

RESOLUTION ANALYSIS

C.S.H.J.R. 82
By: Craddick
Appropriations
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Concerns have been raised regarding the impact of oil and gas production on the infrastructure of areas in Texas that are heavily trafficked and affected by industry vehicles and equipment. There have been calls to ensure these infrastructure needs are adequately addressed. C.S.H.J.R. 82 proposes a constitutional amendment providing for the creation of the Grow Texas fund. The resolution provides for the allocation of certain general revenues to that fund, the economic stabilization fund, and the state highway fund.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this resolution does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this resolution does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.J.R. 82 proposes an amendment to the Texas Constitution to establish the Grow Texas fund as a fund in the state treasury from which the legislature may appropriate money for the purpose of addressing infrastructure needs in the manner provided by general law in areas of Texas determined by the legislature to be significantly affected by oil and gas production. Such general law may provide for the appropriation of money in the fund to make grants to state agencies and political subdivisions for that purpose. The resolution sets out the composition of the fund and requires the comptroller of public accounts, on the last day of each state fiscal biennium, to transfer any unobligated and unappropriated money that remains in the fund to the economic stabilization fund (ESF), otherwise known as the Rainy Day Fund.

C.S.H.J.R. 82 establishes the seven-member Grow Texas fund commission to administer money appropriated from the fund and to advise the legislature on making appropriations from the fund. The resolution sets out the composition of the commission, with members appointed by the lieutenant governor, speaker of the house of representatives, and governor, and provides for its administration and operation.

C.S.H.J.R. 82 revises the allocation of oil and gas production tax revenue to the ESF and the state highway fund by providing for 12 percent of the oil and gas production tax revenue constitutionally allocated to the ESF to be redirected to the Grow Texas fund, subject to a \$250 million cap on the total amount transferred to the Grow Texas fund in a state fiscal biennium. The resolution prohibits the comptroller from considering certain increases in the amount transferred to the ESF for purposes of determining the amount to transfer to the Grow Texas fund.

The provisions of C.S.H.J.R. 82 take effect September 1, 2023.

ELECTION DATE

The constitutional amendment proposed by this joint resolution will be submitted to the voters at an election to be held November 2, 2021.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.J.R. 82 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the resolution.

The substitute expands the composition of the Grow Texas fund as set out in the original to include money received from the federal government that may be used for a purpose for which money in the fund may be used and that is transferred or deposited to the credit of the fund by the legislature.