

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 7, 2003

TO: Honorable Talmadge Heflin, Chair, House Committee on Appropriations

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB3318 by Luna (Relating to the creation and re-creation of funds and accounts in the state treasury, the allocation of revenue, the dedication and rededication of revenue, and the exemption of unappropriated money from use for general governmental purposes.),
Committee Report 1st House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for Committee Substitute for HB 3318: a direct positive impact of \$80,311,000 on the amount available for certification from the General Revenue Fund in the biennium ending August 31, 2005.

The bill would abolish funds, accounts, and revenue dedications created by the Seventy-eighth Legislature, Regular Session, unless specifically exempted in this bill. Trust funds, bond funds, constitutional funds, and funds required by federal law would be exempt from abolition.

The bill would re-create the System Benefit Fund and the Subsequent Injury Fund as dedicated accounts in the General Revenue Fund. (The System Benefit Fund is currently a trust fund, and the Subsequent Injury Fund is currently a special fund outside the General Revenue Fund.)

Making the System Benefit Fund a dedicated account in the General Revenue Fund would increase the amount available for certification from the General Revenue Fund in the 2004-05 biennium by \$45,866,000. Making the Subsequent Injury Account a dedicated account in the General Revenue Fund would increase the amount available for certification from the General Revenue Fund in the 2004-05 biennium by \$34,445,000.

Additional certification gains would depend on the level of appropriation from these two accounts. For the purpose of illustration, Conference Committee actions to date in House Bill 1, the General Appropriations Act, relating to the System Benefit Fund would yield an additional \$140 million available for certification from the General Revenue Fund in the 2004-05 biennium.

The bill would also create the Tertiary Care Account in the General Revenue Fund. This would have no fiscal impact. The bill would allow the Comptroller, as directed by the legislature, to reduce dedicated accounts in the amounts by which estimated revenues and unobligated balances exceeded appropriations on August 31, 2005.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 453 Workers' Compensation Commission, 473 Public Utility Commission of Texas

LBB Staff: JK, SD, RS, WP