

BILL ANALYSIS

Senate Research Center

H.B. 275
By: Pitts et al. (Ogden)
Finance
4/6/2011
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Following the state's economic crisis in the mid-1980s, voters adopted a constitutional amendment to create the economic stabilization fund. The fund receives 75 percent of the amount by which oil and natural gas tax collections exceed 1987 collections and one-half of any unencumbered general revenue at the end of each biennium, as well as interest earned on fund balances. At the end of fiscal year 2013, the comptroller of public accounts (comptroller) estimates the balance of the fund will be more than \$9 billion.

The comptroller's biennial revenue estimate for the remainder of fiscal year 2011 and the 2012-2013 fiscal biennium projects a \$4.3 billion negative ending balance in general-revenue-related funds for fiscal years 2010-2011. The Texas Constitution authorizes an appropriation from the economic stabilization fund by a three-fifths vote of the members present in each chamber of the legislature if a budget deficit develops during a biennium after the budget has been adopted.

H.B. 275 amends current law relating to making an appropriation of money from the economic stabilization fund for expenditure during the current state fiscal biennium.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. (a) Appropriates \$3,117,661,120 from the economic stabilization fund to the comptroller of public accounts (comptroller) for the purpose of depositing that amount to the credit of general revenue fund as money available for use during the state fiscal year ending August 31, 2011, to make expenditures previously authorized by appropriations from general revenue for the state fiscal biennium ending August 31, 2011.

(b) Provides that this Act takes effect only if it receives a vote of three-fifths of the members present in each house of the legislature, as provided by Section 49-g(k), Article III, Texas Constitution, and is subject to certification by the comptroller as provided by that subsection.

(c) Makes application of this Act contingent upon the passage of H.B. No. 4, 82nd Legislature, Regular Session, 2011, or another Act of the 82nd Legislature substantially similar in effect to that legislation.

SECTION 2. Effective date: July 1, 2011.