

1-1 By: Luna (Senate Sponsor - Bivins) H.B. No. 3318  
1-2 (In the Senate - Received from the House May 12, 2003;  
1-3 May 12, 2003, read first time and referred to Committee on Finance;  
1-4 May 26, 2003, reported adversely, with favorable Committee  
1-5 Substitute by the following vote: Yeas 11, Nays 0; May 26, 2003,  
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 3318 By: Bivins

1-8 A BILL TO BE ENTITLED  
1-9 AN ACT

1-10 relating to the creation and re-creation of funds and accounts in  
1-11 the state treasury, the allocation of revenue, the dedication and  
1-12 rededication of revenue, and the exemption of unappropriated money  
1-13 from use for general governmental purposes.

1-14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-15 SECTION 1. DEFINITION. In any provision of this Act that  
1-16 does not amend current law, "state agency" means an office,  
1-17 institution, or other agency that is in the executive branch of  
1-18 state government, has authority that is not limited to a  
1-19 geographical portion of the state, and was created by the  
1-20 constitution or a statute of this state. The term does not include  
1-21 an institution of higher education as defined by Section 61.003,  
1-22 Education Code.

1-23 SECTION 2. ABOLITION OF FUNDS, ACCOUNTS, AND DEDICATIONS.  
1-24 Except as otherwise specifically provided by this Act, all funds  
1-25 and accounts created or re-created in the state treasury by an Act  
1-26 of the 78th Legislature, Regular Session, 2003, that becomes law  
1-27 and all dedications or rededications of revenue in the state  
1-28 treasury or otherwise collected by a state agency for a particular  
1-29 purpose by an Act of the 78th Legislature, Regular Session, 2003,  
1-30 that becomes law are abolished on the later of September 1, 2003, or  
1-31 the date the Act creating or re-creating the fund or account or  
1-32 dedicating or rededicating revenue takes effect.

1-33 SECTION 3. PREVIOUSLY EXEMPT DEDICATIONS, FUNDS, AND  
1-34 ACCOUNTS. Section 2 of this Act does not apply to:

1-35 (1) statutory dedications, funds, and accounts that  
1-36 were enacted before the 78th Legislature convened to comply with  
1-37 requirements of state, constitutional, or federal law;

1-38 (2) dedications, funds, or accounts that remained  
1-39 exempt from former Section 403.094(h), Government Code, at the time  
1-40 dedications, accounts, and funds were abolished under that  
1-41 provision;

1-42 (3) increases in fees or in other revenue dedicated as  
1-43 described by this section; or

1-44 (4) increases in fees or in other revenue required to  
1-45 be deposited in a fund or account described by this section.

1-46 SECTION 4. SYSTEM BENEFIT FUND. (a) Section 39.903(a),  
1-47 Utilities Code, as amended by Section 3, Chapter 1394, and Section  
1-48 19(a), Chapter 1466, Acts of the 77th Legislature, Regular Session,  
1-49 2001, is reenacted and amended to read as follows:

1-50 (a) The system benefit fund is an account in the general  
1-51 revenue fund. Money in the account ~~[that]~~ may be appropriated only  
1-52 for the purposes provided by this section or other law. Interest  
1-53 earned on the system benefit fund shall be credited to the fund.  
1-54 Section 403.095, Government Code, does not apply to the system  
1-55 benefit fund.

1-56 (b) On the effective date of this Act, the system benefit  
1-57 fund is re-created as an account in the general revenue fund, and  
1-58 the account and the revenue deposited to the credit of the account  
1-59 are exempt from Section 2 of this Act.

1-60 SECTION 5. SUBSEQUENT INJURY FUND. (a) Section  
1-61 403.006(a), Labor Code, is amended to read as follows:

1-62 (a) The subsequent injury fund is an account in the general  
1-63 revenue fund. Money in the account may be appropriated only for the

2-1 purposes of this section or as provided by other law. Section  
2-2 403.095, Government Code, does not apply to the subsequent injury  
2-3 fund [a special fund in the state treasury].

2-4 (b) On the effective date of this Act, the subsequent injury  
2-5 fund is re-created as an account in the general revenue fund, and  
2-6 the account and the revenue deposited to the credit of the account  
2-7 are exempt from Section 2 of this Act.

2-8 SECTION 6. TERTIARY CARE ACCOUNT. The tertiary care  
2-9 account is re-created by this Act. Money in the account and money  
2-10 required by law to be put in the account is rededicated for the  
2-11 purposes provided by Chapter 46, Health and Safety Code. The  
2-12 account and money put in the account are exempt from Section 2 of  
2-13 this Act.

2-14 SECTION 7. LICENSE PLATES. The following funds, accounts,  
2-15 and dedications of revenue are exempt from Section 2 of this Act if  
2-16 created by an Act of the 78th Legislature, Regular Session, 2003,  
2-17 that becomes law:

2-18 (1) the specialty license plate account created by  
2-19 Senate Bill No. 1704 and revenue dedicated by that bill; and

2-20 (2) the specialty license plate fund created by House  
2-21 Bill No. 3106 and revenue dedicated by that bill.

2-22 SECTION 8. FEDERAL FUNDS. Section 2 of this Act does not  
2-23 apply to funds created pursuant to an Act of the 78th Legislature,  
2-24 Regular Session, 2003, for which separate accounting is required by  
2-25 federal law, except that the funds shall be deposited in accounts in  
2-26 the general revenue fund unless otherwise required by federal law.

2-27 SECTION 9. TRUST FUNDS. Section 2 of this Act does not  
2-28 apply to trust funds or dedicated revenue deposited to trust funds  
2-29 created under an Act of the 78th Legislature, Regular Session,  
2-30 2003, except that the trust funds shall be held in the state  
2-31 treasury, with the comptroller in trust, or outside the state  
2-32 treasury with the comptroller's approval.

2-33 SECTION 10. BOND FUNDS. Section 2 of this Act does not  
2-34 apply to bond funds and pledged funds created or affected by an Act  
2-35 of the 78th Legislature, Regular Session, 2003, except that the  
2-36 funds shall be held in the state treasury, with the comptroller in  
2-37 trust, or outside the state treasury with the comptroller's  
2-38 approval.

2-39 SECTION 11. CONSTITUTIONAL FUNDS. Section 2 of this Act  
2-40 does not apply to funds or accounts that would be created or  
2-41 re-created in the Texas Constitution or revenue that would be  
2-42 dedicated or rededicated by the Texas Constitution under  
2-43 constitutional amendments proposed by the 78th Legislature,  
2-44 Regular Session, 2003, or to dedicated revenue deposited to funds  
2-45 or accounts that would be so created or re-created.

2-46 SECTION 12. RAINY DAY FUND ACCOUNTS. Section 2 of this Act  
2-47 does not apply to any accounts created in the economic  
2-48 stabilization fund by H.B. No. 2, H.B. No. 3323, H.B. No. 3548, or  
2-49 S.B. No. 1771, Acts of the 78th Legislature, Regular Session, 2003,  
2-50 and does not apply to any related dedication of revenue, if one of  
2-51 those bills or similar legislation becomes law.

2-52 SECTION 13. STATE PRESERVATION BOARD. Sections 2 and 9 of  
2-53 this Act do not apply to the capitol trust fund, the capitol  
2-54 account, the capital renewal account, and the museum account, as  
2-55 created or re-created by H.B. No. 3441 or S.B. No. 1866, Acts of the  
2-56 78th Legislature, Regular Session, 2003, if one of those bills or  
2-57 similar legislation becomes law, and do not apply to revenue  
2-58 dedicated to that fund or any of those accounts.

2-59 SECTION 14. TEXAS EMISSIONS REDUCTION. Section 2 of this  
2-60 Act does not apply to the Texas emissions reduction plan fund and  
2-61 does not apply to revenue dedicated to that fund by H.B. No. 1365,  
2-62 Acts of the 78th Legislature, Regular Session, 2003, if that bill or  
2-63 similar legislation becomes law.

2-64 SECTION 15. RURAL WATER ASSISTANCE. Section 2 of this Act  
2-65 does not apply to the rural water assistance fund or the water  
2-66 infrastructure fund created or re-created in the state treasury by  
2-67 H.B. No. 1875 or S.B. No. 967, Acts of the 78th Legislature,  
2-68 Regular Session, 2003, if one of those bills or similar legislation  
2-69 becomes law, and does not apply to revenue dedicated to either fund.

3-1 SECTION 16. ECONOMIC DEVELOPMENT. Sections 2 and 9 of this  
 3-2 Act do not apply to any fund or account created or re-created by  
 3-3 S.B. No. 275, S.B. No. 659, or H.B. No. 1233, Acts of the 78th  
 3-4 Legislature, Regular Session, 2003, if any of those bills become  
 3-5 law, and do not apply to any revenue dedicated by any of those Acts.

3-6 SECTION 17. TEXAS ENTERPRISE FUND. Section 2 of this Act  
 3-7 does not apply to the Texas enterprise fund created by H.B. No. 2,  
 3-8 H.B. No. 3323, H.B. No. 3548, or S.B. No. 1771, Acts of the 78th  
 3-9 Legislature, Regular Session, 2003, and does not apply to any  
 3-10 related dedication of revenue, if one of those bills or similar  
 3-11 legislation becomes law.

3-12 SECTION 18. SPORTS EVENTS TRUST FUND. Sections 2 and 9 of  
 3-13 this Act do not apply to the Other Events trust fund or to revenue  
 3-14 dedicated to any of those funds, created by an Act of the 78th  
 3-15 Legislature, Regular Session, 2003, that amends Chapter 1507, Acts  
 3-16 of the 76th Legislature, Regular Session, 1999 (Article 5190.14,  
 3-17 Vernon's Texas Civil Statutes).

3-18 SECTION 19. PROSECUTOR SUPPLEMENT FUND. Section 2 of this  
 3-19 Act does not apply to the felony prosecutor supplement fund created  
 3-20 by H.B. No. 1940, Acts of the 78th Legislature, Regular Session,  
 3-21 2003, if that bill or similar legislation becomes law, and does not  
 3-22 apply to revenue dedicated to that fund.

3-23 SECTION 20. TRAVEL SERVICES CONTRACTS. The municipality  
 3-24 airline fares account in the general revenue fund created by H.B.  
 3-25 No. 1061 or S.B. No. 304, Acts of the 78th Legislature, Regular  
 3-26 Session, 2003, if either bill or similar legislation creating the  
 3-27 account becomes law, is exempt from Section 2 of this Act, and  
 3-28 Section 2 of this Act does not apply to the dedication of revenue to  
 3-29 that account made by that legislation.

3-30 SECTION 21. DRY CLEANING FACILITY RELEASE FUND. Section 2  
 3-31 of this Act does not apply to the dry cleaning facility release fund  
 3-32 account created by H.B. No. 1366 or S.B. No. 799 or other similar  
 3-33 legislation of the 78th Legislature, Regular Session, 2003, that  
 3-34 becomes law, and does not apply to the revenue dedicated to or  
 3-35 deposited in that account.

3-36 SECTION 22. HIGHWAY TAX AND REVENUE ANTICIPATION NOTE FUND.  
 3-37 The highway tax and revenue anticipation note fund created by H.B.  
 3-38 No. 471, Acts of the 78th Legislature, Regular Session, 2003, if  
 3-39 that bill or similar legislation creating the fund becomes law, is  
 3-40 exempt from Section 2 of this Act, and Section 2 of this Act does not  
 3-41 apply to the dedication of revenue to that fund made by that  
 3-42 legislation.

3-43 SECTION 23. OPERATING PERMIT FEES ACCOUNT. The operating  
 3-44 permit fees account created by H.B. No. 1481, Acts of the 78th  
 3-45 Legislature, Regular Session, 2003, if that bill or similar  
 3-46 legislation creating the account becomes law, is exempt from  
 3-47 Section 2 of this Act, and Section 2 of this Act does not apply to  
 3-48 the dedication of revenue to that account made by that legislation.  
 3-49 The account is created as an account in the general revenue fund.

3-50 SECTION 24. ELECTION IMPROVEMENT FUND. The election  
 3-51 improvement fund created as a dedicated account in the general  
 3-52 revenue fund by H.B. No. 1549, Acts of the 78th Legislature, Regular  
 3-53 Session, 2003, if that bill or similar legislation creating the  
 3-54 account becomes law, is exempt from Section 2 of this Act, and  
 3-55 Section 2 of this Act does not apply to the dedication of revenue to  
 3-56 that account made by that legislation.

3-57 SECTION 25. TAX ADMINISTRATION FUND. The tax administration  
 3-58 fund created by H.B. No. 2458, Acts of the 78th Legislature, Regular  
 3-59 Session, 2003, if that bill or similar legislation creating the  
 3-60 fund becomes law, is exempt from Section 2 of this Act, and Section  
 3-61 2 of this Act does not apply to the dedication of revenue to that  
 3-62 fund made by that legislation.

3-63 SECTION 26. MOTOR VEHICLE INSURANCE AND PROOF OF FINANCIAL  
 3-64 RESPONSIBILITY. Any fund or account created by S.B. No. 422 or H.B.  
 3-65 No. 1809, Acts of the 78th Legislature, Regular Session, 2003, if  
 3-66 either bill or similar legislation becomes law, is exempt from  
 3-67 Section 2 of this Act, and Section 2 of this Act does not apply to  
 3-68 any dedication of revenue made by that legislation.

3-69 SECTION 27. FUND FOR EMERGENCY MEDICAL SERVICES, TRAUMA

4-1 FACILITIES, AND TRAUMA CARE SYSTEMS. The fund for emergency  
 4-2 medical services, trauma facilities, and trauma care systems  
 4-3 created as an account in the general revenue fund by S.B. No. 1131,  
 4-4 Acts of the 78th Legislature, Regular Session, 2003, if that bill or  
 4-5 similar legislation creating the account becomes law, is exempt  
 4-6 from Section 2 of this Act, and Section 2 of this Act does not apply  
 4-7 to the dedication of revenue to that account made by that  
 4-8 legislation.

4-9 SECTION 28. STATE PARKS ACCOUNT. Section 2 of this Act does  
 4-10 not apply to the dedication of revenue to the state parks account  
 4-11 made by S.B. No. 1158 or H.B. No. 2351 or similar legislation if  
 4-12 either of those bills or similar legislation becomes law.

4-13 SECTION 29. PERPETUAL CARE ACCOUNT. The perpetual care  
 4-14 account created or re-created as an account in the general revenue  
 4-15 fund by H.B. No. 1567, Acts of the 78th Legislature, Regular  
 4-16 Session, 2003, if that bill or similar legislation creating or  
 4-17 re-creating the account becomes law, is exempt from Section 2 of  
 4-18 this Act, and Section 2 of this Act does not apply to any dedication  
 4-19 or rededication of revenue to that account made by that  
 4-20 legislation.

4-21 SECTION 30. TEXAS B-ON-TIME ACCOUNT. The Texas B-On-Time  
 4-22 student loan account created as an account in the general revenue  
 4-23 fund by S.B. No. 4 or S.B. No. 1952, if either bill or similar  
 4-24 legislation creating the account becomes law, is exempt from  
 4-25 Section 2 of this Act, and Section 2 of this Act does not apply to  
 4-26 any dedication of revenue to that account made by that legislation.

4-27 SECTION 31. AMENDMENT OF SECTION 403.095, GOVERNMENT CODE.  
 4-28 Effective September 1, 2003, Sections 403.095(b), (d), and (e),  
 4-29 Government Code, are amended to read as follows:

4-30 (b) Notwithstanding any law dedicating or setting aside  
 4-31 revenue for a particular purpose or entity, dedicated revenues  
 4-32 that, on August 31, 2005 [~~2003~~], are estimated to exceed the amount  
 4-33 appropriated by the General Appropriations Act or other laws  
 4-34 enacted by the 78th [~~77th~~] Legislature are available for general  
 4-35 governmental purposes and are considered available for the purpose  
 4-36 of certification under Section 403.121.

4-37 (d) Following certification of the General Appropriations  
 4-38 Act and other appropriations measures enacted by the 78th [~~77th~~]  
 4-39 Legislature, the comptroller shall reduce each dedicated account as  
 4-40 directed by the legislature by an amount that may not exceed the  
 4-41 amount by which estimated revenues and unobligated balances exceed  
 4-42 appropriations. The reductions may be made in the amounts and at  
 4-43 the times necessary for cash flow considerations to allow all the  
 4-44 dedicated accounts to maintain adequate cash balances to transact  
 4-45 routine business. The legislature may authorize, in the General  
 4-46 Appropriations Act, the temporary delay of the excess balance  
 4-47 reduction required under this subsection. This subsection does not  
 4-48 apply to revenues or balances in:

4-49 (1) funds outside the treasury;  
 4-50 (2) trust funds, which for purposes of this section  
 4-51 include funds that may or are required to be used in whole or in part  
 4-52 for the acquisition, development, construction, or maintenance of  
 4-53 state and local government infrastructures, recreational  
 4-54 facilities, or natural resource conservation facilities;  
 4-55 (3) funds created by the constitution or a court; or  
 4-56 (4) funds for which separate accounting is required by  
 4-57 federal law.

4-58 (e) This section expires on September 1, 2005 [~~2003~~].

4-59 SECTION 32. TRANSFER OF BALANCES. Any balances in the  
 4-60 system benefits fund, subsequent injury fund, or any other existing  
 4-61 local, trust, or dedicated fund that is re-created as an account in  
 4-62 the general revenue fund by this Act shall be transferred to the  
 4-63 appropriate general revenue account on the effective date of this  
 4-64 Act.

4-65 SECTION 33. EFFECT OF ACT. (a) This Act prevails over any  
 4-66 other Act of the 78th Legislature, Regular Session, 2003,  
 4-67 regardless of the relative dates of enactment, that purports to  
 4-68 create or re-create a special fund or account in the state treasury  
 4-69 or to dedicate or rededicate revenue to a particular purpose,

5-1 including any fund, account, or revenue dedication abolished under  
5-2 former Section 403.094, Government Code.  
5-3 (b) Revenues that, under the terms of another Act of the  
5-4 78th Legislature, Regular Session, 2003, would be deposited to the  
5-5 credit of a special account or fund shall be deposited to the credit  
5-6 of the unobligated portion of the general revenue fund unless the  
5-7 fund, account, or dedication is exempted under this Act.  
5-8 SECTION 34. EFFECTIVE DATE. This Act takes effect  
5-9 immediately if it receives a vote of two-thirds of all the members  
5-10 elected to each house, as provided by Section 39, Article III, Texas  
5-11 Constitution. If this Act does not receive the vote necessary for  
5-12 immediate effect, this Act takes effect September 1, 2003.

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