

1-1 By: Isett (Senate Sponsor - Ogden) H.B. No. 3107
1-2 (In the Senate - Received from the House May 11, 2007;
1-3 May 15, 2007, read first time and referred to Committee on Finance;
1-4 May 19, 2007, reported favorably by the following vote: Yeas 11,
1-5 Nays 0; May 19, 2007, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the creation and re-creation of funds and accounts in
1-9 the state treasury, the dedication and rededication of revenue, and
1-10 the exemption of unappropriated money from use for general
1-11 governmental purposes.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. DEFINITION. In any provision of this Act that
1-14 does not amend current law, "state agency" means an office,
1-15 institution, or other agency that is in the executive branch of
1-16 state government, has authority that is not limited to a
1-17 geographical portion of the state, and was created by the
1-18 constitution or a statute of this state. The term does not include
1-19 an institution of higher education as defined by Section 61.003,
1-20 Education Code.

1-21 SECTION 2. ABOLITION OF FUNDS, ACCOUNTS, AND DEDICATIONS.
1-22 Except as otherwise specifically provided by this Act, all funds
1-23 and accounts created or re-created in the state treasury by an Act
1-24 of the 80th Legislature, Regular Session, 2007, that becomes law
1-25 and all dedications or rededications of revenue in the state
1-26 treasury or otherwise collected by a state agency for a particular
1-27 purpose by an Act of the 80th Legislature, Regular Session, 2007,
1-28 that becomes law are abolished on the later of August 27, 2007, or
1-29 the date the Act creating or re-creating the fund or account or
1-30 dedicating or rededicating revenue takes effect.

1-31 SECTION 3. PREVIOUSLY EXEMPT DEDICATIONS, FUNDS, AND
1-32 ACCOUNTS. Section 2 of this Act does not apply to:

1-33 (1) statutory dedications, funds, and accounts that
1-34 were enacted before the 80th Legislature convened to comply with
1-35 requirements of state constitutional or federal law;

1-36 (2) dedications, funds, or accounts that remained
1-37 exempt from former Section 403.094(h), Government Code, at the time
1-38 dedications, accounts, and funds were abolished under that
1-39 provision;

1-40 (3) increases in fees or in other revenue dedicated as
1-41 described by this section; or

1-42 (4) increases in fees or in other revenue required to
1-43 be deposited in a fund or account described by this section.

1-44 SECTION 4. ACCOUNTS IN GENERAL REVENUE FUND. Effective on
1-45 the later of August 27, 2007, or the date the Act creating or
1-46 re-creating the account takes effect, the following accounts and
1-47 the revenue deposited to the credit of the accounts are exempt from
1-48 Section 2 of this Act and are created in the general revenue fund,
1-49 if created or re-created by an Act of the 80th Legislature, Regular
1-50 Session, 2007, that becomes law:

1-51 (1) the homefront heroes account created by House Bill
1-52 No. 3426 or similar legislation;

1-53 (2) the indigent health care support account created
1-54 by House Bill No. 29 or similar legislation; and

1-55 (3) the border security account and any other account
1-56 created or re-created by Senate Bill No. 268 or similar
1-57 legislation.

1-58 SECTION 5. FUNDS TO BECOME ACCOUNTS. Effective on the later
1-59 of August 27, 2007, or the date the Act creating or re-creating the
1-60 fund takes effect, the following fund in the state treasury or fund
1-61 otherwise with the comptroller is re-created as an account in the
1-62 general revenue fund, to the extent allowed by the Texas
1-63 Constitution, and the account and the revenue deposited to the
1-64 credit of the account are exempt from Section 2 of this Act, if

2-1 created or re-created by an Act of, or constitutional amendment
2-2 proposed by, the 80th Legislature, Regular Session, 2007, that
2-3 becomes law or is approved by the voters, as applicable:

2-4 (1) the tax holiday fund under House Bill No. 260 or
2-5 similar legislation.

2-6 SECTION 6. REVENUE DEDICATION. Effective on the later of
2-7 August 27, 2007, or the date the Act dedicating or rededicating the
2-8 revenue takes effect, the following dedications or rededications of
2-9 revenue collected by a state agency for a particular purpose are
2-10 exempt from Section 2 of this Act, if dedicated or rededicated by an
2-11 Act of the 80th Legislature, Regular Session, 2007, that becomes
2-12 law:

2-13 (1) all dedications or rededications to the state
2-14 highway fund; and

2-15 (2) all dedications or rededications to the Texas rail
2-16 relocation and improvement fund made by House Bill No. 683 or
2-17 similar legislation.

2-18 SECTION 7. FEDERAL FUNDS. Section 2 of this Act does not
2-19 apply to funds created pursuant to an Act of the 80th Legislature,
2-20 Regular Session, 2007, for which separate accounting is required by
2-21 federal law, except that the funds shall be deposited in accounts in
2-22 the general revenue fund unless otherwise required by federal law.

2-23 SECTION 8. TRUST FUNDS. Section 2 of this Act does not
2-24 apply to trust funds or dedicated revenue deposited to trust funds
2-25 created under an Act of the 80th Legislature, Regular Session,
2-26 2007, except that the trust funds shall be held in the state
2-27 treasury, with the comptroller in trust, or outside the state
2-28 treasury with the comptroller's approval.

2-29 SECTION 9. BOND FUNDS. Section 2 of this Act does not apply
2-30 to bond funds and pledged funds created or affected by an Act of the
2-31 80th Legislature, Regular Session, 2007, except that the funds
2-32 shall be held in the state treasury, with the comptroller in trust,
2-33 or outside the state treasury with the comptroller's approval.

2-34 SECTION 10. CONSTITUTIONAL FUNDS. Section 2 of this Act
2-35 does not apply to funds or accounts that would be created or
2-36 re-created by the Texas Constitution or revenue that would be
2-37 dedicated or rededicated by the Texas Constitution under a
2-38 constitutional amendment proposed by the 80th Legislature, Regular
2-39 Session, 2007, or to dedicated revenue deposited to funds or
2-40 accounts that would be so created or re-created, if the
2-41 constitutional amendment is approved by the voters.

2-42 SECTION 11. SEPARATE FUNDS IN THE TREASURY. Effective
2-43 September 1, 2007, the following fund in the state treasury and the
2-44 revenue deposited to the credit of the fund is exempt from Section 2
2-45 of this Act and is created as a separate fund in the state treasury,
2-46 if created by an Act of the 80th Legislature, Regular Session, 2007,
2-47 that becomes law:

2-48 (1) the campaign financing fund created by Senate Bill
2-49 No. 921 or similar legislation.

2-50 SECTION 12. AMENDMENT OF SECTION 403.095, GOVERNMENT CODE.
2-51 Effective September 1, 2007, Sections 403.095(b), (d), and (e),
2-52 Government Code, are amended to read as follows:

2-53 (b) Notwithstanding any law dedicating or setting aside
2-54 revenue for a particular purpose or entity, dedicated revenues
2-55 that, on August 31, 2009 [~~2007~~], are estimated to exceed the amount
2-56 appropriated by the General Appropriations Act or other laws
2-57 enacted by the 80th [~~79th~~] Legislature are available for general
2-58 governmental purposes and are considered available for the purpose
2-59 of certification under Section 403.121.

2-60 (d) Following certification of the General Appropriations
2-61 Act and other appropriations measures enacted by the 80th [~~79th~~]
2-62 Legislature, the comptroller shall reduce each dedicated account as
2-63 directed by the legislature by an amount that may not exceed the
2-64 amount by which estimated revenues and unobligated balances exceed
2-65 appropriations. The reductions may be made in the amounts and at
2-66 the times necessary for cash flow considerations to allow all the
2-67 dedicated accounts to maintain adequate cash balances to transact
2-68 routine business. The legislature may authorize, in the General
2-69 Appropriations Act, the temporary delay of the excess balance

3-1 reduction required under this subsection. This subsection does not
 3-2 apply to revenues or balances in:
 3-3 (1) funds outside the treasury;
 3-4 (2) trust funds, which for purposes of this section
 3-5 include funds that may or are required to be used in whole or in part
 3-6 for the acquisition, development, construction, or maintenance of
 3-7 state and local government infrastructures, recreational
 3-8 facilities, or natural resource conservation facilities;
 3-9 (3) funds created by the constitution or a court; or
 3-10 (4) funds for which separate accounting is required by
 3-11 federal law.

(e) This section expires on September 1, 2009 [~~2007~~].

3-12 SECTION 13. REPORT ON FUNDS OR ACCOUNTS. (a) After
 3-13 certification of the General Appropriations Act for the 2008-2009
 3-14 biennium, the comptroller must publish a report listing:
 3-15

- 3-16 (1) each dedicated fund or account;
- 3-17 (2) the amount appropriated from the fund or account
 3-18 for the biennium; and
- 3-19 (3) the estimated balance in each fund or account that
 3-20 remains unappropriated.

3-21 (b) The comptroller shall publish the report required by
 3-22 Subsection (a):

- 3-23 (1) in the Texas Register; and
- 3-24 (2) on the Internet.

3-25 SECTION 14. EFFECT OF ACT. (a) This Act prevails over any
 3-26 other Act of the 80th Legislature, Regular Session, 2007,
 3-27 regardless of the relative dates of enactment, that purports to
 3-28 create or re-create a special fund or account in the state treasury
 3-29 or to dedicate or rededicate revenue to a particular purpose,
 3-30 including any fund, account, or revenue dedication abolished under
 3-31 former Section 403.094, Government Code.

3-32 (b) Revenues that, under the terms of another Act of the
 3-33 80th Legislature, Regular Session, 2007, would be deposited to the
 3-34 credit of a special account or fund shall be deposited to the credit
 3-35 of the undedicated portion of the general revenue fund unless the
 3-36 fund, account, or dedication is exempted under this Act.

3-37 SECTION 15. EFFECTIVE DATE. This Act takes effect
 3-38 immediately if it receives a vote of two-thirds of all the members
 3-39 elected to each house, as provided by Section 39, Article III, Texas
 3-40 Constitution. If this Act does not receive the vote necessary for
 3-41 immediate effect, this Act takes effect on the 91st day after the
 3-42 last day of the legislative session.

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