

By: Krause

H.B. No. 1180

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Fiscal Risk Management Commission.

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

SECTION 1. Subtitle C, Title 10, Government Code, is amended by adding Chapter 2117 to read as follows:

CHAPTER 2117. FISCAL RISK MANAGEMENT COMMISSION

Sec. 2117.0001. DEFINITIONS. In this chapter:

(1) "Commission" means the Fiscal Risk Management Commission.

(2) "State agency" means a board, commission, department, office, or other agency in the executive branch of state government created by the constitution or a statute of this state, including an institution of higher education as defined by Section 61.003, Education Code.

Sec. 2117.0002. COMPOSITION. (a) The commission is composed of the following seven members:

(1) the comptroller;

(2) the speaker of the house of representatives or a member of the house of representatives designated by the speaker;

(3) the lieutenant governor or a member of the senate designated by the lieutenant governor; and

(4) four members of the public, appointed by the governor, who have experience with state and federal fiscal policy and budgetary analysis.

1 (b) The comptroller shall serve as the presiding officer of
2 the commission.

3 (c) Public members serve at the pleasure of the governor.

4 (d) The state auditor may on request provide advice and
5 technical assistance to the commission.

6 Sec. 2117.0003. COMPENSATION. A member of the commission
7 serves without compensation but is entitled to reimbursement for
8 actual expenses incurred in performing functions as a member of the
9 commission, subject to any applicable limitation on reimbursement
10 provided by general law or the General Appropriations Act.

11 Sec. 2117.0004. COMMISSION DUTIES. (a) The commission
12 shall:

13 (1) meet at least once each year at the call of the
14 presiding officer; and

15 (2) study:

16 (A) the effect of federal fiscal policy on this
17 state's economy, including:

18 (i) the percentage of this state's budget
19 currently funded by federal money and the effect that a significant
20 reduction or elimination of federal funding for state governments
21 would have on this state's economy;

22 (ii) the effect of a political or
23 market-led default on the United States' debt obligations on this
24 state's economy; and

25 (iii) the amount of money earned in this
26 state that is transferred to the federal government as compared to
27 the amount of federal money received by this state from the federal

1 government, and the effect of those transfers on businesses in this
2 state;

3 (B) the amount of federal money received by each
4 state agency, and the effect that a significant reduction or
5 elimination of federal funding for state governments would have on
6 the continuing operation of, and the delivery of critical services
7 by, each of those agencies;

8 (C) the effect of the devaluation of the United
9 States dollar on this state's economy, including an examination of:

10 (i) the effect of a gradual devaluation, a
11 loss of reserve currency status, or an outright collapse of the
12 United States dollar on this state's economy; and

13 (ii) the advisability of developing a
14 contingency currency;

15 (D) the risks presented by acts of economic
16 terrorism, including:

17 (i) the effect of power outages caused by
18 acts of cyberterrorism, including an electromagnetic pulse, on
19 financial markets and critical infrastructure in this state; and

20 (ii) the effect of an energy embargo or the
21 disruption of the food, water, or power supply chain on the ability
22 of this state and state agencies to continue to provide critical
23 services; and

24 (E) any other macroeconomic threat to this
25 state's economy the commission considers appropriate.

26 (b) In conducting the study required by this section, the
27 commission shall consult with and consider papers authored by

1 private entities specializing in fiscal risk management readiness
2 and response. The commission may not rely solely on papers authored
3 by institutions of higher education.

4 Sec. 2117.0005. FISCAL RISK MANAGEMENT PLAN. The
5 commission biennially shall develop and publish a cohesive,
6 in-depth plan to effectively and efficiently address the effects
7 and risks identified by the commission in conducting the study
8 required by Section 2117.0004.

9 Sec. 2117.0006. REPORT. (a) Not later than September 1 of
10 each even-numbered year, the commission shall submit a report to
11 the governor and the legislature based on the commission's findings
12 under Section 2117.0004 during the previous two-year period.

13 (b) The report must include:

14 (1) a complete explanation of the methods used by the
15 commission in conducting the financial analysis required by the
16 study;

17 (2) a summary of the commission's findings under
18 Section 2117.0004 and a copy of the plan created under Section
19 2117.0005; and

20 (3) drafts of any proposed legislation needed to
21 implement the commission's recommendations.

22 (c) The first report due under this section must include a
23 thorough evaluation of this state's need to develop a contingency
24 currency in the event of a collapse of the United States dollar.
25 This subsection expires September 1, 2023.

26 SECTION 2. (a) Not later than the 60th day after the
27 effective date of this Act, the governor and, if applicable, the

1 speaker of the house of representatives and the lieutenant governor
2 shall make the appointments and designations under Chapter 2117,
3 Government Code, as added by this Act.

4 (b) The Fiscal Risk Management Commission shall submit the
5 first report required by Section 2117.0006, Government Code, as
6 added by this Act, not later than September 1, 2022.

7 SECTION 3. This Act takes effect immediately if it receives
8 a vote of two-thirds of all the members elected to each house, as
9 provided by Section 39, Article III, Texas Constitution. If this
10 Act does not receive the vote necessary for immediate effect, this
11 Act takes effect September 1, 2021.