

BILL ANALYSIS

H.B. 28
By: McCall
Appropriations
Committee Report (Unamended)

BACKGROUND AND PURPOSE

With the enactment of HB 2425 (78th , Regular Session), the Comptroller is allowed to borrow funds from outside the State Treasury. Due to a line item veto by the Governor, HB 28 is needed so that an appropriation for repayment of such borrowing can be made. For the 2004-05 biennium, this bill would appropriate to the Comptroller from the General Revenue Fund the amount necessary to return any available cash that was transferred to the General Revenue Fund from a fund outside the State Treasury and to maintain the equity of the fund from which the transfer of available cash was made.

HB 28 also addresses the appropriation of vetoed money from the 78th Regular session as well as corrects previously passed legislation (SB 671) dealing with local value appraisals for school districts.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. Provides that for the fiscal biennium beginning September 1, 2003, the comptroller of public accounts (comptroller) is appropriated from the general revenue fund the amount needed to return any available cash that was transferred to that fund from a fund outside the state treasury and to maintain the equity of the fund from which the transfer was made, as required by Section 403.092 (Temporary Transfer of Surplus and Other Cash), Government Code, as amended by Section 19, H.B. No. 2425, Acts of the 78th Legislature, Regular Session, 2003.

SECTION 2. Establishes that not more than \$5,000,000 of the appropriation made by Section 1 of this Act may be used to allocate earned interest to a fund outside the state treasury under Section 403.092(a), Government Code.

SECTION 3. Requires the comptroller, during the state fiscal biennium beginning September 1, 2003, to return the available cash that has been transferred from a fund outside the state treasury to a fund within the state treasury under Section 403.092(a), Government Code, together with the earned interest on the transferred amount, to the fund from which the available cash was transferred within 14 days after the date on which the available cash was transferred.

SECTION 4. Provides that the change made to Section 42.259, Education Code, by Section 4, H.B. No. 2425, Acts of the 78th Legislature, Regular Session, 2003, effectively transferring certain payments to school districts from August of a state fiscal year to September of the following fiscal year, apply only to a payment from the foundation school fund that is made on or after January 1, 2004. Establishes that a payment to a school district from the foundation school fund that is made before that date is governed by Section 42.259, Education Code, as it existed on June 1, 2003, and the former law is continued in effect for that purpose.

SECTION 5. Allows for a one year grace period for school districts to comply with the enactment of S.B. 671 (78th Regular Session) relating to local values for school districts.

SECTION 6. Repeals Section 403.302 (m), Government Code as added by S.B. 671, Acts of the 78th

Legislature, Regular Session, 2003.

SECTION 7. Amends the General Appropriations Act of the 78th Regular Session by removing and adding language to allow for funds, including vetoed money, to be appropriated by the Governor and Legislative Budget Board beginning September 1, 2003 for the purpose of transferring funds to state agencies for state fiscal relief.

SECTION 8. Amends a heading in the General Appropriations Act of the 78th Regular Session, 2003 by adding language for the Reappropriation for State Fiscal Relief of Vetoed General Revenue Appropriations.

EFFECTIVE DATE

Immediate effect if it receives a vote of two-thirds of all the members elected to each house. If this act does not receive the vote for immediate effect, the act takes effect on the 91st day after the last day of the legislative session.