Senate Amendments Section-by-Section Analysis

HOUSE VERSION

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

SECTION 2. ABOLITION OF FUNDS, ACCOUNTS, AND DEDICATIONS. Except as otherwise specifically provided by this Act, all funds 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 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 the date the Act creating or re-creating the fund or account or dedicating or rededicating revenue takes effect.

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

- (1) statutory dedications, funds, and accounts that were enacted before the 83rd Legislature convened to comply with requirements of state constitutional or federal law;
- (2) dedications, funds, or accounts that remained exempt from former Section 403.094(h), Government Code, at the time dedications, accounts, and funds were abolished under that provision;
- (3) increases in fees or in other revenue dedicated as

SENATE VERSION (IE)

SECTION 1. DEFINITION. In any provision of this Act that does not amend current law, "state agency" means an office, institution, or other agency that is in the executive branch or the judicial branch of state government, has authority that is not limited to a geographical portion of the state, and was created by the constitution or a statute of this state. The term does not include an institution of higher education as defined by Section 61.003, Education Code. [FA1(1)]

SECTION 2. ABOLITION OF FUNDS, ACCOUNTS, AND DEDICATIONS. Except as otherwise specifically provided by this Act, all funds and accounts created or re-created by an Act of the 83rd Legislature, Regular Session, 2013, that becomes law and all dedications or rededications of revenue in the state 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 the date the Act creating or recreating the fund or account or dedicating or rededicating revenue takes effect. [FA1(2)]

SECTION 3. Same as House version.

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described by this section; or

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

SECTION 4. FEDERAL FUNDS. Section 2 of this Act does not apply to funds created pursuant to an Act of the 83rd Legislature, Regular Session, 2013, for which separate accounting is required by federal law, except that the funds shall be deposited in accounts in the general revenue fund unless otherwise required by federal law.

SECTION 5. TRUST FUNDS. Section 2 of this Act does not apply to trust funds or dedicated revenue deposited to trust funds 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 treasury with the comptroller's approval.

SECTION 6. BOND FUNDS. Section 2 of this Act does not apply 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, or outside the state treasury with the comptroller's approval.

SECTION 7. CONSTITUTIONAL FUNDS. Section 2 of this Act does not apply to funds or accounts that would be created or re-created by the Texas Constitution or revenue that would be dedicated or rededicated by the Texas Constitution under a constitutional amendment proposed by the 83rd Legislature, Regular Session, 2013, or to dedicated revenue deposited to funds or accounts that would be so created or re-

SECTION 4. Same as House version.

SECTION 5. Same as House version.

SECTION 6. Same as House version.

SECTION 7. Same as House version.

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created, if the constitutional amendment is approved by the

SENATE VERSION (IE)

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No equivalent provision.

voters.

No equivalent provision.

SECTION __. SEPARATE FUNDS IN THE TREASURY. Effective on the later of the effective date of the Act creating or re-creating the specified fund or August 31, 2013, the following funds, if created by an Act of the 83rd Legislature, Regular Session, 2013, the revenue deposited to the funds, and the revenue dedicated for deposit to the funds, are exempt from Section 2 of this Act and the funds are created in as separate funds in the state treasury:

- (1) the Texas economic development fund, created as a fund in the state treasury by Senate Bill No. 1214 or similar legislation; and
- (2) the permanent fund supporting military and veterans exemptions, created as a special fund in the treasury by Senate Bill No. 1158 or similar legislation. [FA1(3)]

SECTION __. REVENUE DEDICATION. Effective on the later of the effective date of the Act dedicating or rededicating the specified revenue or August 31, 2013, the following dedications or rededications of revenue collected for a particular purpose are exempt from Section 2 of this Act, if dedicated or rededicated by an Act of the 83rd Legislature, Regular Session, 2013:

- (1) the dedication of penalty revenue to the compensation to victims of crime fund as provided by House Bill No. 508 or similar legislation;
- (2) the dedication of fee and penalty revenue for deposit to and revenue held in the oyster sales account in the general revenue fund provided by House Bill No. 1903 or similar legislation;

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Senate Amendments Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (IE)

(3) the dedication of voluntary contributions for deposit to the fund for veterans' assistance provided by House Bill No. 633 or similar legislation; and

(4) the rededication of revenue held in the system benefit fund as provided by House Bill No. 7 or similar legislation. [FA1(4)]

Sections 403.095(b), (d), and (e), Government Code, are

- SECTION 8. AMENDMENT OF SECTION 403.095, GOVERNMENT CODE. (a) If S.J.R. No. 1 of the 83rd Legislature, Regular Session, 2013, is approved by both houses of the legislature, and if, on or before September 1, 2013, Section 39.9039, Utilities Code, as proposed by H.B. No. 7 or similar legislation of the 83rd Legislature, Regular Session, 2013, becomes law, effective September 1, 2013, Section 403.095, Government Code, is amended by amending Subsections (b), (d), and (e) and adding Subsection (b-1) to read as follows:
- (b) Notwithstanding any law dedicating or setting aside revenue for a particular purpose or entity, an amount of dedicated revenues, not to exceed a total of \$1 billion, that [7] on August 31 of an odd-numbered year is [, 2013, are] estimated to exceed the amount appropriated by the General Appropriations Act or other laws enacted by the legislature is [82nd Legislature are] available for general governmental purposes and is [are] considered available for the purpose of certification under Section 403.121. It is the intent of the legislature that dedicated revenues that exceed the total amount that this subsection makes available for general governmental purposes and for certification must be used for the purposes for which the revenues are dedicated.

(b-1) Notwithstanding the limitation provided by Subsection

SECTION 8.

amended to read as follows:

(b) Notwithstanding any law dedicating or setting aside revenue for a particular purpose or entity, dedicated revenues,

in a total amount not to exceed \$4 billion, that [-] on August 31, 2015 [2013], are estimated to exceed the amount

appropriated by the General Appropriations Act or other laws enacted by the 83rd [82nd] Legislature are available for

general governmental purposes and are considered available

for the purpose of certification under Section 403.121. It is

the intent of the legislature that dedicated revenues that

exceed the total amount that this subsection makes available

for general governmental purposes and for certification must

be used for the purposes for which the revenues are dedicated.

AMENDMENT OF SECTION 403.095. GOVERNMENT CODE. Effective September 1, 2013,

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SENATE VERSION (IE)

- (b), the amount of dedicated revenues described by that subsection that on August 31 of an odd-numbered year is estimated to exceed the amount appropriated by the General Appropriations Act or other laws enacted by the legislature is considered available for general governmental purposes and for the purpose of the certification under Section 403.121 in an amount not to exceed:
- (1) \$4.2 billion for the fiscal biennium ending August 31, 2015:
- (2) \$3.4 billion for the fiscal biennium ending August 31, 2017:
- (3) \$2.6 billion for the fiscal biennium ending August 31, 2019; and
- (4) \$1.8 billion for the fiscal biennium ending August 31, 2021.
- (d) Following certification of the General Appropriations Act and other appropriations measures enacted by the legislature [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 appropriations. The reductions may be made in the amounts and at the times necessary for cash flow considerations to allow all the 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 not apply to revenues or balances in:
- (1) 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 for the acquisition, development, construction, or maintenance

(d) Following certification of the General Appropriations 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 appropriations. The reductions may be made in the amounts and at the times necessary for cash flow considerations to allow all the 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 not apply to revenues or balances in:

- (1) 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 for the acquisition, development, construction, or maintenance

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Senate Amendments Section-by-Section Analysis

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of state and local government infrastructures, recreational facilities, or natural resource conservation facilities;

- (3) funds created by the constitution or a court; or
- (4) funds for which separate accounting is required by federal law.
- (e) This section expires [on] September 1, 2015 [2013].

SENATE VERSION (IE)

of state and local government infrastructures, recreational facilities, or natural resource conservation facilities;

- (3) funds created by the constitution or a court; or
- (4) funds for which separate accounting is required by federal law.
- (e) This <u>subsection and Subsection (b-1) expire</u> [section expires on] September 1, 2023 [2013].
- (b) If either of the conditions provided by Subsection (a) of this section is not met, Subsection (a) of this section has no effect, and, effective September 1, 2013, Section 403.095, Government Code, is amended by amending Subsections (b), (d), and (e) and adding Subsection (b-1) to read as follows:
- (b) Notwithstanding any law dedicating or setting aside revenue for a particular purpose or entity, an amount of dedicated revenues, not to exceed a total of \$1 billion, that [,] on August 31 of an odd-numbered year is[, 2013, are] estimated to exceed the amount appropriated by the General Appropriations Act or other laws enacted by the legislature is [82nd Legislature are] available for general governmental purposes and is [are] considered available for the purpose of certification under Section 403.121. It is the intent of the legislature that dedicated revenues that exceed the total amount that this subsection makes available for general governmental purposes and for certification must be used for the purposes for which the revenues are dedicated.
- (b-1) Notwithstanding the limitation provided by Subsection (b), the amount of dedicated revenues described by that subsection that on August 31 of an odd-numbered year is estimated to exceed the amount appropriated by the General Appropriations Act or other laws enacted by the legislature is considered available for general governmental purposes and for the purpose of the certification under Section 403.121 in

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an amount not to exceed:

- (1) \$5.0 billion for the fiscal biennium ending August 31, 2015;
- (2) \$4.0 billion for the fiscal biennium ending August 31, 2017;
- (3) \$3.0 billion for the fiscal biennium ending August 31, 2019; and
- (4) \$2.0 billion for the fiscal biennium ending August 31, 2021.
- (d) Following certification of the General Appropriations Act and other appropriations measures enacted by the <u>legislature</u> [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 appropriations. The reductions may be made in the amounts and at the times necessary for cash flow considerations to allow all the 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 not apply to revenues or balances in:
- (1) 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 for the acquisition, development, construction, or maintenance of state and local government infrastructures, recreational facilities, or natural resource conservation facilities;
- (3) funds created by the constitution or a court; or
- (4) funds for which separate accounting is required by federal law.
- (e) This subsection and Subsection (b-1) expire [section

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expires on] September 1, 2023 [2013]. [FA4]

SECTION 9. Same as House version.

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

- (1) purports to create or re-create a special fund or account in the state treasury;
- (2) purports to dedicate or rededicate revenue to a particular purpose, including any fund, account, or revenue dedication abolished under former Section 403.094, Government Code; or
- (3) amends Section 403.095, Government Code.
- (b) Revenue that, under the terms of another Act of the 83rd Legislature, Regular Session, 2013, would be deposited to the credit of a special account or fund shall be deposited to the credit 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 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.

SECTION 10. Same as House version.