

## **BILL ANALYSIS**

Senate Research Center  
79R3844 JJT-D

S.B. 1605  
By: Ogden  
Finance  
4/19/2005  
As Filed

### **AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

As proposed, S.B. 1605 abolishes all funds, accounts, and revenue dedications created by the 79th Legislature, Regular Session, unless specifically exempted under separate sections of this bill. Any funds, accounts, or revenue dedications abolished under this bill would be deposited to the credit of the unobligated portion of the General Revenue Fund. S.B. 1605 exempts dedications, funds, and accounts that were enacted before the 79th Legislature convened to comply with the Texas Constitution or federal requirements, or that remained exempt from the abolishment and removal of dedication provisions of the former Section 403.094(h), Government Code, and increases existing fees that were previously dedicated or required to be deposited in a fund or account exempted prior to the 79th Legislature, Regular Session.

S.B. 1605 exempts trust funds, bond funds, funds required by federal law, separate funds in the state treasury, and constitutional funds created by the 79th Legislature, Regular Session, from abolition. The bill exempts the Quality Assurance Fund (GR Account 5080), if the account was created or recreated in the General Revenue Fund by an act of the 79th Legislature, Regular Session. S.B. 1605 exempts certain funds as accounts in the General Revenue Fund, if the funds were created or recreated by an act of the 79th Legislature, Regular Session.

The bill also amends Sections 403.095(b), (d), and (e), Government Code, to allow the comptroller of public accounts to make reductions in dedicated accounts in the amounts by which estimated revenues and unobligated balances exceeded appropriations on August 31, 2007. The bill exempts funds outside of the state treasury, trust funds, funds created by the state constitution or a court, and funds for which separate accounting was required by federal law from this section. These provisions expire September 1, 2007. The provisions of this bill prevail over any other act of the 79th Legislature, Regular Session – regardless of the date of enactment – purporting to dedicate or rededicate a fund, account, or revenue in the state treasury.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. DEFINITION. Defines "state agency."

SECTION 2. ABOLITION OF FUNDS, ACCOUNTS, AND DEDICATIONS. Provides that, except as otherwise specifically provided by this Act, all funds and accounts created or re-created in the state treasury by an Act of the 79th Legislature, Regular Session, 2005, that becomes law and all dedications or rededications of revenue in the state treasury or otherwise collected by a state agency for a particular purpose by an Act of the 79th Legislature, Regular Session, 2005, that becomes law are abolished on the later of August 29, 2005, or the date the Act creating or re-creating the fund or account or dedicating or rededicating revenue takes effect.

SECTION 3. PREVIOUSLY EXEMPT DEDICATIONS, FUNDS, AND ACCOUNTS. Provides that Section 2 of this Act does not apply to statutory dedications, funds, and accounts that were enacted before the 79th Legislature convened to comply with requirements of state constitutional or federal law; dedications, funds, or accounts that remained exempt from former Section 403.094(h), Government Code, at the time dedications, accounts, and funds were abolished under that provision; increases in fees or in other revenue dedicated as described by

this section; or increases in fees or in other revenue required to be deposited in a fund or account described by this section.

SECTION 4. ACCOUNTS IN GENERAL REVENUE FUND. Provides that, effective on the later of August 29, 2005, or the date the Act creating or re-creating the account takes effect, the Quality Assurance Account No. 5080 and the revenue deposited to the credit of the account are exempt from Section 2 of this Act and are created in the general revenue fund, if created or re-created by an Act of the 79th Legislature, Regular Session, 2005, that becomes law.

SECTION 5. FUNDS TO BECOME ACCOUNTS. Provides that, effective on the later of August 29, 2005, or the date the Act creating or re-creating the fund takes effect, the Felony Prosecutor Supplement Fund No. 303, Water Assistance Fund No. 480, Judicial and Court Personnel Training Fund No. 540, and Judicial Fund No. 573 in the state treasury or funds otherwise with the comptroller are re-created as accounts in the general revenue fund and the accounts and the revenue deposited to the credit of the accounts are exempt from Section 2 of this Act, if created or re-created by an Act of the 79th Legislature, Regular Session, 2005, that becomes law.

SECTION 6. REVENUE DEDICATION. Provides that, effective on the later of August 29, 2005, or the date the Act dedicating or rededicating the revenue takes effect, [sic][the following dedication or rededication of revenue] collected by a state agency for a particular purpose is exempt from Section 2 of this Act, if dedicated or rededicated by an Act of the 79th Legislature, Regular Session, 2005, that becomes law. [Bill as drafted does not specify any dedication or rededication of revenue.]

SECTION 7. FEDERAL FUNDS. Provides that Section 2 of this Act does not apply to funds created pursuant to the 79th Legislature, Regular Session, 2005, for which separate accounting is required by federal law, except that the funds are required to be deposited in accounts in the general revenue fund unless otherwise required by federal law.

SECTION 8. TRUST FUNDS. Provides that Section 2 of this Act does not apply to trust funds or dedicated revenue deposited to trust funds created under an Act of the 79th Legislature, Regular Session, 2005, except that the trust funds are required to be held in the state treasury, with the comptroller of public accounts (comptroller) in trust, or outside the state treasury with the comptroller's approval.

SECTION 9. BOND FUNDS. Provides that Section 2 of this Act does not apply to bond funds and pledged funds created or affected by an Act of the 79th Legislature, Regular Session, 2005, except that the funds are required to be held in the state treasury, with the comptroller in trust, or outside the state treasury with the comptroller's approval.

SECTION 10. CONSTITUTIONAL FUNDS. Provides that Section 2 of this Act does not apply to funds or accounts that would be created or re-created by the Texas Constitution or revenue that would be dedicated or rededicated by the Texas Constitution under a constitutional amendment proposed by the 79th Legislature, Regular Session, 2005, or to dedicated revenue deposited to funds or accounts that would be so created or re-created, if the constitutional amendment is approved by the voters.

SECTION 11. SEPARATE FUNDS IN THE TREASURY. Provides that, effective September 1, 2005, [the following funds in the state treasury and the revenue deposited to the credit of the funds] are exempt from Section 2 of this Act and are created as separate funds in the state treasury, if created by an Act of the 79th Legislature, Regular Session, 2005, that becomes law. [Bill as drafted does not specify any funds.]

SECTION 12. AMENDMENT OF SECTION 403.095, GOVERNMENT CODE. Amends Sections 403.095(b), (d), and (e), Government Code, effective September 1, 2005, as follows:

- (b) Provides that, notwithstanding any law dedicating or setting aside revenue for a particular purpose or entity, dedicated revenues that, on August 31, 2007, rather than 2005, are estimated to exceed the amount appropriated by the General Appropriations Act or other laws enacted by the 79th, rather than 78th, Legislature are available for

general governmental purposes and are considered available for the purpose of certification under Section 403.121.

(d) Makes a conforming change.

(e) Makes a conforming change.

SECTION 13. EFFECT OF ACT. (a) Provides that this Act prevails over any other Act of the 79th Legislature, Regular Session, 2005, regardless of the relative dates of enactment, that purports to create or re-create a special fund or account in the state treasury or to dedicate or rededicate revenue to a particular purpose, including any fund, account, or revenue dedication abolished under former Section 403.094, Government Code.

(b) Requires revenues that, under the terms of another Act of the 79th Legislature, Regular Session, 2005, would be deposited to the credit of a special account or fund, to be deposited to the credit of the unobligated portion of the general revenue fund unless the fund account, or dedication is exempted under this Act.

SECTION 14. EFFECTIVE DATE. Effective date: upon passage or the 91st day after adjournment.