

By: Perry

S.J.R. No. 54

A JOINT RESOLUTION

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

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

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

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

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

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

(c) A ~~[No]~~ bill containing an appropriation is not ~~[shall be]~~ considered as passed and may not ~~[or]~~ be sent to the Governor for consideration until and unless the Comptroller of Public 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

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

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

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

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

(g-1) Except as provided by Subsection (g-2) of this section, the total amount of appropriations of money from the economic stabilization fund for all or any part of a state fiscal biennium may not exceed the estimated maximum amount the comptroller determines may be appropriated so that the unappropriated balance of the economic stabilization fund at all times during the biennium is an amount equal to at least 7.5 percent of the amount of the biennial state taxes and fees general revenue

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

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

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

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

(1) retire state debt;

(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 86th Legislature,  
8 Regular Session, 2019, 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, 2021, and apply  
16 only to an appropriation made for all or part of a state fiscal year  
17 beginning on or after September 1, 2021.

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

19 SECTION 4. This proposed constitutional amendment shall be  
20 submitted to the voters at an election to be held November 5, 2019.  
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."