

By: Tepper, Leo Wilson

H.B. No. 565

A BILL TO BE ENTITLED

AN ACT

relating to a requirement that the ballot for an election to amend the state constitution include an estimate of the fiscal impact to the state of the proposed amendment.

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

SECTION 1. The heading to Section 274.001, Election Code, is amended to read as follows:

Sec. 274.001. FORM OF AMENDMENT ON BALLOT; COST ESTIMATE.

SECTION 2. Section 274.001, Election Code, is amended by adding Subsection (d) to read as follows:

(d) For each proposition submitting a proposed constitutional amendment, the secretary of state shall prepare for placement on the ballot one of the following statements, as applicable:

(1) if the Legislative Budget Board determines the constitutional amendment to have a recurring cost under Section 314.001(b), Government Code: "Subject to future legislative actions, the Legislative Budget Board estimates that the implementation of this constitutional amendment would incur an annual (insert "cost of" or "savings of", as applicable, and the estimate determined under Section 314.001(b), Government Code) to the state over (insert number of years determined under Section 314.001(b), Government Code)."; or

(2) if the Legislative Budget Board determines the

1 constitutional amendment to have a one-time cost under Section
2 314.001(b), Government Code: "Subject to future legislative
3 actions, the Legislative Budget Board estimates that the
4 implementation of this constitutional amendment would have a
5 one-time (insert "cost of" or "savings of", as applicable, and the
6 estimate determined under Section 314.001(b), Government Code) to
7 the state.".

8 SECTION 3. Section 274.003(a), Election Code, is amended to
9 read as follows:

10 (a) For each proposed constitutional amendment, the
11 secretary of state shall certify in writing for placement on the
12 ballot:

13 (1) the wording of the proposition submitting the
14 amendment; ~~[and]~~

15 (2) the statement for the cost estimate prepared for
16 the proposition under Section 274.001(d); and

17 (3) the proposition's number.

18 SECTION 4. Section 314.001, Government Code, is amended to
19 read as follows:

20 Sec. 314.001. SYSTEM OF FISCAL NOTES. (a) The Legislative
21 Budget Board shall establish a system of fiscal notes identifying
22 the probable costs of each bill or resolution that authorizes or
23 requires the expenditure or diversion of state funds for a purpose
24 other than one provided for in the general appropriations bill.

25 (b) This subsection applies only to a joint resolution to
26 amend the constitution. As soon as practicable after the time for
27 gubernatorial action has expired under Section 14, Article IV,

Texas Constitution, for each joint resolution enacted by the legislature, the Legislative Budget Board shall:

(1) determine the estimated cost to the state;

(2) determine whether the joint resolution will impose on the state a recurring cost or a one-time cost; and

(3) notify the secretary of state of the determinations made under Subdivisions (1) and (2).

(c) In making the determinations under Subsections (b)(1) and (2), the Legislative Budget Board may rely on:

(1) the calculation the board made under Section 314.002, for:

(A) the joint resolution;

(B) the enabling legislation; or

(C) both Paragraphs (A) and (B), as applicable;

and

(2) an appropriation made for the purpose of the joint resolution in the General Appropriations Act or other legislative appropriation to the extent enacted, only if those appropriations or estimated costs are not reflected in the calculation under Section 314.002.

SECTION 5. The secretary of state may adopt rules as necessary to implement and administer Section 274.001(d), Election Code, as added by this Act.

SECTION 6. The changes in law made by this Act apply only to a ballot for an election on a proposed constitutional amendment ordered on or after the effective date of this Act. An election on a proposed constitutional amendment ordered before the effective

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1 date of this Act is governed by the law in effect when the election
2 was ordered, and the former law is continued in effect for that
3 purpose.

4 SECTION 7. This Act takes effect September 1, 2025.