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LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 22, 2019

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  TO: Honorable Jane Nelson, Chair, Senate Committee on Finance

FROM: John McGeady, Assistant Director   Sarah Keyton, Assistant Director
       Legislative Budget Board

 IN RE: **SB2179** by Nelson (Relating to the creation and re-creation of funds and accounts, the dedication and rededication of revenue and allocation of accrued interest on dedicated revenue, and the exemption of unappropriated money from use for general governmental purposes.), **As Introduced**

Any net gain or loss from the re-creation of existing funds or accounts as exempted in this bill are dependent upon the passage of another act of the 86th Legislature, Regular Session (2019) and are dependent upon appropriations made in the 2020-21 General Appropriations Act.

This bill would abolish all funds, accounts, and revenue dedications created or recreated by the 86th Legislature, Regular Session (2019), unless specifically exempted under separate sections of the bill.

Any funds, accounts, or revenue dedications abolished under the bill would be deposited to the credit of the unobligated portion of the General Revenue Fund.

The bill would exempt dedications, funds, and accounts that were enacted before the 86th Legislature or that remained exempt from abolishment under former Section 403.094(h) of the Government Code. The bill exempts increases in existing fees or in other revenue that were previously dedicated or required to be deposited in a fund or account exempted prior to the 86th Legislature, Regular Session (2019).

Federal funds, created by the 86th Legislature, Regular Session (2019), for which separate accounting is required by federal law, would be exempt. Those funds would be deposited into accounts within the General Revenue Fund, unless otherwise required by federal law.

The bill would exempt all trust funds and bond funds created by the 86th Legislature, Regular Session (2019), except that the funds would have to be held in the State Treasury, with the Comptroller in trust, or outside the State Treasury with the Comptroller's approval.

The bill would exempt funds or accounts created or re-created or revenue dedicated or rededicated under a constitutional amendment proposed by an act of the 86th Legislature, Regular Session (2019), if approved by the voters.

The bill would reenact Section 403.0956, Government Code, relating to reallocation of interest accrued on certain dedicated revenue.

The bill would amend Sections 403.095(b), (d) and (f) of the Government Code to permit the comptroller as directed by the legislature to make reductions in dedicated accounts in the amounts by which estimated revenues and unobligated balances exceeded appropriations following certification of all appropriations enacted by the 86th Legislature. Dedicated revenues exceeding amounts appropriated would be available for certification through August 31, 2021. The section as amended would not apply to funds outside of the state treasury, trust funds, funds created by the state constitution or a court, and funds for which separate accounting is required by federal law. Section 403.095 would expire September 1, 2021.

The bill would extend Section 504.6012 of the Transportation Code relating to license plates through September 30, 2019.

The bill would prevail over any other act of the 86th Legislature, Regular Session (2019), regardless of the date of enactment, purporting to dedicate or rededicate a fund, account, or revenue in the state treasury, or amending Section 403.095 of the Government Code.

This bill would take effect immediately upon enactment, assuming it received the requisite two-thirds majority vote in both houses of the Legislature. Otherwise, it would take effect on the 91st day after the last day of the legislative session.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts
LBB Staff: WP, KK, JQ, BRi