

BILL ANALYSIS

Senate Research Center

H.B. 7
By: Darby et al. (Nelson)
Finance
5/13/2015
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

For more than 20 years, certain unspent dedicated revenue in the general revenue fund has counted toward overall budget certification. There is concern that these amounts have grown substantially during that time. H.B. 7 seeks to address the amounts, availability, and use of certain statutorily dedicated revenue and accounts and to reduce or affect the amounts or rates of certain statutorily dedicated fees and assessments.

H.B. 7 amends current law relating to the amounts, availability, and use of certain statutorily dedicated revenue and accounts, provides for the dedication and use of certain state revenue, reduces or affects the amounts or rates of certain statutorily dedicated fees and assessments, redesignates the bingo prize fee as a prize tax, and provides for the collection and use of the tax.

[**Note:** While the statutory reference in this bill is to the Texas Natural Resource Conservation Commission (TNRCC), the following amendments affect the Texas Commission on Environmental Quality, as the successor agency to TNRCC.]

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Department of Public Safety of the State of Texas in SECTION 34 (Section 1701.156, Occupations Code) of this bill.

Rulemaking authority previously granted to the Texas Natural Resource Conservation Commission is modified in SECTION 57 (Section 26.3574, Water Code) of this bill.

Rulemaking authority previously granted to the Texas State Board of Public Accountancy is rescinded in SECTION 60 (Section 901.407, Occupations Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 102.054, Business and Commerce Code, to require the comptroller of public accounts of the State of Texas (comptroller) to deposit the amounts, rather than the first \$25 million, received from the fee imposed on certain sexually oriented businesses under this subchapter, rather than under this subchapter in a state fiscal biennium, to the credit of the sexual assault program fund.

SECTION 2. Amends Section 21.703, Education Code, as follows:

Sec. 21.703. New heading: AMOUNT OF GRANT AWARD. (a) Requires the Texas Education Agency (TEA), each fiscal year, to provide each school district approved on a competitive basis under this subchapter with a grant in an amount determined by TEA in accordance with commissioner of education (commissioner) rule.

Deletes existing text requiring the commissioner, each state fiscal year, to deposit an amount determined by the General Appropriations Act to the credit of the educator excellence innovation fund in the general revenue fund. Deletes existing text requiring TEA, each fiscal year, to use money in the educator excellence innovation fund to provide each school district approved on a competitive basis under this subchapter with a grant in an amount determined by TEA in accordance with commissioner rule.

(b) Makes no change to this subsection.

SECTION 3. Amends Section 52.91(c), Education Code, to delete existing text authorizing the Texas Higher Education Coordinating Board (THECB) to use tuition set aside under Section 56.465 (Tuition Set Aside for Program) to repay bonds issued by THECB for the Texas B-On-time student loan program.

SECTION 4. Amends Section 56.463, Education Code, as follows:

Sec. 56.463. TEXAS B-ON-TIME STUDENT LOAN ACCOUNT. (a) Provides that the Texas B-On-time student loan account is an account in the general revenue fund. Provides that the account consists of:

(1) and (2) Creates these subsections from existing text.

Deletes existing text providing that tuition set aside under Section 56.465 is within the account.

(b) Authorizes money in the Texas B-On-time student loan account to be appropriated, rather than used, only:

(1) Creates this subsection from existing text; or

(2) to the institutions of higher education that contributed to the account as formerly provided by Section 56.465 and only for a purpose other than the Texas B-On-time loan program.

(c) Requires that appropriations under Subsection (b)(2) be made so that each of the institutions of higher education receives an amount that is in proportion to the net amount the institution contributed to the Texas B-On-time student loan account.

SECTION 5. Amends Section 61.5391(a), Education Code, to change a reference to money deposited under Section 61.539(b) (requiring that the amount set aside be transferred to the comptroller to be deposited in the physician education loan repayment program account established under 61.5391 (Physician Education Loan Repayment Program Account)) or 61.5392 (Federal Matching Funds) to money deposited under Section 61.5392.

SECTION 6. Amends Subchapter B, Chapter 403, Government Code, by adding Section 403.0143, as follows:

Sec. 403.0143. REPORT ON USE OF GENERAL REVENUE-DEDICATED ACCOUNTS. Requires the comptroller, after each regular session of the legislature, to issue a report that itemizes each general revenue-dedicated account and the estimated balance and revenue in each account that is considered available for the purposes of certification of appropriations as provided by Section 403.095 (Use of Dedicated Revenue). Requires the comptroller to publish the report on the comptroller's Internet website.

SECTION 7. Amends Section 403.0956, Government Code, to include the coastal protection account and the Alamo complex account among the funds to which this section does not apply.

SECTION 8. Amends Section 420.008(c), Government Code, as follows:

(c) Authorizes the legislature to appropriate money deposited to the credit of the sexual assault program fund only to:

(1) the attorney general, for:

(A)-(F) Makes no change to these paragraphs;

(G) Makes a nonsubstantive change;

(H) Makes no change to this paragraph;

(I) grants to prevent sex trafficking and to provide services for victims of sex trafficking; and

(J) grants to carry out the purpose of this chapter, including standardizing the quality of services provided, preventing sexual assault, and improving services to survivors of sexual assault;

(2) Makes no change to this subdivision;

(3) the Institute on Domestic Violence and Sexual Assault or the Bureau of Business Research at The University of Texas at Austin, to conduct research on all aspects of sexual assault and domestic violence;

(4) and (5) Makes no change to these paragraphs;

(6) DPS, rather than the Department of Public Safety of the State of Texas (DPS), to support sexual assault training for commissioned officers;

(7) and (8) Makes no change to these subdivisions;

(9) the Texas Juvenile Justice Department, rather than the Texas Youth Commission, for increasing the number of incarcerated juvenile sex offenders receiving treatment;

(10) Makes a nonsubstantive change;

(11) the supreme court, to be transferred to the Texas Access to Justice Foundation, rather than the Texas Equal Access to Justice Foundation, or a similar entity, to provide victim-related legal services to sexual assault victims, including legal assistance with protective orders, relocation-related matters, victim compensation, and actions to secure privacy protections available to victims under law;

(12) any state agency or organization for the purpose of conducting human trafficking enforcement programs; and

(13) any other designated state agency for the purpose of preventing sexual assault or improving services for victims of sexual assault.

SECTION 9. Amends Section 614.104, Government Code, by amending Subsections (a) and (b) and adding Subsection (d), as follows:

(a) Changes a reference to Article 5.102, Insurance Code, to Chapter 2007 (Assessment for Rural Fire Protection), Insurance Code.

(b) Creates an exception under Subsections (c) and (d).

(d) Authorizes money in the fund to be appropriated for a contribution to the Texas Emergency Services Retirement System subject to Section 865.015 (State Contributions).

SECTION 10. Amends Section 361.014(a), Health and Safety Code, as follows:

(a) Provides that the activities to enhance the state's solid waste management program may include:

(1)-(9) Makes no change to these subdivisions;

(10) and (11) Makes nonsubstantive changes; and

(12) provision of funds for grants to encourage entities located in an affected county or a nonattainment area, as defined by Section 386.001 (Definitions), to convert heavy-duty vehicles used for municipal solid waste collection into vehicles powered by natural gas engines.

SECTION 11. Amends Section 361.133, Health and Safety Code, by adding Subsection (c-1), as follows:

(c-1) Authorizes money in the hazardous and solid waste remediation fee account attributable to fees imposed under Section 361.138 (Fee on the Sale of Batteries), notwithstanding Subsection (c) (authorizing TNRCC to use the money collected and deposited to the credit of the account under this section only for certain tasks and expenses) to be used for environmental remediation at the site of a closed battery recycling facility located in the municipal boundaries of a municipality with a population of greater than 120,000. Provides that this subsection expires September 30, 2016.

SECTION 12. Amends Section 382.0622(a), Health and Safety Code, as follows:

(a) Provides that the Clean Air Act fees consist of:

(1) Makes no change to this subdivision;

(2) \$2 from the portion of each fee collected for inspections of vehicles other than mopeds and remitted to the state under Sections 548.501 (Inspection Fees Generally) and 548.503 (Initial Two-Year Inspection of Passenger Car or Light Truck), Transportation Code, rather than Section 548.501, Transportation Code; and

(3) Makes no change to this subdivision.

SECTION 13. Amends Chapter 773, Health and Safety Code, by adding Subchapter I, as follows:

SUBCHAPTER I. EMERGENCY MEDICAL AIR TRANSPORTATION FUNDING

Sec. 773.221. DEFINITIONS. Defines “account,” “commission,” and “commissioner” in this subchapter.

Sec. 773.222. EMERGENCY MEDICAL AIR TRANSPORTATION ACCOUNT. (a) Provides that the emergency medical air transportation account is established as a dedicated account in the general revenue fund. Provides that the account is composed of:

(1) money deposited to the credit of the account under Section 542.4031 (State Traffic Fine), Transportation Code; and

(2) notwithstanding Section 404.071 (Disposition of Interest on Investments), Government Code, interest earned on the investment of money in the account and depository interest allocable to the account.

(b) Authorizes money in the account to be appropriated only to the Department of State Health Services (DSHS) for the purposes described by Subsection (c).

(c) Authorizes the commissioner of state health services to:

(1) use the money appropriated from the account to provide funding, in addition to funding available from other sources, for emergency medical air transportation; and

(2) after consulting with the executive commissioner of the Health and Human Services Commission (executive commissioner; HHSC), transfer the money appropriated from the account to HHSC to:

(A) provide reimbursements under the medical assistance program under Chapter 32 (Medical Assistance Program), Human Resources Code, to providers of emergency medical air transportation services, including reimbursement enhancements to the statewide dollar amount rate used to reimburse designated air ambulance services under the program; and

(B) maximize the receipt of federal funds under the medical assistance program under Chapter 32, Human Resources Code, to the extent possible.

SECTION 14. Amends the heading to Section 780.002, Health and Safety Code, to read as follows:

Sec. 780.002. CERTAIN DEPOSITS TO ACCOUNT.

SECTION 15. Amends Section 780.003(b), Health and Safety Code, to provide that the designated trauma facility and emergency medical services account is composed of money deposited to the credit of the account under Sections 542.406 (Deposit of Revenue from Certain Traffic Penalties) and 707.008 (Deposit of Revenue from Certain Traffic Penalties), Transportation Code, and under Section 780.002 of this code, rather than under Section 780.002, and the earnings of the account.

SECTION 16. Amends Section 2007.002, Insurance Code, as follows:

Sec. 2007.002. ASSESSMENT. Requires the comptroller to assess against all insurers to which this chapter applies amounts for each state fiscal year necessary, as determined by the commissioner of insurance, to collect a combined total equal to the lesser of the total amount that the General Appropriations Act appropriates from the volunteer fire department assistance fund account in the general revenue fund for that state fiscal year other than appropriations for contributions to the Texas Emergency Services Retirement System made under Section 614.104(d), Government Code, or \$30 million, rather than the lesser of the total amount that the General Appropriations Act appropriates from the volunteer fire department assistance fund account in the general revenue fund for that state fiscal year and \$30 million.

SECTION 17. Amends Section 81.0521(c), Natural Resources, Code, as follows:

(c) Requires that the proceeds from this fee for application for exception to Railroad Commission rule, excluding any penalties collected in connection with the fee, be deposited to the oil and gas regulation and cleanup fund as provided by Section 81.067 (Oil and Gas Regulation and Cleanup Fund).

Deletes existing text requiring that two-thirds of the proceeds from this fee, excluding any penalties collected in connection with the fee, be deposited to the oil and gas regulation and cleanup fund as provided by Section 81.067.

SECTION 18. Amends Section 81.067(c), Natural Resources Code, as follows:

(c) Provides that the oil and gas regulation and cleanup fund consists of:

(1)-(18) Makes no change to these subdivisions;

(19) fees collected under Section 81.0521 (Fee for Application for Exception to Railroad Commission Rule), rather than two-thirds of the fees collected under Section 81.0521;

(20) and (21) Makes no change to these subdivisions;

(22) and (23) Makes nonsubstantive changes;

(24) money deposited to the credit of the fund under Section 81.112 (Disposition of Tax Proceeds);

(25) fees collected under Subchapter E (Pipeline Safety), Chapter 121, Utilities Code; and

(26) fees collected under Section 27.0321 (Application Fee), Water Code.

SECTION 19. Reenacts Section 81.068, Natural Resources Code, as amended by Chapters 835 (H.B. 7) and 1075 (H.B. 3309), Acts of the 83rd Legislature, Regular Session, 2013, and amends it as follows:

Sec. 81.068. PURPOSES OF OIL AND GAS REGULATION AND CLEANUP FUND. Provides that money in the oil and gas regulation and cleanup fund may be used by the Railroad Commission of Texas or its employees or agents for any purpose related to the regulation of oil and gas development, including oil and gas monitoring and inspections, oil and gas remediation, and oil and gas well plugging, the study and evaluation of electronic access to geologic data and surface casing depths necessary to protect usable groundwater in this state, alternative fuels programs under Section 81.0681 (Alternative Fuels Programs), the administration of pipeline safety and regulatory programs, public information and services related to those activities, and administrative costs and state benefits for personnel involved in those activities.

SECTION 20. Amends Section 81.112, Natural Resources Code, to require that the tax be deposited in the oil and gas regulation and cleanup fund as provided by Section 81.067 (Oil and Gas Regulation and Cleanup Fund), rather than in the General Revenue Fund.

SECTION 21. Amends Section 153.0535(b), Occupations Code, to provide that the public assurance account is an account in the general revenue fund that is required to be appropriated only to the Texas Medical Board (TMB) to pay for TMB's licensure and enforcement programs, including the expert physician panel.

SECTION 22. Amends Sections 201.354(d) and (g), Occupations Code, as follows:

(d) Authorizes a person whose license has been expired for 90 days or less to renew the license by paying to the Texas Board of Chiropractic Examiners (TBCE) a renewal fee that is equal to 1-1/2 times the annual renewal fee set by TBCE under Section 201.153(a) (requiring TBCE to set fees in amounts reasonable and necessary to cover the costs of administering this chapter and prohibiting TBCE from setting a fee in an amount that is less than the amount of that fee on September 1, 1993), rather than equal to the sum of 1-1/2 times the annual renewal fee set by TBCE under Section 201.153(a) and the increase in that fee required by Section 201.153(b) (providing that certain fees imposed under Subsection (a) is increased by \$200). Authorizes the person, if a person's license has been expired for more than 90 days but less than one year, to renew the license by paying to TBCE a renewal fee that is equal to two times the annual renewal fee set by TBCE under Section 201.153(a), rather than equal to the sum of two times the annual renewal fee set by TBCE under Section 201.153(a) and the increase in that fee required by Section 201.153(b).

(g) Deletes existing text authorizing a person to renew a license that has been expired for at least one year but not more than three years if the person pays TBCE the increase in the annual renewal fee required by Section 201.153(b), and makes no further change.

SECTION 23. Amends Section 351.304(b), Occupations Code, as follows:

(b) Authorizes a person whose license has been expired for 90 days or less to renew the license by paying to the Texas Optometry Board (TOB) a renewal fee that is equal to one and one-half times the annual renewal fee set by TOB under Section 351.152 (Fees), rather than the sum of one and one-half times the annual renewal fee set by TOB under Section 351.152 and the additional fee required by Section 351.153 (Additional Fee). Authorizes a person, if the person's license has been expired for more than 90 days but less than one year, to renew the license by paying to TOB a renewal fee that is equal to two times the annual renewal fee set by TOB under Section 351.152, rather than the sum of two times the annual renewal fee set by TOB under Section 351.152 and the additional fee required by Section 351.153.

SECTION 24. Amends Section 351.306(b), Occupations Code, to require the person to pay TOB a fee that is equal to the amount of the renewal fee set by TOB under Section 351.152, rather than Section 351.153(a) (providing that the fee for the issuance of a license under this chapter and the fee for the renewal of a license under this chapter are the amounts of those fees set by TOB under Section 351.152 and an additional fee of \$200).

SECTION 25. Amends Sections 801.303(b) and (c), Occupations Code, as follows:

(b) Authorizes a person whose license has been expired for 90 days or less to renew the license by paying to the State Board of Veterinary Medical Examiners (TBVME) a renewal fee that is equal to 1-1/2 times the renewal fee set by TBVME under Section 801.154(a) (requiring TBVME by rule to set fees in amounts that are reasonable and necessary so that the fees, in the aggregate, cover the costs of administering this chapter without the authority to set a fee that existed on September 1, 1993, in an amount that is less than the fee on that date), rather than the sum of 1-1/2 times the renewal fee set by TBVME under Section 801.154(a) and the additional fee required by Section 801.154(b) (providing that the veterinarian license renewal fee set by TBVME under this chapter is the amount set by TBVME under Subsection (a) and an additional fee of \$200), if applicable.

(c) Authorizes a person whose license has been expired for more than 90 days but less than one year to renew the license by paying to TBVME a renewal fee that is equal to two times the renewal fee set by TBVME under Section 801.154(a), rather than the sum of two times the renewal fee set by TBVME under Section 801.154(a) and the additional fee required by Section 801.154(b), if applicable.

SECTION 26. Amends Section 801.305(b), Occupations Code, to require the person to pay to the TBVME a fee that is equal to the amount of the renewal fee set by TBVME under Section 801.154(a), rather than under Section 801.154(a) and the additional fee required by Section 801.154(b).

SECTION 27. Amends Section 901.155(a), Occupations Code, to delete a fee increase imposed under Section 901.406 (Fee Increase) from the list of fees for the issuance or renewal of a license for the Texas State Board of Public Accountancy (TSBPA)

SECTION 28. Amends Section 901.405(f), Occupations Code, to delete existing text requiring that a person described by this subsection to pay to TSBPA a fee that is equal to two times the normally required renewal fee for the license, rather than that is equal to two times the normally required renewal fee for the license and is not subject to additional fees under Section 901.408 (Consequence of Failure to Pay Certain Fees).

SECTION 29. Amends Section 901.408(a), Occupations Code, to delete existing text authorizing a person, other than a person described by Section 901.405(f), who fails to pay the license

renewal fee, rather than who fails to pay the license renewal fee or the additional fee imposed under Section 901.407 (Additional Fee), as applicable, and any late fee before the first anniversary of the due date of the renewal fee, rather than the due date of the renewal fee or additional fee, to renew the person's license only by submitting to TSBPA an application for renewal accompanied by payment of certain fees.

SECTION 30. Amends Sections 1001.353 (b) and (c), Occupations Code, as follows:

(b) Authorizes a person whose license has been expired for 90 days or less to renew the license by paying to the Texas Board of Professional Engineers (TBPE) the required annual renewal fee and a late renewal fee, rather than the required annual renewal fee, a late renewal fee, and any applicable increase in fees as required by Section 1001.206 (Fee Increase).

(c) Authorizes a person whose license has been expired for more than 90 days but less than two years to renew the license by paying to TBPE the required annual renewal fee and a late renewal fee for each delinquent year or part of a year, rather than the required annual fee, a late renewal fee, and any applicable increase in fees as required by Section 1001.206 for each delinquent year or part of a year.

SECTION 31. Amends Section 1001.355(d), Occupations Code, to require a license holder on inactive status, to return to active status, to pay the fee for the annual renewal of the license, rather than for the annual renewal of the license and the fee increase required by Section 1001.206.

SECTION 32. Amends Section 1101.154(a), Occupations Code, to provide that the fee for the issuance or renewal of a real estate broker license is the amount of the fee set under Section 1101.152 (Fees) and an additional \$70 fee, rather than under Sections 1101.152 and 1101.153 (Fee Increase) and an additional \$20 fee.

SECTION 33. Amends Section 1105.003(d), Occupations Code, to delete an exception under Subsection (e) (requiring certain fees collected under certain sections to be deposited in certain funds in the state treasury).

SECTION 34. Amends Section 1701.156, Occupations Code, by adding Subsection (c), as follows:

(c) Authorizes DPS to use money appropriated to DPS from the law enforcement officer standards and education fund account to award grants to local law enforcement agencies for training on incident-based reporting systems to be used for reporting information and statistics concerning criminal offenses committed in this state. Requires DPS to adopt rules governing the award of grants by DPS under this subsection.

SECTION 35. Amends Section 1701.157, Occupations Code, by adding Subsection (a-1), to provide that Subsection (a) does not apply to money appropriated to DPS from the law enforcement officer standards and education fund account for the purpose of awarding grants to local law enforcement agencies for training on incident-based reporting systems under Section 1701.156(c).

SECTION 36. Amends Section 2001.502, Occupations Code, as follows:

Sec. 2001.502. New heading: PRIZE TAX. (a) Creates this subsection from existing text. Requires a licensed authorized organization to collect from a person who wins a cash bingo prize of more than \$5 a tax in the amount of five percent of the amount of the prize. Requires the licensed authorized organization, each quarter, to:

(1) if a county or municipality in which the bingo game is conducted voted to impose the prize tax before November 1, 2015:

(A) remit a tax in the amount of 50 percent of the amount collected as the prize tax under this subsection to:

(i) the county in which the bingo game is conducted, if the county voted to impose the tax by that date and the location at which the bingo game is conducted is not within the limits of a municipality that voted to impose the tax before that date;

(ii) the municipality in which the bingo game is conducted, if the municipality voted to impose the tax by that date and the county in which the bingo game is conducted did not vote to impose the tax before that date; or

(iii) in equal shares, the county and the municipality in which the bingo game is conducted, if the county and the municipality each voted to impose the tax before that date; and

(B) deposit the remainder of the taxes collected under this subsection in the general fund of the organization; or

(2) if a county or municipality is not entitled to a percentage of the amount of taxes collected under this subsection, deposit the taxes collected in the general fund of the organization.

Deletes existing text requiring a licensed authorized organization to collect from a person who wins a bingo prize of more than \$5 a fee in the amount of five percent of the amount or value of the prize and remit to the Texas Lottery Commission (commission) a fee in the amount of five percent of the amount or value of all bingo prizes awarded.

(b) Entitles a county or a municipality to vote to impose the tax described by Subsection (a) if the county or municipality:

(1) imposed a gross receipts tax on the conduct of bingo as of January 1, 1993; and

(2) the governing body of the county or the municipality voted before November 1, 2015, to impose the tax.

(c) Authorizes a governing body of a county or municipality that voted to impose the prize tax under Subsection (a) to at any time vote to discontinue the imposition of the tax.

(d) Requires the commission, no later than October 1, 2015, to notify each county and municipality that was eligible to receive a share of the prize fee required by law prior to September 1, 2015, that the governing body of the county or municipality is required to vote before November 1, 2015, if the county or municipality will impose the tax after January 1, 2016. Requires a governing body that votes before November 1, 2015, to impose the prize tax required by Subsection (a) to notify each licensed authorized organization that conducts bingo within the county or municipality of the governing body's decision and the address and department or official to whom the tax is required to be remitted.

(e) Provides that the tax required under Subsection (a) does not apply to a merchandise prize, including bingo cards, bingo pull-tabs, use of a card-minder, bingo daubers, and other bingo merchandise awarded as a prize for winning a bingo game.

(f)(1) Provides that, except as provided in this section, Subchapter K (Taxes and Prize Fees) does not apply to the tax required by Subsection (a).

(2) Provides that a county and municipality that imposes the tax required by Subsection (a) has a cause of action for collection of the prize tax if all or part of the prize tax is unpaid within 30 days of the end of the calendar quarter in which the prize tax was collected.

(3) Requires the commission, if the commission audits a licensed authorized organization, to report to a county or municipality any discrepancy between the amount of the prize tax remitted to the county or municipality under this section and the amount of prizes awarded during the conduct of bingo in a calendar quarter times the rate of the tax.

SECTION 37. Amends Section 151.0515(b), Tax Code, to provide that, in each county in this state, a surcharge is imposed on the retail sale, lease, or rental of new or used equipment, which includes all off-road, heavy-duty diesel equipment, other than implements of husbandry used solely for agricultural purposes, in an amount equal to 1.5 percent, rather than two percent, of the sale price or the lease or rental amount.

SECTION 38. Amends Section 155.2415, Tax Code, as follows:

Sec. 155.2415. ALLOCATION OF CERTAIN REVENUE TO PROPERTY TAX RELIEF FUND AND CERTAIN OTHER FUNDS. (a) Creates this subsection from existing text. Requires that the proceeds from the collection of taxes imposed by Section 155.0211 (Tax Imposed on Tobacco Products Other Than Cigars), notwithstanding Section 155.241 (Allocation of Tax), to be allocated as follows:

(1) and (2) Makes no change to these subdivisions;

(3) 100 percent of the remaining proceeds are required to be deposited to the credit of:

(A) Creates this paragraph from existing text; or

(B) the general revenue fund, if the comptroller determines that the unencumbered beginning balance of the physician education loan repayment account established under Subchapter J (Repayment of Certain Physician Education Loans), Chapter 61, Education Code, is sufficient to fund appropriations and other direct and indirect costs from that account for the fulfillment of existing and expected physician loan repayment commitments during the current state fiscal biennium.

(b) Provides that proceeds deposited in accordance with Subsection (a)(3)(B) may be appropriated only for health care purposes.

SECTION 39. Amends Section 504.6012, Transportation Code, as follows:

Sec. 504.6012. ELIMINATION OF DEDICATED REVENUE ACCOUNTS; REVENUES IN TRUST. (a) Requires the comptroller, notwithstanding any other law, not later than September 30, 2015, to eliminate all dedicated accounts established for specialty license plates. Requires the comptroller to 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.

Deletes existing text requiring the comptroller, notwithstanding any other provision of this subchapter, not later than September 30, 2013, to eliminate all dedicated accounts established for specialty license plates under this subchapter.

(b) Requires that the portion of a fee payable, rather than a fee payable under this subchapter, that is designated for deposit to a dedicated account, on and after September 1, 2015, rather than on and after September 1, 2013, to be paid instead to the credit of an account in a trust fund created by the comptroller outside the general revenue fund. Makes no further change to this subsection.

SECTION 40. Amends Section 521.421(b), Transportation Code, to provide that the fee for renewal of a Class M license or for renewal of a license that includes authorization to operate a motorcycle is \$27, rather than \$32.

SECTION 41. Amends Section 521.421(f), Transportation Code, as added by Chapter 1156 (S.B. 99), Acts of the 75th Legislature, Regular Session, 1997, to require an applicant applying for additional authorization to operate a motorcycle to pay a \$10 fee, rather than a \$15 fee, for the required application.

SECTION 42. Redesignates Section 521.421(f), Transportation Code, as added by Chapter 1372 (H.B. 1200), Acts of the 75th Legislature, Regular Session, 1997, as Section 521.421(f-1), Transportation Code, and amends it to provide that, if a Class A, B, or C driver's license includes an authorization to operate a motorcycle or moped, the fee for the driver's license is increased by \$3, rather than \$8.

SECTION 43. Amends Section 521.427(b), Transportation Code, as follows:

(b) Provides that Subsection (a) (requiring that each fee collected under this subchapter be deposited to the credit of the Texas mobility fund) does not apply to:

(1) a fee collected under Section 521.421(j) (requiring DPS to collect an additional fee of \$1 for the issuance or renewal of a license to fund the Blindness, Education, Screening, and Treatment Program if the person applying for or renewing a license opts to pay the additional fee); or

(2) a fee collected under Section 521.422(b) (requiring DPS to collect an additional fee of \$1 for the issuance or renewal of a personal identification card to fund the Blindness Education, Screening, and Treatment Program if the person applying for or renewing a personal identification card opts to pay the additional fee) or (c) (relating to the contribution of \$1 to the nonprofit organization administering the Glenda Dawson Donate Life-Texas Registry).

Deletes existing text providing that Subsection (a) does not apply to the portion of a fee collected under Section 521.421(b) (providing that the fee for renewal of a Class M license or for renewal of a license that includes authorization to operate a motorcycle is \$32) or Section 521.421(f) (providing that, if a Class A, B, or C driver's license includes an authorization to operate a motorcycle or moped, the fee for the driver's license is increased by \$8), as added by Chapter 1156, Acts of the 75th Legislature, Regular Session, 1997, that is required by Section 662.011 (Motorcycle Education Fund Account) to be deposited to the credit of the motorcycle education fund account.

SECTION 44. Amends Section 522.029(f), Transportation Code, as added by Chapter 1156 (S.B. 99), Acts of the 75th Legislature, Regular Session, 1997, to provide that the fee for renewal of a commercial driver's license or a commercial driver learner's permit that includes authorization to operate a motorcycle is \$40, rather than \$45.

SECTION 45. Redesignates Section 522.029(f), Transportation Code, as added by Chapter 1372 (H.B. 1200), Acts of the 75th Legislature, Regular Session, 1997, as Section 522.029(f-1), Transportation Code, and amends it to provide that, if a commercial driver's license or commercial driver learner's permit includes an authorization to operate a motorcycle or moped, the fee for the driver's license or permit is increased by \$3, rather than by \$8.

SECTION 46. Amends Section 522.029(i), Transportation Code, to delete an exception under Section 662.011.

SECTION 47. Amends Section 542.4031(g), Transportation Code, as follows:

(g) Requires the comptroller, of the state traffic fine money received by the comptroller under this section, to deposit:

- (1) 50 percent, rather than 67 percent, to the credit of the undedicated portion of the general revenue fund;
- (2) Makes no change to this subdivision; and
- (3) 17 percent to the credit of the designated emergency medical air transportation account under Section 773.222, Health and Safety Code.

SECTION 48. Amends Section 542.406(c), Transportation Code, as follows:

(c) Requires a local authority (a county, municipality, or other local entity authorized to enact traffic laws under the laws of this state, or a school district created under the laws of this state when it is designating school crossing guards for schools operated by the district), not later than the 60th day after the end of a local authority's fiscal year, after deducting amounts the local authority is authorized by Subsection (d) (authorizing a local authority to retain an amount necessary to cover the costs of certain traffic signal related purchases, installations, operations, and maintenance) to retain, to:

- (1) send 50 percent of the revenue derived from civil or administrative penalties collected by the local authority under this section to the comptroller for deposit to the credit of the designated trauma facility and emergency medical services account, rather than the regional trauma account, established under Section 780.003 (Account), Health and Safety Code, rather than under Section 782.002 (Regional Trauma Account), Health and Safety Code; and
- (2) Makes no change to this subdivision.

SECTION 49. Amends Section 707.008(a), Transportation Code, as follows:

(a) Requires a local authority, not later than the 60th day after the end of a local authority's fiscal year, after deducting amounts the local authority is authorized by Subsection (b) (authorizing a local authority to retain an amount necessary to cover the costs of certain photographic traffic signal enforcement system related purchases, installations, operations, and maintenance) to retain, to:

- (1) send 50 percent of the revenue derived from civil or administrative penalties collected by the local authority under this section to the comptroller for deposit to the credit of the designated trauma facility and emergency medical services account, rather than the regional trauma account, established under Section 780.003, Health and Safety Code, rather than under Section 782.002, Health and Safety Code; and
- (2) Makes no change to this subdivision.

SECTION 50. Amends Section 708.103, Transportation Code, by amending Subsection (b) and adding Subsection (c), as follows:

(b) Creates an exception under Subsection (c).

(c) Provides that the amount of a surcharge under this section is \$125 per year if the person:

(1) has been convicted of an offense under Section 601.191 (Operation of Motor Vehicle in Violation of Motor Vehicle Liability Insurance Requirement; Offense), and no other offense described by Subsection (a) (requiring DPS, each year, to assess a surcharge on the license of each person who during the preceding 36-month period has been convicted of certain offenses); and

(2) establishes financial responsibility under Section 601.051 (Requirement of Financial Responsibility) not later than the 60th day after the date of the offense through a motor vehicle liability insurance policy that:

(A) complies with Subchapter D (Establishment of Financial Responsibility Through Motor Vehicle Liability Insurance), Chapter 601; and

(B) is prepaid and valid for at least a six-month period.

SECTION 51. Amends Section 708.104, Transportation Code, by amending Subsection (b) and adding Subsection (b-1), as follows:

(b) Creates an exception under Subsection (b-1).

(b-1) Provides that the amount of a surcharge under this section is \$50 per year if the person obtains a driver's license not later than the 60th day after the date of the offense.

SECTION 52. Amends Section 16.001, Utilities Code, as follows:

Sec. 16.001 New heading: UTILITY GROSS RECEIPTS ASSESSMENT. (a) Requires the Public Utilities Commission of Texas (PUC), to defray the expenses incurred in the administration of this title, to impose on each public utility, retail electric provider, and electric cooperative under the jurisdiction of PUC that serves the ultimate consumer, including each interexchange telecommunications carrier, an annual utility gross receipts assessment in an amount determined as provided by Subsection (b).

Deletes existing text providing that to defray the expenses incurred in the administration of this title, an assessment is imposed on each public utility, retail electric provider, and electric cooperative within the jurisdiction of PUC that serves the ultimate consumer, including each interexchange telecommunications carrier.

(b) Requires PUC to impose the assessment on each public utility, retail electric provider, electric cooperative, and interexchange telecommunications carrier so that each entity's share of the aggregate amount of the assessments due bears the same proportion to that aggregate amount as that entity's amount of gross receipts from rates charged to the ultimate consumer bears to the total of the gross receipts from rates charged to the ultimate consumer in this state by all of the entities on which the assessment is imposed. Requires PUC to revise the assessments as necessary to result in the aggregate amount of assessments due under this section being equal to the lesser of:

(1) an amount, as determined by PUC, equal to one-sixth of one percent of the total of the gross receipts from rates charged to the ultimate consumer in this state by entities on which the assessments are imposed; or

(2) an amount, as determined by PUC, equal to the total of amounts appropriated to PUC and to the Office of Public Utility Counsel from the utility gross receipts assessment account for the state fiscal year in which the assessments are due.

Deletes existing text provides that an assessment under this section is equal to one-sixth of one percent of the public utility's, retail electric provider's, or electric

cooperative's gross receipts from rates charged to the ultimate consumer in this state.

(c) Authorizes an interexchange telecommunications carrier that does not provide local exchange telephone service to collect the assessment, rather than the fee, imposed under this section as an additional item separately stated on the customer bill as "utility gross receipts assessment."

SECTION 53. Amends Section 16.004, Utilities Code, as follows:

Sec. 16.004. New heading: COLLECTION AND DEPOSIT. Requires the comptroller to:

(1) collect the assessments, rather than assessment, and any penalty or interest due under this subchapter; and

(2) deposit the assessments, penalties, and interest collected under this subchapter to the credit of the utility gross receipts assessment account.

SECTION 54. Amends Subchapter A, Chapter 16, Utilities Code, by adding Section 16.005, as follows:

Sec. 16.005. UTILITY GROSS RECEIPTS ASSESSMENT ACCOUNT. (a) Provides that the utility gross receipts assessment account is an account in the general revenue fund.

(b) Authorizes money in the account to be appropriated only to PUC or the Office of Public Utility Counsel for the administration of this title.

SECTION 55. Amends Section 39.9039(b), Utilities Code, to authorize money in the system benefit fund, notwithstanding Section 39.903(e), to be appropriated for the state fiscal year beginning September 1, 2015, a program established by PUC to assist low-income electric customers by providing a reduced rate in the manner prescribed by Section 39.903(h) (requiring PUC to adopt rules for a retail electric provider to determine a reduced rate for eligible customers to be discounted off the standard retail service package as approved by PUC, or the price to beat established by a Section 39.202 (Price to Beat), whichever is lower) at a rate PUC determines is necessary to exhaust the system benefit fund, rather than providing a reduced rate for the months of September, 2015, and May through August, 2016, in the manner prescribed by Section 39.903(h) at a rate of up to 15 percent. Makes no further change to this subsection.

SECTION 56. Amends Section 121.211(h), Utilities Code, as follows:

(h) Requires that a pipeline safety and regulatory fee collected under this section be deposited to the credit of the oil and gas regulation and cleanup fund, rather than the general revenue fund, as provided by Section 81.067 (Oil and Gas Regulation and Cleanup Fund), Natural Resources Code, rather than to be used for the pipeline safety and regulatory program.

SECTION 57. Amends Section 26.3574(b-1), Water Code, to require the Texas Natural Resource Conservation Commission (TNRCC) by rule to set the amount of the fee in Subsection (b) (relating to fees imposed on the delivery of a petroleum product on withdrawal from bulk of that product) in an amount not to exceed the amount necessary to cover TNRCC's costs of administering this subchapter, as indicated by the amount appropriated by the legislature from the petroleum storage tank remediation account for that purpose, not including any amount appropriated by the legislature from the petroleum storage tank remediation account for the purpose of the monitoring or remediation of releases occurring on or before December 22, 1998.

SECTION 58. Amends Section 27.0321, Water Code, as follows:

Sec. 27.0321. APPLICATION FEE. (a) Creates this subsection from existing text and makes no further change.

(b) Requires that the fee collected under this section be deposited to the credit of the oil and gas regulation and cleanup fund as provided by Section 81.067, Natural Resources Code.

SECTION 59. Amends Section 10(e), Article 4413(37), Revised Statutes, as follows:

(e) Provides that the Automobile Burglary and Theft Prevention Authority trust fund is created as a trust fund in the state treasury. Requires that fifty percent of each fee collected under Subsection (b) be deposited to the credit of the trust fund. Requires the comptroller to administer the trust fund as trustee on behalf of the authority. Requires the comptroller to allocated all money in the trust fund for the purposes of this article.

Deletes existing text authorizing fifty percent of each fee collected under Subsection (b) to be appropriated only to the authority for the purposes of this article.

SECTION 60. Repealer: Section 102.055 (Allocation of Additional Revenue), Business & Commerce Code.

Repealer: Section 56.459(f) (requiring the coordinating board to determine the amount of certain available money and to allocate that amount to certain eligible institutions), Education Code.

Repealer: Section 56.465 (Tuition Set Aside for Program), Education Code.

Repealer: Section 61.539 (Medical School Tuition Set Aside for Certain Loan Repayments), Education Code.

Repealer: Section 780.003(c) (providing that Sections 403.095 and 404.071, Government Code, do not apply to a certain account), Health and Safety Code.

Repealer: Chapter 782 (Regional Emergency Medical Services), Health and Safety Code.

Repealer: Section 81.113 (Use of Tax Proceeds), Natural Resources Code.

Repealer: Section 153.053 (Surcharge for Certain Fees), Occupations Code.

Repealers: Sections 201.153(b) (providing that certain fees imposed under Subsection (a) are each increased by \$200) and (c) (requiring that \$50 be deposited in the foundation school fund and \$150 be deposited in the general revenue fund for each \$200 fee collected under Subsection (b)), Occupations Code.

Repealer: Section 254.004(b) (providing that the amount of the dental application fee and dentist annual renewal fee is the amount set by the State Board of Dental Examiners under Subsection (a) and an additional charge of \$200), Occupations Code.

Repealer: Section 351.153 (Additional Fees), Occupations Code.

Repealer: Section 501.153 (Fee Increase), Occupations Code.

Repealers: Sections 801.154(b) (providing that the veterinarian license renewal fee set by the board under this chapter is the amount set by the State Board of Veterinary Medical Examiners under Subsection (a)), and (c) (requiring that \$50 be deposited in the foundation school under certain conditions), Occupations Code.

Repealer: Section 801.154(d) (providing that a certain additional fee does not apply to a veterinarian who meets certain criteria), Occupations Code.

Repealer: Section 901.406 (Fee Increase), Occupations Code.

Repealer: Section 901.407 (Additional Fee), Occupations Code.

Repealer: Section 901.410 (Fee Exemption for Certain License Holders), Occupations Code.

Repealer: Section 1001.206 (Fee Increase), Occupations Code.

Repealer: Section 1051.652 (Fee Increase), Occupations Code.

Repealer: Section 1052.0541 (Fee Increase), Occupations Code.

Repealer: Section 1053.0521 (Fee Increase), Occupations Code.

Repealer: Section 1071.1521 (Fee Increase), Occupations Code.

Repealer: Section 1101.153 (Fee Increase), Occupations Code.

Repealer: Section 1105.003(e) (requiring that a fee collected under certain sections be deposited in a certain fund), Occupations Code.

Repealer: Section 1152.053 (Fee Increase), Occupations Code.

Repealer: Subchapter H (Attorneys), Chapter 191, Tax Code.

Repealer: Section 662.011 (Motorcycle Education Fund Account), Transportation Code.

Repealer: Section 1001.151(c) (prohibiting money appropriated to the Texas Department of Motor Vehicles for certain purposes from being deposited into a certain fund), Transportation Code. and

Repealer: Section 41 (Increase in Fees), The Securities Act (Article 581-41, Vernon's Texas Civil Statutes).

SECTION 61. Repealer: Section 2001.503 (Local Share of Prize Fee), Occupations Code.

Repealer: Section 2001.507 (Collection and Disbursement of Prize Fee), Occupations Code.

SECTION 62. Requires DPS to, not later than January 1, 2016, adopt rules as required by Section 1701.156(c), Occupations Code, as added by this Act.

SECTION 63. Provides that the changes in law made by this Act to Sections 708.103 and 708.104, Transportation Code, apply to a surcharge pending on the effective date of this Act, regardless of when the surcharge was assessed.

SECTION 64. Requires the comptroller, not later than the 90th day of the state fiscal year beginning September 1, 2015, to transfer any remaining balance in the educator excellence innovation fund account No. 5135 to the credit of the general revenue fund.

SECTION 65. Requires the comptroller, not later than the 90th day of the state fiscal year beginning September 1, 2015, to transfer any remaining balance in the regional trauma account No. 5137 to the credit of the designated trauma facility and EMS account No. 5111 in the general revenue fund.

SECTION 66. Requires the comptroller, not later than the 90th day of the state fiscal year beginning September 1, 2015, to transfer any remaining balance in the motorcycle education account No. 0501 to the credit of the general revenue fund.

SECTION 67. (a) Requires the comptroller, notwithstanding Section 2007.002, Insurance Code, as amended by this Act, for the state fiscal years beginning September 1, 2015, and beginning

September 1, 2016, to assess against all insurers to which Chapter 2007, Insurance Code, applies amounts for that state fiscal year necessary, as determined by the commissioner of insurance, to collect a combined total equal to the lesser of:

(1) the total amount that the General Appropriations Act appropriates from the volunteer fire department assistance fund account in the general revenue fund for that state fiscal year other than:

(A) appropriations for contributions to the Texas Emergency Services Retirement System made under Section 614.104(d), Government Code, as added by this Act; and

(B) appropriations to the Texas A&M Forest Service for grants to volunteer fire departments in a total amount not to exceed \$11,500,000; or

(2) \$30 million.

(b) Provides that this section expires September 1, 2017.

SECTION 68. (a) Provides that the changes in law made to Sections 52.91 and 56.463, Education Code, apply beginning with tuition charged for the 2015 fall semester.

(b) Provides that tuition charged for any semester or other academic term before the 2015 fall semester is covered by the applicable law as it existed before the effective date of this Act, and the former law is continued in effect for that purpose.

SECTION 69. Provides that Section 542.4031(g), Transportation Code, as amended by this Act, applies only to the distribution of revenue collected on or after the effective date of this Act. Provides that the distribution of revenue collected before the effective date of this Act is governed by the law in effect at the time the revenue was collected, and that law is continued in effect for the purpose of the distribution of that revenue.

SECTION 70. (a) Provides that the changes in law made by the amendment of Section 16.001, Utilities Code, by this Act are applicable only to an assessment made under that section to be due on or after August 15, 2017, as provided by Section 16.002, Utilities Code. Provides that an assessment due before that date is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

(b) Requires PUC, notwithstanding Section 16.001, Utilities Code, as amended by this Act, if PUC does not take action to determine the amount of assessments under that section to be due August 15, 2017, following the method described by Section 16.001(b), as amended by this Act, to impose the assessment under Section 16.001 as that provision existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 71. Provides that the changes in law made by this Act do not affect a surcharge, additional fee, additional charge, fee increase, tax, or late fee imposed before the effective date of this Act, and the law in effect before the effective date of this Act is continued in effect for purposes of the liability for and collection of those surcharges, additional fees, additional charges, fee increases, taxes, and late fees.

SECTION 72. Effective date: September 1, 2015.