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By:  Bettencourt S.J.R. No. 80

A JOINT RESOLUTION

proposing a constitutional amendment creating the utilities reliability fund and the utilities reliability revenue fund to provide financial support for projects that enhance the reliability and resiliency of the power grid in this state.

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

SECTION 1.  Article III, Texas Constitution, is amended by adding Sections 49-d-15 and 49-d-16 to read as follows:

Sec. 49-d-15.  (a) The utilities reliability fund is created as a special fund in the state treasury outside the general revenue fund. Money in the utilities reliability fund shall be administered, without further appropriation, by the Public Utility Commission of Texas or that commission's successor in function. In accordance with general law, the utilities reliability fund may be used only to support projects to enhance the reliability and resiliency of the power grid in this state. Separate accounts may be established in the utilities reliability fund as necessary or convenient to administer the fund or the supported projects. The financial assistance authorized by this section may be provided directly to public or private entities as provided by general law.

(b)  The legislature by general law may authorize the Public Utility Commission of Texas or that commission's successor in function to use the utilities reliability fund to provide financial assistance, including by direct loan or grant, for projects that enhance the reliability and resiliency of the power grid in this state.

(c)  In accordance with general law, the Public Utility Commission of Texas or that commission's successor in function may, at that entity's discretion, transfer money from the utilities reliability fund to other programs and funds of the commission or that commission's successor in function, including the utilities reliability revenue fund.

(d)  The utilities reliability fund consists of:

(1)  money appropriated to the fund;

(2)  money transferred or deposited to the credit of the fund by general law, including money from any source transferred or deposited to the credit of the fund at the discretion of the Public Utility Commission of Texas or that commission's successor in function as authorized by general law;

(3)  revenue from any source, including the proceeds of any fee or tax imposed by this state, that the legislature by statute dedicates for deposit to the credit of the fund;

(4)  investment earnings and interest earned on amounts credited to the fund; and

(5)  money transferred to the fund from another fund or account to which money from the fund was transferred, as authorized by general law.

(e)  The legislature by general law shall provide for the manner in which the assets of the utilities reliability fund may be used, subject to the limitations provided by this section. The legislature by general law may provide for costs of investment and administration of the utilities reliability fund to be paid from that fund.

(f)  For the purposes of Section 22, Article VIII, of this constitution, an appropriation of money from the economic stabilization fund for the purpose of depositing that money to the credit of the utilities reliability fund is considered to be an appropriation of state tax revenues dedicated by this constitution.

(g)  This section is intended to establish a basic framework of the utilities reliability fund, and the legislature by general law may provide for the implementation and effectuate the design and objects of this section and may delegate duties, responsibilities, functions, and authority to the Public Utility Commission of Texas or that commission's successor in function for those purposes.

Sec. 49-d-16.  (a) The utilities reliability revenue fund is created as a special fund in the state treasury outside the general revenue fund. Money in the utilities reliability revenue fund shall be administered, without further appropriation, by the Public Utility Commission of Texas or that commission's successor in function. In accordance with general law, the utilities reliability revenue fund may be used only for the purpose of providing financing for projects that enhance the reliability and resiliency of the power grid in this state in accordance with general law and requirements adopted by the Public Utility Commission of Texas or that commission's successor in function. Separate accounts may be established in the utilities reliability revenue fund as necessary to administer the fund or authorized projects. The financial assistance authorized by this section may be provided directly to public or private entities as provided by general law.

(b)  The legislature by general law may authorize the Public Utility Commission of Texas or that commission's successor in function to issue bonds, make loans or grants, and enter into related credit agreements that are payable from revenues available to the utilities reliability revenue fund.

(c)  In accordance with general law, the Public Utility Commission of Texas or that commission's successor in function may, at that entity's discretion, transfer money from the utilities reliability revenue fund to the utilities reliability fund.

(d)  The utilities reliability revenue fund consists of:

(1)  money appropriated to the fund;

(2)  money transferred or deposited to the credit of the fund by general law, including money from the utilities reliability fund or any other source transferred or deposited to the credit of the fund at the discretion of the Public Utility Commission of Texas or that commission's successor in function as authorized by general law;

(3)  the proceeds of any fee or tax imposed by this state that by statute is dedicated for deposit to the credit of the fund;

(4)  any other revenue that the legislature by statute dedicates for deposit to the credit of the fund;

(5)  investment earnings and interest earned on amounts credited to the fund;

(6)  the proceeds from the sale of revenue bonds issued under this section by the Public Utility Commission of Texas or that commission's successor in function for the purpose of providing money for the fund;

(7)  repayments of loans made from the fund; and

(8)  money disbursed to the fund from the utilities reliability fund as authorized by general law.

(e)  The legislature by general law shall provide for the manner in which the assets of the utilities reliability revenue fund may be used, subject to the limitations provided by this section. The legislature by general law may provide for costs of investment of the utilities reliability revenue fund to be paid from that fund.

(f)  In each fiscal year in which amounts become due under the bonds or agreements authorized by this section, the Public Utility Commission of Texas or that commission's successor in function shall transfer from revenue deposited to the credit of the utilities reliability revenue fund in that fiscal year an amount that is sufficient to pay:

(1)  the principal of and interest on the bonds that mature or become due during that fiscal year; and

(2)  any cost related to the bonds, including payments under related credit agreements that become due during that fiscal year.

(g)  Any obligations authorized by general law to be issued by the Public Utility Commission of Texas or that commission's successor in function under this section shall be special obligations payable solely from amounts in the utilities reliability revenue fund. Obligations issued by the Public Utility Commission of Texas or that commission's successor in function under this section may not be a constitutional state debt payable from the general revenue of the state.

(h)  Any dedication or appropriation of revenue to the credit of the utilities reliability revenue fund may not be modified so as to impair any outstanding bonds secured by a pledge of that revenue unless provisions have been made for a full discharge of those bonds.

(i)  Money in the utilities reliability revenue fund is dedicated by this constitution for purposes of Section 22, Article VIII, of this constitution.

(j)  This section is intended to establish a basic framework of the utilities reliability revenue fund, and the legislature shall have the power to implement and effectuate the design and objects of this section, including the power to delegate such duties, responsibilities, functions, and authority to the Public Utility Commission of Texas or that commission's successor in function.

SECTION 2.  This proposed constitutional amendment shall be submitted to the voters at an election to be held November 7, 2023. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment creating the utilities reliability fund and the utilities reliability revenue fund to provide financial support for projects that enhance the reliability and resiliency of the power grid in this state."