



LEGISLATIVE BUDGET BOARD

Spending Limit Update

**PRESENTED TO HOUSE APPROPRIATIONS COMMITTEE
LEGISLATIVE BUDGET BOARD STAFF**

JULY 2022

Compliance with Constitutional Limitations

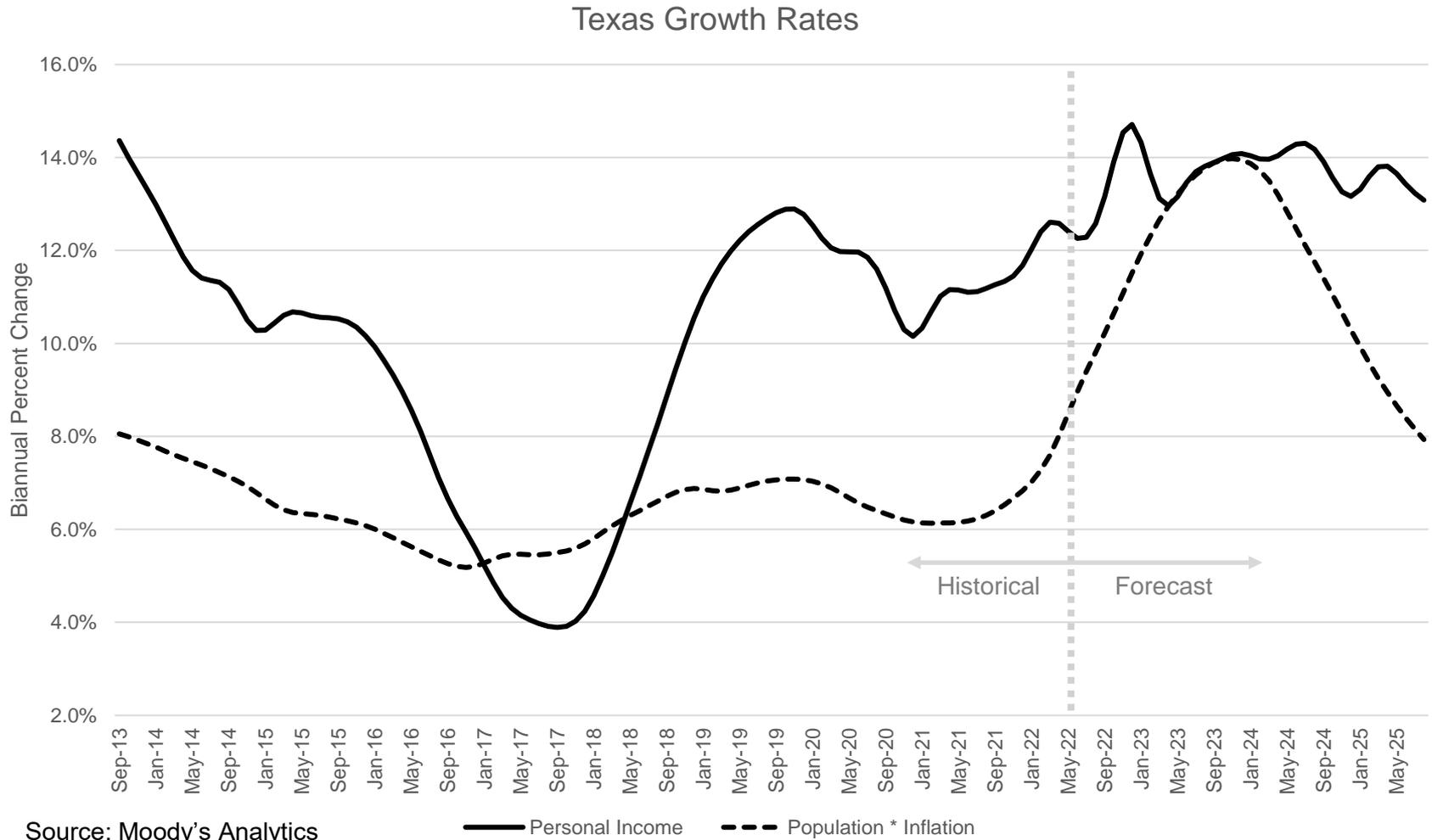
2022-23 GR Appropriations are within both the Article III, Section 49a Pay-as-you-go Limit and the Article VIII, Section 22 Tax Spending Limit

Remaining General Revenue Spending Authority (in billions)	
Pay-as-you-go Limit	\$12.0
Tax Spending Limit	\$3.6

Consolidated General Revenue Limit

- 87th Legislature created a new statutory “Consolidated General Revenue Appropriations” limit
- First applies to 2024-25 appropriations
- Limits the biennial growth of CGR appropriations to the estimated compounded growth of state population and monetary inflation
- Exempts appropriations for a purpose that provides tax relief or to pay costs associated with recovery from a disaster declared by the governor
- Limit may be exceeded with a 3/5th vote in both chambers for an emergency

Growth Rate Comparison



Spending Limit Timeline

- **October 2022** - LBB staff gathers forecasts of personal income, population, and inflation
- **November/December 2022** – LBB holds public hearing to adopt growth rate estimates for TS and CGR limits
- **January 2023** – Comptroller releases BRE and sets Pay As You Go limit
- **May 2023** – Supplemental bills and GAA must fit under all 3 limits for 2022-23 and 2024-25 biennia



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Contact the LBB

Legislative Budget Board

www.lbb.texas.gov

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