AN ACT

relating to the amounts, availability, and use of certain
statutorily dedicated revenue and accounts; reducing or affecting
the amounts or rates of certain statutorily dedicated fees and
assessments; making an appropriation.

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

SECTION 1. Chapter 322, Government Code, is amended by
adding Section 322.024 to read as follows:

Sec. 322.024. REDUCTION OF RELIANCE ON AVAILABLE DEDICATED
REVENUE FOR BUDGET CERTIFICATION. (a) In this section, "available
dedicated revenue" means revenue that Section 403.095 makes
available for certification under Section 403.121.

(b) The board shall:

(1) develop and implement a process to review:

(A) new legislative enactments that create
dedicated revenue; and

(B) the appropriation and accumulation of
dedicated revenue and available dedicated revenue;

(2) develop and implement tools to evaluate the use of
available dedicated revenue for state government financing and
budgeting; and

(3) develop specific and detailed recommendations on
actions the legislature may reasonably take to reduce state
government's reliance on available dedicated revenue for the

purposes of certification under Section 403.121 as authorized by Section 403.095.

(c) The board shall incorporate into the board's budget recommendations appropriate measures to reduce state government's reliance on available dedicated revenue for the purposes of certification under Section 403.121 as authorized by Section 403.095 and shall include with the budget recommendations plans for further reducing state government's reliance on available dedicated revenue for those purposes for the succeeding six years.

(d) The board shall consult the comptroller as necessary to accomplish the objectives of Subsections (b) and (c).

SECTION 2. Subchapter F, Chapter 403, Government Code, is amended by adding Section 403.0956 to read as follows:

Sec. 403.0956. REALLOCATION OF INTEREST ACCRUED ON CERTAIN DEDICATED REVENUE. Notwithstanding any other law, all interest or other earnings that accrue on all revenue held in an account in the general revenue fund any part of which Section 403.095 makes available for certification under Section 403.121 are available for any general governmental purpose, and the comptroller shall deposit the interest and earnings to the credit of the general revenue fund.

This section does not apply to:

(1) interest or earnings on revenue deposited in accordance with Section 51.008, Education Code;

(2) an account that accrues interest or other earnings on deposits of state or federal money the diversion of which is specifically excluded by federal law;

(3) the lifetime license endowment account; or
(4) the game, fish, and water safety account.

SECTION 3. Sections 361.013(a) and (f), Health and Safety Code, are amended to read as follows:

(a) Except as provided by Subsections (e) through (i), the commission shall charge a fee on all solid waste that is disposed of within this state. The fee is $1.25 per ton received for disposal at a municipal solid waste landfill if the solid waste is measured by weight. If the solid waste is measured by volume, the fee for compacted solid waste is 30 cents per cubic yard and the fee for uncompacted solid waste is 19 cents per cubic yard received for disposal at a municipal solid waste landfill. The commission shall set the fee for sludge or similar waste applied to the land for beneficial use on a dry weight basis and for solid waste received at an incinerator or a shredding and composting facility at half the fee set for solid waste received for disposal at a landfill. The commission may charge comparable fees for other means of solid waste disposal that are used.

(f) The commission may not charge a fee under Subsection (a) for source separated [yard waste] materials that are [composted] at a composting and mulch processing facility, including a composting and mulch processing facility located at a permitted landfill site. The commission shall credit any fee payment due under Subsection (a) for any material received and processed [converted] to compost or mulch product at the facility for composting through a composting process. Any compost or mulch product that is produced at a composting and mulch processing facility that is [not] used in the operation of the
facility or is disposed of [as compost and is deposited] in a
landfill is not exempt from the fee.

SECTION 4. Sections 361.014(a) and (b), Health and Safety
Code, are amended to read as follows:

(a) Revenue received by the commission under Section
361.013 shall be deposited in the state treasury to the credit of
the commission. Of that [half of the] revenue, 66.7 percent is
dedicated to the commission’s municipal solid waste permitting
programs, [and] enforcement programs, and site remediation
programs, and [related support activities and] to pay for
activities that will enhance the state’s solid waste management
program. The commission shall issue a biennial report to the
legislature describing in detail how the money was spent. The
activities to enhance the state’s solid waste management program
may include[, including):

(1) provision of funds for the municipal solid waste
management planning fund and the municipal solid waste resource
recovery applied research and technical assistance fund
established by the Comprehensive Municipal Solid Waste Management,
Resource Recovery, and Conservation Act (Chapter 363);

(2) conduct of demonstration projects and studies to
help local governments of various populations and the private
sector to convert to accounting systems and set rates that reflect
the full costs of providing waste management services and are
proportionate to the amount of waste generated;

(3) provision of technical assistance to local
governments concerning solid waste management;
(4) establishment of a solid waste resource center in the commission and an office of waste minimization and recycling;

(5) provision of supplemental funding to local governments for the enforcement of this chapter, the Texas Litter Abatement Act (Chapter 365), and Chapters 391 and 683, Transportation Code;

(6) conduct of a statewide public awareness program concerning solid waste management;

(7) provision of supplemental funds for other state agencies with responsibilities concerning solid waste management, recycling, and other initiatives with the purpose of diverting recyclable waste from landfills;

(8) conduct of research to promote the development and stimulation of markets for recycled waste products;

(9) creation of a state municipal solid waste superfund, from funds appropriated, for:

(A) the cleanup of unauthorized tire dumps and solid waste dumps for which a responsible party cannot be located or is not immediately financially able to provide the cleanup;

(B) the cleanup or proper closure of abandoned or contaminated municipal solid waste sites for which a responsible party is not immediately financially able to provide the cleanup; and

(C) remediation, cleanup, and proper closure of unauthorized recycling sites for which a responsible party is not immediately financially able to perform the remediation, cleanup, and closure;
(10) provision of funds to mitigate the economic and environmental impacts of lead-acid battery recycling activities on local governments; and

(11) provision of funds for the conduct of research by a public or private entity to assist the state in developing new technologies and methods to reduce the amount of municipal waste disposed of in landfills.

(b) Of the revenue received by the commission under Section 361.013, 33.3 percent is dedicated to local and regional solid waste projects consistent with regional plans approved by the commission in accordance with this chapter and to update and maintain those plans. Those revenues shall be allocated to municipal solid waste geographic planning regions for use by local governments and regional planning commissions according to a formula established by the commission that takes into account population, area, solid waste fee generation, and public health needs. Each planning region shall issue a biennial report to the legislature detailing how the revenue is spent. A project or service funded under this subsection must promote cooperation between public and private entities and may not be otherwise readily available or create a competitive advantage over a private industry that provides recycling or solid waste services.

SECTION 5. Section 361.133, Health and Safety Code, is amended by adding Subsection (c-1) to read as follows:

(c-1) Notwithstanding Subsection (c), money in the account attributable to fees imposed under Section 361.138 may be used for environmental remediation at the site of a closed battery recycling
facility located in the municipal boundaries of a municipality if the municipality submits to the commission a voluntary compliance plan for the site and is paying or has paid for part of the costs of the environmental remediation of the site. This subsection expires September 30, 2014.

SECTION 6. Section 771.0711(c), Health and Safety Code, is amended to read as follows:

(c) Money collected under Subsection (b) may be used only for services related to 9-1-1 services, including automatic number identification and automatic location information services, or as authorized by Section 771.079(c). Not later than the 15th day after the end of the month in which the money is collected, the commission shall distribute to each emergency communication district that does not participate in the state system a portion of the money that bears the same proportion to the total amount collected that the population of the area served by the district bears to the population of the state. The remaining money collected under Subsection (b) shall be deposited to the 9-1-1 services fee account.

SECTION 7. Section 771.079, Health and Safety Code, is amended by amending Subsection (c) and adding Subsection (c-1) to read as follows:

(c) Except as provided by Subsection (c-1), money in the account may be appropriated only to the commission for planning, development, provision, or enhancement of the effectiveness of 9-1-1 service or for contracts with regional planning commissions for 9-1-1 service, including for the purposes
of:

(1) maintaining 9-1-1 service levels while providing for a transition to a system capable of addressing newer technologies and capable of addressing other needs;

(2) planning and deploying statewide, regional, and local emergency network systems; and

(3) updating geospatial mapping technologies.

(c-1) The legislature may appropriate money from the account to provide assistance to volunteer fire departments under Subchapter G, Chapter 614, Government Code, only if:

(1) the purposes described by Subsection (c) have been accomplished or are fully funded for the fiscal period for which an appropriation under this subsection is made; and

(2) all other sources of revenue dedicated for the purposes of providing assistance to volunteer fire departments under Subchapter G, Chapter 614, Government Code, are obligated for the fiscal period for which an appropriation under this subsection is made.

SECTION 8. Section 780.003(a), Health and Safety Code, is amended to read as follows:

(a) The designated trauma facility and emergency medical services account is created as a dedicated account in the general revenue fund of the state treasury. Money in the account may be appropriated only to:

(1) the department for the purposes described by Section 780.004; or

(2) the Texas Higher Education Coordinating Board for
graduate-level:

(A) medical education programs; or

(B) nursing education programs.

SECTION 9. Section 2007.002, Insurance Code, is amended to read as follows:

Sec. 2007.002. ASSESSMENT. The comptroller shall assess against all insurers to which this chapter applies amounts for each state fiscal year necessary, as determined by the commissioner, to collect a combined total equal to the lesser of the total amount that the General Appropriations Act appropriates from the volunteer fire department assistance fund account in the general revenue fund for that state fiscal year and $30 million (for each 12-month period).

SECTION 10. Section 81.067(c), Natural Resources Code, is amended to read as follows:

(c) The fund consists of:

(1) proceeds from bonds and other financial security required by this chapter and benefits under well-specific plugging insurance policies described by Section 91.104(c) that are paid to the state as contingent beneficiary of the policies, subject to the refund provisions of Section 91.1091, if applicable;

(2) private contributions, including contributions made under Section 89.084;

(3) expenses collected under Section 89.083;

(4) fees imposed under Section 85.2021;

(5) costs recovered under Section 91.457 or 91.459;

(6) proceeds collected under Sections 89.085 and
91.115;
(7) interest earned on the funds deposited in the fund;
(8) oil and gas waste hauler permit application fees collected under Section 29.015, Water Code;
(9) costs recovered under Section 91.113(f);
(10) hazardous oil and gas waste generation fees collected under Section 91.605;
(11) oil-field cleanup regulatory fees on oil collected under Section 81.116;
(12) oil-field cleanup regulatory fees on gas collected under Section 81.117;
(13) fees for a reissued certificate collected under Section 91.707;
(14) fees collected under Section 91.1013;
(15) fees collected under Section 89.088;
(16) fees collected under Section 91.142;
(17) fees collected under Section 91.654;
(18) costs recovered under Sections 91.656 and 91.657;
(19) two-thirds of the fees collected under Section 81.0521;
(20) fees collected under Sections 89.024 and 89.026;
(21) legislative appropriations; [and]
(22) any surcharges collected under Section 81.070;
and
(23) fees collected under Section 91.0115.

SECTION 11. Section 81.068, Natural Resources Code, is
amended to read as follows:

Sec. 81.068. PURPOSES [PURPOSE] OF OIL AND GAS REGULATION AND CLEANUP FUND. Money in the oil and gas regulation and cleanup fund may be used by the commission or its employees or agents for any purpose related to the regulation of oil and gas development, including oil and gas monitoring and inspections, oil and gas remediation, and oil and gas well plugging, the study and evaluation of electronic access to geologic data and surface casing depths necessary to protect usable groundwater in this state, alternative fuels programs under Section 81.0681, public information and services related to those activities, and administrative costs and state benefits for personnel involved in those activities.

SECTION 12. Subchapter C, Chapter 81, Natural Resources Code, is amended by adding Section 81.0681 to read as follows:

Sec. 81.0681. ALTERNATIVE FUELS PROGRAMS. (a) The commission shall adopt all necessary rules relating to activities regarding the use of alternative fuels that are or have the potential to be effective in improving the air quality, energy security, or economy of this state.

(b) The commission shall use the oil and gas regulation and cleanup fund to pay for activities relating to the use of alternative fuels, including direct and indirect costs relating to:

1. researching all possible uses of liquefied petroleum gas and natural gas as alternative fuels;
2. researching, developing, and implementing marketing, advertising, and informational programs relating to
alternative fuels to make alternative fuels more understandable and readily available to consumers;

(3) developing and implementing conservation and distribution plans to minimize the frequency and severity of disruptions in the supply of alternative fuels;

(4) developing a public information plan that will provide advisory services relating to alternative fuels to consumers;

(5) developing voluntary participation plans to promote the use of alternative fuels by federal, state, and local agencies; and

(6) other functions the commission determines are necessary to add a program established by the commission for the purpose of promoting the use of liquefied petroleum gas, natural gas, or other alternative fuels.

SECTION 13. Section 91.0115, Natural Resources Code, is amended by amending Subsection (c) and adding Subsection (d) to read as follows:

(c) The commission shall charge a fee not to exceed $75, in addition to the fee required by Subsection (b), for processing a request to expedite a letter of determination. [Money collected under this subsection may be used to study and evaluate electronic access to geologic data and surface casing depths under Section 91.020.]

(d) The fees collected under this section shall be deposited in the oil and gas regulation and cleanup fund.

SECTION 14. Section 151.801(c-1), Tax Code, is amended to
read as follows:

(c-1) Except as provided by this subsection, the comptroller may not credit to the Parks and Wildlife Department or the Texas Historical Commission any amounts under this section that are in excess of the amounts appropriated to the department or commission for that biennium[, less any other amounts to which the department or commission is entitled]. In addition to amounts appropriated to the Parks and Wildlife Department from the proceeds described by Subsection (c), the comptroller shall transfer to appropriate department accounts amounts from those proceeds sufficient to fund the state contributions for employee benefits of Parks and Wildlife Department employees whose salaries or wages are paid from department accounts receiving the transfers.

SECTION 15. Subchapter G, Chapter 504, Transportation Code, is amended by adding Section 504.6012 to read as follows:

Sec. 504.6012. ELIMINATION OF DEDICATED REVENUE ACCOUNTS; REVENUES IN TRUST. (a) Notwithstanding any other provision of this subchapter, not later than September 30, 2013, the comptroller shall eliminate all dedicated accounts established for specialty license plates under this subchapter and shall set aside the balances of those dedicated accounts so that the balances may be appropriated only for the purposes intended as provided by the dedications.

(b) On and after September 1, 2013, the portion of a fee payable under this subchapter that is designated for deposit to a dedicated account shall be paid instead to the credit of an account in a trust fund created by the comptroller outside the general
revenue fund. The comptroller shall administer the trust fund and
accounts and may allocate the corpus and earnings on each account
only in accordance with the dedications of the revenue deposited to
the trust fund accounts.

SECTION 16. Section 39.903, Utilities Code, is amended by
adding Subsection (m) to read as follows:

(m) This section expires September 1, 2016.

SECTION 17. Subchapter Z, Chapter 39, Utilities Code, is
amended by adding Section 39.9039 to read as follows:

Sec. 39.9039. ELIMINATION OF SYSTEM BENEFIT FUND BALANCE.
(a) Notwithstanding Section 39.903(b), the commission shall set the
nonbypassable system benefit fund fee at the amount of zero cents
per megawatt hour for the period beginning September 1, 2013, and
ending September 1, 2016.

(b) Notwithstanding Section 39.903(e), money in the system
benefit fund may be appropriated:

(1) for the state fiscal year beginning September 1, 2013, a program established by the commission to assist low-income
electric customers by providing a reduced rate for the months of
September, 2013, and May through August, 2014, in the manner
prescribed by Section 39.903(h) at a rate of up to 82 percent;

(2) for the state fiscal year beginning September 1, 2014, a program established by the commission to assist low-income
electric customers by providing a reduced rate for the months of
September, 2014, and May through August, 2015, in the manner
prescribed by Section 39.903(h) at a rate of up to 15 percent;

(3) for the state fiscal year beginning September 1,
2015, a program established by the commission to assist low-income electric customers by providing a reduced rate for the months of September, 2015, and May through August, 2016, in the manner prescribed by Section 39.903(h) at a rate of up to 15 percent; and

(4) for customer education programs and administrative expenses incurred by the commission in implementing and administering this chapter.

(c) This section expires September 1, 2016.

SECTION 18. Subchapter I, Chapter 26, Water Code, is amended by adding Section 26.35745 to read as follows:

Sec. 26.35745. REPORT ON CORRECTIVE ACTIONS FOR PETROLEUM CONTAMINATED SITES AND FEES NECESSARY TO CONCLUDE PROGRAM. (a) The commission annually shall prepare a report regarding the status of corrective actions for sites reported to the commission under this subchapter as having had a release needing corrective action. The commission must issue the report to the legislature on or before November 1 of each year.

(b) Regarding sites reported to the commission under this subchapter as having had a release needing corrective action on or before December 22, 1998, and that remain in the commission's PST State-Lead Program on September 1, 2013, the report must include:

(1) the total number of sites;
(2) the total number of sites for which corrective action is ongoing;
(3) the total number of sites monitored;
(4) the projected costs of the corrective actions;
(5) the projected costs of monitoring;
(6) a projected timeline for issuing closure letters under this subchapter for all of the sites; and
(7) for each site, the corrective action activities proposed and completed during the preceding state fiscal year.

(c) Regarding sites reported to the commission under this subchapter as having had a release needing corrective action after December 22, 1998, for which the commission has elected to assume responsibility for undertaking corrective action under this subchapter, the report must include:

(1) the current status of each site;

(2) the costs associated with the corrective action activities performed during the preceding state fiscal year for the sites;

(3) amounts recovered under Section 26.355 related to the sites; and

(4) enforcement actions taken against owners and operators related to those sites.

(d) The commission shall investigate the amount of fees that would be necessary to cover the costs necessary to conclude the programs and activities under this subchapter before September 1, 2021. The commission shall include in the annual report under this section the conclusions of the investigation and the commission's recommendations regarding the fees and programs and activities.

(e) This section expires September 1, 2021.

SECTION 19. Effective September 1, 2015, Section 56.095(b), Education Code, is repealed.

SECTION 20. (a) Subchapter I, Chapter 113, Natural
Resources Code, is repealed.

(b) On the effective date of this Act:

(1) the alternative fuels research and education fund is abolished;

(2) any money remaining in the alternative fuels research and education fund is transferred to the undedicated portion of the general revenue fund;

(3) any claim against the alternative fuels research and education fund is transferred to the undedicated portion of the general revenue fund; and

(4) any amount required to be deposited to the credit of the alternative fuels research and education fund shall be deposited to the credit of the undedicated portion of the general revenue fund.

(c) Any money transferred from the alternative fuels research and education fund to the undedicated portion of the general revenue fund that was deposited in the alternative fuels research and education fund as a gift, grant, or other form of assistance under former Subchapter I, Chapter 113, Natural Resources Code, and is encumbered by the specific terms of the gift, grant, or other form of assistance may be spent only in accordance with the terms of the gift, grant, or other form of assistance.

Subchapter I, Chapter 113, Natural Resources Code, is continued in effect for the limited purpose of administering this subsection.

SECTION 21. In addition to other appropriations made from the system benefit fund by the 83rd Legislature, Regular Session, 2013, the amount of $500 million is appropriated from the system
benefit fund to the Public Utility Commission of Texas for the purposes of Section 39.9039, Utilities Code, as added by this Act, for the period beginning on the effective date of this Act and ending August 31, 2014.

SECTION 22. EFFECTIVE DATE. Except as otherwise provided 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; and

(2) if this Act does not receive the vote necessary for immediate effect, this Act takes effect on the 91st day after the last day of the legislative session.
I certify that H.B. No. 7 was passed by the House on May 2, 2013, by the following vote: Yeas 146, Nays 1, 2 present, not voting; that the House refused to concur in Senate amendments to H.B. No. 7 on May 24, 2013, and requested the appointment of a conference committee to consider the differences between the two houses; and that the House adopted the conference committee report on H.B. No. 7 on May 26, 2013, by the following vote: Yeas 143, Nays 4, 2 present, not voting; passed subject to the provisions of Article III, Section 49a, of the Constitution of the State of Texas.

Chief Clerk of the House
H.B. No. 7

I certify that H.B. No. 7 was passed by the Senate, with amendments, on May 21, 2013, by the following vote: Yeas 25, Nays 6; at the request of the House, the Senate appointed a conference committee to consider the differences between the two houses; and that the Senate adopted the conference committee report on H.B. No. 7 on May 26, 2013, by the following vote: Yeas 25, Nays 6; passed subject to the provisions of Article III, Section 49a, of the Constitution of the State of Texas.

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Secretary of the Senate

I certify that the amounts appropriated in the herein H.B. No. 7, Regular Session of the 83rd Legislature, are within amounts estimated to be available in the affected fund.

Certified_____________________

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Comptroller of Public Accounts

APPROVED: ____________________

Date

___________________________
Governor