIONAL  
23 ALLOCATIONS BETWEEN [~~TO~~] FUND AND OTHER FUNDS [~~STATE HIGHWAY FUND~~].

24 SECTION 3. Sections 316.093(b), (c), and (e), Government  
25 Code, are amended to read as follows:

26 (b) If the sum described by Subsection (a) is less than the  
27 sufficient balance adopted under Section 316.092, the comptroller

1 shall reduce proportionately the allocations [~~allocation~~] to the  
2 state highway fund and the generate recurring oil wealth for Texas  
3 (GROW Texas) fund provided by Section 49-g(c-1) [~~49-g(c)~~], Article  
4 III, Texas Constitution, and increase the allocation to the  
5 economic stabilization fund~~[7]~~ in an ~~[equal]~~ amount equal to the  
6 reduction of those allocations~~[7]~~ until the sufficient balance  
7 adopted under Section 316.092 is achieved.

8 (c) If under Section 316.092 a sufficient balance has not  
9 been adopted for the comptroller to consider under this section,  
10 the comptroller shall adjust the allocation of amounts to be  
11 transferred to the fund, ~~[and to]~~ the state highway fund, and the  
12 generate recurring oil wealth for Texas (GROW Texas) fund as  
13 provided by Section 49-g(c-1) [~~49-g(c)~~], Article III, Texas  
14 Constitution, so that the total of those amounts is transferred to  
15 the economic stabilization fund, except that the comptroller shall  
16 reduce a transfer made under this subsection as necessary to  
17 prevent the amount in the fund from exceeding the limit in effect  
18 for that biennium under Section 49-g(g) of that article.

19 (e) For the purposes of Section 49-g(c-2), Article III,  
20 Texas Constitution, the comptroller shall adjust the allocation  
21 provided by Section 49-g(c-1) of that article so that the amount  
22 allocated for transfer [~~of amounts to be transferred to the fund~~  
23 ~~and~~] to the state highway fund under Section 49-g(c-1) [~~49-g(c)~~] of  
24 that article in a state fiscal year beginning on or after September  
25 1, 2025, [~~so that the total of those amounts~~] is instead transferred  
26 to the economic stabilization fund, except that the comptroller  
27 shall reduce a transfer made under this subsection as necessary to

1 prevent the amount in the fund from exceeding the limit in effect  
2 for that biennium under Section 49-g(g) of that article. The  
3 adjustment required of the comptroller under this subsection does  
4 not increase the amount allocated for transfer to the generate  
5 recurring oil wealth for Texas (GROW Texas) fund under Section  
6 49-g(c-1) of that article.

7 SECTION 4. Subchapter G, Chapter 403, Government Code, is  
8 amended by adding Section 403.1081 to read as follows:

9 Sec. 403.1081. GENERATE RECURRING OIL WEALTH FOR TEXAS  
10 (GROW TEXAS) FUND; GRANT PROGRAM. (a) In this section, "fund"  
11 means the generate recurring oil wealth for Texas (GROW Texas) fund  
12 under Section 49-g-3, Article III, Texas Constitution.

13 (b) Money in the fund may be appropriated by the legislature  
14 only as provided under Subsections (c), (d), and (e).

15 (c) The legislature may appropriate money in the fund to the  
16 Texas Department of Transportation for the purposes of  
17 constructing, reconstructing, or maintaining transportation  
18 infrastructure, including roads, bridges, and culverts, in areas of  
19 this state affected by increased oil and gas production to  
20 alleviate the degradation of that infrastructure.

21 (d) The legislature may appropriate money in the fund to the  
22 Department of Public Safety for the purposes of:

23 (1) paying the salaries, benefit costs, and other  
24 costs associated with additional full-time equivalent department  
25 employees stationed in areas of this state affected by increased  
26 oil and gas production;

27 (2) paying salary increases to department employees

1 stationed in areas of this state affected by increased oil and gas  
2 production; or

3 (3) providing additional resources to prevent gang  
4 violence and human trafficking in areas of this state affected by  
5 increased oil and gas production.

6 (e) The legislature may appropriate money in the fund to the  
7 comptroller for the purpose of implementing, administering, and  
8 funding the grant program established under Subsection (f).

9 (f) The comptroller by rule shall establish a grant program  
10 to provide financial assistance to political subdivisions located  
11 in areas of this state affected by increased oil and gas production  
12 and shall develop an application process for grants made under the  
13 program. The comptroller shall adopt rules to prioritize grants  
14 for first responder, emergency services, educational, and  
15 workforce preparedness needs.

16 SECTION 5. The following provisions of the Government Code  
17 are repealed:

- 18 (1) Section 316.092(e);  
19 (2) Section 316.093(f); and  
20 (3) Section 404.0241(d).

21 SECTION 6. This Act takes effect January 1, 2020, but only  
22 if the constitutional amendment proposed by the 86th Legislature,  
23 Regular Session, 2019, providing for the creation of the generate  
24 recurring oil wealth for Texas (GROW Texas) fund, dedicating the  
25 money in that fund to benefit areas of the state from which oil and  
26 gas are produced, and providing for the transfer of certain general  
27 revenues to that fund, the economic stabilization fund, and the

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1 state highway fund is approved by the voters. If that amendment is  
2 not approved by the voters, this Act has no effect.