

BILL ANALYSIS

C.S.H.B. 4905
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Transportation
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The ship channel improvement revolving fund (SCIRF) is a revolving loan fund created through the enactment of S.B. 28 in 2017 to allow the Texas Transportation Commission to finance qualified projects for navigation districts that deepen or widen congressionally approved ship channel projects. During the 88th Legislative Session in 2023, the Texas Legislature funded the SCIRF for the first time with a \$400 million appropriation. Currently, the SCIRF is an account in the general revenue fund, which prohibits the interest earned on deposits and investments of the fund from being returned to the fund for further investment, as was intended. C.S.H.B. 4905 aims to realize the intent of the SCIRF by exempting the fund from statutory provisions relating to the reallocation of interest accrued on certain dedicated revenue.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 4905 amends the Government Code to exempt the ship channel improvement revolving fund from the applicability of statutory provisions that do the following:

- establish that all interest or other earnings that accrue on all revenue held in an account in the general revenue fund, any part of which statutory provisions relating to the use of dedicated revenue make available for certification under statutory provisions relating to the contents of revenue estimates, are available for any general governmental purpose; and
- require the comptroller of public accounts to deposit the interest and earnings to the credit of the general revenue fund.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2025.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.B. 4905 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute includes a provision absent from the introduced exempting the ship channel improvement revolving fund from statutory provisions relating to the reallocation of interest accrued on certain dedicated revenue.

The substitute omits the provisions from the introduced that did the following:

- changed the location of the ship channel improvement revolving fund from the general revenue fund to a separate account in the state highway fund; and
- required the comptroller, on the bill's effective date, to transfer the unencumbered balance of the ship channel improvement revolving fund to an account of the same name in the state highway fund.