

BILL ANALYSIS

H.B. 3317
By: Zerwas
Appropriations
Committee Report (Unamended)

BACKGROUND AND PURPOSE

It has been noted that every legislature for more than two decades has passed a funds consolidation bill to specify which general revenue-dedicated accounts are available to use for budget certification and which are exempt. It has been further noted that recently, the legislature has worked to reduce the state's reliance on dedicated accounts for the purpose of certification by appropriating those funds for allowable use and exempting others from certification in the fund consolidation bill. H.B. 3317 seeks to enable the fund consolidation process.

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. 3317 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 86th Legislature, Regular Session, 2019, that becomes law, on the later date of August 31, 2019, 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. The bill provides certain exemptions from abolishment with respect to previously exempt dedications, funds, and accounts; federal funds; trust funds; bond funds; constitutional funds; and newly authorized uses of a dedicated fund or dedicated account.

H.B. 3317, effective September 1, 2019, amends the Government Code to establish that all interest or other earnings that accrue on all revenue held in an account in the general revenue fund that are available for budget certification are in turn available for any general governmental purpose and to require the comptroller of public accounts to deposit the interest and earnings to the credit of the general revenue fund. The bill sets out certain exceptions to these provisions.

H.B. 3317 updates references to the 85th Legislature in statutory provisions governing the use of dedicated revenue to reflect application of those provisions to the 86th Legislature; to change from August 31, 2019, to August 31, 2021, 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, 2019, to September 1, 2021.

H.B. 3317, effective September 1, 2019, amends the Transportation Code to require the

comptroller, not later than September 30, 2019, to eliminate all dedicated accounts established for specialty license plates and set aside the balances of those dedicated accounts for specified purposes. The bill requires that, on and after September 1, 2019, the portion of a specialty license plate fee payable that is designated for deposit to a dedicated account is required to instead be paid to the credit of an account in a trust fund created by the comptroller outside the general revenue fund.

H.B. 3317 provides for the effect of its provisions with respect to any other act of the 86th Legislature, Regular Session, 2019, including that the bill prevails over any such other act, 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.

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.