



February 23, 2017

The Honorable \_\_\_\_\_  
Texas House of Representatives  
Appropriations Committee  
Austin, Texas

Dear Representative \_\_\_\_\_

The League of Women Voters urges the Legislature to draw upon the Rainy Day Fund to meet the state's budgetary demands for the coming biennium. It is our belief that this fund was created to serve the citizens of Texas in just such a time as this.

With great foresight, the legislature acted in 1988, under the leadership of Governor Bill Clements and Lt. Governor Bill Hobby to establish the "Economic Stabilization Fund, known as the "Rainy Day Fund." Texans voted to approve the initiative that was worded as follows:

*The constitutional amendment establishing an economic stabilization fund in the state treasury to be used to offset unforeseen shortfalls in revenue (HJR 2).*

The State of Texas now finds itself in the exact situation for which the Fund was created with an unforeseen shortfall in revenue. Therefore, the League of Women Voters urges the 85<sup>th</sup> Legislature to use the Rainy Day Fund to provide services that are critical to the people of Texas.

The Fund balance was projected to be \$10.4 billion at the end of the current budget cycle in August 2017.<sup>1</sup> According to a recent study by the National Association of State Budget Officers (NASBO<sup>2</sup>), that is equivalent to approximately 20 percent of Texas' annual general revenue expenditures<sup>2</sup>. Although currently pending legislation proposes a variety of uses for the Fund, we urge that these funds be appropriated to meet critical needs in education and health care.

We applaud the House Committee on Appropriations for significantly funding Behavioral Health and Substance Abuse Services in the amount of \$3.5 billion.

Overall, we consider the House budget plan to more accurately reflect the needs of Texans. We urge the House to stand strongly behind its funding proposal as the Appropriations Bill moves through the legislative process.

Thank you again for your significant service to citizens of the State of Texas.

Sincerely,



Elaine M. Wiant  
President

References:

- 1 <http://www.house.state.tx.us/news/press-releases/?id=5917> Press release Speaker Joe Straus 9/20/2016
- 2 <https://www.comptroller.texas.gov/economy/fiscal-notes/2016/september/rainy-day.php>

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The League of Women Voters of Texas (LWV-TX) is a nonpartisan citizens' organization that has fought since 1919 to improve our government and engage all citizens in the decisions that impact their lives. It represents more than 5,000 members and supporters throughout Texas.

The League of Women Voters never supports or opposes candidates for office or political parties. The member-driven organization of women and men encourages the informed and active participation of citizens in government and seeks to influence public policy through education and advocacy of positions based on extensive issue study and consensus.