

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**May 18, 2013**

**TO:** Honorable Tommy Williams, Chair, Senate Committee on Finance

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** HB6 by Otto (relating to the creation and re-creation of funds and accounts in the state treasury, the dedication and rededication of revenue, and the exemption of unappropriated money from use for general governmental purposes.), **Committee Report 2nd House, Substituted**

**The fiscal impact of the bill relating to the abolition of funds, accounts allocations, and revenue dedications would depend on future actions of the Legislature and cannot be estimated at this time.**

The bill would abolish all funds, accounts, and revenue dedications created or recreated by the 83rd Legislature, Regular Session, 2013, unless specifically exempted under separate sections of the bill. Any funds, accounts, or revenue dedications abolished under this bill would be deposited to the credit of the unobligated portion of the General Revenue Fund 0001. The bill would define the state agencies to which this act would apply; and it would provide for the abolition of new or re-created funds, accounts, and revenue dedications, unless they were specifically exempted in the bill.

The bill would exempt dedications, funds, and accounts that were enacted before the 83rd Legislature convened to comply with the State Constitution or federal requirements, or that remained exempt from the abolishment and removal of dedication provisions of the former Section 403.094(h) of the Government Code and increases in existing fees or in other revenue that were previously dedicated or required to be deposited in a fund or account exempted prior to the 83rd Legislature, Regular Session, 2013.

Federal funds, created by the 83rd Legislature, Regular Session, 2013, for which separate accounting is required by federal law, would be exempt. These funds would be deposited into accounts within General Revenue Fund 0001, unless otherwise required by federal law. The bill would exempt all trust funds and bond funds created by the 83rd Legislature, Regular Session, 2013, except that all trust funds would have to be held in the State Treasury, with the Comptroller of Public Accounts (Comptroller) in trust, or outside the State Treasury with the Comptroller's approval. The bill would exempt funds or accounts created or re-created or revenue dedicated or rededicated under a constitutional amendment proposed by an act of the 83rd Legislature, Regular Session, 2013, if approved by the voters.

The bill would amend Sections 403.095(b), (d), and (e) of the Government Code to allow the Comptroller, as directed by the Legislature, to make reductions in dedicated accounts in the amounts by which estimated revenues and unobligated balances exceeded appropriations

following certification of all appropriations enacted by the 83rd Legislature. Dedicated revenues exceeding amounts appropriated by the 83rd Legislature would be available for certification through August 31, 2015. Funds outside of the State Treasury, trust funds, funds created by the State Constitution or a court, and funds for which separate accounting was required by federal law would be exempt from this section. These provisions would expire September 1, 2015.

The provisions of this bill would prevail over any other act of the 83rd Legislature, Regular Session, 2013, regardless of the date of enactment, purporting to dedicate or rededicate a fund, account, or revenue in the State Treasury. The bill would take effect immediately upon enactment, assuming that it received the requisite two thirds majority votes in both houses of the Legislature. Otherwise, it would take effect on the 91st day after the last day of the legislative session.

The funds, accounts, and revenue dedications that would be abolished and become part of General Revenue Fund 0001 cannot be determined at this time. Any net gain or loss from the re-creation of existing funds or accounts as exempted in this bill that are dependent upon the passage of another act of the 83rd Legislature Regular Session, 2013, are dependent upon appropriations made in the 2014-15 General Appropriations Act and cannot be estimated at this time.

### **Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

### **Source Agencies:**

**LBB Staff:** UP, KK, JI, JJ