

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

April 16, 2023

TO: Honorable Greg Bonnen, Chair, House Committee on Appropriations

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2207 by Landgraf (Relating to the allocation of certain constitutional transfers of money to the economic stabilization fund, the state highway fund, the oil and gas regulation and cleanup account, the Texas emissions reduction plan fund, the property tax relief fund, and the Texas severance tax revenue and oil and natural gas (Texas STRONG) defense fund and to the permissible uses of money deposited to the Texas severance tax revenue and oil and natural gas (Texas STRONG) defense fund.), **As Introduced**

No significant fiscal implication to the State is anticipated. Any fiscal implication are shown in the fiscal note for the corresponding joint resolution, HJR 111.

The bill would amend Sections 316.093 (b), (c) and (d) of the Government Code relating to the determination of a sufficient balance of the Economic Stabilization Fund (ESF) through fiscal 2037, and for the purpose of calculating allocations of oil and gas production tax revenue to the State Highway Fund (SHF), GRD Account-oil and gas regulation and cleanup, Texas emissions reduction plan fund trust, Property tax relief fund , and the Texas severance tax revenue and oil and natural gas defense fund (Texas STRONG; referenced in this bill, but proposed by HJR 111, 88R).

The bill would amend Subchapter G, Chapter 403 of the Government Code by adding Section 403.108 to create the Texas STRONG Grant Program that would be administered by the Office of the Governor using legislative appropriations to the Texas STRONG Fund. Money in the fund could be appropriated to multiple agencies for various purposes under the program, as established in the bill.

The bill would make conforming changes to Sections 316.092 and 316.093 of the Government Code and extend these Sections through fiscal 2038.

The bill would take effect September 1, 2025, but only if the constitutional amendment proposed by the 88th Legislature, Regular Session, 2023, providing for the creation of and use of money in the Texas STRONG fund and allocating certain general revenues to that fund, the economic stabilization fund, and the state highway fund is approved by the voters. If that amendment is not approved by the voters, the bill would have no effect.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 300 Trusteed Programs Within the Office of the Governor, 304 Comptroller of Public Accounts, 405 Department of Public Safety, 582 Commission on Environmental Quality, 601 Department of Transportation

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