By:  Nelson S.B. No. 2178

A BILL TO BE ENTITLED

AN ACT

relating to state fiscal matters.

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

ARTICLE 1.  PUBLIC EDUCATION

SECTION 1.01.  This article applies to any state agency, school, or other entity, other than an institution of higher education, that receives an appropriation under Article III of the General Appropriations Act.

SECTION 1.02.  Notwithstanding any other statute of this state, each entity to which this article applies is authorized to reduce or recover expenditures by:

(1)  consolidating any reports or publications the entity is required to make and filing or delivering any of those reports or publications exclusively by electronic means;

(2)  extending the effective period of any license, permit, or registration the entity grants or administers;

(3)  entering into a contract with another governmental entity or with a private vendor to carry out any of the entity's duties;

(4)  providing that any communication between the entity and another person and any document required to be delivered to or by the entity, including any application, notice, billing statement, receipt, or certificate, may be made or delivered by e-mail or through the Internet; and

(5)  adopting and collecting fees or charges to cover any costs the entity incurs in performing its lawful functions.

SECTION 1.03.  An employee of a state agency, school, or other entity other than an institution of higher education, that receives an appropriation under Article III of the General Appropriations Act, is not entitled to an amount from the state for expenses, per diem, travel, or salary that exceeds the amount authorized for those purposes by the General Appropriations Act.

SECTION 1.04.  An employee of a state agency, school, or other entity other than an institution of higher education, that receives an appropriation under Article III of the General Appropriations Act, is not entitled to an amount from the state for a salary, a salary supplement, office expenses or reimbursement of office expenses, or travel that exceeds the amount authorized for those purposes by the General Appropriations Act.

SECTION 1.05.  An employee of an agency or other entity appropriated funds under Article III of the General Appropriations Act other than an institution of higher education is not entitled to an amount from the state for expenses, per diem, travel, or salary that exceeds the amount authorized for those purposes by the General Appropriations Act.

ARTICLE 2. HEALTH AND HUMAN SERVICES

SECTION 2.01.  This article applies to any state agency that receives an appropriation under Article II of the General Appropriations Act and to any program administered by any of those agencies.

SECTION 2.02.  Notwithstanding any other statute of this state, each state agency to which this article applies is authorized to reduce or recover expenditures by:

(1)  consolidating any reports or publications the agency is required to make and filing or delivering any of those reports or publications exclusively by electronic means;

(2)  extending the effective period of any license, permit, or registration the agency grants or administers;

(3)  entering into a contract with another governmental entity or with a private vendor to carry out any of the agency's duties;

(4)  adopting additional eligibility requirements consistent with federal law for persons who receive benefits under any law the agency administers to ensure that those benefits are received by the most deserving persons consistent with the purposes for which the benefits are provided, including under the following laws:

(A)  Chapter 62, Health and Safety Code (child health plan program);

(B)  Chapter 31, Human Resources Code (temporary assistance for needy families program);

(C)  Chapter 32, Human Resources Code (Medicaid program);

(D)  Chapter 33, Human Resources Code (supplemental nutrition assistance and other nutritional assistance programs); and

(E)  Chapter 533, Government Code (Medicaid managed care);

(5)  providing that any communication between the agency and another person and any document required to be delivered to or by the agency, including any application, notice, billing statement, receipt, or certificate, may be made or delivered by e-mail or through the Internet;

(6)  adopting and collecting fees or charges to cover any costs the agency incurs in performing its lawful functions; and

(7)  modifying and streamlining processes used in:

(A)  the conduct of eligibility determinations for programs listed in Subdivision (4) of this subsection by or under the direction of the Health and Human Services Commission;

(B)  the provision of child and adult protective services by the Department of Family and Protective Services;

(C)  the provision of services for the aging and disabled by the Health and Human Services Commission;

(D)  the provision of services to children and other persons with disabilities by the Health and Human Services Commission;

(E)  the provision of community health services, consumer protection services, mental health services, and hospital facilities and services by the Department of State Health Services; and

(F)  the provision or administration of other services provided or programs operated by the Health and Human Services Commission or a health and human services agency, as defined by Section 531.001, Government Code.

SECTION  2.03. A health and human services employee is not entitled to an amount from the state for expenses, per diem, travel, or salary that exceeds the amount authorized for those purposes by the General Appropriations Act.

SECTION 2.04.  A health and human services employee is not entitled to an amount from the state for a salary, a salary supplement, office expenses or reimbursement of office expenses, or travel that exceeds the amount authorized for those purposes by the General Appropriations Act.

SECTION 2.05.  If before implementing any provision of this article a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision shall request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

ARTICLE 3.  ARTICLE VII AGENCIES

SECTION 3.01.  This article applies to any state agency that receives an appropriation under Article VII of the General Appropriations Act.

SECTION 3.02.  Notwithstanding any other statute of this state, each state agency to which this article applies is authorized to reduce or recover expenditures by:

(1)  consolidating any reports or publications the agency is required to make and filing or delivering any of those reports or publications exclusively by electronic means;

(2)  extending the effective period of any license, permit, or registration the agency grants or administers;

(3)  entering into a contract with another governmental entity or with a private vendor to carry out any of the agency's duties;

(4)  adopting additional eligibility requirements for persons who receive benefits under any law the agency administers to ensure that those benefits are received by the most deserving persons consistent with the purposes for which the benefits are provided;

(5)  providing that any communication between the agency and another person and any document required to be delivered to or by the agency, including any application, notice, billing statement, receipt, or certificate, may be made or delivered by e-mail or through the Internet; and

(6)  adopting and collecting fees or charges to cover any costs the agency incurs in performing its lawful functions.

SECTION 3.03.  An employee of an agency appropriated funds under Article VII of the General Appropriations Act is not entitled to an amount from the state for expenses, per diem, travel, or salary that exceeds the amount authorized for those purposes by the General Appropriations Act.

SECTION 3.04.  An employee of an agency appropriated funds under Article VII of the General Appropriations Act is not entitled to an amount from the state for a salary, a salary supplement, office expenses or reimbursement of office expenses, or travel that exceeds the amount authorized for those purposes by the General Appropriations Act.

SECTION 3.05.  Section 201.601, Transportation Code, is amended by adding Subsection (g) to read as follows:

(g)  The plan must include a component that evaluates future federal funding opportunities for all modes of transportation and identifies actions necessary to maximize the total amount of federal funds received in the future for transportation improvements in this state.

SECTION 3.06.  Subchapter H, Chapter 201, Transportation Code, is amended by adding Section 201.623 to read as follows:

Sec. 201.623.  COOPERATION WITH LOCAL PLANNING ENTITIES TO MAXIMIZE FEDERAL FUNDING FOR PROJECTS. The department shall work and plan with local transportation planning entities to maximize the amount of federal funding awarded for projects in this state by identifying and pursuing projects that are eligible for federal grant programs, including the scenic byways program.

SECTION 3.07.  Subchapter A, Chapter 623, Transportation Code, is amended by adding Section 623.002 to read as follows:

Sec. 623.004.  EVALUATION OF PERMIT FEES. (a) The department shall evaluate highway use in this state by oversize or overweight vehicles, calculate the cost of damage to highways in this state caused by those vehicles, and determine whether:

(1)  the fees charged for permits issued under this chapter are adequate to offset the costs of damage to highways caused by those vehicles and recommend any fee adjustments for the permits to reflect the costs of damage to highways caused by those vehicles; and

(2)  vehicles currently exempt from permit requirements under this chapter should be required to obtain a permit to operate on roads or highways in this state.

(b)  Not later than October 1 of each even-numbered year, the department shall report its findings to:

(1)  the Legislative Budget Board; and

(2)  the governor.

SECTION  3.08.  Section 623.077, Transportation Code, is amended to read as follows:

Sec. 623.077.  HIGHWAY MAINTENANCE FEE. (a) An applicant for a permit under this subchapter, other than a permit under Section 623.071(c)(3), must also pay a highway maintenance fee in an amount determined according to vehicle weight and distance traveled. [~~the following table:~~

|  |  |
| --- | --- |
| [~~Vehicle Weight in Pounds~~ | ~~Fee~~ |
| [~~80,001 to 120,000~~ | ~~$150~~ |
| [~~120,001 to 160,000~~ | ~~$225~~ |
| [~~160,001 to 200,000~~ | ~~$300~~ |
| [~~200,001 and above~~ | ~~$375~~] |

(b)  The department shall adopt rules to implement this section and establish a schedule of rates, based on miles traveled, for all vehicle weight categories that provides for an increase in the rates according to the weight of a vehicle.

(c)  The department shall send each fee collected under Subsection (a) to the comptroller, who shall deposit:

(1)  90 percent of the fee to the credit of the state highway fund; and

(2)  10 percent of the fee to the credit of the Texas Department of Motor Vehicles fund.

SECTION 3.09.  (a) The Texas Department of Transportation shall adopt rules implementing Section 623.077, Transportation Code, as amended by this article, not later than January 1, 2020.

(b)  Section 623.077(a), Transportation Code, as amended by this article, applies only to an application for a permit submitted under Subchapter D, Chapter 623, Transportation Code, to the Texas Department of Transportation on or after January 1, 2020. An application for a permit submitted before January 1, 2020, is governed by the law in effect on the date the application was submitted, and that law is continued in effect for that purpose.

ARTICLE 4. GENERAL GOVERNMENT

SECTION  4.01.  This article applies to any state agency that receives an appropriation under Article I of the General Appropriations Act.

SECTION 4.02.  Notwithstanding any other statute of this state, each state agency to which this article applies is authorized to reduce or recover expenditures by:

(1)  consolidating any reports or publications the agency is required to make and filing or delivering any of those reports or publications exclusively by electronic means;

(2)  extending the effective period of any license, permit, or registration the agency grants or administers;

(3)  entering into a contract with another governmental entity or with a private vendor to carry out any of the agency's duties;

(4)  adopting additional eligibility requirements for persons who receive benefits under any law the agency administers to ensure that those benefits are received by the most deserving persons consistent with the purposes for which the benefits are provided;

(5)  providing that any communication between the agency and another person and any document required to be delivered to or by the agency, including any application, notice, billing statement, receipt, or certificate, may be made or delivered by e-mail or through the Internet; and

(6)  adopting and collecting fees or charges to cover any costs the agency incurs in performing its lawful functions.

SECTION 4.03.  An employee of an agency appropriated funds under Article I of the General Appropriations Act is not entitled to an amount from the state for expenses, per diem, travel, or salary that exceeds the amount authorized for those purposes by the General Appropriations Act.

SECTION 4.04.  An employee of an agency appropriated funds under Article I of the General Appropriations Act is not entitled to an amount from the state for a salary, a salary supplement, office expenses or reimbursement of office expenses, or travel that exceeds the amount authorized for those purposes by the General Appropriations Act.

SECTION 4.05.  Chapter 1231, Government Code, is amended by adding Subchapter G to read as follows:

SUBCHAPTER G. LIMIT ON STATE DEBT PAYABLE FROM GENERAL REVENUE FUND

Sec. 1231.151.  DEFINITIONS. In this subchapter:

(1)  "Maximum annual debt service" means the limitation on annual debt service imposed by Section 49-j(a), Article III, Texas Constitution.

(2)  "State debt payable from the general revenue fund" has the meaning assigned by Section 49-j(b), Article III, Texas Constitution.

(3)  "Unissued debt" means state debt payable from the general revenue fund that has been authorized but not issued.

Sec. 1231.152.  COMPUTATION OF DEBT LIMIT. In computing the annual debt service in a state fiscal year on state debt payable from the general revenue fund for purposes of determining whether additional state debt may be authorized without exceeding the maximum annual debt service, the board may employ any assumptions related to unissued debt that the board determines are necessary to reflect common or standard debt issuance practices authorized by law, including assumptions regarding:

(1)  interest rates;

(2)  debt maturity; and

(3)  debt service payment structures.

Sec. 1231.153.  REPORT ON COMPUTATION. (a) The board shall publish during each state fiscal year a report providing a detailed description of the method used to compute the annual debt service in that fiscal year on state debt payable from the general revenue fund for purposes of determining whether additional state debt may be authorized. The report must describe:

(1)  the debt service included in the computation, including debt service on issued and unissued debt;

(2)  the assumptions on which the debt service on unissued debt was based; and

(3)  any other factors required by law that affect the computation.

(b)  The board may publish the report required by this section as a component of any other report required by law, including the annual report required by Section 1231.102, or as an independent report. The board shall make the report available to the public.

SECTION 4.06.  The Bond Review Board shall publish the initial report required by Section 1231.153, Government Code, as added by this article, during the state fiscal year beginning September 1, 2019.

SECTION 4.07.  Subchapter A, Chapter 2176, Government Code, is amended by adding Section 2176.007 to read as follows:

Sec. 2176.007.  COMPTROLLER STUDY ON MAIL OPERATIONS. (a) The comptroller shall conduct a study on the mail operations of each state agency in the executive branch of state government that receives an appropriation made under Article I of the General Appropriations Act. The study must identify provisions of law relating to the mailing requirements for the agency that impede the efficient transmission and receipt of documents by the agency.

(b)  In conducting the study, the comptroller shall collaborate with other state agencies to consider the needs or concerns specific to those agencies.

(c)  Not later than November 1, 2020, the comptroller shall post the findings of the study conducted under this section on the comptroller's Internet website.

(d)  This section expires September 1, 2021.

SECTION 4.08.  Section 2054.380(b), Government Code, is amended to read as follows:

(b)  Revenue derived from the collection of fees imposed under Subsection (a) may be appropriated to the department for:

(1)  developing statewide information resources technology policies and planning under this chapter and Chapter 2059; and

(2)  providing shared information resources technology services [~~under this chapter~~].

SECTION 4.09.  Section 2157.068(d), Government Code, is amended to read as follows:

(d)  The department may charge a reasonable administrative fee to a state agency, political subdivision of this state, or governmental entity of another state that purchases commodity items through the department in an amount that is sufficient to recover costs associated with the administration of this section. Revenue derived from the collection of fees imposed under this subsection may be appropriated to the department for:

(1)  developing statewide information resources technology policies and planning [~~under Chapters 2054 and 2059~~]; and

(2)  providing shared information resources technology services [~~under Chapter 2054~~].

SECTION 4.10.  Section 2170.057(d), Government Code, is amended to read as follows:

(d)  The department shall maintain in the revolving fund account sufficient amounts to pay the bills of the consolidated telecommunications system and the centralized capitol complex telephone system. The department shall certify amounts that exceed this amount to the comptroller, and the comptroller shall transfer the excess amounts to the credit of the general revenue fund.

ARTICLE 5. FUNDS, ACCOUNTS, AND DEDICATIONS

SECTION  5.01.  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.

SECTION 5.02.  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 86th Legislature, Regular Session, 2019, that becomes law 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 are abolished on the later of August 31, 2019, or the date the Act creating or re-creating the fund or account or dedicating or rededicating revenue takes effect.

SECTION 5.03.  PREVIOUSLY EXEMPT DEDICATIONS, FUNDS, AND ACCOUNTS. Section 5.02 of this Article does not apply to:

(1)  statutory dedications, funds, and accounts that were enacted before the 86th 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 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 5.04.  FEDERAL FUNDS. Section 5.02 of this Article

does not apply to funds created under an Act of the 86th Legislature, Regular Session, 2019, 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 5.05.  TRUST FUNDS. Section 5.02 of this Article does not apply to trust funds or dedicated revenue deposited to trust funds created under an Act of the 86th Legislature, Regular Session, 2019, 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 5.06.  BOND FUNDS. Section 5.02 of this Article does not apply to bond funds and pledged funds created or affected by an Act of the 86th Legislature, Regular Session, 2019, 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 5.07.  CONSTITUTIONAL FUNDS. Section 5.02 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 86th Legislature, Regular Session, 2019, or to dedicated revenue deposited to funds or accounts that would be so created or re-created, if the constitutional amendment is approved by the voters.

SECTION 5.08.  ADDITIONAL USES FOR DEDICATED FUNDS OR ACCOUNTS.

Section 5.02 of this Act does not apply to a newly authorized use of a dedicated fund or dedicated account as provided by an Act of the 86th Legislature, Regular Session, 2019, to the extent:

(1)  the fund or account was exempted from abolition by an Act of the legislature that became law before January 1, 2019; and

(2)  the newly authorized use is within the scope of the original dedication of the fund or account.

SECTION 5.09.  REALLOCATION OF INTEREST ACCRUED ON CERTAIN DEDICATED REVENUE. Effective September 1, 2019, Section 403.0956, Government Code, is reenacted to read as follows:

Sec. 403.0956.  REALLOCATION OF INTEREST ACCRUED ON CERTAIN DEDICATED REVENUE.  Notwithstanding any other law, all interest or other earnings that accrue on all revenue held in an account in the general revenue fund any part of which Section 403.095 makes available for certification under Section 403.121 are available for any general governmental purpose, and the comptroller shall deposit the interest and earnings to the credit of the general revenue fund.  This section does not apply to:

(1)  interest or earnings on revenue deposited in accordance with Section 51.008, Education Code;

(2)  an account that accrues interest or other earnings on deposits of state or federal money the diversion of which is specifically excluded by federal law;

(3)  the lifetime license endowment account;

(4)  the game, fish, and water safety account;

(5)  the coastal protection account;

(6)  the Alamo complex account; or

(7)  the artificial reef account.

SECTION 5.10.  AMENDMENT OF SECTION 403.095, GOVERNMENT CODE. Effective September 1, 2019, Sections 403.095(b), (d), and (f), Government Code, are amended to read as follows:

(b)  Notwithstanding any law dedicating or setting aside revenue for a particular purpose or entity, dedicated revenues that on August 31, 2021 [~~2019~~], are estimated to exceed the amount appropriated by the General Appropriations Act or other laws enacted by the 86th [~~85th~~] Legislature are available for general governmental purposes and are considered available for the purpose of certification under Section 403.121.

(d)  Following certification of the General Appropriations Act and other appropriations measures enacted by the 86th [~~85th~~] 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.

(f)  This section expires September 1, 2021 [~~2019~~].

SECTION 5.11.  AMENDMENT OF SECTION 504.6012, TRANSPORTATION CODE. Effective September 1, 2019, Section 504.6012, Transportation Code, is amended to read as follows:

Sec. 504.6012.  ELIMINATION OF DEDICATED REVENUE ACCOUNTS; REVENUES IN TRUST. (a) Notwithstanding any other law, not later than September 30, 2019 [~~2015~~], the comptroller shall eliminate all dedicated accounts established for specialty license plates and shall set aside the balances of those dedicated accounts so that the balances may be appropriated only for the purposes intended as provided by the dedications.

(b)  On and after September 1, 2019 [~~2015~~], the portion of a fee payable that is designated for deposit to a dedicated account shall be paid instead to the credit of an account in a trust fund created by the comptroller outside the general revenue fund. The comptroller shall administer the trust fund and accounts and may allocate the corpus and earnings on each account only in accordance with the dedications of the revenue deposited to the trust fund accounts.

SECTION 5.10.  EFFECT OF ACT.

(a)  This Act prevails over any other Act of the 86th Legislature, Regular Session, 2019, 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 Section 403.094, Government Code.

(b)  An exemption from the application of Section 403.095, Government Code, contained in another Act of the 86th Legislature, Regular Session, 2019, that is exempted from the application of Section 2 of this Act has no effect.

(c)  Revenue that, under the terms of another Act of the 86th Legislature, Regular Session, 2019, 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.

ARTICLE 6. EFFECTIVE DATE.

SECTION 6.01.  This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. 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.