## CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

05/20	1115	
0010	Date	

Honorable Dan Patrick President of the Senate

Honorable Joe Straus Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the	differences between the Senate and the House of
Representatives on HB 6	have had the same under consideration, and
beg to report it back with the recommendation that it do pass	s in the form and text hereto attached.
Son Juan Chuy Himoyota  John Delson  Sen Jane Nelson	John Otto Rup-John Otto Lew & Certy Perg. Driew Davby Jeren

Sen. Robert Nichols

Op the part of the Senate Sen- Kully Huncoch On the part of the House
Rep Sulvestor Turner

Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.

## CONFERENCE COMMITTEE REPORT

## 3<sup>rd</sup> Printing

H.B. No. 6

### A BILL TO BE ENTITLED

1	AN ACT
2	relating to the creation and re-creation of funds and accounts, the
3	dedication and rededication of revenue, and the exemption of
4	unappropriated money from use for general governmental purposes.
5	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
6	SECTION 1. DEFINITION. In any provision of this Act that
7	does not amend current law, "state agency" means an office,
8	institution, or other agency that is in the executive branch or the
9	judicial branch of state government, has authority that is not
10	limited to a geographical portion of the state, and was created by
11	the constitution or a statute of this state. The term does not
12	include an institution of higher education as defined by Section
13	61.003, Education Code.
14	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 84th
17	Legislature, Regular Session, 2015, that becomes law and all
18	dedications or rededications of revenue collected by a state agency
19	for a particular purpose by an Act of the 84th Legislature, Regular
20	Session, 2015, that becomes law are abolished on the later of August
21	31, 2015, or the date the Act creating or re-creating the fund or
22	
	account or dedicating or rededicating revenue takes effect.
23	SECTION 3. PREVIOUSLY EXEMPT DEDICATIONS, FUNDS, AND
24	ACCOUNTS. Section 2 of this Act does not apply to:

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- 1 (1) statutory dedications, funds, and accounts that
- 2 were enacted before the 84th Legislature convened to comply with
- 3 requirements of state constitutional or federal law;
- 4 (2) dedications, funds, or accounts that remained
- 5 exempt from former Section 403.094(h), Government Code, at the time
- 6 dedications, accounts, and funds were abolished under that
- 7 provision;
- 8 (3) increases in fees or in other revenue dedicated as
- 9 described by this section; or
- 10 (4) increases in fees or in other revenue required to
- 11 be deposited in a fund or account described by this section.
- 12 SECTION 4. FEDERAL FUNDS. Section 2 of this Act does not
- 13 apply to funds created under an Act of the 84th Legislature, Regular
- 14 Session, 2015, for which separate accounting is required by federal
- 15 law, except that the funds shall be deposited in accounts in the
- 16 general revenue fund unless otherwise required by federal law.
- 17 SECTION 5. TRUST FUNDS. Section 2 of this Act does not
- 18 apply to trust funds or dedicated revenue deposited to trust funds
- 19 created under an Act of the 84th Legislature, Regular Session,
- 20 2015, except that the trust funds shall be held in the state
- 21 treasury, with the comptroller in trust, or outside the state
- 22 treasury with the comptroller's approval.
- SECTION 6. BOND FUNDS. Section 2 of this Act does not apply
- 24 to bond funds and pledged funds created or affected by an Act of the
- 25 84th Legislature, Regular Session, 2015, except that the funds
- 26 shall be held in the state treasury, with the comptroller in trust,
- 27 or outside the state treasury with the comptroller's approval.

- SECTION 7. CONSTITUTIONAL FUNDS. Section 2 of this Act does
  not 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 84th Legislature, Regular Session, 2015,
  or to dedicated revenue deposited to funds or accounts that would be
  so created or re-created, if the constitutional amendment is
- SECTION 8. ADDITIONAL USES FOR DEDICATED FUNDS, ACCOUNTS, 10 OR REVENUE. Section 2 of this Act does not apply to a newly 11 authorized dedication of or use of a dedicated fund, a dedicated 12 account, or dedicated revenue as provided by an Act of the 84th Legislature, Regular Session, 2015, to the extent that Act affects 13 14 a fund, an account, or revenue that was exempted from funds 15 consolidation before January 1, 2015. A dedicated fund, a dedicated account, or dedicated revenue that was exempted from 16 17 funds consolidation before January 1, 2015, may be used as an Act of 18 the 84th Legislature, Regular Session, 2015, provides, and a change in the name or authorized use of a previously exempted dedicated 19 fund or account does not affect the fund's or account's dedicated 20 21 nature.
- SECTION 9. ENVIRONMENTAL RADIATION AND PERPETUAL CARE
  ACCOUNT. On September 1, 2015, the environmental radiation and
  perpetual care account created by Section 401.306, Health and
  Safety Code, as enacted by Section 12, Chapter 1159 (S.B. 347), Acts
  of the 83rd Legislature, Regular Session, 2013, is re-created by
  this Act as an account in the general revenue fund, and all revenue

8

approved by the voters.

- 1 dedicated for deposit to the credit of the environmental radiation
- 2 and perpetual care account by a provision of Chapter 1159 (S.B.
- 3 347), Acts of the 83rd Legislature, Regular Session, 2013, is
- 4 rededicated by this Act for that purpose. Section 2 of this Act
- 5 does not apply to the account as re-created by this Act or a
- 6 dedication of revenue to the account as rededicated by this Act.
- 7 SECTION 10. SPECIAL FUND FOR MONEY RECEIVED FROM FEDERAL
- 8 GOVERNMENT. Section 2 of this Act does not apply to a special fund
- 9 in the state treasury established by the comptroller of public
- 10 accounts for the purpose of holding money received from the federal
- 11 government as authorized by House Bill No. 8, or by similar
- 12 legislation of the 84th Legislature, Regular Session, 2015, that
- 13 becomes law. If that law provides that the comptroller may not
- 14 deposit to the credit of the general revenue fund money received
- 15 from the federal government or accrued interest or other earnings
- 16 on money received from the federal government, Section 4 of this Act
- 17 does not apply to federal funds to which that law applies.
- 18 SECTION 11. ACCOUNTS IN GENERAL REVENUE FUND. Effective on
- 19 the later of the effective date of the Act creating or re-creating
- 20 the specified account or August 31, 2015, the following accounts
- 21 and the revenue deposited to the credit of those accounts are exempt
- 22 from Section 2 of this Act and the accounts are created or
- 23  $\,$  re-created in the general revenue fund, if created or re-created by
- 24 an Act of the 84th Legislature, Regular Session, 2015, that becomes
- 25 law:
- 26 (1) the veterans recovery account, created as an
- 27 account in the general revenue fund by House Bill No. 175 or similar

- 1 legislation;
- 2 (2) the Texas B-On-time student loan account,
- 3 continued as an account in the general revenue fund by House Bill
- 4 No. 700 or similar legislation;
- 5 (3) the Texas farm and ranch lands conservation fund,
- 6 continued as an account in the general revenue fund by House Bill
- 7 No. 1925 or similar legislation;
- 8 (4) the Global Agricultural Innovation Institute
- 9 account, created as an account in the general revenue fund by House
- 10 Bill No. 3983 or similar legislation;
- 11 (5) the hospital perpetual care account, created as an
- 12 account in the general revenue fund by Senate Bill No. 424 or
- 13 similar legislation;
- 14 (6) the mathematics and science teacher investment
- 15 fund, continued as an account in the general revenue fund by Senate
- 16 Bill No. 686 or similar legislation;
- 17 (7) the account in the general revenue fund to which
- 18 certain fee revenue is deposited by the Texas Medical Board as
- 19 provided by Senate Bill No. 848 or similar legislation;
- 20 (8) the wine industry development fund, re-created as
- 21 an account in the general revenue fund by Senate Bill No. 880,
- 22 Senate Bill No. 881, or similar legislation;
- 23 (9) the professional development account, continued
- 24 as an account in the general revenue fund by Senate Bill No. 893 or
- 25 similar legislation;
- 26 (10) the compensation to child pornography victims
- 27 fund, created as an account in the general revenue fund by Senate

- 1 Bill No. 1010 or similar legislation;
- 2 (11) the truancy prevention and diversion fund,
- 3 re-created as an account in the general revenue fund by Senate Bill
- 4 No. 1925 or similar legislation; and
- 5 (12) the deferred maintenance fund, created as an
- 6 account in the general revenue fund by Senate Bill No. 2004 or
- 7 similar legislation.
- 8 SECTION 12. SEPARATE FUNDS. Effective on the later of the
- 9 effective date of the Act creating or re-creating the specified
- 10 fund or August 31, 2015, the following funds, if created or
- 11 re-created by an Act of the 84th Legislature, Regular Session,
- 12 2015, the revenue deposited to the funds, and the revenue dedicated
- 13 for deposit to the funds, are exempt from Section 2 of this Act, and
- 14 the funds are created or re-created as separate funds inside or
- 15 outside of the state treasury, as specified by the Act creating or
- 16 re-creating the fund:
- 17 (1) a separate fund established in the treasury of a
- 18 political subdivision or maintained by a state law enforcement
- 19 agency for scholarships for children of peace officers killed in
- 20 the line of duty as authorized by House Bill No. 530 or similar
- 21 legislation;
- 22 (2) the Texas research university fund, the Texas
- 23 comprehensive research fund, and the core research support fund
- 24 created or re-created as provided by House Bill No. 1000 or similar
- 25 legislation;
- 26 (3) a special fund outside the treasury created to
- 27 receive certain fees payable to the State Securities Board, as

- 1 provided by House Bill No. 2493 or similar legislation;
- 2 (4) the county road oil and gas fund, created as a
- 3 trust fund outside the treasury to be held and administered by the
- 4 comptroller of public accounts by House Bill No. 2521 or similar
- 5 legislation;
- 6 (5) the permanent fund supporting graduate medical
- 7 education, created as a special fund in the treasury by Senate Bill
- 8 No. 18 or similar legislation;
- 9 (6) a special fund to be maintained by the Texas
- 10 Appraiser Licensing and Certification Board, created as provided by
- 11 Senate Bill No. 1007 or similar legislation;
- 12 (7) the grain producer indemnity fund, created as a
- 13 trust fund outside the treasury by Senate Bill No. 1099 or similar
- 14 legislation; and
- 15 (8) the Texas Department of Motor Vehicles fund,
- 16 re-created as a special fund in the treasury by Senate Bill No. 1512
- 17 or similar legislation.
- SECTION 13. REVENUE DEDICATIONS. Effective on the later of
- 19 the effective date of the Act dedicating or rededicating the
- 20 specified revenue or August 31, 2015, the following dedications or
- 21 rededications of revenue collected for a particular purpose are
- 22 exempt from Section 2 of this Act, if dedicated or rededicated by an
- 23 Act of the 84th Legislature, Regular Session, 2015:
- 24 (1) the dedication of revenue provided by House Bill
- 25 No. 14 or similar legislation;
- 26 (2) the dedication of certain fee revenue provided by
- 27 House Bill No. 984 or similar legislation;

- 1 (3) the dedication of certain revenue consisting of
- 2 penalties, payments, or civil restitution to the judicial fund
- 3 provided by House Bill No. 1079 or similar legislation;
- 4 (4) the dedication of voluntary contributions to the
- 5 fund for veterans' assistance provided by House Bill No. 1584 or
- 6 similar legislation;
- 7 (5) the dedication of fee revenue to the Texas
- 8 Department of Motor Vehicles fund by House Bill No. 2085 or similar
- 9 legislation;
- 10 (6) the dedication of tax revenue imposed under
- 11 Chapter 151, Tax Code, for deposit to the rural volunteer fire
- 12 department insurance fund as provided by Section 151.801(c-2), Tax
- 13 Code, as added by House Bill No. 2113, Senate Bill No. 761, or
- 14 similar legislation;
- 15 (7) the dedication of certain fee revenue by House
- 16 Bill No. 2145 or similar legislation;
- 17 (8) the dedication of certain penalty revenue to the
- 18 Texas Department of Insurance operating account as provided by
- 19 House Bill No. 2466 or similar legislation;
- 20 (9) the dedication of fee revenue to the Texas
- 21 Department of Insurance operating account by House Bill No. 2491 or
- 22 similar legislation;
- 23 (10) the dedication of fee revenue to the state
- 24 highway fund as provided by House Bill No. 2861 or similar
- 25 legislation;
- 26 (11) the dedication of voluntary contributions to the
- 27 Glenda Dawson Donate Life-Texas Registry fund and the dedication of

- 1 certain fee revenue to the Texas Mobility Fund provided by House
- 2 Bill No. 3283, Senate Bill No. 1561, or similar legislation;
- 3 (12) the dedication of voluntary contributions to the
- 4 fund for veterans' assistance provided by House Bill No. 3710 or
- 5 similar legislation;
- 6 (13) the dedication of certain money received by the
- 7 Texas Department of Transportation to the state highway fund by
- 8 House Bill No. 3868 or similar legislation;
- 9 (14) the dedication of tax revenue to the oil and gas
- 10 regulation and cleanup fund by House Bill No. 4034 or similar
- 11 legislation;
- 12 (15) the dedication of fee revenue by Senate Bill
- 13 No. 195 or similar legislation;
- 14 (16) the dedication of revenue by Senate Bill No. 204
- 15 or similar legislation;
- 16 (17) the dedication of revenue by Senate Bill No. 208
- 17 or similar legislation;
- 18 (18) the dedication of penalty revenue to the
- 19 compensation to victims of crime fund as provided by Senate Bill
- 20 No. 273 or similar legislation;
- 21 (19) the dedication of fee revenue to the state
- 22 highway fund and the Texas Department of Motor Vehicles fund
- 23 provided by Senate Bill No. 562 or similar legislation;
- 24 (20) the dedication of certain money received by the
- 25 Texas Department of Transportation to the state highway fund
- 26 provided by Senate Bill No. 638 or similar legislation;
- 27 (21) the dedication of fee revenue by Senate Bill

- 1 No. 699 or similar legislation;
- 2 (22) the dedication of certain revenue as provided by
- 3 Senate Bill No. 783 or similar legislation;
- 4 (23) the dedication of fee revenue to the Texas
- 5 Department of Housing and Community Affairs by Senate Bill No. 976
- 6 or similar legislation;
- 7 (24) the dedication of money received by the Parks and
- 8 Wildlife Department to the game, fish, and water safety account and
- 9 the state parks account by Senate Bill No. 1132 or similar
- 10 legislation;
- 11 (25) the dedication of fee revenue by House Bill
- 12 No. 2439 or similar legislation; and
- 13 (26) the dedication of fee revenue by House Bill
- 14 No. 872 or similar legislation.
- SECTION 14. CREATION OF NEW ACCOUNTS FOR LICENSE PLATE
- 16 FEES. Section 2 of this Act does not apply to a new account created
- 17 for receipt of fees for special license plates or for receipt of
- 18 related revenue, gifts, or grants as provided by an Act of the 84th
- 19 Legislature, Regular Session, 2015, or to the dedication of revenue
- 20 to or contained in the new account. All license plate revenue shall
- 21 be deposited to the credit of appropriate subaccounts of the
- 22 License Plate Trust Fund No. 802.
- SECTION 15. GOVERNOR'S UNIVERSITY RESEARCH INITIATIVE
- 24 FUND; DEDICATION OF REVENUE. Section 2 of this Act does not apply
- 25 to the governor's university research initiative fund or any other
- 26 fund created by House Bill No. 7, House Bill No. 26, Senate Bill
- 27 No. 632, or similar legislation of the 84th Legislature, Regular

- 1 Session, 2015, that becomes law, any dedication of revenue made to
- 2 the fund, or any dedication of revenue contained in the legislation
- 3 creating the fund.
- 4 SECTION 16. ACCOUNTS IN STATE BULLION DEPOSITORY. Section
- 5 2 of this Act does not apply to an account in the state bullion
- 6 depository created by House Bill No. 483 or similar legislation of
- 7 the 84th Legislature, Regular Session, 2015, that becomes law, or
- 8 any dedication of revenue made to such an account.
- 9 SECTION 17. FUND, ACCOUNT, OR REVENUE DEDICATION: HOUSE
- 10 BILL NO. 7. Section 2 of this Act does not apply to a fund, account,
- 11 or dedication of revenue created or re-created by House Bill No. 7
- 12 or similar legislation of the 84th Legislature, Regular Session,
- 13 2015.
- 14 SECTION 18. CONSUMER DIRECTED HEALTH PLAN ACCOUNTS.
- 15 Section 2 of this Act does not apply to a consumer directed health
- 16 plan account created by House Bill No. 966 or similar legislation
- 17 of the 84th Legislature, Regular Session, 2015, that becomes law.
- SECTION 19. TEXASSURE FUND. (a) Effective September 1,
- 19 2015, Sections 502.357(b) and (c), Transportation Code, are amended
- 20 to read as follows:
- 21 (b) Fees collected under this section shall be deposited to
- 22 the credit of the state highway fund except that the comptroller
- 23 shall provide for a portion of the fees to be deposited first to the
- 24 credit of a special fund in the state treasury outside the general
- 25 revenue fund to be known as the TexasSure Fund in a total amount
- 26 that is necessary to cover the total amount appropriated to the
- 27 Texas Department of Insurance from that fund and for the remaining

- 1 fees to be deposited to the state highway fund. Subject to
- 2 appropriations, the money deposited to the credit of the state
- 3 <u>highway fund under this section may</u> [shall] be used by the
- 4 Department of Public Safety to:
- 5 (1) support the Department of Public Safety's
- 6 reengineering of the driver's license system to provide for the
- 7 issuance by the Department of Public Safety of a driver's license or
- 8 personal identification certificate, to include use of image
- 9 comparison technology;
- 10 (2) establish and maintain a system to support the
- 11 driver responsibility program under Chapter 708; and
- 12 (3) make lease payments to the master lease purchase
- 13 program for the financing of the driver's license reengineering
- 14 project.
- (c) [Fees collected under this section shall be deposited to
- 16 the credit of the state highway fund. | Subject to appropriation,
- 17 fees collected under this section [the money] may be used by the
- 18 Department of Public Safety, the Texas Department of Insurance, the
- 19 Department of Information Resources, and the department to carry
- 20 out Subchapter N, Chapter 601.
- 21 (b) Section 2 of this Act does not apply to the TexasSure
- 22 Fund or revenue dedicated to that fund.
- SECTION 20. FLOODPLAIN PLANNING, MANAGEMENT, AND
- 24 EDUCATION. On September 1, 2015, the floodplain management account
- 25 created by Section 16.3161, Water Code, as enacted by Section 7,
- 26 Chapter 1323 (S.B. 1436), Acts of the 80th Legislature, Regular
- 27 Session, 2007, is re-created by this Act as a special fund in the

- 1 state treasury outside the general revenue fund, and all revenue
- 2 dedicated for deposit to the credit of the floodplain management
- 3 account by a provision of Chapter 1323 (S.B. 1436), Acts of the 80th
- 4 Legislature, Regular Session, 2007, is rededicated by this Act for
- 5 that purpose, except that revenue deposited to the floodplain
- 6 management account may be transferred to the Disaster Contingency
- 7 Fund No. 453 to be used for extraordinary costs associated with
- 8 flood risk analysis, planning, and public education. On September
- 9 1, 2015, the comptroller of public accounts shall transfer all
- 10 revenue estimated to be collected for deposit to the credit of the
- 11 floodplain management account in the 2016-2017 biennium to the
- 12 Disaster Contingency Fund No. 453. Section 2 of this Act does not
- 13 apply to the floodplain management account as re-created by this
- 14 Act or a dedication of revenue to the account or fund as dedicated
- 15 or rededicated by this Act.
- SECTION 21. AMENDMENT OF SECTION 403.095, GOVERNMENT CODE.
- 17 Effective September 1, 2015, Section 403.095, Government Code, is
- 18 amended by amending Subsections (b), (d), and (e) and adding
- 19 Subsection (f) to read as follows:
- 20 (b) Notwithstanding any law dedicating or setting aside
- 21 revenue for a particular purpose or entity, dedicated revenues that
- 22 on August 31, 2017 [2015], are estimated to exceed the amount
- 23 appropriated by the General Appropriations Act or other laws
- 24 enacted by the 84th [83rd] Legislature are available for general
- 25 governmental purposes and are considered available for the purpose
- 26 of certification under Section 403.121.
- 27 (d) Following certification of the General Appropriations

- 1 Act and other appropriations measures enacted by the 84th [83rd]
- 2 Legislature, the comptroller shall reduce each dedicated account as
- 3 directed by the legislature by an amount that may not exceed the
- 4 amount by which estimated revenues and unobligated balances exceed
- appropriations. The reductions may be made in the amounts and at
- 6 the times necessary for cash flow considerations to allow all the
- 7 dedicated accounts to maintain adequate cash balances to transact
- 8 routine business. The legislature may authorize, in the General
- 9 Appropriations Act, the temporary delay of the excess balance
- 10 reduction required under this subsection. This subsection does not
- 11 apply to revenues or balances in:
- 12 (1) funds outside the treasury;
- 13 (2) trust funds, which for purposes of this section
- 14 include funds that may or are required to be used in whole or in part
- 15 for the acquisition, development, construction, or maintenance of
- 16 state and local government infrastructures, recreational
- 17 facilities, or natural resource conservation facilities;
- 18 (3) funds created by the constitution or a court; or
- 19 (4) funds for which separate accounting is required by
- 20 federal law.
- 21 (e) Notwithstanding Subsection (b), dedicated revenues in
- 22 the following accounts or funds or that by law are directed to be
- 23 deposited to the credit of the following accounts or funds are not
- 24 available for general governmental purposes and are not considered
- 25 available for certification under Section 403.121:
- 26 (1) the Texas Department of Insurance operating
- 27 account no. 0036;

- 1 (2) the lifetime license endowment account no. 0544;
- 2 (3) the permanent fund for health and tobacco
- 3 education and enforcement account no. 5044;
- 4 (4) the permanent fund for children and public health
- 5 account no. 5045;
- 6 (5) the permanent fund for emergency medical services
- 7 and trauma care account no. 5046;
- 8 (6) the permanent fund for rural health facility
- 9 capital improvement account no. 5047;
- 10 (7) the permanent hospital fund for capital
- 11 improvements and the Texas Center for Infectious Disease account
- 12 no. 5048;
- (8) the child abuse and neglect prevention operating
- 14 fund account no. 5084;
- (9) the child abuse and neglect prevention trust fund
- 16 account no. 5085; and
- 17 (10) the separate fund account of each institution of
- 18 higher education in the general revenue fund.
- 19 (f) This section expires September 1, 2017 [2015].
- SECTION 22. EFFECT OF ACT. (a) This Act prevails over any
- 21 other Act of the 84th Legislature, Regular Session, 2015,
- 22 regardless of the relative dates of enactment, that purports to
- 23 create or re-create a special fund or account or to dedicate or
- 24 rededicate revenue to a particular purpose, including any fund,
- 25 account, or revenue dedication abolished under former Section
- 26 403.094, Government Code.
- (b) An exemption from the application of Section 403.095,

- 1 Government Code, contained in another Act of the 84th Legislature,
- 2 Regular Session, 2015, that is exempted from the application of
- 3 Section 2 of this Act has no effect.
- 4 (c) Revenue that, under the terms of another Act of the 84th
- 5 Legislature, Regular Session, 2015, would be deposited to the
- 6 credit of a special account or fund shall be deposited to the credit
- of the undedicated portion of the general revenue fund unless the
- 8 fund, account, or dedication is exempted under this Act.
- 9 SECTION 23. EFFECTIVE DATE. Except as otherwise provided
- 10 by this Act:
- 11 (1) this Act takes effect immediately if this Act
- 12 receives a vote of two-thirds of all the members elected to each
- 13 house, as provided by Section 39, Article III, Texas Constitution;
- 14 and
- 15 (2) if this Act does not receive the vote necessary for
- 16 immediate effect, this Act takes effect on the 91st day after the
- 17 last day of the legislative session.

Conference Committee Report Section-by-Section Analysis

#### HOUSE VERSION

#### SENATE VERSION (IE)

#### CONFERENCE

SECTIONS 1-8.

TEXAS DEPARTMENT OF MOTOR SECTION 9. VEHICLES FUND. On September 1, 2015, the Texas Department of Motor Vehicles fund created by Section 1001.151, Transportation Code, as enacted by Section 71, Chapter 1287 (H.B. 2202), Acts of the 83rd Legislature, Regular Session, 2013, is re-created by this Act as a special fund in the state treasury outside the general revenue fund, and all revenue dedicated for deposit to the credit of the Texas Department of Motor Vehicles fund by a provision of Chapter 1287 (H.B. 2202), Acts of the 83rd Legislature, Regular Session, 2013, is rededicated by this Act for that purpose. Section 2 of this Act does not apply to the fund as re-created by this Act or a dedication of revenue to the fund as rededicated by this Act.

SECTIONS 1-8. Same as House version.

SECTIONS 1-8. Same as House version.

*No equivalent provision.* [Deleted by FA1(1)]

Same as Senate version.

SECTION 10. ENVIRONMENTAL RADIATION AND PERPETUAL CARE ACCOUNT.

On September 1, 2015, the environmental radiation and perpetual care account created by Section 401.306, Health and Safety Code, as enacted by Section 12, Chapter 1159 (S.B. 347), Acts of the 83rd Legislature, Regular Session, 2013, 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 environmental radiation and perpetual care account by a provision of Chapter 1159 (S.B. 347), Acts of the 83rd Legislature, Regular Session, 2013, is rededicated by this Act for that purpose.

SECTION 10. ENVIRONMENTAL RADIATION AND PERPETUAL CARE ACCOUNT; REPEALER.

On September 1, 2015, the environmental radiation and perpetual care account created by Section 401.306, Health and Safety Code, as enacted by Section 12, Chapter 1159 (S.B. 347). Acts of the 83rd Legislature, Regular Session, 2013, 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 environmental radiation and perpetual care account by a provision of Chapter 1159 (S.B. 347), Acts of the 83rd Legislature, Regular Session, 2013, is rededicated by this Act for that purpose, except that Sections 401.207(d-1), (d-2), and (d-3), Health and Safety Code, as added by Section 4, Chapter 1159 (S.B. 347), Acts of the 83rd Legislature, Regular Session, 2013, are repealed. The Texas SECTION 9. Same as House version.

Conference Committee Report Section-by-Section Analysis

#### HOUSE VERSION

#### SENATE VERSION (IE)

CONFERENCE

Section 2 of this Act does not apply to the account as recreated by this Act or a dedication of revenue to the account as rededicated by this Act.

SECTION 11. SPECIAL FUND FOR MONEY RECEIVED FROM FEDERAL GOVERNMENT. Section 2 of this Act does not apply to a special fund in the state treasury established by the comptroller of public accounts for the purpose of holding money received from the federal government as authorized by House Bill No. 8, or by similar legislation of the 84th Legislature, Regular Session, 2015, that becomes law.

No equivalent provision.

dedicated to the environmental radiation and perpetual care account deposited to the credit of the low-level radioactive waste fund as a result of a contract subject to former Sections 401.207(d-1), (d-2), and (d-3), Health and Safety Code, entered into before the effective date of this Act.

Section 2 of this Act does not apply to the account as recreated by this Act or a dedication of revenue to the account as rededicated by this Act. [FA1(2)-(3)]

SECTION 11. SPECIAL FUND FOR MONEY RECEIVED FROM FEDERAL GOVERNMENT. Section 2 of this Act

Commission on Environmental Quality may use revenue

FROM FEDERAL GOVERNMENT. Section 2 of this Act does not apply to a special fund in the state treasury established by the comptroller of public accounts for the purpose of holding money received from the federal government as authorized by House Bill No. 8, or by similar legislation of the 84th Legislature, Regular Session, 2015, that becomes law. If that law provides that the comptroller may not deposit to the credit of the general revenue fund money received from the federal government or accrued interest or other earnings on money received from the federal government, Section 4 of this Act does not apply to federal funds to which that law applies. [FA1(4)]

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, 2015, the following accounts and the revenue deposited 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 84th Legislature, Regular Session, 2015, that become law:

SECTION 10. Same as Senate version.

SECTION 11. Substantially the same as Senate version.

## Conference Committee Report Section-by-Section Analysis

#### HOUSE VERSION

#### SENATE VERSION (IE)

- (1) the veterans recovery account, created as an account in the general revenue fund by House Bill No. 175 or similar legislation;
- (2) the Texas B-On-time student loan account, continued as an account in the general revenue fund by House Bill No. 700 or similar legislation;
- (3) the Texas farm and ranch lands conservation fund, continued as an account in the general revenue fund by House Bill No. 1925 or similar legislation;
- (4) the Global Agricultural Innovation Institute account, created as an account in the general revenue fund by House Bill No. 3983 or similar legislation;
- (5) the hospital perpetual care account, created as an account in the general revenue fund by Senate Bill No. 424 or similar legislation;
- (6) the mathematics and science teacher investment fund, continued as an account in the general revenue fund by Senate Bill No. 686 or similar legislation;
- (7) the account in the general revenue fund to which certain fee revenue is deposited by the Texas Medical Board as provided by Senate Bill No. 848 or similar legislation;
- (8) the wine industry development fund, re-created as an account in the general revenue fund by Senate Bill No. 880, Senate Bill No. 881, or similar legislation;
- (9) the professional development account, continued as an account in the general revenue fund by Senate Bill No. 893 or similar legislation;
- (10) the compensation to child pornography victims fund, created as an account in the general revenue fund by Senate Bill No. 1010 or similar legislation;
- (11) the truancy prevention and diversion fund, recreated as an account in the general revenue fund by Senate Bill No.

CONFERENCE

Conference Committee Report Section-by-Section Analysis

#### HOUSE VERSION

#### SENATE VERSION (IE)

1925 or similar legislation; and

(12) the deferred maintenance fund, created as an account in the general revenue fund by Senate Bill No. 2004 or similar legislation. [FA1(6)]

SECTION \_\_. SEPARATE FUNDS. Effective on the later of the effective date of the Act creating or re-creating the specified fund or August 31, 2015, the following funds, if created or re-created by an Act of the 84th Legislature, Regular Session, 2015, 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 recreated as separate funds inside or outside of the state treasury, as specified by the Act creating or re-creating the fund:

- (1) a separate fund established in the treasury of a political subdivision or maintained by a state law enforcement agency for scholarships for children of peace officers killed in the line of duty as authorized by House Bill No. 530 or similar legislation;
- (2) the Texas research university fund, the Texas comprehensive research fund, and the core research support fund created or re-created as provided by House Bill No. 1000 or similar legislation;
- (3) a special fund *in the state treasury* created to receive certain fees payable to the State Securities Board, as provided by House Bill No. 2493 or similar legislation;
- (4) the county road oil and gas fund, created as a trust fund outside the treasury to be held and administered by the comptroller of public accounts by House Bill No. 2521 or similar legislation;
- (5) the permanent fund supporting graduate medical

CONFERENCE

SECTION 12. SEPARATE FUNDS. Effective on the later of the effective date of the Act creating or re-creating the specified fund or August 31, 2015, the following funds, if created or re-created by an Act of the 84th Legislature, Regular Session, 2015, 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 recreated as separate funds inside or outside of the state treasury, as specified by the Act creating or re-creating the fund:

- (1) a separate fund established in the treasury of a political subdivision or maintained by a state law enforcement agency for scholarships for children of peace officers killed in the line of duty as authorized by House Bill No. 530 or similar legislation;
- (2) the Texas research university fund, the Texas comprehensive research fund, and the core research support fund created or re-created as provided by House Bill No. 1000 or similar legislation;
- (3) a special fund *outside the treasury* created to receive certain fees payable to the State Securities Board, as provided by House Bill No. 2493 or similar legislation;
- (4) the county road oil and gas fund, created as a trust fund outside the treasury to be held and administered by the comptroller of public accounts by House Bill No. 2521 or similar legislation;
- (5) the permanent fund supporting graduate medical

No equivalent provision.

Conference Committee Report Section-by-Section Analysis

#### HOUSE VERSION

#### SENATE VERSION (IE)

education, created as a special fund in the treasury by Senate Bill No. 18 or similar legislation;

- (6) a special fund to be maintained by the Texas Appraiser Licensing and Certification Board, created as provided by Senate Bill No. 1007 or similar legislation;
- (7) the grain producer indemnity fund, created as a trust fund outside the treasury by Senate Bill No. 1099 or similar legislation; and
- (8) the Texas Department of Motor Vehicles fund, re-created as a special fund in the treasury by Senate Bill No. 1512 or similar legislation. [FA1(6)]

SECTION \_\_\_. REVENUE DEDICATIONS. Effective on the later of the effective date of the Act dedicating or rededicating the specified revenue or August 31, 2015, 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 84th Legislature, Regular Session, 2015:

- (1) the dedication of revenue *to the clean air account* provided by House Bill No. 14 or similar legislation;
- (2) the dedication of certain fee revenue provided by House Bill No. 984 or similar legislation;
- (3) the dedication of certain revenue consisting of penalties, payments, or civil restitution to the judicial fund provided by House Bill No. 1079 or similar legislation;
- (4) the dedication of voluntary contributions to the fund for veterans' assistance provided by House Bill No. 1584 or similar legislation;
- (5) the dedication of fee revenue to the Texas Department of Motor Vehicles fund by House Bill No. 2085 or similar legislation;

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#### CONFERENCE

education, created as a special fund in the treasury by Senate Bill No. 18 or similar legislation;

- (6) a special fund to be maintained by the Texas Appraiser Licensing and Certification Board, created as provided by Senate Bill No. 1007 or similar legislation;
- (7) the grain producer indemnity fund, created as a trust fund outside the treasury by Senate Bill No. 1099 or similar legislation; and
- (8) the Texas Department of Motor Vehicles fund, re-created as a special fund in the treasury by Senate Bill No. 1512 or similar legislation.

SECTION 13. REVENUE DEDICATIONS. Effective on the later of the effective date of the Act dedicating or rededicating the specified revenue or August 31, 2015, 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 84th Legislature, Regular Session, 2015:

- (1) the dedication of revenue provided by House Bill No. 14 or similar legislation;
- (2) the dedication of certain fee revenue provided by House Bill No. 984 or similar legislation;
- (3) the dedication of certain revenue consisting of penalties, payments, or civil restitution to the judicial fund provided by House Bill No. 1079 or similar legislation;
- (4) the dedication of voluntary contributions to the fund for veterans' assistance provided by House Bill No. 1584 or similar legislation;
- (5) the dedication of fee revenue to the Texas Department of Motor Vehicles fund by House Bill No. 2085 or similar legislation;

No equivalent provision.

## Conference Committee Report Section-by-Section Analysis

#### HOUSE VERSION

#### SENATE VERSION (IE)

- (6) the dedication of tax revenue imposed under Chapter 151, Tax Code, for deposit to the rural volunteer fire department insurance fund as provided by Section 151.801(c-2), Tax Code, as added by House Bill No. 2113, Senate Bill No. 761, or similar legislation;
- (7) the dedication of certain fee revenue by House Bill No. 2145 or similar legislation;
- (8) the dedication of certain penalty revenue to the Texas Department of Insurance operating account as provided by House Bill No. 2466 or similar legislation;
- (9) the dedication of fee revenue to the Texas Department of Insurance operating account by House Bill No. 2491 or similar legislation;
- (10) the dedication of fee revenue to the state highway fund as provided by House Bill No. 2861 or similar legislation;
- (11) the dedication of voluntary contributions to the Glenda Dawson Donate Life-Texas Registry fund provided by House Bill No. 3283, Senate Bill No. 1561, or similar legislation;
- (12) the dedication of voluntary contributions to the fund for veterans' assistance provided by House Bill No. 3710 or similar legislation;
- (13) the dedication of certain money received by the Texas Department of Transportation to the state highway fund by House Bill No. 3868 or similar legislation;
- (14) the dedication of tax revenue to the oil and gas regulation and cleanup fund by House Bill No. 4034 or similar legislation;
- (15) the dedication of fee revenue by Senate Bill No. 195 or similar legislation;
- (16) the dedication of revenue by Senate Bill No. 204 or

#### CONFERENCE

- (6) the dedication of tax revenue imposed under Chapter 151, Tax Code, for deposit to the rural volunteer fire department insurance fund as provided by Section 151.801(c-2), Tax Code, as added by House Bill No. 2113, Senate Bill No. 761, or similar legislation;
- (7) the dedication of certain fee revenue by House Bill No. 2145 or similar legislation;
- (8) the dedication of certain penalty revenue to the Texas Department of Insurance operating account as provided by House Bill No. 2466 or similar legislation;
- (9) the dedication of fee revenue to the Texas Department of Insurance operating account by House Bill No. 2491 or similar legislation;
- (10) the dedication of fee revenue to the state highway fund as provided by House Bill No. 2861 or similar legislation;
- (11) the dedication of voluntary contributions to the Glenda Dawson Donate Life-Texas Registry fund *and the dedication of certain fee revenue to the Texas Mobility Fund* provided by House Bill No. 3283, Senate Bill No. 1561, or similar legislation;
- (12) the dedication of voluntary contributions to the fund for veterans' assistance provided by House Bill No. 3710 or similar legislation;
- (13) the dedication of certain money received by the Texas Department of Transportation to the state highway fund by House Bill No. 3868 or similar legislation;
- (14) the dedication of tax revenue to the oil and gas regulation and cleanup fund by House Bill No. 4034 or similar legislation;
- (15) the dedication of fee revenue by Senate Bill No. 195 or similar legislation;
- (16) the dedication of revenue by Senate Bill No. 204 or

## Conference Committee Report Section-by-Section Analysis

#### HOUSE VERSION

#### SENATE VERSION (IE)

similar legislation;

- (17) the dedication of revenue by Senate Bill No. 208 or similar legislation;
- (18) the dedication of penalty revenue to the compensation to victims of crime fund as provided by Senate Bill No. 273 or similar legislation;
- (19) the dedication of fee revenue to the state highway fund and the Texas Department of Motor Vehicles fund provided by Senate Bill No. 562 or similar legislation;
- (20) the dedication of certain money received by the Texas Department of Transportation to the state highway fund provided by Senate Bill No. 638 or similar legislation;
- (21) the dedication of fee revenue by Senate Bill No. 699 or similar legislation;
- (22) the dedication of certain revenue *to the insurance fraud unit* as provided by Senate Bill No. 783 or similar legislation;
- (23) the dedication of fee revenue to the Texas Department of Housing and Community Affairs by Senate Bill No. 976 or similar legislation;
- (24) the dedication of money received by the Parks and Wildlife Department to the game, fish, and water safety account and the state parks account by Senate Bill No. 1132 or similar legislation;
- (25) the dedication of fee revenue by House Bill No. 2439 or similar legislation; and
- (26) the dedication of fee revenue by House Bill No. 872 or similar legislation. [FA1(6)]

SECTION \_\_. CREATION OF NEW ACCOUNTS FOR LICENSE PLATE FEES. Section 2 of this Act does not apply to a new account created for receipt of fees for special license

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CONFERENCE

similar legislation;

- (17) the dedication of revenue by Senate Bill No. 208 or similar legislation;
- (18) the dedication of penalty revenue to the compensation to victims of crime fund as provided by Senate Bill No. 273 or similar legislation;
- (19) the dedication of fee revenue to the state highway fund and the Texas Department of Motor Vehicles fund provided by Senate Bill No. 562 or similar legislation;
- (20) the dedication of certain money received by the Texas Department of Transportation to the state highway fund provided by Senate Bill No. 638 or similar legislation;
- (21) the dedication of fee revenue by Senate Bill No. 699 or similar legislation;
- (22) the dedication of certain revenue as provided by Senate Bill No. 783 or similar legislation;
- (23) the dedication of fee revenue to the Texas Department of Housing and Community Affairs by Senate Bill No. 976 or similar legislation;
- (24) the dedication of money received by the Parks and Wildlife Department to the game, fish, and water safety account and the state parks account by Senate Bill No. 1132 or similar legislation;
- (25) the dedication of fee revenue by House Bill No. 2439 or similar legislation; and
- (26) the dedication of fee revenue by House Bill No. 872 or similar legislation.

SECTION 14. Same as Senate version.

No equivalent provision.

Conference Committee Report Section-by-Section Analysis

#### HOUSE VERSION

#### SENATE VERSION (IE)

plates or for receipt of related revenue, gifts, or grants as provided by an Act of the 84th Legislature, Regular Session, 2015, or to the dedication of revenue to or contained in the new account. All license plate revenue shall be deposited to the credit of appropriate subaccounts of the License Plate

Trust Fund No. 802. [FA1(6)]

CONFERENCE

No equivalent provision.

INITIATIVE FUND; DEDICATION OF REVENUE. Section 2 of this Act does not apply to the governor's university research initiative fund or any other fund created by House Bill No. 7, House Bill No. 26, Senate Bill No. 632, or similar legislation of the 84th Legislature, Regular Session, 2015, that becomes law, any dedication of revenue made to the fund, or any dedication of revenue contained in the legislation creating the fund. [FA1(6)]

SECTION . GOVERNOR'S UNIVERSITY RESEARCH

SECTION 15. Same as Senate version.

No equivalent provision.

SECTION \_\_. ACCOUNTS IN STATE BULLION DEPOSITORY. Section 2 of this Act does not apply to an account in the state bullion depository created by House Bill No. 483 or similar legislation of the 84th Legislature, Regular Session, 2015, that becomes law, or any dedication of revenue made to such an account. [FA1(6)]

SECTION 16. Same as Senate version.

No equivalent provision.

SECTION \_\_. FUND, ACCOUNT, OR REVENUE DEDICATION: HOUSE BILL NO. 7. Section 2 of this Act does not apply to a fund, account, or dedication of revenue created or re-created by House Bill No. 7 or similar legislation of the 84th Legislature, Regular Session, 2015. [FA1(6)]

SECTION 17. Same as Senate version.

No equivalent provision.

SECTION \_\_. CONSUMER DIRECTED HEALTH PLAN ACCOUNTS. Section 2 of this Act does not apply to a

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SECTION 18. Same as Senate version.

Conference Committee Report Section-by-Section Analysis

#### HOUSE VERSION

#### SENATE VERSION (IE)

CONFERENCE

No equivalent provision.

consumer directed health plan account created by House Bill No. 966 or similar legislation of the 84th Legislature, Regular Session, 2015, that becomes law. [FA1(6)]

SECTION \_\_. TEXASSURE FUND. (a) Effective September 1, 2015, Sections 502.357(b) and (c), Transportation Code, are amended to read as follows:

- (b) Fees collected under this section shall be deposited to the credit of the state highway fund except that the comptroller shall provide for a portion of the fees to be deposited first to the credit of a special fund in the state treasury outside the general revenue fund to be known as the TexasSure Fund in a total amount that is necessary to cover the total amount appropriated to the Texas Department of Insurance from that fund and for the remaining fees to be deposited to the state highway fund. Subject to appropriations, the money deposited to the credit of the state highway fund under this section may [shall] be used by the Department of Public Safety to:
- (1) support the Department of Public Safety's reengineering of the driver's license system to provide for the issuance by the Department of Public Safety of a driver's license or personal identification certificate, to include use of image comparison technology;
- (2) establish and maintain a system to support the driver responsibility program under Chapter 708; and
- (3) make lease payments to the master lease purchase program for the financing of the driver's license reengineering project.
- (c) [Fees collected under this section shall be deposited to the eredit of the state highway fund.] Subject to appropriation, fees collected under this section [the money] may be used by the Department of Public Safety, the Texas Department of

SECTION 19. Same as Senate version.

Conference Committee Report Section-by-Section Analysis

#### HOUSE VERSION

#### SENATE VERSION (IE)

Insurance, the Department of Information Resources, and the department to carry out Subchapter N, Chapter 601.

PLANNING.

(b) Section 2 of this Act does not apply to the TexasSure Fund or revenue dedicated to that fund. [FA1(6)]

FLOODPLAIN

MANAGEMENT, AND EDUCATION. On September 1,

SECTION .

No equivalent provision.

2015, the Floodplain Management Account created by Section 16.3161, Texas Water Code, as enacted by Section 7, Chapter 1323 (S.B. 1436), Acts of the 80th Legislature, Regular Session 2007, is re-created by this Act as a special fund in the state treasury outside the general revenue fund, and all revenue dedicated for deposit to the credit of the Floodplain Management Account by a provision of Chapter 1323 (S.B. 1436), Acts of the 80th Legislature, Regular Session 2007, is rededicated by this Act for the purpose, except that revenue deposited to the Floodplain Management Account may be transferred to the Disaster Contingency Fund No. 453 to be used for extraordinary costs associated with the flood risk analysis, planning, and public education. On September 1, 2015. The Comptroller of Public Accounts shall transfer all revenue estimated to be collected for deposit to the credit of the Floodplain Management Account in the 2016-17 biennium to the Disaster Contingency Fund No. 453. Section 2 of this Act does not apply to the Floodplain Management Account as CONFERENCE

SECTION 20. Substantially the same as Senate version.

SECTION 12. AMENDMENT OF SECTION 403.095, GOVERNMENT CODE. Effective September 1, 2015, Section 403.095, Government Code, is amended by amending Subsections (b), (d), and (e) and adding Subsection (f) to read

SECTION 12. AMENDMENT OF SECTION 403.095, GOVERNMENT CODE. Effective September 1, 2015, Section 403.095, Government Code, is amended by amending Subsections (b), (d), and (e) and adding Subsection (f) to read

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re-created by this Act or a dedication of revenue to the account or fund as dedicated or rededicated by this Act. [FA2]

SECTION 21. Substantially the same as House version except in Subsection (e), does not include Subdivision (2) the unemployment compensation special administration fund no. 0165.

Conference Committee Report Section-by-Section Analysis

SENATE VERSION (IE)

#### HOUSE VERSION

as follows:

- (b) Notwithstanding any law dedicating or setting aside revenue for a particular purpose or entity, dedicated revenues that on August 31, 2017 [2015], are estimated to exceed the amount appropriated by the General Appropriations Act or other laws enacted by the 84th [83rd] 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 <u>84th</u> [83rd] 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 excess balance reduction required under this subsection. This subsection does not apply to revenues or balances in:
- (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.
- (e) Notwithstanding Subsection (b), dedicated revenues in the

as follows:

- (b) Notwithstanding any law dedicating or setting aside revenue for a particular purpose or entity, dedicated revenues that on August 31, 2017 [2015], are estimated to exceed the amount appropriated by the General Appropriations Act or other laws enacted by the <u>84th</u> [83rd] 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 <u>84th</u> [83rd] 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 excess balance reduction required under this subsection. This subsection does not apply to revenues or balances in:
- (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.
- (e) Notwithstanding Subsection (b), dedicated revenues in the

#### CONFERENCE

## Conference Committee Report Section-by-Section Analysis

#### HOUSE VERSION

following accounts or funds or that by law are directed to be deposited to the credit of the following accounts or funds are not available for general governmental purposes and are not considered available for certification under Section 403.121:

- (1) the Texas Department of Insurance operating account no. 0036;
- (2) the unemployment compensation special administration fund no. 0165;
- (3) the lifetime license endowment account no. 0544;
- (4) the permanent fund for health and tobacco education and enforcement account no. 5044;
- (5) the permanent fund for children and public health account no. 5045;
- (6) the permanent fund for emergency medical services and trauma care account no. 5046;
- (7) the permanent fund for rural health facility capital improvement account no. 5047;
- (8) the permanent hospital fund for capital improvements and the Texas Center for Infectious Disease account no. 5048;
- (9) the child abuse and neglect prevention operating fund account no. 5084;
- (10) the child abuse and neglect prevention trust fund account no. 5085; and
- (11) the separate fund account of each institution of higher education in the general revenue fund.
- (f) This section expires September 1, 2017 [2015].

SECTION 13. EFFECT OF ACT. (a) This Act prevails over any other Act of the 84th Legislature, Regular Session, 2015, 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,

SENATE VERSION (IE)

following accounts or funds or that by law are directed to be deposited to the credit of the following accounts or funds are not available for general governmental purposes and are not considered available for certification under Section 403.121:

- (1) the lifetime license endowment account no. 0544;
- (2) the permanent fund for health and tobacco education and enforcement account no. 5044;
- (3) the permanent fund for children and public health account no. 5045;
- (4) the permanent fund for emergency medical services and trauma care account no. 5046;
- (5) the permanent fund for rural health facility capital improvement account no. 5047;
- (6) the permanent hospital fund for capital improvements and the Texas Center for Infectious Disease account no. 5048;
- (7) the child abuse and neglect prevention operating fund account no. 5084;
- (8) the child abuse and neglect prevention trust fund account no. 5085; and
- (9) the separate fund account of each institution of higher education in the general revenue fund.
- (f) This section expires September 1, 2017 [2015]. [FA1(5)]

SECTION 13. Same as House version.

SECTION 22. Same as House version.

CONFERENCE

Conference Committee Report Section-by-Section Analysis

#### HOUSE VERSION

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 84th Legislature, Regular Session, 2015, 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 84th Legislature, Regular Session, 2015, 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.

SECTION 14. 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, 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.

SENATE VERSION (IE)

CONFERENCE

SECTION 14. Same as House version.

SECTION 23. Same as House version.

## LEGISLATIVE BUDGET BOARD Austin, Texas

## FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 30, 2015

**TO:** Honorable Dan Patrick, Lieutenant Governor, Senate Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

**IN RE:** HB6 by Otto (Relating to the creation and re-creation of funds and accounts, the dedication and rededication of revenue, and the exemption of unappropriated money from use for general governmental purposes.), **Conference Committee Report** 

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB6, Conference Committee Report: a negative impact of (\$19,100,000) through the biennium ending August 31, 2017.

The bill would also result in a reduction of \$549,678,000 in amounts available for certification of the 2016-17 General Appropriations Act, associated with the exemption of certain General Revenue-Dedicated account balances from being available for that purpose.

Any other net gains or losses from the re-creation of existing funds or accounts as exempted in this bill are dependent upon the passage of another act of the Eighty-fourth Legislature, Regular Session, 2015, and are dependent upon appropriations made in the 2016-17 General Appropriations Act.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

## **General Revenue-Related Funds, Five-Year Impact:**

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2016	(\$12,600,000)
2017	(\$6,500,000)
2018	(\$9,550,000)
2019	(\$9,550,000)
2020	(\$9,500,000)

## All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from General Revenue Fund 1	Probable Revenue Gain/(Loss) from Disaster Contingency Acct 453	Probable Revenue Gain/(Loss) from New General Revenue Dedicated - Environmental Radiation and Perpetual Care Account	Probable Certification Gain/Loss from Various General Revenue Dedicated Accounts
2016	(\$12,600,000)	\$6,100,000	\$6,596,000	(\$549,678,000)
2017	(\$6,500,000)	\$0	\$6,596,000	\$0
2018	(\$9,550,000)	\$0	\$6,596,000	\$0
2019	(\$9,550,000)	\$0	\$6,596,000	\$0
2020	(\$9,500,000)	\$0	\$6,596,000	\$0

Fiscal Year	Probable Revenue Gain/(Loss) from New Floodplain Management Account	Probable Savings/(Cost) from State Highway Fund 6	Probable Revenue Gain/(Loss) from New TexasSure Fund
2016	\$0	(\$5,175,000)	\$5,175,000
2017	\$0	(\$5,175,000)	\$5,175,000
2018	\$3,050,000	(\$5,175,000)	\$5,175,000
2019	\$3,050,000	(\$5,175,000)	\$5,175,000
2020	\$3,050,000	(\$5,175,000)	\$5,175,000

## **Fiscal Analysis**

The bill would abolish all funds, accounts, and revenue dedications created or recreated by the Eighty-fourth Legislature, Regular Session, 2015, unless specifically exempted under separate sections of this bill. Any funds, accounts, or revenue dedications abolished under this bill would be deposited to the credit of the unobligated portion of the General Revenue Fund. The bill would define the entities to which this bill would apply; and it would provide for the abolition of new or re-created funds, accounts, and revenue dedications, unless they were specifically exempted in the bill.

The bill would exempt dedications, funds, and accounts that were enacted before the Eighty-fourth Legislature convened to comply with the State Constitution or federal law, or that remained exempt from the abolishment and removal of dedication provisions of the former Section 403.094(h) of the Government Code, and 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 Eighty-fourth Legislature, Regular Session, 2015.

Federal funds, created by the Eighty-fourth Legislature, Regular Session, 2015, for which separate accounting is required by federal law, would be exempt. In particular, this bill would not apply to a special fund in the state treasury established by the Comptroller for the purpose of holding money received from the federal government as authorized by House Bill 8 or other similar legislation enacted by the Eighty-fourth Legislature, Regular Session, 2015.

The bill would exempt all trust funds and bond funds created by the Eighty-fourth Legislature, Regular Session, 2015, except that the funds would have to be held in the State Treasury, with the Comptroller in trust, or outside the State Treasury upon approval by the Comptroller.

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 Eighty-fourth Legislature, Regular Session, 2015, if approved by the voters.

The bill would re-create the Environmental Radiation and Perpetual Care Account created by Section 401.306, Health and Safety Code, as enacted by Section 12, Chapter 1159 (Senate Bill 347), Acts of the Eighty-third Legislature, Regular Session, 2013. All revenue that had been dedicated to that account by Senate Bill 347 would be rededicated for that purpose. Bill provisions would also exempt this account from abolition.

The bill would also re-create the Floodplain Management Account created by Section 16.3161, Texas Water Code, as enacted by Section 7, Chapter 1323 (Senate Bill 1436), Acts of the Eightieth Legislature, Regular Session, 2007. The account would be a special fund outside of the General Revenue Fund, but in the State Treasury. All revenue that had been dedicated to that account by Senate Bill 1436 would be rededicated for that purpose, except that revenue deposited to the Floodplain Account may be transferred to the General Revenue-Dedicated Disaster Contingency Fund No. 453 for extraordinary costs associated with flood risk analysis, planning, and public education. Bill provisions direct the Comptroller to transfer all revenue estimated to be deposited to the Floodplain Management Account in the 2016-17 Biennium to the General Revenue-Dedicated Disaster Contingency Fund No. 453 on September 1, 2015. Bill provisions would also exempt this account/fund from abolition.

The bill would amend Transportation Code, Section 502.357, to direct the Comptroller to deposit a portion of the financial responsibility program fees collected under this section to the credit of fund in the State Treasury, but outside of the General Revenue Fund, known as the TexasSure Fund in the amount necessary to cover the amounts appropriated to the Texas Department of Insurance from that fund. Both the TexasSure Fund and the dedication of financial responsibility of program fees to the Fund would be exempt from abolition under bill provisions.

The bill would amend Sections 403.095(b) and (d) of the Government Code to update references to the Eighty-fourth Legislature and to August 31,2017. A new Section 403.095(e) would specify that the provisions of 403.095 would not apply to the following accounts or funds:

- (1) GR-D Account 36 the Texas Department of Insurance Operating Account;
- (2) GR-D Account 544 Lifetime License Endowment Account No. 544;
- (3) GR-D Account 5044-Permanent Fund for Health and Tobacco Education and Enforcement;
- (4) GR-D Account 5045-Permanent Fund for Children and Public Health;
- (5) GR-D Account 5046-Permanent Fund for Emergency Medical Services and Trauma Care;
- (6) GR-D Account 5047-Permanent Hospital Fund for Rural Health Facility Capital Improvement;
- (7) GR-D Account 5048-Permanent Hospital Fund for Capital Improvements and the Texas Center for Infectious Disease;
- (8) GR-D Account 5084-Child Abuse and Neglect Prevention Operating;
- (9) GR-D Account 5085-Child Abuse and Neglect Prevention Trust; and
- (10) the separate current account of each institution of higher education in the General Revenue Fund.

With the exception of select General Revenue-Dedicated accounts, dedicated revenues exceeding amounts appropriated by the Eighty-fourth Legislature would be available for certification through August 31, 2017. Funds outside of the State Treasury, trust funds, funds created by the State Constitution or a court, and funds for which separate accounting was required by federal law would be exempt from this section. These provisions would expire September 1, 2017.

Accounts created or recreated in the General Revenue Fund, and related revenue dedications that

would not be abolished include: (1) the Veterans Recovery Account created by House Bill 175 or similar legislation; (2) the Texas B-on-Time Student Loan Account continued as an account by House Bill 700 or similar legislation; (3) the Texas Farm and Ranchlands Conservation Fund continued as an account by House Bill 1925; (4) the Global Agricultural Innovation Institute Account created by House Bill 3983 or similar legislation; (5) the Hospital Perpetual Care Account created by Senate Bill 424 or similar legislation; (6) the Mathematics and Science Teacher Investment Fund continued as an account by Senate Bill 686 or similar legislation; (7) the account in the General Revenue Fund to which certain fee revenue is deposited by the Texas Medical Board as provided by Senate Bill 848 or similar legislation; (8) the Wine Industry Development re-created by Senate Bill 880 or similar legislation; (9) the Professional Development Account continued as an account by Senate Bill 893 or similar legislation; (10) the Compensation to Child Pornography Victims Fund created by Senate Bill 1010 or similar legislation; (11) the Truancy Prevention and Diversion Fund recreated by Senate Bill 1925 or similar legislation; and (12) the Deferred Maintenance Fund created by Senate Bill 2004 or similar legislation.

Funds created or recreated outside the General Revenue Fund, both inside and outside the State Treasury, and related revenue dedications that would not be abolished include: (1) a separate fund in the treasury of a political subdivision or maintained by a state law enforcement agency for scholarships for children of peace officers killed in the line of duty as authorized by House Bill 530 or similar legislation; (2)the Texas Research University Fund, the Texas Comprehensive Research Fund and the Core Research Support Fund created or recreated by House Bill 1000 or similar legislation; (3) a special fund outside the State Treasury created to receive certain fees payable to the State Securities Board as provided by House Bill 2493 or similar legislation; (4) the County Road Oil and Gas Fund created as a trust fund outside the State Treasury to be administered by the Comptroller by House Bill 2521 or similar legislation; (5) the Permanent Fund Supporting Graduate Medical Education created by Senate Bill 18 or similar legislation; (6) a special fund to be maintained by the Texas Appraiser Licensing and Certification Board created by Senate Bill 1007 or similar legislation; (7) the Grain Producer Indemnity Fund created by Senate Bill 1099; and (8) the Texas Department of Motor Vehicles (DMV) Fund recreated by Senate Bill 1512 or similar legislation.

Revenue dedications or rededications that would not be abolished include: (1) the dedication of revenue provided by House Bill 14 or similar legislation; (2) the dedication of certain fee revenue provided by House Bill 984 or similar legislation; (3) the dedication of revenue consisting of penalties, payments or civil restitution to Judicial Fund No. 573 provided by House Bill 1079 or similar legislation; (4) the dedication of voluntary contributions to the fund for veterans' assistance provided by House Bill 1584 or similar legislation; (5) the dedication of fee revenue to the DMV Fund by House Bill 2085 or similar legislation; (6) the dedication of tax revenue imposed under Chapter 151, Tax Code for deposit to the Rural Volunteer Fire Department Insurance Fund added by House Bill 2113, Senate Bill 761 or similar legislation; (7) the dedication of certain fee revenue by House Bill 2145 or similar legislation; (8) the dedication of certain penalty revenue and fee revenue to the Texas Department of Insurance Operating Account as provided by House Bill 2466 or similar legislation and House Bill 2491 or similar legislation; (9) the dedication of fee revenue to the Texas Department of Insurance operating account no. 36 provided by House Bill 2491 or similar legislation; (10) the dedication of fee revenue to the State Highway Fund as provided by House Bill 2861 or similar legislation; (11) the dedication of voluntary contributions to the Glenda Dawson Donate Life-Texas Registry Fund and the dedication of certain fee revenue to the Texas Mobility Fund provided by House Bill 3283, Senate Bill 1561 or similar legislation; (12) the dedication of voluntary contributions to the fund for veterans' assistance provided by House Bill 3710 or similar legislation; (13) the dedication of certain funds received by the Texas Department of Transportation to the State Highway Fund by House Bill 3868 or similar legislation; (14) the dedication of tax revenue to the General RevenueDedicated Oil and Gas Regulation and Cleanup Account No. 5155 by House Bill 4034 or similar legislation; (15) the dedication of fee revenue by Senate Bill 195 or similar legislation; (16) the dedication of revenue by Senate Bill 204 or similar legislation; (17) the dedication of revenue by Senate Bill 208 or similar legislation; (18) the dedication of penalty revenue to the Compensation of Victims of Crime Fund No. 469 by Senate Bill 273 or similar legislation; (19) the dedication of fee revenue to the State Highway Fund and the DMV fund by Senate Bill 562 or similar legislation; (20) the dedication of certain funds received by TxDOT to the State Highway Fund provided by Senate Bill 638 or similar legislation; (21) the dedication of fee revenue by Senate Bill 699 or similar legislation; (22) the dedication of certain revenue as provided by Senate Bill 783 or similar legislation; (23) the dedication of fee revenue to the Texas Department of Housing and Community Affairs by Senate Bill 976 or similar legislation; (24) the dedication of funds received by the Texas Parks and Wildlife Department to the General Revenue-Dedicated Game, Fish and Water Safety Account No. 9 and the General Revenue-Dedicated State Parks Account No. 64 by Senate Bill 1132 or similar legislation; (25) the dedication of fee revenue by House Bill 2439 or similar legislation; and (26) the dedication of fee revenue by House Bill 872 or similar legislation.

New specialty license plate accounts created by the Eighty-fourth Legislature would be exempt from abolition. Additionally, under bill provisions, all license plate revenue would be deposited to the credit of the appropriate subaccount in the License Plate Trust Fund No. 802.

Any accounts, funds or revenue dedications associated with the Governor's University Research Initiative Fund or any other fund created by House Bill 7, House Bill 26, Senate Bill 632 or similar legislation, Eighty-fourth Legislature, Regular Session, 2015, would be exempt from abolition. Any accounts, funds or revenue dedications associated with the State Bullion Depository created by House Bill 483 or similar legislation, Eighty-fourth Legislature, Regular Session, 2015, would be exempt from abolition. Any accounts, funds or revenue dedications created or recreated by House Bill 7 or similar legislation, Eighty-fourth Legislature, Regular Session, 2015, would be exempt from abolition. Finally, any consumer-directed healthcare plan accounts created by House Bill 966 or similar legislation, Eighty-fourth Legislature, Regular Session, 2015, would be exempt from abolition.

The provisions of this bill would prevail over any other act of the Eighty-fourth Legislature, Regular Session, 2015, 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.

## Methodology

This bill has various fiscal effects, some of which may be estimated at this time and others which cannot because they are dependent on the passage of other bills and appropriation decisions by the Eighty-fourth Legislature.

Bill provisions that would exempt select General Revenue-Dedicated accounts from Government Code, Section 403.095(b), would reduce the amount of funds available for general purpose spending in the 2016-17 biennium by \$549.7 million. This estimated fiscal impact is based on the fiscal year 2015 ending balances for the affected accounts as reported in the Biennial Revenue Estimate for the 2016-17 biennium and does not reflect appropriation decisions by the Eighty-

fourth Legislature that may affect these account balances. The amount of unappropriated funds in the select General Revenue-Dedicated accounts above that would not be available for certification purposes in subsequent biennia would depend on actions of future Legislatures and cannot be determined at this time.

The revenue dedication for the Floodplain Management Account is the first \$3.05 million in insurance maintenance taxes received in the state fiscal year. Rededicating the first \$3.05 million in insurance maintenance taxes received in each fiscal year to the Floodplain Management Account would result in a corresponding loss in the same amount to the General Revenue Fund. Bill provisions would require the CPA to transfer an amount equal to the estimate of revenue to be deposited to the Floodplain Management Account in the 2016-17 biennium to the General Revenue-Dedicated Disaster Contingency Fund No. 453 on September 1, 2015. This amount, \$6.1 million, is included in the tables above as a loss to the General Revenue Fund in fiscal year 2016 and a gain to the General Revenue-Dedicated Disaster Contingency Fund No. 453 in fiscal year 2016. For purposes of this analysis, it is assumed that the \$3.05 million deposit of insurance maintenance taxes to the Floodplain Management Account would begin in fiscal year 2018 and continue thereafter.

Based on the Biennial Revenue Estimate for the 2016-17 Biennium, the loss to the General Revenue Fund due to rededicating the 20 percent surcharge on non-party compact waste to the General Revenue-Dedicated Environmental Radiation and Perpetual Care Account is \$6.5 million each fiscal year or \$13.0 million for the biennium. According to the Texas Commission on Environmental Quality, provisions in the bill would affect certain license fees and would, in turn, increase annual revenue to the new dedicated Environmental Radiation and Perpetual Care account by \$96,000.

The fiscal impact of establishing the TexasSure Fund is based on fiscal year 2015 appropriations to the TDI for the TexasSure Motor Responsibility Verification Program. This analysis assumes that no funds from the TexasSure Fund would be used for employee salaries or benefits.

Finally, the fiscal impact relating to other funds, accounts, and revenue dedications that would be abolished and become part of the General Revenue Fund cannot be determined at this time. Similarly, 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 Eighty-fourth Legislature and appropriation decisions and cannot be estimated at this time.

## **Local Government Impact**

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

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, KK, JJ, ZS, SD

# Certification of Compliance with Rule 13, Section 6(b), House Rules of Procedure

Rule 13, Section 6(b), House Rules of Procedure, requires a copy of a conference committee report signed by a majority of each committee of the conference to be furnished to each member of the committee in person or, if unable to deliver in person, by placing a copy in the member's newspaper mailbox at least one hour before the report is furnished to each member of the house under Rule 13, Section 10(a). The paper copies of the report submitted to the chief clerk under Rule 13, Section 10(b), must contain a certificate that the requirement of Rule 13, Section 6(b), has been satisfied, and that certificate must be attached to the copy of the report furnished to each member under Rule 13, Section 10(d). Failure to comply with this requirement is not a sustainable point of order under Rule 13.

I certify that a copy of the conference committee report on HB was furnished to each member of the conference committee in compliance with Rule 13, Section 6(b), House Rules of Procedure, before submission of the paper copies of the report to the chief clerk under Rule 13, Section 10(b), House Rules of Procedure.