

# CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

5-25-23

Date

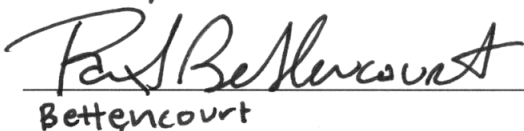
Honorable Dan Patrick  
President of the Senate

Honorable Dade Phelan  
Speaker of the House of Representatives

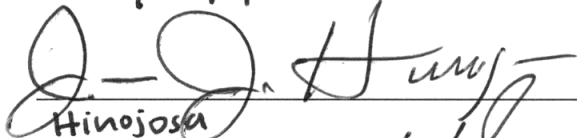
Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on HJR 125 have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

  
Huffman

  
Bettencourt

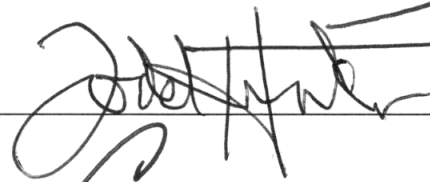
  
Campbell

  
Hinojosa

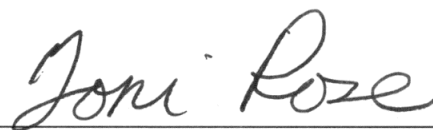


Nichols On the part of the Senate











On the part of the House

## Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.



# CONFERENCE COMMITTEE REPORT

3<sup>rd</sup> Printing

H.J.R. No. 125

## A JOINT RESOLUTION

1 proposing a constitutional amendment creating the broadband  
2 infrastructure fund to expand high-speed broadband access and  
3 assist in the financing of connectivity projects.

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

5 SECTION 1. Article III, Texas Constitution, is amended by  
6 adding Section 49-d-16 to read as follows:

7 Sec. 49-d-16. (a) In this section:

8 (1) "Comptroller" means the comptroller of public  
9 accounts of the State of Texas or its successor.

10 (2) "Fund" means the broadband infrastructure fund.

11 (b) The broadband infrastructure fund is created as a  
12 special fund in the state treasury outside the general revenue  
13 fund.

14 (c) The fund consists of:

15 (1) money transferred or deposited to the credit of  
16 the fund by this constitution, general law, or the General  
17 Appropriations Act;

18 (2) revenue that the legislature by general law  
19 dedicates for deposit to the credit of the fund;

20 (3) investment earnings and interest earned on money  
21 in the fund; and

22 (4) gifts, grants, and donations to the fund.

23 (d) Money in the fund shall be administered by the  
24 comptroller. Money from the fund may be used, without further

1 appropriation, only for the expansion of access to and adoption of  
2 broadband and telecommunications services, including:

3 (1) the development, construction, reconstruction,  
4 and expansion of broadband and telecommunications infrastructure  
5 or services;

6 (2) the operation of broadband and telecommunications  
7 infrastructure;

8 (3) the provision of broadband and telecommunications  
9 services; and

10 (4) the reasonable expenses of administering and  
11 managing the investments of the fund.

12 (e) The legislature by general law shall provide for the  
13 manner in which the assets of the fund may be used, subject to the  
14 limitations of this section. Money in the fund may be used in  
15 conjunction with other funds or financial resources, including  
16 money from the federal government, in accordance with procedures,  
17 standards, and limitations established by federal law and general  
18 law of this state.

19 (f) The comptroller may transfer money from the fund to  
20 another fund as provided by general law. The state agency that  
21 administers the fund to which the money is transferred as  
22 authorized by this subsection may use the money without further  
23 appropriation only for the expansion of access to and adoption of  
24 broadband and telecommunications services as provided by general  
25 law.

26 (g) Unless extended by adoption of a concurrent resolution  
27 approved by a record vote of two-thirds of the members of each house

1 of the legislature, this section expires on September 1, 2035. A  
2 resolution suspends the expiration of this section until September  
3 1 of the 10th year following the adoption of the resolution.

4 (h) Immediately before the expiration of this section, the  
5 comptroller shall transfer any unexpended and unobligated balance  
6 remaining in the fund to the general revenue fund.

7 (i) For purposes of Section 22, Article VIII, of this  
8 constitution:

9 (1) money in the fund is dedicated by this  
10 constitution; and

11 (2) an appropriation of state tax revenues for the  
12 purpose of depositing money to the credit of the fund is treated as  
13 if it were an appropriation of revenues dedicated by this  
14 constitution.

15 SECTION 2. The following temporary provision is added to  
16 the Texas Constitution:

17 TEMPORARY PROVISION. (a) This temporary provision applies  
18 to the amendment to Article III of this constitution as proposed by  
19 the 88th Legislature, Regular Session, 2023, creating the broadband  
20 infrastructure fund to expand high-speed broadband access and  
21 assist in the financing of connectivity projects.

22 (b) The change made to Article III of this constitution by  
23 the amendment described in Subsection (a) of this section takes  
24 effect January 1, 2024.

25 (c) This temporary provision expires January 1, 2025.

26 SECTION 3. This proposed constitutional amendment shall be  
27 submitted to the voters at an election to be held November 7, 2023.

H.J.R. No. 125

1 The ballot shall be printed to permit voting for or against the  
2 proposition: "The constitutional amendment creating the broadband  
3 infrastructure fund to expand high-speed broadband access and  
4 assist in the financing of connectivity projects."

**House Joint Resolution 125**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION

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

Sec. 49-d-16.

(a)-(b)

(c) The fund consists of:

(1) **appropriations from the legislature for deposit to the credit of the fund;**

(2) money transferred or deposited to the credit of the fund by this constitution or by general law;

(3) revenue that the legislature by general law dedicates for deposit to the credit of the fund;

(4) investment earnings and interest earned on money in the fund; and

(5) gifts, grants, and donations to the fund.

(d) Money in the fund shall be administered by the comptroller. Money from the fund may be used, **without further appropriation**, only for the expansion of access to and adoption of broadband and telecommunications services, including:

(1) the development, construction, reconstruction, and expansion of broadband and telecommunications infrastructure or services;

(2) the operation of broadband and telecommunications infrastructure;

SENATE VERSION (CS)

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

Sec. 49-d-16.

(a)-(b) Same as House version.

(c) The fund consists of:

(1) money transferred or deposited to the credit of the fund by this constitution, general law, **or the General Appropriations Act;**

(2) revenue that the legislature by general law dedicates for deposit to the credit of the fund;

(3) investment earnings and interest earned on money in the fund; and

(4) gifts, grants, and donations to the fund.

(d) Money in the fund shall be administered by the comptroller. Money from the fund may be used only for the expansion of access to and adoption of broadband and telecommunications services, including:

(1) the development, construction, reconstruction, and expansion of broadband and telecommunications infrastructure or services;

(2) the operation of broadband and telecommunications infrastructure;

CONFERENCE

*[The conference committee may have exceeded the limitations imposed on its jurisdiction, but only the presiding officer can make the final determination on this issue.]*

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

Sec. 49-d-16.

(a)-(b) Same as House version.

(c) Same as Senate version.

(d) Money in the fund shall be administered by the comptroller. Money from the fund may be used, **without further appropriation**, only for the expansion of access to and adoption of broadband and telecommunications services, including:

(1) the development, construction, reconstruction, and expansion of broadband and telecommunications infrastructure or services;

(2) the operation of broadband and telecommunications infrastructure;

**House Joint Resolution 125**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION

(3) the provision of broadband and telecommunications services, **including services authorized by general law to be funded by the universal service fund**; and

(4) the reasonable expenses of administering and managing the investments of the fund.

(e)

(f) Not later than January 15, 2024, the comptroller shall transfer \$5 billion from the economic stabilization fund to the fund.

*No equivalent provision.*

(g) For purposes of Section 22, Article VIII, of this constitution:

(1) money in the fund is dedicated by this constitution; and

(2) an appropriation of state tax revenues **from the economic stabilization fund** for the purpose of depositing money to the credit of the fund is treated as if it were an appropriation of revenues dedicated by this constitution.

SENATE VERSION (CS)

(3) the provision of broadband and telecommunications services; and

(4) the reasonable expenses of administering and managing the investments of the fund.

(e) Same as House version.

*No equivalent provision.*

Same as House version.

(f) For purposes of Section 22, Article VIII, of this constitution:

(1) money in the fund is dedicated by this constitution; and

(2) an appropriation of state tax revenues for the purpose of depositing money to the credit of the fund is treated as if it were an appropriation of revenues dedicated by this constitution.

CONFERENCE

*[The conference committee may have exceeded the limitations imposed on its jurisdiction, but only the presiding officer can make the final determination on this issue.]*

(3) the provision of broadband and telecommunications services; and

(4) the reasonable expenses of administering and managing the investments of the fund.

(e) Same as House version.

Same as Senate version.

(f) The comptroller may transfer money from the fund to another fund as provided by general law. The state agency that administers the fund to which the money is transferred as authorized by this subsection may use the money without further appropriation only for the expansion of access to and adoption of broadband and telecommunications services as provided by general law.

(i) Same as Senate version.



**House Joint Resolution 125**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (CS)

CONFERENCE

*[The conference committee may have exceeded the limitations imposed on its jurisdiction, but only the presiding officer can make the final determination on this issue.]*

(h)

(i) Immediately before the expiration of this section, the comptroller shall transfer any unexpended and unobligated balance remaining in the fund to the *economic stabilization fund*.

SECTION 2. The following temporary provision is added to the Texas Constitution:

TEMPORARY PROVISION. (a) This temporary provision applies to the amendment to Article III of this constitution as proposed by the 88th Legislature, Regular Session, 2023, creating the broadband infrastructure fund to assist in the financing of *broadband and telecommunications services* projects *in the state*.

(b) The change made to Article III of this constitution by the amendment described in Subsection (a) takes effect January 1, 2024.

(c) This temporary provision expires January 1, 2025.

SECTION 3. 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 broadband infrastructure fund to assist in the financing of *broadband and telecommunications services* projects *in the state*."

(g) Same as House version.

(h) Immediately before the expiration of this section, the comptroller shall transfer any unexpended and unobligated balance remaining in the fund to the *general revenue fund*.

SECTION 2. The following temporary provision is added to the Texas Constitution:

TEMPORARY PROVISION. (a) This temporary provision applies to the amendment to Article III of this constitution as proposed by the 88th Legislature, Regular Session, 2023, creating the broadband infrastructure fund to *expand high-speed broadband access and* assist in the financing of *connectivity* projects.

(b) The change made to Article III of this constitution by the amendment described in Subsection (a) *of this section* takes effect January 1, 2024.

(c) This temporary provision expires January 1, 2025.

SECTION 3. 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 broadband infrastructure fund to *expand high-speed broadband access and* assist in the financing of *connectivity* projects."

(g) Same as House version.

(h) Same as Senate version.

SECTION 2. Same as Senate version.

SECTION 3. Same as Senate version.

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**May 27, 2023**

**TO:** Honorable Dan Patrick, Lieutenant Governor, Senate  
Honorable Dade Phelan, Speaker of the House, House of Representatives

**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.),  
**Conference Committee Report**

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, without further appropriation, to expand and adopt 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 authorize the Comptroller to transfer money from the BIF to another fund administered by another agency, and would authorize that agency to use the money without further appropriation.

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, CMA, LCO, CSmi, SD, KK, SMAT, NV

**Certification of Compliance with  
Rule 13, Section 6(b), House Rules of Procedure**

Rule 13, Section 6(b), House Rules of Procedure, requires that a copy of a conference committee report signed by a majority of each committee of the conference be furnished to each member of the committee in person or, if unable to deliver in person, by placing a copy in the member's newspaper mailbox at least one hour before the report is furnished to each member of the house under Rule 13, Section 10(a). The paper copies of the report submitted to the chief clerk under Rule 13, Section 10(b), must contain a certificate that the requirement of Rule 13, Section 6(b), has been satisfied, and that certificate must be attached to the copy of the report furnished to each member under Rule 13, Section 10(d). Failure to comply with this requirement is not a sustainable point of order.

I certify that a copy of the conference committee report on HJR 125 was furnished to each member of the conference committee in compliance with Rule 13, Section 6(b), House Rules of Procedure, before paper copies of the report were submitted to the chief clerk under Rule 13, Section 10(b), House Rules of Procedure.

Trent Ashby  
(Signature)

5-25-23  
(Date)