

FOR IMMEDIATE RELEASE  
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### **PERRY FILES BILL TO PRESERVE 'RAINY DAY FUND'**

LUBBOCK, TX – Today, Senator Charles Perry filed SJR 19 requiring that a minimum balance equal to 5% of general revenue must remain in the Economic Stabilization Fund more commonly known as the 'Rainy Day Fund' (RDF) at all times.

Under Perry's legislation, the minimum balance for the 2014-15 biennium would have been \$4.81 billion.

"The Rainy Day Fund is primarily funded by revenue from oil and natural gas production," said Senator Charles Perry. "The amount deposited into the fund is much lower at \$50 per barrel than at \$100 per barrel. We need to be cognizant of that and ensure that we have savings in the fund when we truly need it."

Perry has long been an advocate for preserving the RDF, filing the same Constitutional Amendment in the House last Session.

SJR 19 requires a 4/5 vote for any appropriations from the RDF that would cause the balance to fall below the 5% threshold. This procedure would ensure that a higher threshold than the current 2/3rds vote should be met in order to use the money available in cases of emergency or natural disaster.

This legislation not only ensures we have money in the fund when we need it, but it is a protection of the state's AAA bond rating.

"I am proud of our budget writers for prioritizing the RDF and setting a floor of \$7 billion," continued Perry. "My legislation simply puts in place a floor to ensure that in the future we do not get overzealous in spending from our savings account."

This legislation is the latest in a series of fiscal responsibility bills authored by Perry. In addition to proposing a floor to the RDF, Perry has proposed limiting increases in our budget to population growth plus inflation, enacting zero-based budgeting for state agencies, eliminating diversions from transportation, and phasing out our state's cumbersome franchise tax.

If you have any questions or comments about this bill or any of Senator Perry's legislative agenda, please feel free to contact Travis McCormick at 512-463-0128 or Travis.McCormick@senate.state.tx.us.

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