

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 16, 2023

TO: Honorable Joan Huffman, Chair, Senate Committee on Finance

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HJR125 by Ashby (proposing a constitutional amendment creating the broadband infrastructure fund to expand high-speed broadband access and assist in the financing of connectivity projects.),
Committee Report 2nd House, Substituted

There would be an indeterminate cost to the state due to unknown amounts and timing of any transfers or deposits to the new Broadband Infrastructure Fund (BIF).

The cost to the state for publication of the resolution is \$204,406.

The resolution would amend Article III of the constitution, adding Section 49-d-16, which creates the Texas Broadband Infrastructure Fund (BIF) in the state treasury outside of General Revenue.

The BIF would be administered by the Comptroller, and would be used to expand broadband and telecommunication services in the state. The BIF would consist of transfers or deposits made by the constitution, general law, or the General Appropriations Act. It could also consist of dedicated revenues, investment earnings and interest, and any gifts, grants, or donations to the fund. Money in the fund would be constitutionally dedicated, and therefore, not subject to the spending limit provided by Section 22, Article VIII of the Constitution.

The bill would require the Comptroller to transfer any unexpended or unobligated funds in the BIF to the General Revenue Fund immediately before the section expires on September 1, 2035.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either in, with, or outside the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Local Government Impact

No significant fiscal implication to units of local government is anticipated as a result of the joint resolution alone. There could be fiscal implications due to the enabling legislation, House Bill 9, but these amounts are unknown.

Source Agencies: 304 Comptroller of Public Accounts, 473 Public Utility Commission of Texas

LBB Staff: JMc, KK, LCO, CSmi, SMAT, NV