

BILL ANALYSIS

H.B. 3849
By: Zerwas
Appropriations
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties note the legislature's need for flexibility to appropriate funds based on budgetary need and to use fund balances from revenue dedicated for a particular purpose for general governmental purposes. The parties further note legislative efforts to consolidate funds in existence before the end of a fiscal biennium, which provided for the abolition of dedications in existence prior to the end of the next fiscal biennium unless otherwise expressly exempted. H.B. 3849 seeks to enact a similar consolidation, as it relates to the creation and re-creation of funds and accounts, the dedication and rededication of revenue, and the exemption of unappropriated money from use for general governmental purposes.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 3849 abolishes all funds and accounts created or re-created and all dedications or rededications of revenue collected by a state agency for a particular purpose by an act of the 85th Legislature, Regular Session, 2017, that becomes law, on the later date of August 31, 2017, or the date the act creating or re-creating the fund or account or dedicating or rededicating revenue takes effect, except as otherwise specifically provided by the bill.

H.B. 3849 exempts the following from abolition by the bill:

- statutory dedications, funds, and accounts that were enacted before the 85th Legislature convened to comply with requirements of state constitutional or federal law; dedications, funds, or accounts that remained exempt from former state law consolidating certain state funds and abolishing certain fund dedications at the time dedications, accounts, and funds were abolished under that law; increases in fees or in other such dedicated revenue; and increases in fees or in other revenue required to be deposited in such a fund or account;
- funds created under an act of the 85th Legislature, Regular Session, 2017, for which separate accounting is required by federal law, except that such funds are required to be deposited in accounts in the general revenue fund unless otherwise required by federal law;
- trust funds or dedicated revenue deposited to trust funds created under an act of the 85th Legislature, Regular Session, 2017, except that such trust funds are required to be held in the state treasury, with the comptroller of public accounts in trust, or outside the state

treasury with the comptroller's approval;

- bond funds and pledged funds created or affected by an act of the 85th Legislature, Regular Session, 2017, except that such funds are required to be held in the state treasury, with the comptroller in trust, or outside the state treasury with the comptroller's approval;
- funds or accounts that would be created or re-created by the Texas Constitution or revenue that would be dedicated or rededicated by the constitution under a constitutional amendment proposed by the 85th Legislature, Regular Session, 2017, and dedicated revenue deposited to funds or accounts that would be created or re-created if such a constitutional amendment is approved by the voters; and
- a newly authorized dedication of or use of a dedicated fund, a dedicated account, or dedicated revenue as provided by an act of the 85th Legislature, Regular Session, 2017, to the extent that act affects a fund, an account, or revenue that was exempted from funds consolidation before January 1, 2017.

H.B. 3849 authorizes a dedicated fund, dedicated account, or dedicated revenue that was exempted from funds consolidation before January 1, 2017, to be used as provided by an act of the 85th Legislature, Regular Session, 2017. A change in the name or authorized use of a previously exempted dedicated fund or account expressly does not affect the dedicated nature of the fund or account.

H.B. 3849 amends the Government Code, effective September 1, 2017, to update references to the 84th Legislature in statutory provisions governing the use of dedicated revenue to reflect application of those provisions to the 85th Legislature, to change from August 31, 2017, to August 31, 2019, the date on which dedicated revenues estimated to exceed the amount appropriated are considered available for general governmental purposes and for purposes of budget certification, and to postpone the expiration date of such provisions from September 1, 2017, to September 1, 2019.

H.B. 3849 establishes that it prevails over any other act of the 85th Legislature, Regular Session, 2017, regardless of the relative dates of enactment, that purports to create or re-create a special fund or account or to dedicate or rededicate revenue to a particular purpose, including any fund, account, or revenue dedication abolished under former law, and that an exemption from the application of statutory provisions governing the use of dedicated revenue contained in another act of the 85th Legislature, Regular Session, 2017, that is exempted from the bill's abolishment has no effect. The bill requires revenues that would be deposited to the credit of a special account or fund under the terms of another act of the 85th Legislature, Regular Session, 2017, to be deposited to the credit of the undedicated portion of the general revenue fund unless the fund, account, or dedication is exempted under the bill's provisions.

EFFECTIVE DATE

Except as otherwise provided, on passage, or, if the bill does not receive the necessary vote, the 91st day after the last day of the legislative session.