

By: Taylor

S.J.R. No. 77

1 SENATE JOINT RESOLUTION

2 proposing a constitutional amendment relating to the dedication of
3 certain severance tax collections for school district ad valorem
4 tax compression.

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

6 SECTION 1. Section 49-g, Article III, Texas Constitution,
7 is amended to read as follows:

8 Sec. 49-g. ECONOMIC STABILIZATION FUND; ALLOCATION OF
9 CERTAIN OIL AND GAS PRODUCTION TAX REVENUE. (a) The economic
10 stabilization fund is established as a special fund in the state
11 treasury.

12 (b) The comptroller shall, not later than the 90th day of
13 each biennium, transfer to the economic stabilization fund one-half
14 of any unencumbered positive balance of general revenues on the
15 last day of the preceding biennium. If necessary, the comptroller
16 shall reduce the amount transferred in proportion to the other
17 amounts prescribed by this section to prevent the amount in the fund
18 from exceeding the limit in effect for that biennium under
19 Subsection (g) of this section.

20 (c) Not later than the 90th day of each fiscal year, the
21 comptroller of public accounts shall transfer from the general
22 revenue fund to the economic stabilization fund and the state
23 highway fund the sum of the amounts described by Subsections (d) and
24 (e) of this section, to be allocated as provided by Subsections

1 (c-1) and (c-2) of this section. However, if necessary and
2 notwithstanding the allocations prescribed by Subsections (c-1)
3 and (c-2) of this section, the comptroller shall reduce
4 proportionately the amounts described by Subsections (d) and (e) of
5 this section to be transferred and allocated to the economic
6 stabilization fund to prevent the amount in that fund from
7 exceeding the limit in effect for that biennium under Subsection
8 (g) of this section. Revenue transferred to the state highway fund
9 under this subsection may be used only for constructing,
10 maintaining, and acquiring rights-of-way for public roadways other
11 than toll roads.

12 (c-1) Of the sum of the amounts described by Subsections (d)
13 and (e) of this section and required to be transferred from the
14 general revenue fund under Subsection (c) of this section, the
15 comptroller shall allocate 25 percent ~~one-half~~ to the economic
16 stabilization fund and the remainder to the state highway fund,
17 except as provided by Subsection (c-2) of this section.

18 (c-2) The legislature by general law shall provide for a
19 procedure by which the allocation of the sum of the amounts
20 described by Subsections (d) and (e) of this section may be adjusted
21 to provide for a transfer to the economic stabilization fund of an
22 amount greater than the allocation provided for under Subsection
23 (c-1) of this section with the remainder of that sum, if any,
24 allocated for transfer to the state highway fund. The allocation
25 made as provided by that general law is binding on the comptroller
26 for the purposes of the transfers required by Subsection (c) of this
27 section.

1 (d) If in the preceding year the state received from oil
2 production taxes a net amount greater than the net amount of oil
3 production taxes received by the state in the fiscal year ending
4 August 31, 1987, the comptroller shall transfer under Subsection
5 (c) of this section and allocate in accordance with Subsections
6 (c-1) and (c-2) of this section an amount equal to 50 ~~75~~ percent of
7 the difference between those amounts. The comptroller shall retain
8 the remaining 50 ~~25~~ percent of the difference as general revenue
9 dedicated to school district ad valorem tax rate compression. In
10 computing the net amount of oil production taxes received, the
11 comptroller may not consider refunds paid as a result of oil
12 overcharge litigation.

13 (e) If in the preceding year the state received from gas
14 production taxes a net amount greater than the net amount of gas
15 production taxes received by the state in the fiscal year ending
16 August 31, 1987, the comptroller shall transfer under Subsection
17 (c) of this section and allocate in accordance with Subsections
18 (c-1) and (c-2) of this section an amount equal to 50 ~~75~~ percent of
19 the difference between those amounts. The comptroller shall retain
20 the remaining 50 ~~25~~ percent of the difference as general revenue
21 dedicated to school district ad valorem tax rate compression. For
22 the purposes of this subsection, the comptroller shall adjust the
23 computation of revenues to reflect only 12 months of collection.

24 (f) The legislature may appropriate additional amounts to
25 the economic stabilization fund.

26 (g) During each fiscal biennium, the amount in the economic
27 stabilization fund may not exceed an amount equal to 10 percent of

1 the total amount, excluding investment income, interest income, and
2 amounts borrowed from special funds, deposited in general revenue
3 during the preceding biennium.

4 (h) In preparing an estimate of anticipated revenues for a
5 succeeding biennium as required by Article III, Section 49a, of
6 this constitution, the comptroller shall estimate the amount of the
7 transfers that will be made under Subsections (b), (d), and (e) of
8 this section. The comptroller shall deduct that amount from the
9 estimate of anticipated revenues as if the transfers were made on
10 August 31 of that fiscal year.

11 (i) The comptroller shall credit to general revenue
12 interest due to the economic stabilization fund that would result
13 in an amount in the economic stabilization fund that exceeds the
14 limit in effect under Subsection (g) of this section.

15 (j) The comptroller may transfer money from the economic
16 stabilization fund to general revenue to prevent or eliminate a
17 temporary cash deficiency in general revenue. The comptroller
18 shall return the amount transferred to the economic stabilization
19 fund as soon as practicable, but not later than August 31 of each
20 odd-numbered year. The comptroller shall allocate the depository
21 interest as if the transfers had not been made. If the comptroller
22 submits a statement to the governor and the legislature under
23 Article III, Section 49a, of this constitution when money from the
24 economic stabilization fund is in general revenue, the comptroller
25 shall state that the transferred money is not available for
26 appropriation from general revenue.

27 (k) Amounts from the economic stabilization fund may be

1 appropriated during a regular legislative session only for a
2 purpose for which an appropriation from general revenue was made by
3 the preceding legislature and may be appropriated in a special
4 session only for a purpose for which an appropriation from general
5 revenue was made in a preceding legislative session of the same
6 legislature. An appropriation from the economic stabilization fund
7 may be made only if the comptroller certifies that appropriations
8 from general revenue made by the preceding legislature for the
9 current biennium exceed available general revenues and cash
10 balances for the remainder of that biennium. The amount of an
11 appropriation from the economic stabilization fund may not exceed
12 the difference between the comptroller's estimate of general
13 revenue for the current biennium at the time the comptroller
14 receives for certification the bill making the appropriation and
15 the amount of general revenue appropriations for that biennium
16 previously certified by the comptroller. Appropriations from the
17 economic stabilization fund under this subsection may not extend
18 beyond the last day of the current biennium. An appropriation from
19 the economic stabilization fund must be approved by a three-fifths
20 vote of the members present in each house of the legislature.

21 (1) If an estimate of anticipated revenues for a succeeding
22 biennium prepared by the comptroller pursuant to Article III,
23 Section 49a, of this constitution is less than the revenues that are
24 estimated at the same time by the comptroller to be available for
25 the current biennium, the legislature may, by a three-fifths vote
26 of the members present in each house, appropriate for the
27 succeeding biennium from the economic stabilization fund an amount

1 not to exceed this difference. Following each fiscal year, the
2 actual amount of revenue shall be computed, and if the estimated
3 difference exceeds the actual difference, the comptroller shall
4 transfer the amount necessary from general revenue to the economic
5 stabilization fund so that the actual difference shall not be
6 exceeded. If all or a portion of the difference in revenue from one
7 biennium to the next results, at least in part, from a change in a
8 tax rate or base adopted by the legislature, the computation of
9 revenue difference shall be adjusted to the amount that would have
10 been available had the rate or base not been changed.

11 (m) In addition to the appropriation authority provided by
12 Subsections (k) and (l) of this section, the legislature may, by a
13 two-thirds vote of the members present in each house, appropriate
14 amounts from the economic stabilization fund at any time and for any
15 purpose.

16 (n) Money appropriated from the economic stabilization fund
17 is subject to being withheld or transferred, within any limits
18 provided by statute, by any person or entity authorized to exercise
19 the power granted by Article XVI, Section 69, of this constitution.

20 (o) In this section, "net" means the amount of money that is
21 equal to the difference between gross collections and refunds
22 before the comptroller allocates the receipts as provided by law.

23 SECTION 2. This proposed constitutional amendment shall be
24 submitted to the voters at an election to be held November 5, 2019.
25 The ballot shall be printed to permit voting for or against the
26 proposition: "The constitutional amendment relating to dedicating
27 certain severance tax collections for the reduction of school

1 district tax rates."