

By: Zerwas

H.B. No. 3317

A BILL TO BE ENTITLED

AN ACT

1
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.

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

7 SECTION 1. DEFINITION. In any provision of this Act that
8 does not amend current law, "state agency" means an office,
9 institution, or other agency that is in the executive branch or the
10 judicial branch of state government, has authority that is not
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
13 include an institution of higher education as defined by Section
14 [61.003](#), Education Code.

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

2 (1) statutory dedications, funds, and accounts that
3 were enacted before the 86th Legislature convened to comply with
4 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

11 (4) increases in fees or in other revenue required to
12 be 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.

24 SECTION 6. BOND FUNDS. Section 2 of this Act does not apply
25 to bond funds and pledged funds created or affected by an Act of the
26 86th Legislature, Regular Session, 2019, except that the funds
27 shall be held in the state treasury, with the comptroller in trust,

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

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

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 the
18 original dedication of the fund or account.

19 SECTION 9. REALLOCATION OF INTEREST ACCRUED ON CERTAIN
20 DEDICATED REVENUE. Effective September 1, 2019, Section 403.0956,
21 Government Code, is reenacted to read as follows:

22 Sec. 403.0956. REALLOCATION OF INTEREST ACCRUED ON CERTAIN
23 DEDICATED REVENUE. Notwithstanding any other law, all interest or
24 other earnings that accrue on all revenue held in an account in the
25 general revenue fund any part of which Section 403.095 makes
26 available for certification under Section 403.121 are available for
27 any general governmental purpose, and the comptroller shall deposit

1 the interest and earnings to the credit of the general revenue
2 fund. This section does not apply to:

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

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

8 (3) the lifetime license endowment account;

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

10 (5) the coastal protection account;

11 (6) the Alamo complex account; or

12 (7) the artificial reef account.

13 SECTION 10. AMENDMENT OF SECTION 403.095, GOVERNMENT CODE.
14 Effective September 1, 2019, Sections 403.095(b), (d), and (f),
15 Government Code, are amended to read as follows:

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

23 (d) Following certification of the General Appropriations
24 Act and other appropriations measures enacted by the 86th [~~85th~~]
25 Legislature, the comptroller shall reduce each dedicated account as
26 directed by the legislature by an amount that may not exceed the
27 amount by which estimated revenues and unobligated balances exceed

1 appropriations. The reductions may be made in the amounts and at
2 the times necessary for cash flow considerations to allow all the
3 dedicated accounts to maintain adequate cash balances to transact
4 routine business. The legislature may authorize, in the General
5 Appropriations Act, the temporary delay of the excess balance
6 reduction required under this subsection. This subsection does not
7 apply to revenues or balances in:

8 (1) funds outside the treasury;

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

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

15 (4) funds for which separate accounting is required by
16 federal law.

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

18 SECTION 11. AMENDMENT OF SECTION 504.6012, TRANSPORTATION
19 CODE. Effective September 1, 2019, Section 504.6012,
20 Transportation Code, is amended to read as follows:

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

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

9 SECTION 12. EFFECT OF ACT. (a) This Act prevails over any
10 other Act of the 86th Legislature, Regular Session, 2019,
11 regardless of the relative dates of enactment, that purports to
12 create or re-create a special fund or account or to dedicate or
13 rededicate revenue to a particular purpose, including any fund,
14 account, or revenue dedication abolished under former Section
15 403.094, Government Code.

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

20 (c) Revenue that, under the terms of another Act of the 86th
21 Legislature, Regular Session, 2019, would be deposited to the
22 credit of a special account or fund shall be deposited to the credit
23 of the undedicated portion of the general revenue fund unless the
24 fund, account, or dedication is exempted under this Act.

25 SECTION 13. EFFECTIVE DATE. Except as otherwise provided
26 by this Act:

27 (1) this Act takes effect immediately if this Act

1 receives a vote of two-thirds of all the members elected to each
2 house, as provided by Section 39, Article III, Texas Constitution;
3 and

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