



LEGISLATIVE BUDGET BOARD

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MEMORANDUM

TO: Lt. Governor Dan Patrick
Senator Brandon Creighton
Senator Joan Huffman
Senator Lois Kolkhorst
Senator Charles Schwertner, M.D.
Speaker Dale Phelan
Representative Greg Bonnen, M.D.
Representative Mary Gonzalez
Representative Morgan Meyer
Representative Armando Walle

FROM: Jerry McGinty, Director

DATE: November 22, 2022

SUBJECT: Update: 2022-23 Constitutional Limits

The following provides an update of General Revenue spending capacity for the remainder of the 2022-23 biennium. The Comptroller's July 2022 *Certification Revenue Estimate (CRE)* increased the amount of available revenue for general-purpose spending by \$13.8 billion from the previous estimate. This update results in an ending certification balance of \$26.9 billion for the Article III pay-as-you-go limit.

In accordance with the instructions contained in the Legislative Budget Board's November 30, 2020 motion, LBB staff has updated the 2022-23 Article VIII tax spending limit calculation to account for updated estimates in the Comptroller's *CRE* and final fiscal year 2022 revenue and appropriation data. These updates increased 2022-23 General Revenue spending authority for supplemental appropriations under the tax spending limit to \$5.1 billion. This information is summarized below.

2022-23 Remaining General Revenue Spending Authority	in \$ billions
Pay-as-you-go Limit	\$26.9
Tax Spending Limit	\$5.1

The consolidated general revenue limit, created by Senate Bill 1336, 87th Regular Session, is not included in this analysis because it is not effective during the 2022-23 biennium, but will restrict spending during the 2024-25 biennium.

I will continue to provide updates when new information becomes available. If you have any questions, please do not hesitate to call me at (512) 463-1043.

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cc: Mike Morrissey
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