1-1 By: Otto, et al. (Senate Sponsor - Williams) H.B. No. 6 1-2 (In the Senate - Received from the House May 6, 2013; 1-3 May 7, 2013, read first time and referred to Committee on Finance; 1-4 May 20, 2013, reported adversely, with favorable Committee 1-5 Substitute by the following vote: Yeas 14, Nays 0; May 20, 2013, 1-6 sent to printer.)

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COMMITTEE VOTE

1-8		Yea	Nay	Absent	PNV
1-9	Williams	Х	*		
1-10	Hinojosa	Х			
1-11	Deuell	Х			
1-12	Duncan	Х			
1-13	Eltife	Х			
1-14	Estes	Х			
1-15	Hegar	Х			
1-16	Huffman	Х			
1-17	Lucio	Х			
1-18	Nelson	Х			
1-19	Patrick	Х			
1-20	Seliger			Х	
1-21	West	Х			
1-22	Whitmire	Х			
1-23	Zaffirini	Х			

1-24 COMMITTEE SUBSTITUTE FOR H.B. No. 6

By: Hegar

## A BILL TO BE ENTITLED AN ACT

1-27 relating to the creation and re-creation of funds and accounts in 1-28 the state treasury, the dedication and rededication of revenue, and 1-29 the exemption of unappropriated money from use for general 1-30 governmental purposes.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-32 SECTION 1. DEFINITION. In any provision of this Act that 1-33 does not amend current law, "state agency" means an office, 1-34 institution, or other agency that is in the executive branch of 1-35 state government, has authority that is not limited to a 1-36 geographical portion of the state, and was created by the 1-37 constitution or a statute of this state. The term does not include 1-38 an institution of higher education as defined by Section 61.003, 1-39 Education Code.

SECTION 2. 1-40 ABOLITION OF FUNDS, ACCOUNTS, AND DEDICATIONS. 1-41 Except as otherwise specifically provided by this Act, all funds 1-42 and accounts created or re-created in the state treasury by an Act of the 83rd Legislature, Regular Session, 2013, that becomes law and all dedications or rededications of revenue in the state 1-43 1-44 1-45 treasury or otherwise collected by a state agency for a particular purpose by an Act of the 83rd Legislature, Regular Session, 2013, that becomes law are abolished on the later of August 31, 2013, or 1-46 1-47 1-48 the date the Act creating or re-creating the fund or account or 1-49 dedicating or rededicating revenue takes effect.

1-50 SECTION 3. PREVIOUSLY EXEMPT DEDICATIONS, FUNDS, AND 1-51 ACCOUNTS. Section 2 of this Act does not apply to:

1-52 (1) statutory dedications, funds, and accounts that 1-53 were enacted before the 83rd Legislature convened to comply with 1-54 requirements of state constitutional or federal law;

1-55 (2) dedications, funds, or accounts that remained 1-56 exempt from former Section 403.094(h), Government Code, at the time 1-57 dedications, accounts, and funds were abolished under that 1-58 provision;

1-59 (3) increases in fees or in other revenue dedicated as 1-60 described by this section; or

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increases in fees or in other revenue required to 2-1 (4) be deposited in a fund or account described by this section. SECTION 4. FEDERAL FUNDS. Section 2 of this Act does not 2-2

2-3 apply to funds created pursuant to an Act of the 83rd Legislature, 2-4 2**-**5 2**-**6 Regular Session, 2013, for which separate accounting is required by federal law, except that the funds shall be deposited in accounts in 2-7 the general revenue fund unless otherwise required by federal law.

2-8 SECTION 5. TRUST FUNDS. Section 2 of this Act does not apply to trust funds or dedicated revenue deposited to trust funds 2-9 created under an Act of the 83rd Legislature, Regular Session, 2013, except that the trust funds shall be held in the state treasury, with the comptroller in trust, or outside the state 2**-**10 2**-**11 2-12 2-13 treasury with the comptroller's approval.

2-14 SECTION 6. BOND FUNDS. Section 2 of this Act does not apply 2**-**15 2**-**16 to bond funds and pledged funds created or affected by an Act of the 83rd Legislature, Regular Session, 2013, except that the funds shall be held in the state treasury, with the comptroller in trust, 2-17 2-18 or outside the state treasury with the comptroller's approval.

SECTION 7. CONSTITUTIONAL FUNDS. Section 2 of this Act does 2-19 2-20 2-21 not apply to funds or accounts that would be created or re-created by the Texas Constitution or revenue that would be dedicated or 2-22 rededicated by the Texas Constitution under a constitutional 2-23 amendment proposed by the 83rd Legislature, Regular Session, 2013, 2-24 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. 2**-**25 2**-**26

2-27 SECTION 8. AMENDMENT OF SECTION 403.095, GOVERNMENT CODE. 2-28 Effective September 1, 2013, Sections 403.095(b), (d), and (e), Government Code, are amended to read as follows: 2-29

(b) Notwithstanding any law dedicating or setting aside revenue for a particular purpose or entity, dedicated revenues that 2-30 2-31 [-,] on August 31, 2015  $[\frac{2013}{2013}]$ , are estimated to exceed the amount appropriated by the General Appropriations Act or other laws 2-32 2-33 enacted by the <u>83rd</u> [82nd] Legislature are available for general 2-34 governmental purposes and are considered available for the purpose 2-35 2-36 of certification under Section 403.121.

2-37 Following certification of the General Appropriations (d) 2-38 Act and other appropriations measures enacted by the 83rd [82nd] Legislature, the comptroller shall reduce each dedicated account as directed by the legislature by an amount that may not exceed the amount by which estimated revenues and unobligated balances exceed 2-39 2-40 2-41 2-42 appropriations. The reductions may be made in the amounts and at 2-43 the times necessary for cash flow considerations to allow all the 2-44 dedicated accounts to maintain adequate cash balances to transact routine business. The legislature may authorize, in the General Appropriations Act, the temporary delay of the excess balance reduction required under this subsection. This subsection does 2-45 2-46 2-47 2-48 not apply to revenues or balances in: 2-49

funds outside the treasury;

(2) trust funds, which for purposes of this section include funds that may or are required to be used in whole or in part 2-50 2-51 2-52 for the acquisition, development, construction, or maintenance of 2-53 infrastructures, state and local government recreational 2-54 facilities, or natural resource conservation facilities; 2-55

(3) funds created by the constitution or a court; or

funds for which separate accounting is required by (4)federal law.

This section expires [on] September 1, 2015 [2013]. (e)

SECTION 9. EFFECT OF ACT. (a) This Act prevails over any 2-59 of the 83rd Legislature, Regular Session, 2013, 2-60 other Act 2-61 regardless of the relative dates of enactment, that:

2-62 (1) purports to create or re-create a special fund or 2-63

account in the state treasury; (2) purports to dedicate or rededicate revenue to a 2-64 purpose, including any fund, account, or revenue abolished under former Section 403.094, Government 2-65 particular 2-66 dedication 2-67 Code; or

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(3) amends Section 403.095, Government Code.

Revenue that, under the terms of another Act of the 83rd (b)

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Legislature, Regular Session, 2013, would be deposited to the 3-1 credit of a special account or fund shall be deposited to the credit 3-2 3-3 of the undedicated portion of the general revenue fund unless the fund, account, or dedication is exempted under this Act. SECTION 10. EFFECTIVE DATE. Except as otherwise provided 3-4

3**-**5 3**-**6 by this Act:

(1) this Act takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution; 3-7 3-8 3-9 3-10 3-11 and

(2) if this Act does not receive the vote necessary for immediate effect, this Act takes effect on the 91st day after the 3-12 3-13 last day of the legislative session.

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