

1-1 By: Duncan S.B. No. 1811
1-2 (In the Senate - Filed March 11, 2011; March 24, 2011, read
1-3 first time and referred to Committee on Finance; April 26, 2011,
1-4 reported adversely, with favorable Committee Substitute by the
1-5 following vote: Yeas 13, Nays 2; April 26, 2011, sent to printer.)

1-6 COMMITTEE SUBSTITUTE FOR S.B. No. 1811 By: Duncan

1-7 A BILL TO BE ENTITLED
1-8 AN ACT

1-9 relating to state fiscal matters; providing penalties.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 ARTICLE 1. FOUNDATION SCHOOL PROGRAM PAYMENTS

1-12 SECTION 1.01. Subsections (c), (d), and (f), Section
1-13 42.259, Education Code, are amended to read as follows:

1-14 (c) Payments from the foundation school fund to each
1-15 category 2 school district shall be made as follows:

1-16 (1) 22 percent of the yearly entitlement of the
1-17 district shall be paid in an installment to be made on or before the
1-18 25th day of September of a fiscal year;

1-19 (2) 18 percent of the yearly entitlement of the
1-20 district shall be paid in an installment to be made on or before the
1-21 25th day of October;

1-22 (3) 9.5 percent of the yearly entitlement of the
1-23 district shall be paid in an installment to be made on or before the
1-24 25th day of November;

1-25 (4) 7.5 percent of the yearly entitlement of the
1-26 district shall be paid in an installment to be made on or before the
1-27 25th day of April;

1-28 (5) five percent of the yearly entitlement of the
1-29 district shall be paid in an installment to be made on or before the
1-30 25th day of May;

1-31 (6) 10 percent of the yearly entitlement of the
1-32 district shall be paid in an installment to be made on or before the
1-33 25th day of June;

1-34 (7) 13 percent of the yearly entitlement of the
1-35 district shall be paid in an installment to be made on or before the
1-36 25th day of July; and

1-37 (8) 15 percent of the yearly entitlement of the
1-38 district shall be paid in an installment to be made after the 5th
1-39 day of September and not later than the 10th day of September of the
1-40 calendar year following the calendar year of the payment made under
1-41 Subdivision (1) [on or before the 25th day of August].

1-42 (d) Payments from the foundation school fund to each
1-43 category 3 school district shall be made as follows:

1-44 (1) 45 percent of the yearly entitlement of the
1-45 district shall be paid in an installment to be made on or before the
1-46 25th day of September of a fiscal year;

1-47 (2) 35 percent of the yearly entitlement of the
1-48 district shall be paid in an installment to be made on or before the
1-49 25th day of October; and

1-50 (3) 20 percent of the yearly entitlement of the
1-51 district shall be paid in an installment to be made after the 5th
1-52 day of September and not later than the 10th day of September of the
1-53 calendar year following the calendar year of the payment made under
1-54 Subdivision (1) [on or before the 25th day of August].

1-55 (f) Except as provided by Subsection (c)(8) or (d)(3), any
1-56 [Any] previously unpaid additional funds from prior fiscal years
1-57 owed to a district shall be paid to the district together with the
1-58 September payment of the current fiscal year entitlement.

1-59 SECTION 1.02. Subsection (c), Section 466.355, Government
1-60 Code, is repealed.

1-61 SECTION 1.03. The changes made by this article to Section
1-62 42.259, Education Code, apply only to a payment from the foundation
1-63 school fund that is made on or after the effective date of this Act.

2-1 A payment to a school district from the foundation school fund that
2-2 is made before that date is governed by Section 42.259, Education
2-3 Code, as it existed before amendment by this article, and the former
2-4 law is continued in effect for that purpose.

2-5 ARTICLE 2. SALE OF CERTAIN STATE PROPERTY

2-6 SECTION 2.01. (a) Not later than August 31, 2013, the
2-7 General Land Office shall offer for sale on behalf of each holder of
2-8 real property the tracts of real property described by Section 2.02
2-9 of this article.

2-10 (b) Except as otherwise provided by this article, the sale
2-11 shall be conducted as provided by Section 31.158, Natural Resources
2-12 Code.

2-13 SECTION 2.02. Section 2.01 of this article applies to
2-14 property described as follows:

2-15 (1) GLO State Real Property ID OA-1900, described as:
2-16 All of Outlot 55, Division E, and all of Outlot 56, save and except
2-17 the northwest 171 by 171 feet of Outlot 56, Division E, plus the
2-18 vacated portion of East 16th Street, City of Austin, Travis County;

2-19 (2) GLO State Real Property ID OA-2402, described as:
2-20 46.19 acres out of the George W. Spear League, Austin, Travis
2-21 County, as described in Volume 776, Page 225, of the Travis County
2-22 Deed Records;

2-23 (3) GLO State Real Property ID OA-1905, described as:
2-24 The northeast 1/4, the north 1/2 of the southeast 1/4 and the east 5
2-25 feet of the northwest 1/4 and east 5 feet of the north 1/2 of the
2-26 southwest 1/4, all in Outlot 42, Division E, City of Austin, Travis
2-27 County;

2-28 (4) GLO State Real Property ID OA-2177, described as:
2-29 Lot 25-A, Capitol Business park, 1-A, a subdivision of Travis
2-30 County according to the plat recorded in Volume 81, page 110, plat
2-31 records, Austin, Travis County;

2-32 (5) Parcel B, approximately 895.99 acres, of GLO State
2-33 Real Property ID OA-702, described as: 895.99 acres out of the
2-34 Stephen Manning Survey, A-31, Walker County;

2-35 (6) GLO State Real Property ID OA-1913, described as:
2-36 A 2.32 acre tract of land being the easterly 79 feet, more or less,
2-37 of the southern half of Block 54, Division E, excluding a 20 foot
2-38 alley, as shown on a map of the Original City of Austin, in the
2-39 General Land Office for the State of Texas in the City of Austin,
2-40 Travis County;

2-41 (7) Parcel B, approximately 13 acres, of GLO State
2-42 Real Property ID OA-702, described as: A 13 acre tract of land,
2-43 more or less, being that part of the McKinney Falls State
2-44 Park/Headquarters lying west of East Stassney Lane, out of the
2-45 Santiago Del Valle Grant, Austin, Travis County;

2-46 (8) Parcel B, approximately 20 acres, of GLO State
2-47 Real Property ID OA-736, described as: Approximately 20 acres out
2-48 of a 78.182 acre tract being all of Blocks 20 and 21 of the Lon C.
2-49 Hill subdivision of shares 6, 7, 8, and 9 of the Concepcion de
2-50 Carricitos Grant, Cameron County;

2-51 (9) GLO State Real Property ID OA-2144, described as:
2-52 0.344 acres of land consisting of Lot 8, Block 2, Twin Circle
2-53 Estates Addition, City of Wortham, Freestone County;

2-54 (10) Parcel A, approximately 33 acres, of GLO State
2-55 Real Property ID OA-752, described as: 33 acres being out of the
2-56 south half of Section 51, Blind Asylum Land Survey, Abilene, Taylor
2-57 County; and

2-58 (11) GLO State Real Property ID OA-2139, described as:
2-59 Lot 11, Plantation Acres, Marlin, Falls County.

2-60 SECTION 2.03. The proceeds from the sales authorized by
2-61 Section 2.01 of this article shall be deposited in the state
2-62 treasury to the credit of the general revenue fund.

2-63 ARTICLE 3. CUSTOMS BROKERS

2-64 SECTION 3.01. Subsections (a-1), (f), and (f-1), Section
2-65 151.157, Tax Code, are amended to read as follows:

2-66 (a-1) The comptroller shall maintain a password-protected
2-67 website that a customs broker, or an authorized employee of a
2-68 customs broker, licensed under this section must use to prepare
2-69 documentation to show the exemption of tangible personal property

3-1 under Section 151.307(b)(2). The comptroller shall require a
 3-2 customs broker or authorized employee to use the website to
 3-3 actually produce the documentation after providing all necessary
 3-4 information. The comptroller shall use the information provided by
 3-5 a customs broker or authorized employee under this subsection as
 3-6 necessary to enforce this section and Section 151.307. [~~The
 3-7 comptroller shall provide an alternate method to prepare
 3-8 documentation to show the exemption of tangible personal property
 3-9 under Section 151.307(b)(2) in those instances when the
 3-10 password-protected website is unavailable due to technical or
 3-11 communication problems.~~]

3-12 (f) The comptroller may suspend or revoke a license issued
 3-13 under this section if the customs broker does not comply with
 3-14 Section 151.1575(c) or issues documentation that is false [~~to
 3-15 obtain a refund of taxes paid on tangible personal property not
 3-16 exported or to assist another person in obtaining such a refund~~].
 3-17 The comptroller may determine the length of suspension or
 3-18 revocation necessary for the enforcement of this chapter and the
 3-19 comptroller's rules. A proceeding to suspend or revoke a license
 3-20 under this subsection is a contested case under Chapter 2001,
 3-21 Government Code. Judicial review is by trial de novo. The district
 3-22 courts of Travis County have exclusive original jurisdiction of a
 3-23 suit under this section.

3-24 (f-1) In addition to any other penalty provided by law, the
 3-25 comptroller may require a customs broker to pay to the comptroller
 3-26 the amount of any tax refunded and the amount of any penalty imposed
 3-27 under Section 151.1575(c) if the customs broker did not comply with
 3-28 this section or the rules adopted by the comptroller under this
 3-29 section [~~in relation to the refunded tax~~].

3-30 SECTION 3.02. Subsections (b) and (c), Section 151.1575,
 3-31 Tax Code, are amended to read as follows:

3-32 (b) A customs broker licensed by the comptroller or an
 3-33 authorized employee of the customs broker may issue and deliver
 3-34 documentation under Subsection (a) at any time after the tangible
 3-35 personal property is purchased and the broker or employee completes
 3-36 the process required by Subsection (a). The documentation must
 3-37 include:

- 3-38 (1) the name and address of the customs broker;
- 3-39 (2) the license number of the customs broker;
- 3-40 (3) the name and address of the purchaser;
- 3-41 (4) the name and address of the place at which the
 3-42 property was purchased;
- 3-43 (5) the date and time of the sale;
- 3-44 (6) a description and the quantity of the property;
- 3-45 (7) the sales price of the property;
- 3-46 (8) the foreign country destination of the property,
 3-47 which may not be the place of export;
- 3-48 (9) the date and time:

3-49 (A) at which the customs broker or authorized
 3-50 employee watched the property cross the border of the United
 3-51 States;

3-52 (B) at which the customs broker or authorized
 3-53 employee watched the property being placed on a common carrier for
 3-54 delivery outside the territorial limits of the United States; or

3-55 (C) the property is expected to arrive in the
 3-56 foreign country destination, as stated by the purchaser;

3-57 (10) a declaration signed by the customs broker or an
 3-58 authorized employee of the customs broker stating that:

3-59 (A) the customs broker is a licensed Texas
 3-60 customs broker; and

3-61 (B) the customs broker or authorized employee
 3-62 inspected the property and the original receipt for the property;
 3-63 and

3-64 (11) an export certification stamp issued by the
 3-65 comptroller.

3-66 (c) The comptroller may require a customs broker to pay the
 3-67 comptroller the amount of any tax refunded if the customs broker
 3-68 does not comply with this section, Section 151.157, or the rules
 3-69 adopted by the comptroller under this section or Section 151.157.

4-1 In addition to the amount of the refunded tax, the comptroller may
4-2 require the customs broker to pay a penalty of [in an amount equal
4-3 to the amount of the refunded tax, but] not less than \$500 nor more
4-4 than \$5,000. The comptroller and the state may deduct any penalties
4-5 to be paid by a customs broker from the broker's posted bond.

4-6 SECTION 3.03. Subsection (g), Section 151.158, Tax Code, is
4-7 amended to read as follows:

4-8 (g) The comptroller shall charge \$2.10 [~~\$1.60~~] for each
4-9 stamp. The comptroller shall use \$1.60 of the money from the sale
4-10 of the stamps only for costs related to producing the stamps,
4-11 including costs of materials, labor, and overhead. The comptroller
4-12 shall use the remaining 50 cents only for enforcement of the laws
4-13 relating to customs brokers under this title. Any unspent money
4-14 shall be deposited to the credit of the general revenue fund.
4-15 Customs brokers who return unused stamps to the comptroller's
4-16 office on a quarterly basis shall get credit towards the purchase of
4-17 new stamps.

4-18 SECTION 3.04. The change in law made by this article applies
4-19 only to documentation issued on or after the effective date of this
4-20 article. Documentation issued before the effective date of this
4-21 article is governed by the law in effect on the date the
4-22 documentation was issued, and that law is continued in effect for
4-23 that purpose.

4-24 ARTICLE 4. STATE SALES AND FRANCHISE TAX REFUNDS FOR CERTAIN AD
4-25 VALOREM TAXPAYERS

4-26 SECTION 4.01. Subchapter F, Chapter 111, Tax Code, is
4-27 repealed.

4-28 SECTION 4.02. The repeal of Subchapter F, Chapter 111, Tax
4-29 Code, by this article does not affect an eligible person's right to
4-30 claim a refund of state sales and use and state franchise taxes that
4-31 was established under Section 111.301, Tax Code, in relation to
4-32 taxes paid before the effective date of this article in a calendar
4-33 year for which the person paid ad valorem taxes to a school district
4-34 as provided by Section 111.301, Tax Code, before the effective date
4-35 of this article. An eligible person's right to claim a refund of
4-36 state sales and use and state franchise taxes that was established
4-37 under Section 111.301, Tax Code, in relation to taxes paid before
4-38 the effective date of this article in a calendar year for which the
4-39 person paid ad valorem taxes to a school district as provided by
4-40 Section 111.301, Tax Code, before the effective date of this
4-41 article is governed by the law in effect on the date the right to
4-42 claim the refund was established, and the former law is continued in
4-43 effect for that purpose.

4-44 ARTICLE 5. APPLICABILITY OF HOTEL TAX TO PERMANENT RESIDENTS

4-45 SECTION 5.01. Section 156.001, Tax Code, is amended to read
4-46 as follows:

4-47 Sec. 156.001. DEFINITION. In this chapter, "hotel" means a
4-48 building in which members of the public obtain sleeping
4-49 accommodations for consideration. The term includes a hotel,
4-50 motel, tourist home, tourist house, tourist court, lodging house,
4-51 inn, rooming house, or bed and breakfast. The term does not
4-52 include:

- 4-53 (1) a hospital, sanitarium, or nursing home; [~~or~~]
- 4-54 (2) a dormitory or other housing facility owned or
4-55 leased and operated by an institution of higher education or a
4-56 private or independent institution of higher education as those
4-57 terms are defined by Section 61.003, Education Code, used by the
4-58 institution for the purpose of providing sleeping accommodations
4-59 for persons engaged in an educational program or activity at the
4-60 institution; or
- 4-61 (3) that part of an apartment or condominium building
4-62 that consists of a dwelling that is leased to a tenant, as the terms
4-63 "tenant" and "dwelling" are defined by Section 92.001, Property
4-64 Code.

4-65 SECTION 5.02. Subsection (c), Section 351.002, Tax Code, is
4-66 amended to read as follows:

4-67 (c) The tax does not apply to a person who has the right to
4-68 use or possess a room in a hotel for at least 30 consecutive days, so
4-69 long as there is no interruption of payment for that period [~~is a~~]

5-1 ~~permanent resident under Section 156.101 of this code].~~

5-2 SECTION 5.03. Subdivision (1), Section 352.001, Tax Code,
5-3 is amended to read as follows:

5-4 (1) "Hotel" has the meaning assigned by Section
5-5 156.001 [156.001(1)].

5-6 SECTION 5.04. Subsection (c), Section 352.002, Tax Code, is
5-7 amended to read as follows:

5-8 (c) The tax does not apply to a person who has the right to
5-9 use or possess a room in a hotel for at least 30 consecutive days, so
5-10 long as there is no interruption of payment for that period [~~is a~~
5-11 ~~permanent resident under Section 156.101 of this code]~~.

5-12 SECTION 5.05. Section 156.101, Tax Code, is repealed.

5-13 SECTION 5.06. This article takes effect July 1, 2011, if
5-14 this Act receives a vote of two-thirds of all the members elected to
5-15 each house, as provided by Section 39, Article III, Texas
5-16 Constitution. If this Act does not receive the vote necessary for
5-17 effect on that date, this article takes effect October 1, 2011.

5-18 ARTICLE 6. UNCLAIMED PROPERTY

5-19 SECTION 6.01. Subsection (a), Section 72.101, Property
5-20 Code, is amended to read as follows:

5-21 (a) Except as provided by this section and Sections 72.1015,
5-22 72.1016, 72.1017, and 72.102, personal property is presumed
5-23 abandoned if, for longer than three years:

5-24 (1) the existence and location of the owner of the
5-25 property is unknown to the holder of the property; and

5-26 (2) according to the knowledge and records of the
5-27 holder of the property, a claim to the property has not been
5-28 asserted or an act of ownership of the property has not been
5-29 exercised.

5-30 SECTION 6.02. Subchapter B, Chapter 72, Property Code, is
5-31 amended by adding Section 72.1017 to read as follows:

5-32 Sec. 72.1017. UTILITY DEPOSITS. (a) In this section:

5-33 (1) "Utility" has the meaning assigned by Section
5-34 183.001, Utilities Code.

5-35 (2) "Utility deposit" is a refundable money deposit a
5-36 utility requires a user of the utility service to pay as a condition
5-37 of initiating the service.

5-38 (b) Notwithstanding Section 73.102, a utility deposit is
5-39 presumed abandoned on the latest of:

5-40 (1) the first anniversary of the date a refund check
5-41 for the utility deposit was payable to the owner of the deposit;

5-42 (2) the first anniversary of the date the utility last
5-43 received documented communication from the owner of the utility
5-44 deposit; or

5-45 (3) the first anniversary of the date the utility
5-46 issued a refund check for the deposit payable to the owner of the
5-47 deposit if, according to the knowledge and records of the utility or
5-48 payor of the check, during that period, a claim to the check has not
5-49 been asserted or an act of ownership by the payee has not been
5-50 exercised.

5-51 SECTION 6.03. Subsection (c), Section 72.102, Property
5-52 Code, is amended to read as follows:

5-53 (c) A money order to which Subsection (a) applies is
5-54 presumed to be abandoned on the latest of:

5-55 (1) the third [seventh] anniversary of the date on
5-56 which the money order was issued;

5-57 (2) the third [seventh] anniversary of the date on
5-58 which the issuer of the money order last received from the owner of
5-59 the money order communication concerning the money order; or

5-60 (3) the third [seventh] anniversary of the date of the
5-61 last writing, on file with the issuer, that indicates the owner's
5-62 interest in the money order.

5-63 SECTION 6.04. Section 72.103, Property Code, is amended to
5-64 read as follows:

5-65 Sec. 72.103. PRESERVATION OF PROPERTY. Notwithstanding any
5-66 other provision of this title except a provision of this section or
5-67 Section 72.1016 relating to a money order or a stored value card, a
5-68 holder of abandoned property shall preserve the property and may
5-69 not at any time, by any procedure, including a deduction for

6-1 service, maintenance, or other charge, transfer or convert to the
 6-2 profits or assets of the holder or otherwise reduce the value of the
 6-3 property. For purposes of this section, value is determined as of
 6-4 the date of the last transaction or contact concerning the
 6-5 property, except that in the case of a money order, value is
 6-6 determined as of the date the property is presumed abandoned under
 6-7 Section 72.102(c). If a holder imposes service, maintenance, or
 6-8 other charges on a money order prior to the time of presumed
 6-9 abandonment, such charges may not exceed the amount of \$1 [~~50 cents~~]
 6-10 per month for each month the money order remains uncashed prior to
 6-11 the month in which the money order is presumed abandoned.

6-12 SECTION 6.05. Section 73.101, Property Code, is amended by
 6-13 amending Subsection (a) and adding Subsection (c) to read as
 6-14 follows:

6-15 (a) An account or safe deposit box is presumed abandoned if:

6-16 (1) except as provided by Subsection (c), the account
 6-17 or safe deposit box has been inactive for at least five years as
 6-18 determined under Subsection (b);

6-19 (2) the location of the depositor of the account or
 6-20 owner of the safe deposit box is unknown to the depository; and

6-21 (3) the amount of the account or the contents of the
 6-22 box have not been delivered to the comptroller in accordance with
 6-23 Chapter 74.

6-24 (c) If the account is a checking or savings account or is a
 6-25 matured certificate of deposit, the account is presumed abandoned
 6-26 if the account has been inactive for at least three years as
 6-27 determined under Subsection (b)(1).

6-28 SECTION 6.06. Subsection (a), Section 74.101, Property
 6-29 Code, is amended to read as follows:

6-30 (a) Each holder who on June 1 [~~30~~] holds property that is
 6-31 presumed abandoned under Chapter 72, 73, or 75 of this code or under
 6-32 Chapter 154, Finance Code, shall file a report of that property on
 6-33 or before the following July [~~November~~] 1. The comptroller may
 6-34 require the report to be in a particular format, including a format
 6-35 that can be read by a computer.

6-36 SECTION 6.07. Subsection (a), Section 74.1011, Property
 6-37 Code, is amended to read as follows:

6-38 (a) Except as provided by Subsection (b), a holder who on
 6-39 June 1 [~~30~~] holds property valued at more than \$250 that is presumed
 6-40 abandoned under Chapter 72, 73, or 75 of this code or Chapter 154,
 6-41 Finance Code, shall, on or before the preceding May [~~following~~
 6-42 ~~August~~] 1, mail to the last known address of the known owner written
 6-43 notice stating that:

6-44 (1) the holder is holding the property; and

6-45 (2) the holder may be required to deliver the property
 6-46 to the comptroller on or before July [~~November~~] 1 if the property is
 6-47 not claimed.

6-48 SECTION 6.08. Subsections (a) and (c), Section 74.301,
 6-49 Property Code, are amended to read as follows:

6-50 (a) Except as provided by Subsection (c), each holder who on
 6-51 June 1 [~~30~~] holds property that is presumed abandoned under Chapter
 6-52 72, 73, or 75 shall deliver the property to the comptroller on or
 6-53 before the following July [~~November~~] 1 accompanied by the report
 6-54 required to be filed under Section 74.101.

6-55 (c) If the property subject to delivery under Subsection (a)
 6-56 is the contents of a safe deposit box, the comptroller may instruct
 6-57 a holder to deliver the property on a specified date before July
 6-58 [~~November~~] 1 of the following year.

6-59 SECTION 6.09. Subsection (e), Section 74.601, Property
 6-60 Code, is amended to read as follows:

6-61 (e) The comptroller on receipt or from time to time may
 6-62 [~~from time to time~~] sell securities, including stocks, bonds, and
 6-63 mutual funds, received under this chapter or any other statute
 6-64 requiring the delivery of unclaimed property to the comptroller and
 6-65 use the proceeds to buy, exchange, invest, or reinvest in
 6-66 marketable securities. When making or selling the investments, the
 6-67 comptroller shall exercise the judgment and care of a prudent
 6-68 person.

6-69 SECTION 6.10. Section 74.708, Property Code, is amended to

7-1 read as follows:

7-2 Sec. 74.708. PROPERTY HELD IN TRUST. A holder who on June 1
7-3 [~~30~~] holds property presumed abandoned under Chapters 72-75 holds
7-4 the property in trust for the benefit of the state on behalf of the
7-5 missing owner and is liable to the state for the full value of the
7-6 property, plus any accrued interest and penalty. A holder is not
7-7 required by this section to segregate or establish trust accounts
7-8 for the property provided the property is timely delivered to the
7-9 comptroller in accordance with Section 74.301.

7-10 SECTION 6.11. A charge imposed on a money order under
7-11 Section 72.103, Property Code, by a holder before the effective
7-12 date of this article is governed by the law applicable to the charge
7-13 immediately before the effective date of this article, and the
7-14 holder may retain the charge.

7-15 ARTICLE 7. CLASSIFICATION OF JUDICIAL AND COURT PERSONNEL
7-16 TRAINING FUND

7-17 SECTION 7.01. Section 56.001, Government Code, is amended
7-18 to read as follows:

7-19 Sec. 56.001. JUDICIAL AND COURT PERSONNEL TRAINING FUND.

7-20 (a) The judicial and court personnel training fund is an account
7-21 in the general revenue fund. Money in the judicial and court
7-22 personnel training fund may be appropriated only to [~~created in the~~
7-23 ~~state treasury and shall be administered by~~] the court of criminal
7-24 appeals for the uses authorized in Section 56.003.

7-25 (b) [~~(i)~~] On requisition of the court of criminal appeals,
7-26 the comptroller shall draw a warrant on the fund for the amount
7-27 specified in the requisition for a use authorized in Section
7-28 56.003. A warrant may not exceed the amount appropriated for any
7-29 one fiscal year. [~~At the end of each state fiscal year, any~~
7-30 ~~unexpended balance in the fund in excess of \$500,000 shall be~~
7-31 ~~transferred to the general revenue fund.~~]

7-32 ARTICLE 8. PROCESS SERVER CERTIFICATION FEES

7-33 SECTION 8.01. Subchapter A, Chapter 51, Government Code, is
7-34 amended by adding Section 51.008 to read as follows:

7-35 Sec. 51.008. FEES FOR PROCESS SERVER CERTIFICATION.

7-36 (a) The process server review board established by supreme court
7-37 order may recommend to the supreme court the fees to be charged for
7-38 process server certification and renewal of certification. The
7-39 supreme court must approve the fees recommended by the process
7-40 server review board before the fees may be collected.

7-41 (b) If a certification is issued or renewed for a term that
7-42 is less than the certification period provided by supreme court
7-43 rule, the fee for the certification shall be prorated so that the
7-44 process server pays only that portion of the fee that is allocable
7-45 to the period during which the certification is valid. On renewal
7-46 of the certification on the new expiration date, the process server
7-47 must pay the entire certification renewal fee.

7-48 (c) The Office of Court Administration of the Texas Judicial
7-49 System may collect the fees recommended by the process server
7-50 review board and approved by the supreme court. Fees collected
7-51 under this section shall be sent to the comptroller for deposit to
7-52 the credit of the general revenue fund.

7-53 (d) Fees collected under this section may be appropriated to
7-54 the Office of Court Administration of the Texas Judicial System for
7-55 the support of regulatory programs for process servers and
7-56 guardians.

7-57 SECTION 8.02. (a) The fees recommended and approved under
7-58 Section 51.008, Government Code, as added by this article, apply
7-59 to:

7-60 (1) each person who holds a process server
7-61 certification on the effective date of this article; and

7-62 (2) each person who applies for process server
7-63 certification on or after the effective date of this article.

7-64 (b) The Office of Court Administration of the Texas Judicial
7-65 System shall prorate the process server certification fee so that a
7-66 person who holds a process server certification on the effective
7-67 date of this article pays only that portion of the fee that is
7-68 allocable to the period during which the certification is valid. On
7-69 renewal of the certification on the new expiration date, the entire

8-1 certification renewal fee is payable.

8-2 ARTICLE 9. FEES FOR DELIVERY OF CERTAIN PETROLEUM PRODUCTS

8-3 SECTION 9.01. Subsection (b), Section 26.3574, Water Code,
8-4 is amended to read as follows:

8-5 (b) A fee is imposed on the delivery of a petroleum product
8-6 on withdrawal from bulk of that product as provided by this
8-7 subsection. Each operator of a bulk facility on withdrawal from
8-8 bulk of a petroleum product shall collect from the person who orders
8-9 the withdrawal a fee in an amount determined as follows:

8-10 (1) \$3.75 for each delivery into a cargo tank having a
8-11 capacity of less than 2,500 gallons [~~for the state fiscal year~~
8-12 ~~beginning September 1, 2007, through the state fiscal year ending~~
8-13 ~~August 31, 2011~~];

8-14 (2) \$7.50 for each delivery into a cargo tank having a
8-15 capacity of 2,500 gallons or more but less than 5,000 gallons [~~for~~
8-16 ~~the state fiscal year beginning September 1, 2007, through the~~
8-17 ~~state fiscal year ending August 31, 2011~~];

8-18 (3) \$11.75 for each delivery into a cargo tank having a
8-19 capacity of 5,000 gallons or more but less than 8,000 gallons [~~for~~
8-20 ~~the state fiscal year beginning September 1, 2007, through the~~
8-21 ~~state fiscal year ending August 31, 2011~~];

8-22 (4) \$15.00 for each delivery into a cargo tank having a
8-23 capacity of 8,000 gallons or more but less than 10,000 gallons [~~for~~
8-24 ~~the state fiscal year beginning September 1, 2007, through the~~
8-25 ~~state fiscal year ending August 31, 2011~~]; and

8-26 (5) \$7.50 for each increment of 5,000 gallons or any
8-27 part thereof delivered into a cargo tank having a capacity of 10,000
8-28 gallons or more [~~for the state fiscal year beginning September 1,~~
8-29 ~~2007, through the state fiscal year ending August 31, 2011~~].

8-30 ARTICLE 10. REMITTANCE AND ALLOCATION OF CERTAIN MOTOR FUELS
8-31 TAXES

8-32 SECTION 10.01. Section 162.113, Tax Code, is amended by
8-33 adding Subsections (a-1), (a-2), (a-3), and (a-4) to read as
8-34 follows:

8-35 (a-1) On August 28, 2013, each licensed distributor and
8-36 licensed importer shall remit to the supplier or permissive
8-37 supplier, as applicable, a tax prepayment in an amount equal to 25
8-38 percent of the tax imposed by Section 162.101 for gasoline removed
8-39 at the terminal rack during July 2013 by the licensed distributor or
8-40 licensed importer, without accounting for any credit or allowance
8-41 to which the licensed distributor or licensed importer is entitled.
8-42 The supplier or permissive supplier shall remit the tax prepayment
8-43 received under this subsection to the comptroller by electronic
8-44 funds transfer on August 30, 2013, without accounting for any
8-45 credit or allowance to which the supplier or permissive supplier is
8-46 entitled. Subsections (c)-(e) do not apply to the tax prepayment
8-47 under this subsection.

8-48 (a-2) A licensed distributor or licensed importer may take a
8-49 credit against the amount of tax imposed by Section 162.101 for
8-50 gasoline removed at a terminal rack during August 2013 that is
8-51 required to be remitted to the supplier or permissive supplier, as
8-52 applicable, under Subsection (a) in September 2013. The amount of
8-53 the credit is equal to the amount of any tax prepayment remitted by
8-54 the licensed distributor or licensed importer as required by
8-55 Subsection (a-1).

8-56 (a-3) Subsections (a-1) and (a-2) apply to a supplier or an
8-57 affiliate of a supplier who removes gasoline at the terminal rack
8-58 for distribution to the same extent and in the same manner that
8-59 those subsections apply to a licensed distributor or licensed
8-60 importer.

8-61 (a-4) Subsections (a-1), (a-2), and (a-3) and this
8-62 subsection expire September 1, 2015.

8-63 SECTION 10.02. Section 162.214, Tax Code, is amended by
8-64 adding Subsections (a-1), (a-2), (a-3), and (a-4) to read as
8-65 follows:

8-66 (a-1) On August 28, 2013, each licensed distributor and
8-67 licensed importer shall remit to the supplier or permissive
8-68 supplier, as applicable, a tax prepayment in an amount equal to 25
8-69 percent of the tax imposed by Section 162.201 for diesel fuel

9-1 removed at the terminal rack during July 2013 by the licensed
 9-2 distributor or licensed importer, without accounting for any credit
 9-3 or allowance to which the licensed distributor or licensed importer
 9-4 is entitled. The supplier or permissive supplier shall remit the
 9-5 tax prepayment received under this subsection to the comptroller by
 9-6 electronic funds transfer on August 30, 2013, without accounting
 9-7 for any credit or allowance to which the supplier or permissive
 9-8 supplier is entitled. Subsections (c)-(e) do not apply to the tax
 9-9 prepayment under this subsection.

9-10 (a-2) A licensed distributor or licensed importer may take a
 9-11 credit against the amount of tax imposed by Section 162.201 for
 9-12 diesel fuel removed at a terminal rack during August 2013 that is
 9-13 required to be remitted to the supplier or permissive supplier, as
 9-14 applicable, under Subsection (a) in September 2013. The amount of
 9-15 the credit is equal to any tax prepayment remitted by the licensed
 9-16 distributor or licensed importer as required by Subsection (a-1).

9-17 (a-3) Subsections (a-1) and (a-2) apply to a supplier or an
 9-18 affiliate of a supplier who removes diesel fuel at the terminal rack
 9-19 for distribution to the same extent and in the same manner that
 9-20 those subsections apply to a licensed distributor or licensed
 9-21 importer.

9-22 (a-4) Subsections (a-1), (a-2), and (a-3) and this
 9-23 subsection expire September 1, 2015.

9-24 SECTION 10.03. Section 162.503, Tax Code, is amended to
 9-25 read as follows:

9-26 Sec. 162.503. ALLOCATION OF GASOLINE TAX. (a) On or
 9-27 before the fifth workday after the end of each month, the
 9-28 comptroller, after making all deductions for refund purposes and
 9-29 for the amounts allocated under Sections 162.502 and 162.5025,
 9-30 shall allocate the net remainder of the taxes collected under
 9-31 Subchapter B as follows:

9-32 (1) one-fourth of the tax shall be deposited to the
 9-33 credit of the available school fund;

9-34 (2) one-half of the tax shall be deposited to the
 9-35 credit of the state highway fund for the construction and
 9-36 maintenance of the state road system under existing law; and

9-37 (3) from the remaining one-fourth of the tax the
 9-38 comptroller shall:

9-39 (A) deposit to the credit of the county and road
 9-40 district highway fund all the remaining tax receipts until a total
 9-41 of \$7,300,000 has been credited to the fund each fiscal year; and

9-42 (B) after the amount required to be deposited to
 9-43 the county and road district highway fund has been deposited,
 9-44 deposit to the credit of the state highway fund the remainder of the
 9-45 one-fourth of the tax, the amount to be provided on the basis of
 9-46 allocations made each month of the fiscal year, which sum shall be
 9-47 used by the Texas Department of Transportation for the
 9-48 construction, improvement, and maintenance of farm-to-market
 9-49 roads.

9-50 (b) Notwithstanding Subsection (a), the comptroller may not
 9-51 allocate revenue otherwise required to be allocated under
 9-52 Subsection (a) during August 2013 before the first workday of
 9-53 September 2013. The revenue shall be allocated as otherwise
 9-54 provided by Subsection (a) not later than the fifth workday of
 9-55 September 2013. This subsection expires September 1, 2015.

9-56 SECTION 10.04. Section 162.504, Tax Code, is amended to
 9-57 read as follows:

9-58 Sec. 162.504. ALLOCATION OF DIESEL FUEL TAX. (a) On or
 9-59 before the fifth workday after the end of each month, the
 9-60 comptroller, after making deductions for refund purposes, for the
 9-61 administration and enforcement of this chapter, and for the amounts
 9-62 allocated under Section 162.5025, shall allocate the remainder of
 9-63 the taxes collected under Subchapter C as follows:

9-64 (1) one-fourth of the taxes shall be deposited to the
 9-65 credit of the available school fund; and

9-66 (2) three-fourths of the taxes shall be deposited to
 9-67 the credit of the state highway fund.

9-68 (b) Notwithstanding Subsection (a), the comptroller may not
 9-69 allocate revenue otherwise required to be allocated under

10-1 Subsection (a) during August 2013 before the first workday of
 10-2 September 2013. The revenue shall be allocated as otherwise
 10-3 provided by Subsection (a) not later than the fifth workday of
 10-4 September 2013. This subsection expires September 1, 2015.

10-5 SECTION 10.05. The expiration of the amendments made to the
 10-6 Tax Code in accordance with this article does not affect tax
 10-7 liability accruing before the expiration of those amendments. That
 10-8 liability continues in effect as if the amendments had not expired,
 10-9 and the former law is continued in effect for the collection of
 10-10 taxes due and for civil and criminal enforcement of the liability
 10-11 for those taxes.

10-12 ARTICLE 11. REMITTANCE OF MIXED BEVERAGE TAXES AND TAXES AND FEES
 10-13 ON CERTAIN ALCOHOLIC BEVERAGES

10-14 SECTION 11.01. Section 34.04, Alcoholic Beverage Code, is
 10-15 amended by adding Subsections (c), (d), and (e) to read as follows:

10-16 (c) In August 2013, a permittee shall remit a tax prepayment
 10-17 of taxes due to be remitted in September 2013 that is equal to 25
 10-18 percent of the amount the permittee is otherwise required to remit
 10-19 during August 2013 under the reporting system prescribed by the
 10-20 commission. The prepayment is in addition to the amount the
 10-21 permittee is otherwise required to remit during August. The
 10-22 permittee shall remit the additional payment in conjunction with
 10-23 the report and payment otherwise required during that month.

10-24 (d) A permittee who remits the additional payment as
 10-25 required by Subsection (c) may take a credit in the amount of the
 10-26 additional payment against the next payment due under the reporting
 10-27 system prescribed by the commission.

10-28 (e) Subsections (c) and (d) and this subsection expire
 10-29 September 1, 2015.

10-30 SECTION 11.02. Section 48.04, Alcoholic Beverage Code, is
 10-31 amended by adding Subsections (c), (d), and (e) to read as follows:

10-32 (c) In August 2013, a permittee shall remit a tax prepayment
 10-33 of taxes due to be remitted in September 2013 that is equal to 25
 10-34 percent of the amount the permittee is otherwise required to remit
 10-35 during August 2013 under the reporting system prescribed by the
 10-36 commission. The prepayment is in addition to the amount the
 10-37 permittee is otherwise required to remit during August. The
 10-38 permittee shall remit the additional payment in conjunction with
 10-39 the report and payment otherwise required during that month.

10-40 (d) A permittee who remits the additional payment as
 10-41 required by Subsection (c) may take a credit in the amount of the
 10-42 additional payment against the next payment due under the reporting
 10-43 system prescribed by the commission.

10-44 (e) Subsections (c) and (d) and this subsection expire
 10-45 September 1, 2015.

10-46 SECTION 11.03. Section 201.07, Alcoholic Beverage Code, is
 10-47 amended to read as follows:

10-48 Sec. 201.07. DUE DATE. (a) The tax on liquor is due and
 10-49 payable on the 15th of the month following the first sale, together
 10-50 with a report on the tax due.

10-51 (b) In August 2013, each permittee who is liable for the
 10-52 taxes imposed by this subchapter shall remit a tax prepayment of
 10-53 taxes due to be remitted in September 2013 that is equal to 25
 10-54 percent of the amount the permittee is otherwise required to remit
 10-55 during August 2013 under Subsection (a). The prepayment is in
 10-56 addition to the amount the permittee is otherwise required to remit
 10-57 during August. The permittee shall remit the additional payment in
 10-58 conjunction with the report and payment otherwise required during
 10-59 that month.

10-60 (c) A permittee who remits the additional payment as
 10-61 required by Subsection (b) may take a credit in the amount of the
 10-62 additional payment against the next payment due under Subsection
 10-63 (a).

10-64 (d) Subsections (b) and (c) and this subsection expire
 10-65 September 1, 2015.

10-66 SECTION 11.04. Section 201.43, Alcoholic Beverage Code, is
 10-67 amended by amending Subsection (b) and adding Subsections (c), (d),
 10-68 and (e) to read as follows:

10-69 (b) The tax is due and payable on the 15th day of the month

11-1 following the month in which the taxable first sale occurs,
 11-2 together with a report on the tax due.

11-3 (c) In August 2013, each permittee who is liable for the tax
 11-4 imposed by this subchapter shall remit a tax prepayment of taxes due
 11-5 to be remitted in September 2013 that is equal to 25 percent of the
 11-6 amount the permittee is otherwise required to remit during August
 11-7 2013 under Subsection (b). The prepayment is in addition to the
 11-8 amount the permittee is otherwise required to remit during August.
 11-9 The permittee shall remit the additional payment in conjunction
 11-10 with the report and payment otherwise required during that month.

11-11 (d) A permittee who remits the additional payment as
 11-12 required by Subsection (c) may take a credit in the amount of the
 11-13 additional payment against the next payment due under Subsection
 11-14 (b).

11-15 (e) Subsections (c) and (d) and this subsection expire
 11-16 September 1, 2015.

11-17 SECTION 11.05. Section 203.03, Alcoholic Beverage Code, is
 11-18 amended by amending Subsection (b) and adding Subsections (c), (d),
 11-19 and (e) to read as follows:

11-20 (b) The tax is due and payable on the 15th day of the month
 11-21 following the month in which the taxable first sale occurs,
 11-22 together with a report on the tax due.

11-23 (c) Each licensee who is liable for the tax imposed by this
 11-24 chapter shall remit a tax prepayment of taxes due to be remitted in
 11-25 September 2013 that is equal to 25 percent of the amount the
 11-26 licensee is otherwise required to remit during August 2013 under
 11-27 Subsection (b). The prepayment is in addition to the amount the
 11-28 licensee is otherwise required to remit during August. The
 11-29 licensee shall remit the additional payment in conjunction with the
 11-30 report and payment otherwise required during that month.

11-31 (d) A licensee who remits the additional payment as required
 11-32 by Subsection (c) may take a credit in the amount of the additional
 11-33 payment against the next payment due under Subsection (b).

11-34 (e) Subsections (c) and (d) and this subsection expire
 11-35 September 1, 2015.

11-36 SECTION 11.06. Section 183.023, Tax Code, is amended to
 11-37 read as follows:

11-38 Sec. 183.023. PAYMENT. (a) The tax due for the preceding
 11-39 month shall accompany the return and shall be payable to the state.

11-40 (b) The comptroller shall deposit the revenue received
 11-41 under this section in the general revenue fund.

11-42 (c) In August 2013, each permittee who is liable for the tax
 11-43 imposed by this subchapter shall remit a tax prepayment of taxes due
 11-44 to be remitted in September 2013 that is equal to 25 percent of the
 11-45 amount the permittee is otherwise required to remit during August
 11-46 2013 under Subsection (a). The prepayment is in addition to the
 11-47 amount the permittee is otherwise required to remit during August.
 11-48 The permittee shall remit the additional payment in conjunction
 11-49 with the return and payment otherwise required during that month.

11-50 (d) A permittee who remits the additional payment as
 11-51 required by Subsection (c) may take a credit in the amount of the
 11-52 additional payment against the next payment due under Subsection
 11-53 (a).

11-54 (e) Subsections (c) and (d) and this subsection expire
 11-55 September 1, 2015.

11-56 SECTION 11.07. The expiration of the amendments made to the
 11-57 Alcoholic Beverage Code and Tax Code in accordance with this
 11-58 article does not affect tax liability accruing before the
 11-59 expiration of those amendments. That liability continues in effect
 11-60 as if the amendments had not expired, and the former law is
 11-61 continued in effect for the collection of taxes due and for civil
 11-62 and criminal enforcement of the liability for those taxes.

11-63 ARTICLE 12. CIGARETTE TAX STAMPING ALLOWANCE

11-64 SECTION 12.01. Subsection (a), Section 154.052, Tax Code,
 11-65 is amended to read as follows:

11-66 (a) A distributor is, subject to the provisions of Section
 11-67 154.051, entitled to one [~~three~~] percent of the face value of stamps
 11-68 purchased as a stamping allowance for providing the service of
 11-69 affixing stamps to cigarette packages, except that an out-of-state

12-1 distributor is entitled to receive only the same percentage of
12-2 stamping allowance as that given to Texas distributors doing
12-3 business in the state of the distributor.

12-4 SECTION 12.02. This article applies only to cigarette
12-5 stamps purchased on or after the effective date of this article.
12-6 Cigarette stamps purchased before the effective date of this
12-7 article are governed by the law in effect on the date the cigarette
12-8 stamps were purchased, and that law is continued in effect for that
12-9 purpose.

ARTICLE 13. TAXATION OF CERTAIN CIGARS

12-10 SECTION 13.01. Section 155.001, Tax Code, is amended by
12-11 amending Subdivision (2) and adding Subdivision (9-a) to read as
12-12 follows:

12-13 (2) "Cigar" means a roll of fermented tobacco that is
12-14 wrapped in tobacco and the main stream of smoke from which produces
12-15 an alkaline reaction to litmus paper. The term includes a little
12-16 cigar.

12-17 (9-a) "Little cigar" means a roll for smoking:

12-18 (A) that is made of tobacco or tobacco mixed with
12-19 another ingredient;

12-20 (B) that contains an integrated cellulose filter
12-21 or other similar filter;

12-22 (C) that is wrapped with a material other than
12-23 natural leaf tobacco; and

12-24 (D) that is not a cigarette.

12-25 SECTION 13.02. Subsection (b), Section 155.021, Tax Code,
12-26 is amended to read as follows:

12-27 (b) The tax rates are:

12-28 (1) the rate provided by Section 154.021(b)(1), or a
12-29 successor law, as if a little cigar were a cigarette [one cent per
12-30 10 or fraction of 10 on cigars weighing three pounds or less per
12-31 thousand];

12-32 (2) \$7.50 per thousand on cigars other than little
12-33 cigars that [+
12-34 [~~(A)~~ weigh more than three pounds per thousand,
12-35 and
12-36 [~~(B)~~ sell at factory list price, exclusive of

12-37 any trade discount, special discount, or deal, for 3.3 cents or less
12-38 each;

12-39 (3) \$11 per thousand on cigars other than little
12-40 cigars that:

12-41 (A) [~~weigh more than three pounds per thousand,~~
12-42 [~~(B)~~ sell at factory list price, exclusive of
12-43 any trade discount, special discount, or deal, for more than 3.3
12-44 cents each; and

12-45 (B) [~~(C)~~] contain no substantial amount of
12-46 nontobacco ingredients; and

12-47 (4) \$15 per thousand on cigars other than little
12-48 cigars that:

12-49 (A) [~~weigh more than three pounds per thousand,~~
12-50 [~~(B)~~ sell at factory list price, exclusive of
12-51 any trade discount, special discount, or deal, for more than 3.3
12-52 cents each; and

12-53 (B) [~~(C)~~] contain a substantial amount of
12-54 nontobacco ingredients.

12-55 SECTION 13.03. Section 155.2415, Tax Code, is amended to
12-56 read as follows:

12-57 Sec. 155.2415. ALLOCATION OF CERTAIN REVENUE TO PROPERTY
12-58 TAX RELIEF FUND AND CERTAIN OTHER FUNDS. (a) Notwithstanding
12-59 Section 155.241, beginning September 1, 2011, the comptroller shall
12-60 calculate the difference between the amount of revenue derived from
12-61 the tax imposed by Section 155.021(b)(1) and the amount of revenue
12-62 that the tax imposed by Section 155.021(b)(1), as it existed on
12-63 August 31, 2011, would have generated if it had been in effect. The
12-64 comptroller shall deposit an amount equal to that difference to the
12-65 credit of the property tax relief fund under Section 403.109,
12-66 Government Code.

12-67 (b) If the amount under Subsection (a) is less than zero,
12-68 the comptroller shall consider the amount to be zero.
12-69

13-1 (c) Notwithstanding Section 155.241, the proceeds from the
 13-2 collection of taxes imposed by Section 155.0211 shall be allocated
 13-3 as follows:

13-4 (1) the amount of the proceeds that is equal to the
 13-5 amount that, if the taxes imposed by Section 155.0211 were imposed
 13-6 at a rate of 40 percent of the manufacturer's list price, exclusive
 13-7 of any trade discount, special discount, or deal, would be
 13-8 attributable to the portion of that tax rate in excess of 35.213
 13-9 percent, shall be deposited to the credit of the property tax relief
 13-10 fund under Section 403.109, Government Code;

13-11 (2) the amount of the proceeds that is equal to the
 13-12 amount that would be attributable to a tax rate of 35.213 percent of
 13-13 the manufacturer's list price, exclusive of any trade discount,
 13-14 special discount, or deal, if the taxes were imposed by Section
 13-15 155.0211 at that rate, shall be deposited to the credit of the
 13-16 general revenue fund; and

13-17 (3) 100 percent of the remaining proceeds shall be
 13-18 deposited to the credit of the physician education loan repayment
 13-19 program account established under Subchapter J, Chapter 61,
 13-20 Education Code.

13-21 SECTION 13.04. The changes in law made by this article do
 13-22 not affect taxes imposed before the effective date of this article,
 13-23 and the law in effect before the effective date of this article is
 13-24 continued in effect for purposes of the liability for and
 13-25 collection of those taxes.

13-26 ARTICLE 14. SALES FOR RESALE

13-27 SECTION 14.01. Section 151.006, Tax Code, is amended by
 13-28 amending Subsection (a) and adding Subsection (c) to read as
 13-29 follows:

13-30 (a) "Sale for resale" means a sale of:

13-31 (1) tangible personal property or a taxable service to
 13-32 a purchaser who acquires the property or service for the purpose of
 13-33 reselling it with or as a taxable item in the United States of
 13-34 America or a possession or territory of the United States of America
 13-35 or in the United Mexican States in the normal course of business in
 13-36 the form or condition in which it is acquired or as an attachment to
 13-37 or integral part of other tangible personal property or taxable
 13-38 service;

13-39 (2) tangible personal property to a purchaser for the
 13-40 sole purpose of the purchaser's leasing or renting it in the United
 13-41 States of America or a possession or territory of the United States
 13-42 of America or in the United Mexican States in the normal course of
 13-43 business to another person, but not if incidental to the leasing or
 13-44 renting of real estate;

13-45 (3) tangible personal property to a purchaser who
 13-46 acquires the property for the purpose of transferring it in the
 13-47 United States of America or a possession or territory of the United
 13-48 States of America or in the United Mexican States as an integral
 13-49 part of a taxable service; ~~or~~

13-50 (4) a taxable service performed on tangible personal
 13-51 property that is held for sale by the purchaser of the taxable
 13-52 service; or

13-53 (5) tangible personal property to a purchaser who
 13-54 acquires the property for the sole purpose of transferring it as an
 13-55 integral part of performing a contract with the federal government
 13-56 only if the purchaser:

13-57 (A) allocates to the contract the cost of the
 13-58 property as a direct or indirect cost;

13-59 (B) bills the cost of the property to the federal
 13-60 government for reimbursement; and

13-61 (C) transfers title to the property to the
 13-62 federal government under the contract and applicable federal
 13-63 acquisition regulations.

13-64 (c) Except as otherwise provided by this chapter, a sale for
 13-65 resale does not include the sale of tangible personal property or a
 13-66 taxable service to a purchaser who acquires the property or service
 13-67 for the purpose of performing a service that is not subject to
 13-68 taxation under this chapter, regardless of whether title transfers
 13-69 to the purchaser's customer.

14-1 SECTION 14.02. This article takes effect immediately if
14-2 this Act receives a vote of two-thirds of all the members elected to
14-3 each house, as provided by Section 39, Article III, Texas
14-4 Constitution. If this Act does not receive the vote necessary for
14-5 immediate effect, this article takes effect September 1, 2011.

14-6 ARTICLE 15. COLLECTION IMPROVEMENT PROGRAM

14-7 SECTION 15.01. Subsections (f), (h), (i), and (j), Article
14-8 103.0033, Code of Criminal Procedure, are amended to read as
14-9 follows:

14-10 (f) The ~~[comptroller, in cooperation with the]~~ office~~[,]~~
14-11 shall develop a methodology for determining the collection rate of
14-12 counties and municipalities described by Subsection (e) before
14-13 implementation of a program. The office ~~[comptroller]~~ shall
14-14 determine the rate for each county and municipality not later than
14-15 the first anniversary of the county's or municipality's adoption of
14-16 a program.

14-17 (h) The office~~[, in consultation with the comptroller,]~~
14-18 may:

14-19 (1) use case dispositions, population, revenue data,
14-20 or other appropriate measures to develop a prioritized
14-21 implementation schedule for programs; and

14-22 (2) determine whether it is not cost-effective to
14-23 implement a program in a county or municipality and grant a waiver
14-24 to the county or municipality.

14-25 (i) Each county and municipality shall at least annually
14-26 submit to the office ~~[and the comptroller]~~ a written report that
14-27 includes updated information regarding the program, as determined
14-28 by the office ~~[in cooperation with the comptroller]~~. The report
14-29 must be in a form approved by the office ~~[in cooperation with the~~
14-30 ~~comptroller]~~.

14-31 (j) The office ~~[comptroller]~~ shall periodically audit
14-32 counties and municipalities to verify information reported under
14-33 Subsection (i) and confirm that the county or municipality is
14-34 conforming with requirements relating to the program. ~~[The~~
14-35 ~~comptroller shall consult with the office in determining how~~
14-36 ~~frequently to conduct audits under this section.]~~

14-37 SECTION 15.02. Subsection (e), Section 133.058, Local
14-38 Government Code, is amended to read as follows:

14-39 (e) A municipality or county may not retain a service fee
14-40 if, during an audit under ~~[Section 133.059 of this code or]~~ Article
14-41 103.0033(j), Code of Criminal Procedure, the Office of Court
14-42 Administration of the Texas Judicial System ~~[comptroller]~~
14-43 determines that the municipality or county is not in compliance
14-44 with Article 103.0033, Code of Criminal Procedure. The
14-45 municipality or county may continue to retain a service fee under
14-46 this section on receipt of a written confirmation from the Office of
14-47 Court Administration of the Texas Judicial System ~~[comptroller]~~
14-48 that the municipality or county is in compliance with Article
14-49 103.0033, Code of Criminal Procedure.

14-50 SECTION 15.03. Subsection (c-1), Section 133.103, Local
14-51 Government Code, is amended to read as follows:

14-52 (c-1) The treasurer shall send 100 percent of the fees
14-53 collected under this section to the comptroller if, during an audit
14-54 under ~~[Section 133.059 of this code or]~~ Article 103.0033(j), Code
14-55 of Criminal Procedure, the Office of Court Administration of the
14-56 Texas Judicial System ~~[comptroller]~~ determines that the
14-57 municipality or county is not in compliance with Article 103.0033,
14-58 Code of Criminal Procedure. The municipality or county shall
14-59 continue to dispose of fees as otherwise provided by this section on
14-60 receipt of a written confirmation from the Office of Court
14-61 Administration of the Texas Judicial System ~~[comptroller]~~ that the
14-62 municipality or county is in compliance with Article 103.0033, Code
14-63 of Criminal Procedure.

14-64 ARTICLE 16. REMITTANCE AND ALLOCATION OF FRANCHISE TAX

14-65 SECTION 16.01. Subchapter D, Chapter 171, Tax Code, is
14-66 amended by adding Section 171.153 to read as follows:

14-67 Sec. 171.153. TAX PREPAYMENT FROM TAXABLE ENTITIES
14-68 REMITTING ELECTRONICALLY. (a) For purposes of this section,
14-69 "large taxable entity" means a taxable entity that, on July 31,

15-1 2013, is doing business in this state and that is required by rules
 15-2 adopted by the comptroller to make the taxable entity's tax payment
 15-3 for the regular annual period for which a report is originally due
 15-4 May 15, 2013, regardless of the date the taxable entity actually
 15-5 filed the report, by electronic funds transfer.

15-6 (b) Notwithstanding Section 171.152(c), a large taxable
 15-7 entity shall pay a prepayment of taxes due to be remitted with the
 15-8 report originally due May 15, 2014, under this chapter in an amount
 15-9 equal to 25 percent of the amount of tax imposed under this chapter
 15-10 and reported as due for the regular annual period covered by the
 15-11 report originally due May 15, 2012, regardless of the date the
 15-12 taxable entity actually files the report. The taxable entity shall
 15-13 remit the tax prepayment to the comptroller:

15-14 (1) not later than July 31, 2013;

15-15 (2) in the manner prescribed by rules adopted by the
 15-16 comptroller; and

15-17 (3) accompanied by any information required by the
 15-18 comptroller.

15-19 (c) A large taxable entity that remits a tax prepayment as
 15-20 required by Subsection (b) may take a credit on the report
 15-21 originally due on May 15, 2014, in the amount of the tax prepayment.

15-22 (d) In lieu of a penalty that may be assessed under Section
 15-23 171.362, a large taxable entity that fails to remit the tax
 15-24 prepayment required by this section on or before July 31, 2013, is
 15-25 liable for a penalty of 10 percent of the estimated amount of the
 15-26 tax prepayment due under this section.

15-27 (e) A tax prepayment remitted under this section is not
 15-28 considered a report for purposes of any provision of Subchapter E,
 15-29 F, or G.

15-30 (f) Notwithstanding Section 171.4011, the comptroller shall
 15-31 deposit revenue received from tax prepayments under this section to
 15-32 the credit of the general revenue fund. The comptroller shall
 15-33 deposit revenue received from tax payments remitted with reports
 15-34 originally due on May 15, 2014, in accordance with Subchapter I.

15-35 (g) This section expires September 1, 2015.

15-36 SECTION 16.02. The expiration of the amendment made to the
 15-37 Tax Code in accordance with this article does not affect tax
 15-38 liability accruing before the expiration of that amendment. That
 15-39 liability continues in effect as if the amendment had not expired,
 15-40 and the former law is continued in effect for the collection of
 15-41 taxes due and for civil and criminal enforcement of the liability
 15-42 for those taxes.

15-43 ARTICLE 17. REMITTANCE OF SALES AND USE TAXES

15-44 SECTION 17.01. Section 151.401, Tax Code, is amended by
 15-45 adding Subsections (c), (d), and (e) to read as follows:

15-46 (c) In August 2013, a taxpayer who is required to pay the
 15-47 taxes imposed by this chapter on or before the 20th day of that
 15-48 month under Subsection (a), who pays the taxes imposed by this
 15-49 chapter by electronic funds transfer, and who does not prepay as
 15-50 provided by Section 151.424 shall remit to the comptroller a tax
 15-51 prepayment that is equal to 25 percent of the amount the taxpayer is
 15-52 otherwise required to remit during August 2013 under Subsection
 15-53 (a). The prepayment is in addition to the amount the taxpayer is
 15-54 otherwise required to remit during August. The taxpayer shall
 15-55 remit the additional payment in conjunction with the payment
 15-56 otherwise required during that month. Section 151.424 does not
 15-57 apply with respect to the additional payment required by this
 15-58 subsection.

15-59 (d) A taxpayer who remits the additional payment as required
 15-60 by Subsection (c) may take a credit in the amount of the additional
 15-61 payment against the next payment due under Subsection (a).

15-62 (e) Subsections (c) and (d) and this subsection expire
 15-63 September 1, 2015.

15-64 SECTION 17.02. Section 151.402, Tax Code, is amended to
 15-65 read as follows:

15-66 Sec. 151.402. TAX REPORT DATES. (a) ~~A [Except as provided~~
 15-67 ~~by Subsection (b) of this section, a]~~ tax report required by this
 15-68 chapter for a reporting period is due on the same date that the tax
 15-69 payment for the period is due as provided by Section 151.401.

16-1 (b) A taxpayer may report a credit in the amount of any tax
16-2 prepayment remitted to the comptroller as required by Section
16-3 151.401(c) on the tax report required by this chapter that is
16-4 otherwise due in September 2013 [~~for taxes required by Section~~
16-5 ~~151.401(a) to be paid on or before August 20 is due on or before the~~
16-6 ~~20th day of the following month~~]. This subsection expires
16-7 September 1, 2015.

16-8 SECTION 17.03. The expiration of the amendments made to the
16-9 Tax Code in accordance with this article does not affect tax
16-10 liability accruing before the expiration of those amendments. That
16-11 liability continues in effect as if the amendments had not expired,
16-12 and the former law is continued in effect for the collection of
16-13 taxes due and for civil and criminal enforcement of the liability
16-14 for those taxes.

16-15 ARTICLE 18. REPORTS REGARDING CERTAIN SALES OF ALCOHOLIC
16-16 BEVERAGES

16-17 SECTION 18.01. Section 111.006, Tax Code, is amended by
16-18 adding Subsections (h) and (i) to read as follows:

16-19 (h) The comptroller shall disclose information to a person
16-20 regarding net sales by quantity, brand, and size that is submitted
16-21 in a report required under Section 151.462 if:

16-22 (1) the person requesting the information holds a
16-23 permit or license under Chapter 19, 20, 21, 37, 64, 65, or 66,
16-24 Alcoholic Beverage Code; and

16-25 (2) the request relates only to information regarding
16-26 the sale of a product distributed by the person making the request.

16-27 (i) A disclosure made under Subsection (h) is not considered
16-28 a disclosure of competitively sensitive, proprietary, or
16-29 confidential information.

16-30 SECTION 18.02. Chapter 151, Tax Code, is amended by adding
16-31 Subchapter I-1, and a heading is added to that subchapter to read as
16-32 follows:

16-33 SUBCHAPTER I-1. REPORTS BY PERSONS INVOLVED IN THE MANUFACTURE
16-34 AND DISTRIBUTION OF ALCOHOLIC BEVERAGES

16-35 SECTION 18.03. Subchapter I-1, Chapter 151, Tax Code, as
16-36 added by this Act, is amended by adding Sections 151.462, 151.463,
16-37 151.464, 151.465, 151.466, 151.467, 151.468, 151.469, 151.470, and
16-38 151.471, and Section 151.433, Tax Code, is transferred to
16-39 Subchapter I-1, Chapter 151, Tax Code, redesignated as Section
16-40 151.461, Tax Code, and amended to read as follows:

16-41 Sec. 151.461 [~~151.433~~]. DEFINITIONS. [REPORTS BY
16-42 WHOLESALERS AND DISTRIBUTORS OF BEER, WINE, AND MALT LIQUOR.
16-43 (a)] In this subchapter [~~section~~]:

16-44 (1) "Brewer" means a person required to hold a brewer's
16-45 permit under Chapter 12, Alcoholic Beverage Code.

16-46 (2) "Distributor" means a person required to hold:
16-47 (A) a general distributor's license under
16-48 Chapter 64, Alcoholic Beverage Code;

16-49 (B) a local distributor's license under Chapter
16-50 65, Alcoholic Beverage Code; or

16-51 (C) a branch distributor's license under Chapter
16-52 66, Alcoholic Beverage Code.

16-53 (3) "Manufacturer" means a person required to hold a
16-54 manufacturer's license under Chapter 62, Alcoholic Beverage Code.

16-55 (4) "Package store local distributor" means a person
16-56 required to hold:

16-57 (A) a package store permit under Chapter 22,
16-58 Alcoholic Beverage Code; and

16-59 (B) a local distributor's permit under Chapter
16-60 23, [~~a general, local, or branch distributor's license under the~~
16-61 Alcoholic Beverage Code.

16-62 (5) [~~2~~] "Retailer" means a person required to hold
16-63 [~~the following~~]:

16-64 (A) a wine and beer retailer's permit under
16-65 Chapter 25, Alcoholic Beverage Code;

16-66 (B) a wine and beer retailer's off-premise permit
16-67 under Chapter 26, Alcoholic Beverage Code;

16-68 (C) a temporary wine and beer retailer's permit
16-69 or special three-day wine and beer permit under Chapter 27,

17-1 Alcoholic Beverage Code;
 17-2 (D) a mixed beverage permit under Chapter 28,
 17-3 Alcoholic Beverage Code;
 17-4 (E) a daily temporary mixed beverage permit under
 17-5 Chapter 30, Alcoholic Beverage Code;
 17-6 (F) a private club registration permit under
 17-7 Chapter 32, Alcoholic Beverage Code;
 17-8 (G) a certificate issued to a fraternal or
 17-9 veterans organization under Section 32.11, Alcoholic Beverage
 17-10 Code;
 17-11 (H) a daily temporary private club permit under
 17-12 Subchapter B, Chapter 33, Alcoholic Beverage Code;
 17-13 (I) a temporary charitable auction permit under
 17-14 Chapter 53, Alcoholic Beverage Code;
 17-15 (J) a retail dealer's on-premise license under
 17-16 Chapter 69, Alcoholic Beverage Code;
 17-17 (K) a temporary license under Chapter 72,
 17-18 Alcoholic Beverage Code; or
 17-19 (L) [~~(D)~~] a retail dealer's off-premise license
 17-20 under Chapter 71, Alcoholic Beverage Code, except for a dealer who
 17-21 also holds a package store permit under Chapter 22, Alcoholic
 17-22 Beverage Code.
 17-23 (6) [~~(3)~~] "Wholesaler" means a person required to hold
 17-24 [~~the following under the Alcoholic Beverage Code~~]:
 17-25 (A) a winery permit under Chapter 16, Alcoholic
 17-26 Beverage Code;
 17-27 (B) a wholesaler's permit under Chapter 19,
 17-28 Alcoholic Beverage Code;
 17-29 (C) [~~(B)~~] a general Class B wholesaler's permit
 17-30 under Chapter 20, Alcoholic Beverage Code; or
 17-31 (D) [~~(C)~~] a local Class B wholesaler's permit
 17-32 under Chapter 21, Alcoholic Beverage Code.
 17-33 Sec. 151.462. REPORTS BY BREWERS, MANUFACTURERS,
 17-34 WHOLESALEERS, AND DISTRIBUTORS. (a) [~~(b)~~] The comptroller shall
 17-35 [~~may, when considered necessary by the comptroller for the~~
 17-36 ~~administration of a tax under this chapter,~~] require each brewer,
 17-37 manufacturer, wholesaler, [~~or~~] distributor, or package store local
 17-38 distributor [~~of beer, wine, or malt liquor~~] to file with the
 17-39 comptroller a report each month of alcoholic beverage sales to
 17-40 retailers in this state.
 17-41 (b) Each brewer, manufacturer, [~~(c) The~~] wholesaler, [~~or~~]
 17-42 distributor, or package store local distributor shall file a
 17-43 separate [~~the~~] report for each permit or license held on or before
 17-44 the 25th day of each month. The report must contain the following
 17-45 information for the preceding calendar month's sales in relation to
 17-46 each retailer:
 17-47 (1) the brewer's, manufacturer's, wholesaler's,
 17-48 distributor's, or package store local distributor's name, address,
 17-49 taxpayer number and outlet number assigned by the comptroller, and
 17-50 alphanumeric permit or license number issued by the Texas Alcoholic
 17-51 Beverage Commission;
 17-52 (2) the retailer's:
 17-53 (A) name and address, including street name and
 17-54 number, city, and zip code;
 17-55 (B) taxpayer number assigned by the comptroller;
 17-56 and
 17-57 (C) alphanumeric permit or license number issued
 17-58 by the Texas Alcoholic Beverage Commission for each separate retail
 17-59 location or outlet to which the brewer, manufacturer, wholesaler,
 17-60 distributor, or package store local distributor sold the alcoholic
 17-61 beverages that are listed on the report [~~the name of the retailer~~
 17-62 ~~and the address of the retailer's outlet location to which the~~
 17-63 ~~wholesaler or distributor delivered beer, wine, or malt liquor,~~
 17-64 ~~including the city and zip code,~~
 17-65 [~~(2) the taxpayer number assigned by the comptroller~~
 17-66 ~~to the retailer, if the wholesaler or distributor is in possession~~
 17-67 ~~of the number,~~
 17-68 [~~(3) the permit or license number assigned to the~~
 17-69 ~~retailer by the Texas Alcoholic Beverage Commission~~]; and

18-1 (3) [~~4~~] the monthly net sales made by the brewer,
 18-2 manufacturer, wholesaler, distributor, or package store local
 18-3 distributor to the retailer for each [by] outlet or location
 18-4 covered by a separate retail permit or license issued by the Texas
 18-5 Alcoholic Beverage Commission, including separate line items for:
 18-6 (A) the number of units of alcoholic beverages;
 18-7 (B) the individual container size and pack of
 18-8 each unit;
 18-9 (C) the brand name;
 18-10 (D) the type of beverage, such as distilled
 18-11 spirits, wine, or malt beverage;
 18-12 (E) the universal product code of the alcoholic
 18-13 beverage; and
 18-14 (F) the net selling price of the alcoholic
 18-15 beverage [by the wholesaler or distributor, including the quantity
 18-16 and units of beer, wine, and malt liquor sold to the retailer].
 18-17 (c) [~~d~~] Except as provided by this subsection, the
 18-18 brewer, manufacturer, wholesaler, [~~or~~] distributor, or package
 18-19 store local distributor shall file the report with the comptroller
 18-20 electronically. The comptroller may establish procedures to
 18-21 temporarily postpone the electronic reporting requirement [~~for~~
 18-22 allowing an alternative method of filing] for a brewer,
 18-23 manufacturer, wholesaler, [~~or~~] distributor, or package store local
 18-24 distributor who demonstrates to the comptroller an inability to
 18-25 comply because undue hardship would result if it were required to
 18-26 file the return electronically [~~with the electronic reporting~~
 18-27 requirement]. If the comptroller determines that another
 18-28 technological method of filing the report is more efficient than
 18-29 electronic filing, the comptroller may establish procedures
 18-30 requiring its use by brewers, manufacturers, wholesalers, [~~and~~]
 18-31 distributors, and package store local distributors.
 18-32 Sec. 151.463. RULES. The comptroller may adopt rules to
 18-33 implement this subchapter.
 18-34 Sec. 151.464. CONFIDENTIALITY. [~~e~~] Except as provided
 18-35 by Section 111.006, information contained in a report required to
 18-36 be filed by this subchapter [~~section~~] is confidential and not
 18-37 subject to disclosure under Chapter 552, Government Code.
 18-38 Sec. 151.465. APPLICABILITY TO CERTAIN BREWERS. This
 18-39 subchapter applies only to a brewer whose annual production of malt
 18-40 liquor in this state, together with the annual production of beer at
 18-41 the same premises by the holder of a manufacturer's license under
 18-42 Section 62.12, Alcoholic Beverage Code, does not exceed 75,000
 18-43 barrels.
 18-44 Sec. 151.466. APPLICABILITY TO CERTAIN MANUFACTURERS. This
 18-45 subchapter applies only to a manufacturer whose annual production
 18-46 of beer in this state does not exceed 75,000 barrels.
 18-47 Sec. 151.467. SUSPENSION OR CANCELLATION OF PERMIT.
 18-48 [~~f~~] If a person fails to file a report required by this
 18-49 subchapter [~~section~~] or fails to file a complete report, the
 18-50 comptroller may suspend or cancel one or more permits issued to the
 18-51 person under Section 151.203.
 18-52 Sec. 151.468. CIVIL PENALTY; CRIMINAL PENALTY. (a) If a
 18-53 person fails to file a report required by this subchapter or fails
 18-54 to file a complete report, the comptroller [~~and~~] may impose a civil
 18-55 or criminal penalty, or both, under Section 151.7031 or 151.709.
 18-56 (b) In addition to the penalties imposed under Subsection
 18-57 (a), a brewer, manufacturer, wholesaler, distributor, or package
 18-58 store local distributor shall pay the state a civil penalty of not
 18-59 less than \$25 or more than \$2,000 for each day a violation continues
 18-60 if the brewer, manufacturer, wholesaler, distributor, or package
 18-61 store local distributor:
 18-62 (1) violates this subchapter; or
 18-63 (2) violates a rule adopted to administer or enforce
 18-64 this subchapter.
 18-65 Sec. 151.469. ACTION BY TEXAS ALCOHOLIC BEVERAGE
 18-66 COMMISSION. [~~g~~] If a person fails to file a report required by
 18-67 this subchapter [~~section~~] or fails to file a complete report, the
 18-68 comptroller may notify the Texas Alcoholic Beverage Commission of
 18-69 the failure and the commission may take administrative action

19-1 against the person for the failure under the Alcoholic Beverage
19-2 Code.

19-3 Sec. 151.470. AUDIT; INSPECTION. The comptroller may
19-4 audit, inspect, or otherwise verify a brewer's, manufacturer's,
19-5 wholesaler's, distributor's, or package store local distributor's
19-6 compliance with this subchapter.

19-7 Sec. 151.471. ACTION BY ATTORNEY GENERAL; VENUE; ATTORNEY'S
19-8 FEES. (a) The comptroller may bring an action to enforce this
19-9 subchapter and obtain any civil remedy authorized by this
19-10 subchapter or any other law for the violation of this subchapter.
19-11 The attorney general shall prosecute the action on the
19-12 comptroller's behalf.

19-13 (b) Venue for and jurisdiction of an action under this
19-14 section is exclusively conferred on the district courts in Travis
19-15 County.

19-16 (c) If the comptroller prevails in an action under this
19-17 section, the comptroller and attorney general are entitled to
19-18 recover court costs and reasonable attorney's fees incurred in
19-19 bringing the action.

19-20 SECTION 18.04. Subchapter I-1, Chapter 151, Tax Code, as
19-21 added by this article, applies only to a report due on or after the
19-22 effective date of this article. A report due before the effective
19-23 date of this article is governed by the law as it existed on the date
19-24 the report was due, and the former law is continued in effect for
19-25 that purpose.

19-26 ARTICLE 19. AUTHORIZED USES FOR CERTAIN DEDICATED PERMANENT FUNDS
19-27 SECTION 19.01. Section 403.105, Government Code, is amended
19-28 by amending Subsection (b) and adding Subsection (b-1) to read as
19-29 follows:

19-30 (b) Except as provided by Subsections (b-1), (c), (e), (f),
19-31 and (h), money in the fund may not be appropriated for any purpose.

19-32 (b-1) The legislature may appropriate money in the fund,
19-33 including the available earnings of the fund determined under
19-34 Section 403.1068, to pay the principal of or interest on a bond
19-35 issued for the purposes of Section 67, Article III, Texas
19-36 Constitution. This subsection does not authorize the appropriation
19-37 under this subsection of money subject to a limitation or
19-38 requirement as described by Subsection (e) that is not consistent
19-39 with the use of the money in accordance with this subsection.

19-40 SECTION 19.02. Section 403.1055, Government Code, is
19-41 amended by amending Subsection (b) and adding Subsection (b-1) to
19-42 read as follows:

19-43 (b) Except as provided by Subsections (b-1), (c), (e), (f),
19-44 and (h), money in the fund may not be appropriated for any purpose.

19-45 (b-1) The legislature may appropriate money in the fund,
19-46 including the available earnings of the fund determined under
19-47 Section 403.1068, to pay the principal of or interest on a bond
19-48 issued for the purposes of Section 67, Article III, Texas
19-49 Constitution. This subsection does not authorize the appropriation
19-50 under this subsection of money subject to a limitation or
19-51 requirement as described by Subsection (e) that is not consistent
19-52 with the use of the money in accordance with this subsection.

19-53 SECTION 19.03. Section 403.106, Government Code, is amended
19-54 by amending Subsection (b) and adding Subsection (b-1) to read as
19-55 follows:

19-56 (b) Except as provided by Subsections (b-1), (c), (e), (f),
19-57 and (h), money in the fund may not be appropriated for any purpose.

19-58 (b-1) The legislature may appropriate money in the fund,
19-59 including the available earnings of the fund determined under
19-60 Section 403.1068, to pay the principal of or interest on a bond
19-61 issued for the purposes of Section 67, Article III, Texas
19-62 Constitution. This subsection does not authorize the appropriation
19-63 under this subsection of money subject to a limitation or
19-64 requirement as described by Subsection (e) that is not consistent
19-65 with the use of the money in accordance with this subsection.

19-66 SECTION 19.04. This article takes effect immediately if
19-67 this Act receives a vote of two-thirds of all the members elected to
19-68 each house, as provided by Section 39, Article III, Texas
19-69 Constitution. If this Act does not receive the vote necessary for

20-1 immediate effect, this article takes effect September 1, 2011.

20-2 ARTICLE 20. EMPLOYER ENROLLMENT FEE FOR PARTICIPATION IN CERTAIN
20-3 HEALTH BENEFIT PLANS

20-4 SECTION 20.01. Subchapter G, Chapter 1551, Insurance Code,
20-5 is amended by adding Section 1551.3076 to read as follows:

20-6 Sec. 1551.3076. EMPLOYER ENROLLMENT FEE. (a) The board of
20-7 trustees shall assess each employer whose employees participate in
20-8 the group benefits program an employer enrollment fee in an amount
20-9 not to exceed a percentage of the employer's total payroll, as
20-10 determined by the General Appropriations Act.

20-11 (b) The board of trustees shall deposit the enrollment fees
20-12 to the credit of the employees life, accident, and health insurance
20-13 and benefits fund to be used for the purposes specified by Section
20-14 1551.401.

20-15 ARTICLE 21. EFFECTIVE DATE

20-16 SECTION 21.01. Except as otherwise provided by this Act,
20-17 this Act takes effect September 1, 2011.

20-18 * * * * *