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AN ACT

2 relating to the creation and re-creation of funds and accounts, the 3 dedication and rededication of revenue and allocation of accrued 4 interest on dedicated revenue, and the exemption of unappropriated 5 money from use for general governmental purposes.

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

7 SECTION 1. DEFINITION. In any provision of this Act that does not amend current law, "state agency" means an office, 8 9 institution, or other agency that is in the executive branch or the judicial branch of state government, has authority that is not 10 11 limited to a geographical portion of the state, and was created by 12 the constitution or a statute of this state. The term does not include an institution of higher education as defined by Section 13 14 61.003, Education Code.

SECTION 2. ABOLITION OF FUNDS, ACCOUNTS, AND DEDICATIONS. 15 Except as otherwise specifically provided by this Act, all funds 16 and accounts created or re-created by an Act of the 86th 17 Legislature, Regular Session, 2019, that becomes law and all 18 dedications or rededications of revenue collected by a state agency 19 20 for a particular purpose by an Act of the 86th Legislature, Regular Session, 2019, that becomes law are abolished on the later of August 21 31, 2019, or the date the Act creating or re-creating the fund or 22 23 account or dedicating or rededicating revenue takes effect.

24 SECTION 3. PREVIOUSLY EXEMPT DEDICATIONS, FUNDS, AND

1 ACCOUNTS. Section 2 of this Act 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;

5 (2) dedications, funds, or accounts that remained 6 exempt from former Section 403.094(h), Government Code, at the time 7 dedications, accounts, and funds were abolished under that 8 provision;

9 (3) increases in fees or in other revenue dedicated as 10 described by this section; or

(4) increases in fees or in other revenue required tobe deposited in a fund or account described by this section.

13 SECTION 4. FEDERAL FUNDS. Section 2 of this Act does not 14 apply to funds created under an Act of the 86th Legislature, Regular 15 Session, 2019, for which separate accounting is required by federal 16 law, except that the funds shall be deposited in accounts in the 17 general revenue fund unless otherwise required by federal law.

18 SECTION 5. TRUST FUNDS. Section 2 of this Act does not 19 apply to trust funds or dedicated revenue deposited to trust funds 20 created under an Act of the 86th Legislature, Regular Session, 21 2019, except that the trust funds shall be held in the state 22 treasury, with the comptroller in trust, or outside the state 23 treasury with the comptroller's approval.

SECTION 6. BOND FUNDS. Section 2 of this Act 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,

1 or outside the state treasury with the comptroller's approval.

SECTION 7. CONSTITUTIONAL FUNDS. Section 2 of this Act does 2 3 not apply to funds or accounts that would be created or re-created by the Texas Constitution or revenue that would be dedicated or 4 5 rededicated by the Texas Constitution under a constitutional amendment proposed by the 86th Legislature, Regular Session, 2019, 6 or to dedicated revenue deposited to funds or accounts that would be 7 8 so created or re-created, if the constitutional amendment is approved by the voters. 9

10 SECTION 8. ADDITIONAL USES FOR DEDICATED FUNDS OR ACCOUNTS. 11 Section 2 of this Act does not apply to a newly authorized use of a 12 dedicated fund or dedicated account as provided by an Act of the 13 86th Legislature, Regular Session, 2019, to the extent:

14 (1) the fund or account was exempted from abolition by 15 an Act of the legislature that became law before January 1, 2019; 16 and

17 (2) the newly authorized use is within the scope of the18 original dedication of the fund or account.

19SECTION 9. TEXAS B-ON-TIME STUDENT LOAN ACCOUNT. (a)20Section 56.0092(d), Education Code, is amended to read as follows:

(d) On September 1, <u>2024</u> [2020], the Texas B-On-time student loan account is abolished, and any remaining money in the account may be appropriated only to eligible institutions in the manner provided by Subsection (e).

(b) Section 2 of this Act does not apply to the dedication of money in the Texas B-On-time student loan account as rededicated by this Act.

SECTION 10. ACCOUNTS IN GENERAL REVENUE FUND. Effective on 1 the later of the effective date of the Act creating or re-creating 2 the specified account or August 31, 2019, the following accounts, 3 the revenue deposited to the credit of those accounts, and the 4 5 revenue dedicated for deposit to the credit of those accounts, are exempt from Section 2 of this Act and the accounts are created or 6 re-created in the general revenue fund, if created or re-created by 7 8 an Act of the 86th Legislature, Regular Session, 2019, that becomes law: 9

10 (1) the identification fee exemption account, created 11 as an account in the general revenue fund by House Bill No. 123 or 12 similar legislation;

(2) the newborn screening preservation account,
created as an account in the general revenue fund by House Bill
No. 1111, Senate Bill No. 748, or similar legislation;

16 (3) the cultivated oyster mariculture cleanup 17 subaccount in the game, fish, and water safety account, created as a 18 subaccount by House Bill No. 1300 or similar legislation;

19 (4) the state hemp production account, created as an 20 account in the general revenue fund by House Bill No. 1325 or 21 similar legislation;

(5) the dedicated account in the general revenue fund
for proceeds from the sale of certain historic property, created by
House Bill No. 1422 or similar legislation;

(6) the disaster recovery loan account, created as an
account in the general revenue fund by House Bill No. 2300 or
similar legislation;

1 (7) the Texas music incubator account, created as an 2 account in the general revenue fund by House Bill No. 2806 or 3 similar legislation;

4 (8) the border security infrastructure enhancement
5 fund, created as an account in the general revenue fund by House
6 Bill No. 4306 or similar legislation;

7 (9) the historic site account, re-created as an
8 account in the general revenue fund by Senate Bill No. 26 or similar
9 legislation;

10 (10) the specialty court account, the DNA testing 11 account, and the transportation administrative fee account, 12 created as accounts in the general revenue fund by Senate Bill 13 No. 346 or similar legislation;

14 (11) the safety training account, created as an 15 account in the general revenue fund by Senate Bill No. 568 or 16 similar legislation;

17 (12) the veterans treatment court account, created as 18 an account in the general revenue fund by Senate Bill No. 1180 or 19 similar legislation; and

20 (13) the coastal erosion response account, re-created 21 as an account in the general revenue fund by Senate Bill No. 1719 or 22 similar legislation.

23 SECTION 11. SEPARATE FUNDS. Effective on the later of the 24 effective date of the Act creating or re-creating the specified 25 fund or August 31, 2019, the following funds, if created or 26 re-created by an Act of the 86th Legislature, Regular Session, 27 2019, the revenue deposited to the funds, and the revenue dedicated

1 for deposit to the funds, are exempt from Section 2 of this Act, and 2 the funds are created or re-created as separate funds inside or 3 outside of the state treasury, as specified by the Act creating or 4 re-creating the fund:

5 (1) the tax reduction and excellence in education 6 fund, created as a special fund in the treasury by House Bill No. 3 7 or similar legislation;

8 (2) the pesticide disposal fund, created as a special9 fund in the treasury by House Bill No. 191 or similar legislation;

10 (3) the disaster reinvestment and infrastructure 11 planning revolving fund, created as a special fund outside of the 12 treasury by House Bill No. 274 or similar legislation;

(4) the cannabis testing and quality control fund,
14 created as provided by House Bill No. 1365 or similar legislation;

15 (5) the Texas-bred incentive fund, created as an 16 escrow account in the treasury by House Bill No. 3366 or similar 17 legislation;

(6) the Texas emissions reduction plan fund, created
as a trust fund outside the treasury to be held by the comptroller
and administered by the Texas Commission on Environmental Quality
as trustee by House Bill No. 3745 or similar legislation;

(7) the Texas innovation fund and state agency
technology upgrades account, created as special funds outside of
the treasury by House Bill No. 4214 or similar legislation;

(8) the flood infrastructure fund, created as a
special fund in the treasury by Senate Bill No. 7 or similar
legislation;

(9) the Texas infrastructure resiliency fund, created
 as a special fund in the treasury by Senate Bill No. 7 or similar
 legislation;

4 (10) the Texas leverage fund, created as a trust fund
5 held outside the treasury by the comptroller as trustee by Senate
6 Bill No. 132 or similar legislation;

7 (11) the jury service fund, created as a fund in the8 treasury by Senate Bill No. 346 or similar legislation; and

9 (12) the charter school liquidation fund, created as 10 provided by Senate Bill No. 1454 or similar legislation.

SECTION 12. REVENUE DEDICATIONS. Effective on the later of the effective date of the Act dedicating or rededicating the specified revenue or August 31, 2019, the following dedications or rededications of revenue collected for a particular purpose are exempt from Section 2 of this Act, if dedicated or rededicated by an Act of the 86th Legislature, Regular Session, 2019:

(1) the dedication of certain tax revenue to the drug court account provided by House Bill No. 1243 or similar legislation;

(2) the dedication of certain fee revenue to the Texas
Department of Motor Vehicles fund provided by House Bill No. 1548
or similar legislation;

(3) the dedication of revenue to the state highway
fund provided by House Bill No. 1649 or similar legislation;

(4) the dedication of certain fee revenue to the Texas
Department of Motor Vehicles fund provided by House Bill No. 1711 or
similar legislation;

(5) the dedication of certain administrative penalty
 revenue to the sexual assault program fund provided by House Bill
 No. 1735 or similar legislation;

4 (6) the dedication of revenue to the state lottery
5 account provided by House Bill No. 1790 or similar legislation;

6 (7) the dedication of certain assessment revenue to 7 the account with the Texas Treasury Safekeeping Trust Company 8 provided by House Bill No. 1880 or similar legislation;

9 (8) the dedication of certain revenue to the Texas 10 Racing Commission account in the general revenue fund provided by 11 House Bill No. 1995 or similar legislation;

(9) the dedication of certain administrative penalty revenue to the freestanding emergency medical care facility licensing fund provided by House Bill No. 2041 or similar legislation;

16 (10) the dedication of grants or donations to the 17 state highway fund provided by House Bill No. 2043 or similar 18 legislation;

19 (11) the dedication of certain revenue to the 20 designated trauma facility and emergency medical services account 21 provided by House Bill No. 2048 or similar legislation;

(12) the dedication of fee revenue to the Texas mobility fund provided by House Bill No. 2478 or similar legislation;

(13) the dedication of revenue provided by House Bill
No. 2587 or similar legislation;

27 (14) the dedication of certain fee revenue to the

Texas Department of Motor Vehicles fund provided by House Bill
 No. 2620 or similar legislation;

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3 (15) the dedication of revenue to the Texas water 4 resources fund provided by House Bill No. 4116 or similar 5 legislation;

6 (16) the dedication of revenue to the foundation 7 school fund provided by House Bill No. 4306 or similar legislation;

8 (17) the dedication of the proceeds from the sale, 9 lease, or other disposition of certain state property to the Texas 10 capital trust fund provided by House Bill No. 4541 or similar 11 legislation;

12 (18) the dedication of revenue provided by Senate Bill13 No. 7 or similar legislation;

14 (19) the dedication of revenue provided by Senate Bill15 No. 26 or similar legislation;

16 (20) the dedication of administrative penalty revenue 17 to the sexual assault program fund provided by Senate Bill No. 212 18 or similar legislation;

19 (21) the dedication of gifts, grants, and donations to
20 the motorcycle education fund account provided by Senate Bill No.
21 616 or similar legislation;

(22) the dedication of fee revenue to the game, fish,
and water safety account provided by Senate Bill No. 733 or similar
legislation; and

(23) the dedication of fee revenue to the food and drug
retail fee account provided by Senate Bill No. 932 or similar
legislation.

SECTION 13. REALLOCATION OF INTEREST ACCRUED ON CERTAIN
 DEDICATED REVENUE. Effective September 1, 2019, Section 403.0956,
 Government Code, is reenacted to read as follows:

4 Sec. 403.0956. REALLOCATION OF INTEREST ACCRUED ON CERTAIN 5 DEDICATED REVENUE. Notwithstanding any other law, all interest or other earnings that accrue on all revenue held in an account in the 6 general revenue fund any part of which Section 403.095 makes 7 8 available for certification under Section 403.121 are available for any general governmental purpose, and the comptroller shall deposit 9 10 the interest and earnings to the credit of the general revenue fund. This section does not apply to: 11

12 (1) interest or earnings on revenue deposited in13 accordance with Section 51.008, Education Code;

14 (2) an account that accrues interest or other earnings 15 on deposits of state or federal money the diversion of which is 16 specifically excluded by federal law;

17 (3) the lifetime license endowment account;
18 (4) the game, fish, and water safety account;
19 (5) the coastal protection account;

20 (6) the Alamo complex account; or

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(7) the artificial reef account.

22 SECTION 14. AMENDMENT OF SECTION 403.095, GOVERNMENT CODE. 23 Effective September 1, 2019, Sections 403.095(b), (d), and (f), 24 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, <u>2021</u> [2019], are estimated to exceed the amount

1 appropriated by the General Appropriations Act or other laws 2 enacted by the <u>86th</u> [85th] Legislature are available for general 3 governmental purposes and are considered available for the purpose 4 of certification under Section 403.121.

5 (d) Following certification of the General Appropriations Act and other appropriations measures enacted by the <u>86th</u> [85th] 6 Legislature, the comptroller shall reduce each dedicated account as 7 8 directed by the legislature by an amount that may not exceed the amount by which estimated revenues and unobligated balances exceed 9 10 appropriations. The reductions may be made in the amounts and at the times necessary for cash flow considerations to allow all the 11 12 dedicated accounts to maintain adequate cash balances to transact routine business. The legislature may authorize, in the General 13 Appropriations Act, the temporary delay of the excess balance 14 reduction required under this subsection. This subsection does not 15 apply to revenues or balances in: 16

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funds outside the treasury;

trust funds, which for purposes of this section 18 (2) 19 include funds that may or are required to be used in whole or in part for the acquisition, development, construction, or maintenance of 20 21 state and local government infrastructures, recreational facilities, or natural resource conservation facilities; 22

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(3) funds created by the constitution or a court; or

(4) funds for which separate accounting is required by25 federal law.

(f) This section expires September 1, <u>2021</u> [2019].
 SECTION 15. AMENDMENT OF SECTION 504.6012, TRANSPORTATION

CODE. Effective September 1, 2019, Section 504.6012,
 Transportation Code, is amended to read as follows:

3 Sec. 504.6012. ELIMINATION OF DEDICATED REVENUE ACCOUNTS; 4 REVENUES IN TRUST. (a) Notwithstanding any other law, not later 5 than September 30, <u>2019</u> [2015], the comptroller shall eliminate all 6 dedicated accounts established for specialty license plates and 7 shall set aside the balances of those dedicated accounts so that the 8 balances may be appropriated only for the purposes intended as 9 provided by the dedications.

(b) On and after September 1, 2019 [2015], the portion of a 10 fee payable that is designated for deposit to a dedicated account 11 12 shall be paid instead to the credit of an account in a trust fund created by the comptroller outside the general revenue fund. The 13 14 comptroller shall administer the trust fund and accounts and may 15 allocate the corpus and earnings on each account only in accordance with the dedications of the revenue deposited to the trust fund 16 17 accounts.

SECTION 16. CLEAN AIR ACCOUNT; DEDICATION OF REVENUE. (a)
Section 382.05155(d), Health and Safety Code, is amended to read as
follows:

(d) The commission by rule may add a surcharge to an application fee assessed under this chapter for an expedited application in an amount sufficient to cover the expenses incurred by the expediting, including overtime, contract labor, and other costs. The surcharge is considered part of the application fee and shall be deposited with the fee to the credit of the clean air account established under Section 382.0622(b).

(b) Section 2 of this Act does not apply to the dedication of
 money made by Subsection (a) of this section.

3 SECTION 17. COMMERCIAL GULF SHRIMP UNLOADING LICENSING FEE;
4 DEDICATION OF REVENUE. (a) Section 77.034(d), Parks and Wildlife
5 Code, is amended to read as follows:

6 (d) The fee for a commercial gulf shrimp unloading license 7 is \$1485, or an amount set by the commission, whichever amount is 8 more. <u>Revenue from the fee shall be deposited to the credit of the</u> 9 <u>game, fish, and water safety account established under Section</u> 10 <u>11.032</u>.

(b) Section 2 of this Act does not apply to money dedicated to the game, fish, and water safety account by Section 77.034(d), Parks and Wildlife Code, as amended by this Act.

14 SECTION 18. STRATEGIC MAPPING ACCOUNT. (a) Section 15 16.023, Water Code, as added by Section 2.13, Chapter 1430 (S.B. 3), 16 Acts of the 80th Legislature, Regular Session, 2007, is reenacted 17 to read as follows:

Sec. 16.023. STRATEGIC MAPPING ACCOUNT. (a) The strategic mapping account is an account in the general revenue fund. The account consists of:

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money directly appropriated to the board;

(2) money transferred by the board from other fundsavailable to the board;

(3) money from gifts or grants from the United States
government, state, regional, or local governments, educational
institutions, private sources, or other sources;

27 (4) proceeds from the sale of maps, data,

1 publications, and other items; and

2 (5) interest earned on the investment of money in the3 account and depository interest allocable to the account.

4 (b) The account may be appropriated only to the board to:

5 (1) develop, administer, and implement the strategic6 mapping program;

7 (2) provide grants to political subdivisions for 8 projects related to the development, use, and dissemination of 9 digital, geospatial information; and

10 (3) administer, implement, and operate other programs
11 of the Texas Natural Resources Information System, including:

12 (A) the operation of a Texas-Mexico border region
13 information center for the purpose of implementing Section
14 16.021(e)(5);

(B) the acquisition, storage, and distribution
of historical maps, photographs, and paper map products;

17 (C) the maintenance and enhancement of18 information technology; and

(D) the production, storage, and distribution of
 other digital base maps, as determined by the executive
 administrator.

(c) The board may invest, reinvest, and direct the investment of any available money in the fund as provided by law for the investment of money under Section 404.024, Government Code.

(b) The strategic mapping account is re-created by this Act as an account in the general revenue fund, and all revenue dedicated for deposit to the credit of the strategic mapping account is

1 rededicated by this Act for that purpose. Section 2 of this Act 2 does not apply to the account as re-created by this Act or a 3 dedication of revenue to the account as rededicated by this Act.

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4 SECTION 19. WATER RESOURCE MANAGEMENT ACCOUNT; DEDICATION 5 OF REVENUE. (a) Section 28A.101(c), Water Code, is reenacted to 6 read as follows:

7 (c) Registration fees collected under this section shall be
8 deposited in the water resource management account and may be used
9 only to implement this chapter.

10 (b) Money dedicated by Section 28A.101(c), Water Code, as 11 added by Chapter 107 (H.B. 571), Acts of the 82nd Legislature, 12 Regular Session, 2011, to the water resource management account for 13 the purposes described by Section 28A.101(c) is rededicated by this 14 Act, and Section 2 of this Act does not apply to the rededication of 15 that money.

SECTION 20. 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 20.403.094, 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.

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(c) Revenue that, under the terms of another Act of the 86th

1 Legislature, Regular Session, 2019, would be deposited to the 2 credit of a special account or fund shall be deposited to the credit 3 of the undedicated portion of the general revenue fund unless the 4 fund, account, or dedication is exempted under this Act.

5 SECTION 21. EFFECTIVE DATE. Except as otherwise provided 6 by this Act:

7 (1) this Act takes effect immediately if this Act 8 receives a vote of two-thirds of all the members elected to each 9 house, as provided by Section 39, Article III, Texas Constitution; 10 and

11 (2) if this Act does not receive the vote necessary for 12 immediate effect, this Act takes effect on the 91st day after the 13 last day of the legislative session.

President of the Senate

Speaker of the House

I certify that H.B. No. 3317 was passed by the House on April 18, 2019, by the following vote: Yeas 120, Nays 14, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 3317 on May 24, 2019, by the following vote: Yeas 131, Nays 10, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 3317 was passed by the Senate, with amendments, on May 22, 2019, by the following vote: Yeas 31, Nays O.

Secretary of the Senate

APPROVED: _____

Date

Governor