By: Shaheen

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A BILL TO BE ENTITLED 1 AN ACT 2 relating to the provision and use of certain transportation funding, including the allocation of certain revenue from the taxes 3 imposed on the sale or use of motor vehicles. 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 5 SECTION 1. Effective September 1, 2015, Section 152.122, 6 Tax Code, is amended to read as follows: 7 Sec. 152.122. ALLOCATION AND USE OF TAX. (a) Subject to 8 Section 152.1222, the [The] comptroller shall deposit the funds 9 received under Section 152.121 of this code as follows: 10 11 (1) 1/6 to the credit of the state highway fund [$\frac{1}{4}$ to 12 the credit of the foundation school fund]; and 13 (2) the remaining funds to the credit of the general 14 revenue fund. (b) Money deposited to the credit of the state highway fund 15 16 under this section may not be used for: (1) a toll road; or 17 18 (2) a mass transit project. SECTION 2. Effective September 1, 2016, Section 152.122, 19 Tax Code, is amended to read as follows: 20 21 Sec. 152.122. ALLOCATION AND USE OF TAX. (a) Subject to Section 152.1222, the [The] comptroller shall deposit the funds 22 received under Section 152.121 of this code as follows: 23 24 [(1) 1/3 to the credit of the state highway fund [$\frac{1}{4}$

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1 to the credit of the foundation school fund]; and

2 (2) the remaining funds to the credit of the general3 revenue fund.

4 SECTION 3. Effective September 1, 2017, Section 152.122, 5 Tax Code, is amended to read as follows:

Sec. 152.122. ALLOCATION <u>AND USE</u> OF TAX. (a) <u>Subject to</u>
<u>Section 152.1222</u>, the [The] comptroller shall deposit the funds
received under Section 152.121 of this code as follows:

9 (1) <u>1/2 to the credit of the state highway fund</u> [1/4 to
10 the credit of the foundation school fund]; and

11 (2) the remaining funds to the credit of the general 12 revenue fund.

13 SECTION 4. Effective September 1, 2018, Section 152.122, 14 Tax Code, is amended to read as follows:

Sec. 152.122. ALLOCATION <u>AND USE</u> OF TAX. (a) <u>Subject to</u> Section <u>152.1222</u>, the [The] comptroller shall deposit the funds received under Section <u>152.121</u> of this code as follows:

18 (1) 2/3 to the credit of the state highway fund [1/4 to 19 the credit of the foundation school fund]; and

20 (2) the remaining funds to the credit of the general21 revenue fund.

22 SECTION 5. Effective September 1, 2019, Section 152.122, 23 Tax Code, is amended to read as follows:

24 Sec. 152.122. ALLOCATION <u>AND USE</u> OF TAX. <u>(a)</u> <u>Subject to</u> 25 <u>Section 152.1222, the</u> [The] comptroller shall deposit the funds 26 received under Section 152.121 of this code as follows:

27 (1) <u>5/6 to the credit of the state highway fund</u> [1/4 to

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1 the credit of the foundation school fund]; and

2 (2) the remaining funds to the credit of the general3 revenue fund.

SECTION 6. Effective September 1, 2020, Section 152.122,
Tax Code, is amended to read as follows:

Sec. 152.122. ALLOCATION <u>AND USE</u> OF TAX. (a) <u>Subject to</u>
<u>Section 152.1222</u>, the [The] comptroller shall deposit the funds
received under Section 152.121 to the credit of the state highway
<u>fund.</u> [of this code as follows:]

10 [(1) 1/4 to the credit of the foundation school fund; 11 and]

12 [(2) the remaining funds to the credit of the general 13 revenue fund.]

SECTION 7. Subchapter A, Chapter 222, Transportation Code, is amended by adding Section 222.007 to read as follows:

16 <u>Sec. 222.007. FUNDING FOR CERTAIN PROJECTS. (a) In this</u> 17 <u>section, "mass transit" has the meaning assigned by Section</u> 18 370.003.

19 (b) On or before August 31, 2020, the department shall 20 identify and implement savings and efficiencies that result in a 21 total savings of at least \$1 billion. The amount saved is 22 appropriated for the state fiscal biennium ending August 31, 2020, 23 to the department from the source from which the money was 24 originally appropriated for the purpose of funding:

25 (1) added capacity projects on the state highway
26 system; and

27 (2) preventive maintenance and rehabilitation

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1 projects on the state highway system. 2 (c) To provide the funding required under Subsection (b), 3 the department: 4 (1) shall maximize the use of all amounts appropriated 5 to the department; 6 (2) may use savings realized through operational 7 efficiencies, cost reductions, and cost savings; and 8 (3) may not reduce the amount of funding available for transportation projects. 9 Money appropriated under this section may not be used 10 (d) for toll road, mass transit, or highway beautification projects. 11 (e) Not later than August 31, 2020, the department shall 12 report in writing to the legislature on the implementation of this 13 14 section. 15 (f) This section expires September 1, 2020. 16 SECTION 8. In addition to the substantive changes made by 17 this Act, this Act conforms Section 152.122, Tax Code, to the method of allocating motor vehicle sales and use taxes in effect before the 18 effective date of this Act. Section 11.04, Chapter 4 (S.B. 3), Acts 19 of the 72nd Legislature, 1st Called Session, 1991, enacted former 20 Section 403.094(h), Government Code, which abolished certain state 21 fund dedications and resulted in the abolition of the allocation to 22 23 the foundation school fund effective August 31, 1995. 24 SECTION 9. Except as otherwise provided by this Act, this act takes effect September 1, 2015. 25

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