

By: Guillen

H.B. No. 3064

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the dedication and maximization of returns on payments
3 received by this state for economic losses sustained from the
4 Deepwater Horizon oil spill.

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

6 SECTION 1. Subchapter G, Chapter 403, Government Code, is
7 amended by adding Section 403.108 to read as follows:

8 Sec. 403.108. TEXAS GULF RECOVERY FUND. (a) In this
9 section:

10 (1) "Deepwater Horizon incident" means the oil spill
11 occurring from the MC252 well beginning in April 2010 in the Gulf of
12 Mexico.

13 (2) "Fund" means the Texas Gulf recovery fund.

14 (3) "Trust company" means the Texas Treasury
15 Safekeeping Trust Company.

16 (b) The Texas Gulf recovery fund is a special fund in the
17 state treasury outside the general revenue fund. The fund is
18 composed of:

19 (1) all money received by this state for general
20 economic losses that is paid in accordance with:

21 (A) the Gulf States Economic Claims Settlement
22 Agreement arising in part out of this state's case styled Texas v.
23 BP Exploration & Production Inc., et al., No. 13-cv-4677, filed
24 June 18, 2013, in the United States District Court, Eastern

1 District of Louisiana, and consolidated in the multidistrict
2 litigation known as MDL 2179 in that court; or

3 (B) the Master Settlement Agreement entered into
4 by Transocean Offshore Deepwater Drilling Inc., Transocean
5 Deepwater Inc., Transocean Holdings LLC, and Triton Asset Leasing
6 GmbH, this state, and other Gulf states arising out of litigation
7 from the Deepwater Horizon incident consolidated in the
8 multidistrict litigation known as MDL 2179 in the United States
9 District Court, Eastern District of Louisiana; and

10 (2) interest received from the investment of fund
11 assets.

12 (c) On receipt, the comptroller shall deposit money
13 described by Subsection (b)(1) to the credit of the fund.

14 (d) Except as otherwise provided by this section, the
15 comptroller shall administer the fund and may establish separate
16 accounts in the fund as necessary.

17 (e) The trust company shall hold and invest the assets of
18 the fund and any accounts established in the fund on behalf of the
19 comptroller, taking into account the purposes for which the fund is
20 established. In managing the fund assets, through procedures and
21 subject to restrictions the trust company considers appropriate,
22 the trust company may acquire, exchange, sell, supervise, manage,
23 or retain any kind of investment that a prudent investor,
24 exercising reasonable care, skill, and caution, would acquire or
25 retain in light of the purposes, terms, and other circumstances of
26 the fund then prevailing, taking into consideration the investment
27 of all the fund assets rather than a single investment. The trust

1 company may invest the fund assets with the state treasury pool.

2 (f) Expenses of managing the fund assets shall be paid from
3 the fund, notwithstanding Subsections (g) and (h).

4 (g) Until September 1, 2033, the sole purpose of the fund is
5 to maximize the return on investment of the fund assets. Money in
6 the fund may not be appropriated for any purpose for a period
7 beginning before September 1, 2033. This subsection expires
8 September 1, 2033.

9 (h) Money in the fund may be appropriated only:

10 (1) for a period beginning on or after September 1,
11 2033; and

12 (2) for ecological, environmental, or economic
13 projects benefiting areas of this state bordering the Gulf of
14 Mexico that sustained environmental or ecological damage or other
15 economic losses as a result of the Deepwater Horizon incident.

16 (i) The fund is exempt from the application of Section
17 403.095.

18 SECTION 2. Section 404.071(a), Government Code, is amended
19 to read as follows:

20 (a) Interest received from investments of money in funds and
21 accounts in the charge of the comptroller shall be allocated on a
22 monthly basis as follows:

23 (1) the pro rata portion of the interest received due
24 to each constitutional fund shall be credited to that fund;

25 (2) the pro rata portion of the interest received due
26 to the game, fish, and water safety fund shall be credited to that
27 fund;

1 (2-a) the pro rata portion of the interest received from
2 the investment of the Texas Gulf recovery fund shall be credited to
3 that fund; and

4 (3) the remainder of the interest received shall be
5 credited to the general revenue fund.

6 SECTION 3. On the effective date of this Act, the
7 comptroller of public accounts shall transfer from the general
8 revenue fund to the Texas Gulf recovery fund established under
9 Section 403.108, Government Code, as added by this Act, an amount of
10 money equal to the amounts of money described by Section
11 403.108(b)(1), Government Code, as added by this Act, that were
12 received by this state before the effective date of this Act.

13 SECTION 4. This Act takes effect immediately if it receives
14 a vote of two-thirds of all the members elected to each house, as
15 provided by Section 39, Article III, Texas Constitution. If this
16 Act does not receive the vote necessary for immediate effect, this
17 Act takes effect September 1, 2017.