

House Bill 3461
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION	SENATE VERSION (IE)	CONFERENCE
<p>SECTION 1. 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 or 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.</p>	<p>SECTION 1. Same as House version.</p>	
<p>SECTION 2. 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 88th Legislature, Regular Session, 2023, that becomes law and all dedications or rededications of revenue collected by a state agency for a particular purpose by an Act of the 88th Legislature, Regular Session, 2023, that becomes law are abolished on the later of August 31, 2023, or the date the Act creating or re-creating the fund or account or dedicating or rededicating revenue takes effect.</p>	<p>SECTION 2. Same as House version.</p>	
<p>SECTION 3. PREVIOUSLY EXEMPT DEDICATIONS, FUNDS, AND ACCOUNTS. Section 2 of this Act does not apply to:</p> <p>(1) statutory dedications, funds, and accounts that were enacted before the 88th Legislature convened to comply with requirements of state constitutional or federal law;</p> <p>(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;</p>	<p>SECTION 3. Same as House version.</p>	

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(3) increases in fees or other revenue dedicated as described by this section; or (4) increases in fees or other revenue required to be deposited in a fund or account described by this section.		
SECTION 4. FEDERAL FUNDS. Section 2 of this Act does not apply to funds created under an Act of the 88th Legislature, Regular Session, 2023, 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 4. Same as House version.	
SECTION 5. TRUST FUNDS. Section 2 of this Act does not apply to trust funds or dedicated revenue deposited to trust funds created under an Act of the 88th Legislature, Regular Session, 2023, 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. Same as House version.	
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 88th Legislature, Regular Session, 2023, 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 6. Same as House version.	
SECTION 7. CONSTITUTIONAL DEDICATIONS, FUNDS, AND ACCOUNTS. Section 2 of this Act does not	SECTION 7. Same as House version.	

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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 88th Legislature, Regular Session, 2023, 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 8. ADDITIONAL USES FOR DEDICATED FUNDS OR ACCOUNTS. Section 2 of this Act does not apply to a newly authorized use of money in a dedicated fund or dedicated account as provided by an Act of the 88th Legislature, Regular Session, 2023, to the extent: (1) the fund or account was exempted from abolition by an Act of the legislature that became law before January 1, 2023; and (2) the newly authorized use is within the scope of the original dedication of the fund or account.	SECTION 8. Same as House version.	
SECTION 9. REALLOCATION OF INTEREST ACCRUED ON CERTAIN DEDICATED REVENUE. (a) This section applies only to an account in the general revenue fund: (1) any part of which Section 403.095, Government Code, makes available for certification under Section 403.121, Government Code; and (2) that is created or re-created by an Act of the 88th Legislature, Regular Session, 2023. (b) Except as provided by this Act, all interest and other earnings that accrue on all revenue held in an account in the	SECTION 9. Same as House version.	

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general revenue fund are available for any general governmental purpose.

(c) Except as provided by this Act, the comptroller shall deposit all interest and other earnings that accrue on all revenue held in an account in the general revenue fund to the credit of the general revenue fund.

SECTION 10. AMENDMENT OF SECTION 403.095, GOVERNMENT CODE. Effective September 1, 2023, 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, 2025 [2023], are estimated to exceed the amount appropriated by the General Appropriations Act or other laws enacted by the 88th [87th] 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 88th [87th] 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

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<p>excess balance reduction required under this subsection. This subsection does not apply to revenues or balances in:</p> <ul style="list-style-type: none">(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. <p>(f) This section expires September 1, <u>2025</u> [2023].</p>		
<p>SECTION 11. AMENDMENT OF SECTION 504.6012, TRANSPORTATION CODE. Effective September 1, 2023, Section 504.6012, Transportation Code, is amended to read as follows:</p> <p>Sec. 504.6012. ELIMINATION OF DEDICATED REVENUE ACCOUNTS; REVENUES IN TRUST. (a) Notwithstanding any other law, not later than September 30, <u>2023</u> [2024], 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.</p> <p>(b) On and after September 1, <u>2023</u> [2024], 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</p>	<p>SECTION 11. Same as House version.</p>	

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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 12. EFFECT OF ACT. (a) This Act prevails over any other Act of the 88th Legislature, Regular Session, 2023, 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 88th Legislature, Regular Session, 2023, 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 88th Legislature, Regular Session, 2023, 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.

(d) This Act prevails over any other Act of the 88th Legislature, Regular Session, 2023, regardless of the relative dates of enactment, that purports to allocate interest or other earnings that accrue on revenue held in an account in the general revenue fund any part of which Section 403.095, Government Code, makes available for certification under Section 403.121, Government Code.

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No equivalent provision.	<p>SECTION __. AMENDMENT OF SECTION 403.0956, GOVERNMENT CODE. Effective September 1, 2023, Section 403.0956, Government Code, is amended to read as follows:</p> <p>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:</p> <ul style="list-style-type: none">(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; [øø](7) the artificial reef account;(8) the sexual assault program fund; or(9) the deferred maintenance fund account. [FA1]	
No equivalent provision.	<p>SECTION __. AMENDMENT OF SECTION 420.008, GOVERNMENT CODE. Effective September 1, 2023, Section 420.008(b), Government Code, is amended to read as follows:</p>	

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	<p>(b) The fund consists of:</p> <p>(1) fees and fines collected under:</p> <p>(A) Article 42A.653(a), Code of Criminal Procedure;</p> <p>(B) Section 508.189, Government Code; and</p> <p>(C) Subchapter B, Chapter 102, Business & Commerce Code, and deposited under Section 102.054 of that code; [and]</p> <p>(2) administrative penalties collected under Section 51.258, Education Code; and</p> <p>(3) <u>interest and other earnings on money in the fund.</u> [FA1]</p>	
No equivalent provision.	<p>SECTION __. AMENDMENT OF SECTION 2165.403, GOVERNMENT CODE. Effective September 1, 2023, Section 2165.403(b), Government Code, is amended to read as follows:</p> <p>(b) The fund consists of money appropriated, credited, or transferred to the fund by or at the direction of the legislature, <u>including interest and other earnings on money in the fund.</u> [FA1]</p>	
No equivalent provision.	<p>SECTION __. AMENDMENT OF SECTION 361.014, HEALTH AND SAFETY CODE. Effective September 1, 2023, Section 361.014(d), Health and Safety Code, is amended to read as follows:</p> <p>(d) Revenues allocated to the commission for the purposes authorized by Subsection (a) <u>or (b)</u> shall be deposited to the credit of the waste management account. [Revenues allocated to local and regional solid waste projects shall be deposited to the credit of an account in the general revenue]</p>	

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~~fund known as the municipal solid waste disposal account.]~~
[FA1]

No equivalent provision.

SECTION __. ABOLISHMENT OF SOLID WASTE DISPOSAL FEES ACCOUNT. Effective September 1, 2023, the solid waste disposal fees account no. 5000 is abolished and the obligations of and unobligated account balances in the account are transferred to the waste management account no. 0549. [FA1]

No equivalent provision.

SECTION __. ACCOUNTS IN GENERAL REVENUE FUND. Effective on the later of the effective date of the Act creating or re-creating the specified account or August 31, 2023, the following accounts, the revenue deposited to the credit of those accounts, and the revenue dedicated for deposit to the credit of those accounts are exempt from Section 2 of this Act and the accounts are created or re-created in the general revenue fund, if created or re-created by an Act of the 88th Legislature, Regular Session, 2023, that becomes law:

- (1) the Lone Star Workforce of the Future Fund created as an account in the general revenue fund by House Bill No. 1755 or similar legislation;
- (2) the gulf coast protection account created as an account in the general revenue fund by House Bill No. 2416 or similar legislation;
- (3) the accounts created as accounts in the general revenue fund by House Bill No. 3323 or similar legislation;
- (4) the program fund created as an account in the general revenue fund by House Bill No. 3771 or similar legislation;

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- (5) the accounts created in the general revenue fund by House Bill No. 4772 or similar legislation;
- (6) the Texas Semiconductor Innovation Fund created as an account in the general revenue fund by House Bill No. 5174 or similar legislation;
- (7) the program fund created as an account in the general revenue fund by Senate Bill No. 8 or similar legislation;
- (8) the statewide water public awareness account created as an account in the general revenue fund by Senate Bill No. 28 or similar legislation;
- (9) the renewable energy generation facility cleanup fund created as an account in the general revenue fund by Senate Bill No. 624 or similar legislation; and
- (10) the port access account fund created as an account in the general revenue fund by Senate Bill No. 1499 or similar legislation. [FA1]

No equivalent provision.

SECTION __. SEPARATE FUNDS. Effective on the later of the effective date of the Act creating or re-creating the specified fund or August 31, 2023, the following funds, if created or re-created by an Act of the 88th Legislature, Regular Session, 2023, the revenue deposited to the funds and the revenue dedicated for deposit to the funds are exempt from Section 2 of this Act, and the funds are created or re-created as separate funds inside or outside the state treasury, as specified by the Act creating or re-creating the fund:

- (1) the open burn pit registry fund created as a fund in the state treasury by House Bill No. 1315 or similar legislation;
- (2) the Texas Historical Commission retail operations fund created as a fund outside the state treasury by House Bill No. 2719 or similar legislation;

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- (3) the leaking water wells fund created as a fund in the state treasury by House Bill No. 4256 or similar legislation;
 - (4) the new water supply for Texas fund created as a fund in the state treasury by Senate Bill No. 28 or similar legislation;
 - (5) the Texas state buildings preservation endowment fund created as a fund outside the state treasury by Senate Bill No. 1333 or similar legislation;
 - (6) the Iwo Jima monument and museum fund created as a fund outside the state treasury by Senate Bill No. 2057 or similar legislation; and
 - (7) the Texas energy fund created as a fund in the state treasury by Senate Bill No. 2627 or similar legislation.
- [FA1]

No equivalent provision.

SECTION __. REVENUE DEDICATIONS. Effective on the later of the effective date of the Act dedicating or rededicating the specified revenue or August 31, 2023, 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 88th Legislature, Regular Session, 2023:

- (1) the dedication of penalty revenue to the foundation school fund provided by House Bill No. 5 or similar legislation;
- (2) the dedication of driver's license fees to the Texas mobility fund provided by House Bill No. 842 or similar legislation;
- (3) the dedication of revenue provided by House Bill No. 1613 or similar legislation;

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- (4) the dedication of fee revenue to the public assurance account provided by House Bill No. 1998 or similar legislation;
- (5) the dedication of boater education program and exam fees to the game, fish, and water safety account provided by House Bill No. 2755 or similar legislation;
- (6) the dedication of revenue provided by House Bill No. 3290 or similar legislation;
- (7) the dedication of revenue provided by House Bill No. 3297 or similar legislation;
- (8) the dedication of revenue provided by House Bill No. 3345 or similar legislation;
- (9) the dedication of revenue to the law enforcement officer standards and education fund account provided by House Bill No. 3539 or similar legislation;
- (10) the dedication of revenue provided by House Bill No. 3582 or similar legislation;
- (11) the dedication of revenue to the general revenue fund and the hotel occupancy tax for economic development account provided by House Bill No. 3727 or similar legislation;
- (12) the dedication of rail safety fees to the state highway fund provided by House Bill No. 4015 or similar legislation;
- (13) the dedication of revenue to the game, fish, and water safety account and the state parks account provided by House Bill No. 4018 or similar legislation;
- (14) the dedication of revenue to the Texas Department of Insurance operating account provided by House Bill No. 4498 or similar legislation;
- (15) the dedication of revenue provided by House Bill No. 4635 or similar legislation;

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- (16) the dedication of revenue to the Texas Department of Motor Vehicles fund and the general revenue fund provided by House Bill No. 5225 or similar legislation;
- (17) the dedication of revenue to the state highway fund provided by House Bill No. 5342 or similar legislation;
- (18) the dedication of revenue to the state highway fund provided by Senate Bill No. 505 or similar legislation;
- (19) the dedication of unclaimed property deposits to the judicial fund provided by Senate Bill No. 658 or similar legislation;
- (20) the dedication of revenue to the game, fish, and water safety account provided by Senate Bill No. 1032 or similar legislation;
- (21) the dedication of revenue to the Texas physician health program account provided by Senate Bill No. 1086 or similar legislation;
- (22) the dedication of revenue to the general revenue fund and the hotel occupancy tax for economic development account provided by Senate Bill No. 1167 or similar legislation;
- (23) the dedication of revenue to the general revenue fund and the hotel occupancy tax for economic development account provided by Senate Bill No. 1420 or similar legislation; and
- (24) the dedication of revenue as provided by Senate Bill No. 2102 or similar legislation. [FA1]

SECTION 13. EFFECTIVE DATE. Except as otherwise provided by this Act:
(1) this Act takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house,

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as provided by Section 39, Article III, Texas Constitution;
and
(2) 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.

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