

BILL ANALYSIS

C.S.H.B. 2233
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Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

As the sole administrator of the treasury and the state's many financial resources, the comptroller's office relies on statutory authority and rulemaking power to manage those resources. As the dynamics of financial markets and our economic systems continue to evolve, the tools available to the comptroller often require adjustment to maximize the effectiveness of the agency's resource control. Being the sole administrator of the state's financial resources also places the comptroller in the unique position of working in concert with other state governmental entities that rely on the comptroller's expertise to adequately provide the necessary financial support. HB 2233 makes adjustments in various portions of the Texas Statutes to facilitate the administration of the state's financial resources.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Comptroller of Public Accounts in SECTION 12 and SECTION 33 of this bill.

ANALYSIS

C.S.H.B. 2233 eliminates the proportionate reduction of the funds collected among the comptroller, local governmental entity, and private attorney collectors under a local collection contract when less than the required aggregate total is collected from an individual and provides that the private collector shall receive thirty percent of the total.

The bill requires the Texas Education Agency, instead of the comptroller, to make transfers from the permanent school fund to the available school fund.

The bill provides that the expenses of managing and administering the assets of the Permanent Fund for Higher Education Nursing, Allied Health, and Other Health-Related Programs and the Permanent Fund for Minority Health Research and Education are to be paid from the respective funds.

The bill changes the disbursement dates to counties that participate under Section 51.702(f) of the Government Code from a monthly to a quarterly basis, changes the disbursement dates to counties to the contributions fund created under Section 25.00213 of the Government Code from a monthly to a quarterly basis, and changes the disbursement dates to counties to the salary fund under Section 26.007 of the Government Code from a monthly to a quarterly basis.

The bill eliminates the applicability of Section 74.061(d) of the Government Code to retired judges.

The bill eliminates the restriction that the comptroller may audit claims against the state on a post-payment basis only if the comptroller and the paying state agency have contracted to allow post-payment audits.

The bill authorizes the comptroller to accept cash on an overnight basis in lieu of certain securities, obligations, or participation certificates. The cash would not be a deposit of state or public funds for purposes of any statute that requires the deposit to be collateralized by eligible securities.

The bill further allows the comptroller to competitively bid tax and revenue anticipation notes via an electronic open auction.

The bill establishes that a state agency may provide written or electronic earnings statements to its employees.

The bill provides that, except as provided by Subsection (e) of Section 659.044 of the Government Code, the monthly amount of longevity pay is \$20 for every three years of lifetime service credit. An employee may not receive from the state as longevity pay more than the amount determined under Subsection (a) or (e) of that section, as applicable, regardless of the number of positions the employee holds or the number of hours the employee works each week.

The bill increases longevity pay for employees of the Texas Youth Commission.

The bill cleans up the Government Code to reflect the fact that Salary Schedule A of the General Appropriations Act is no longer divided into steps.

The bill authorizes the chief administrator of a state agency to provide electronic approval for the travel of the agency's employees.

The bill provides that a state employee who incurs travel expenses, is not required to approve the information supporting the travel voucher, if another person is required by law to provide the approval. The bill also provides that the Comptroller may require a state agency to provide the information electronically.

The bill provides that a state employee, who begins state employment on the workday after a holiday or whose state employment is terminated on the workday before a holiday, may not be paid for that holiday.

The bill creates a hospital district in population more than 800,000 in which no hospital was not located prior to September 1, 2003.

The bill authorizes an entity to accept cash on an overnight basis in lieu of certain obligations for purposes of Section 2256.011 of the Government Code. The cash would not be a deposit of public funds for purposes of any statute that requires the deposit to be collateralized by eligible securities.

The bill allows local governments entering into performance contracts to not only pay for the improvements from increased savings, but from increased revenues as well.

The bill prohibits a county, municipality, or utility district from charging private colleges and public junior colleges a fee for the development or maintenance of programs of facilities for the control of excess water or storm water. Municipalities with population of less than 25,000 are not prohibited from charging this fee.

The bill provides that any heir, devisee, legatee, or their assigns of an estate whose funds were paid to the comptroller under Chapter X of the Probate Code before September 1, 1991, must institute suit under Section 433 of the Probate Code not later than September 1, 2009.

The bill authorizes the comptroller to require the electronic filing of unclaimed property reports by holders reporting ten or more properties to the comptroller.

The bill provides that a stock, bond, or similar instrument that is non-redeemable or non-transferable, because it has been either canceled or issued by a now-dissolved or defunct company, does not need to be sold at a "public sale." The stock, bond, or instrument could be sold by the comptroller as a gift, novelty, or collectible item or as otherwise determined suitable by the comptroller.

The bill prohibits heirs from receiving a claim form to recover unclaimed property on behalf of a third party owner.

The bill authorizes the comptroller to deposit to unappropriated general revenue the unclaimed funds of the state or state agencies, where the state or agency does not assert a claim for the funds.

The bill removes the comptroller from the approval process for surety bonds required for overweight vehicles.

EFFECTIVE DATE

Except as provided, the Act takes effect upon passage, or if this Act does not receive the necessary vote: Sections 3, 4, 11, 12, 13, 14, 20, 21, 23, 24, 25, 26, 27, and 28 of this Act take effect on August 29, 2005, and Sections 1, 5, 6, 7, 8, 9, 10, 18, 19, 22, 29, 30, 31, 32, 33, and 34 of this Act take effect September 1, 2005.

Sections 2, 15, 16, and 17 of this Act take effect September 1, 2005.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute removes language from the original bill that:

- removed the requirement that a portion of state occupation taxes be deposited in the available school fund,
- allowed the Comptroller to require the manner by which a state agency maintains its travel expense files, and
- required that cash bail bonds be reported to the Comptroller in the same manner as any other property held by county or district clerks, and that authorized the Comptroller to require the posting of a lost instrument bond by claimants unable to produce the original check, money order, or stock share certificate.

The substitute adds language from the original bill:

- creating a hospital district,
- allowing local governments entering into performance contracts to not lonely pay for the improvements from increased savings, but from increased revenues as well, and
- prohibiting a county, municipality (other than those with a population less than 25,000), or utility district from charging private colleges and public junior colleges a fee for the development or maintenance of programs of facilities for the control of excess water or storm water.

The substitute differs from the original bill by changing the caption to conform to the substitute.