

## **BILL ANALYSIS**

Senate Research Center

H.B. 3317  
By: Zerwas (Nelson)  
Finance  
4/30/2019  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The bill provides that funds, accounts, and dedications established by bills passed by the 86th Legislature become part of the General Revenue Fund unless they are exempted in H.B. 3317.

H.B. 3317 amends current law relating to the creation and re-creation of funds and accounts, the dedication and rededication of revenue and allocation of accrued interest on dedicated revenue, and the exemption of unappropriated money from use for general governmental purposes.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

**SECTION 1. DEFINITION.** Defines "state agency" for purposes of any provision of this Act that does not amend current law.

**SECTION 2. ABOLITION OF FUNDS, ACCOUNTS, AND DEDICATIONS.** Provides that all funds and accounts created or re-created by an Act of the 86th Legislature, Regular Session, 2019, that becomes law and all dedications or rededications of revenue collected by a state agency for a particular purpose by an Act of the 86th Legislature, Regular Session, 2019, that becomes law, except as otherwise specifically provided by this Act, are abolished on the later of August 31, 2019, or the date the Act creating or re-creating the fund or account or dedicating or rededicating revenue takes effect.

**SECTION 3. PREVIOUSLY EXEMPT DEDICATIONS, FUNDS, AND ACCOUNTS.** Provides that Section 2 of this Act does not apply to:

- (1) statutory dedications, funds, and accounts that were enacted before the 86th Legislature convened to comply with requirements of state constitutional or federal law;
- (2) dedications, funds, or accounts that remained exempt from former Section 403.094(h), Government Code, at the time dedications, accounts, and funds were abolished under that provision;
- (3) increases in fees or in other revenue dedicated as described by this section; or
- (4) increases in fees or in other revenue required to be deposited in a fund or account described by this section.

**SECTION 4. FEDERAL FUNDS.** Provides that Section 2 of this Act does not apply to funds created under an Act of the 86th Legislature, Regular Session, 2019, for which separate accounting is required by federal law, except that the funds are required to be deposited in accounts in the general revenue fund unless otherwise required by federal law.

**SECTION 5. TRUST FUNDS.** Provides that Section 2 of this Act does not apply to trust funds or dedicated revenue deposited to trust funds created under an Act of the 86th Legislature,

Regular Session, 2019, except that the trust funds are required to be held in the state treasury, with the comptroller of public accounts of the State of Texas (comptroller) in trust, or outside the state treasury with the comptroller's approval.

**SECTION 6. BOND FUNDS.** Provides that Section 2 of this Act does not apply to bond funds and pledged funds created or affected by an Act of the 86th Legislature, Regular Session, 2019, except that the funds shall be held in the state treasury, with the comptroller in trust, or outside the state treasury with the comptroller's approval.

**SECTION 7. CONSTITUTIONAL FUNDS.** Provides that 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 86th Legislature, Regular Session, 2019, or to dedicated revenue deposited to funds or accounts that would be so created or re-created, if the constitutional amendment is approved by the voters.

**SECTION 8. ADDITIONAL USES FOR DEDICATED FUNDS OR ACCOUNTS.** Provides that Section 2 of this Act does not apply to a newly authorized use of a dedicated fund or dedicated account as provided by an Act of the 86th Legislature, Regular Session, 2019, to the extent the fund or account was exempted from abolition by an Act of the legislature that became law before January 1, 2019, and to the extent that the newly authorized use is within the scope of the original dedication of the fund or account.

**SECTION 9. COMMERCIAL SEXUAL EXPLOITATION VICTIM FUND; DEDICATION OF REVENUE.** Provides that Section 2 of this Act does not apply to the commercial sexual exploitation victim fund, created as a dedicated account in the general revenue fund by Article 102.023, Code of Criminal Procedure, as added by House Bill No. 3206 or similar legislation of the 86th Legislature, Regular Session, 2019, that becomes law, and does not apply to the dedication of revenue to that account as provided by that legislation.

**SECTION 10. TEXAS B-ON-TIME STUDENT LOAN ACCOUNT.** (a) Amends Section 56.0092(d), Education Code, as follows:

(d) Provides that the Texas B-On-time student loan account, on September 1, 2024, rather than September 1, 2020, is abolished, and any remaining money in the account is authorized to be appropriated only to eligible institutions in the manner provided by Subsection (e) (relating to requirements for the appropriation of certain funds).

(b) Provides that Section 2 of this Act does not apply to the dedication of money in the Texas B-On-time student loan account as rededicated by this Act.

**SECTION 11. REALLOCATION OF INTEREST ACCRUED ON CERTAIN DEDICATED REVENUE.** Reenacts Section 403.0956 (Reallocation of Interest Accrued on Certain Dedicated Revenue), Government Code, effective September 1, 2019, and makes no further changes to that section.

**SECTION 12. AMENDMENT OF SECTION 403.095, GOVERNMENT CODE.** Amends Sections 403.095(b), (d), and (f), Government Code, effective September 1, 2019, as follows:

(b) Provides that dedicated revenues that on August 31, 2021, are estimated to exceed the amount appropriated by the General Appropriations Act or other laws enacted by the 86th Legislature, rather than dedicated revenues that on August 31, 2019, are estimated to exceed the amount appropriated by the General Appropriations Act or other laws enacted by the 85th Legislature, notwithstanding any law dedicating or setting aside revenue for a particular purpose or entity, are available for general governmental purposes and are considered available for the purpose of certification under Section 403.121 (Contents of Estimate).

(d) Requires the comptroller, following certification of the General Appropriations Act and other appropriations measures enacted by the 86th Legislature, rather than enacted by the 85th Legislature, to reduce each dedicated account as directed by the legislature by an amount that is prohibited from exceeding the amount by which estimated revenues and unobligated balances exceed appropriations.

(f) Provides that this section (Use of Dedicated Revenue) expires September 1, 2021, rather than September 1, 2019.

**SECTION 13. AMENDMENT OF SECTION 504.6012, TRANSPORTATION CODE.** Amends Section 504.6012, Transportation Code, effective September 1, 2019, 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, 2019, rather than September 30, 2015, to eliminate all dedicated accounts established for specialty license plates and to set aside the balances of those dedicated accounts so that the balances are authorized to be appropriated only for the purposes intended as provided by the dedications.

(b) Requires the portion of a fee payable that is designated for deposit to a dedicated account, on and after September 1, 2019, rather than on and after September 1, 2015, to be paid instead to the credit of an account in a trust fund created by the comptroller outside the general revenue fund.

**SECTION 14. STRATEGIC MAPPING ACCOUNT.** (a) Reenacts Section 16.023 (Strategic Mapping Account), Water Code, as added by Section 2.13, Chapter 1430 (S.B. 3), Acts of the 80th Legislature, Regular Session, 2007, and makes no further changes to this section.

(b) Provides that the strategic mapping account 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 strategic mapping account is rededicated by this Act for that purpose. Provides that Section 2 of this Act does not apply to the account as re-created by this Act or a dedication of revenue to the account as rededicated by this Act.

**SECTION 15. EFFECT OF ACT.** (a) Provides that this Act prevails over any other Act of the 86th Legislature, Regular Session, 2019, regardless of the relative dates of enactment, that purports to create or re-create a special fund or account or to dedicate or rededicate revenue to a particular purpose, including any fund, account, or revenue dedication abolished under former Section 403.094, Government Code.

(b) Provides that an exemption from the application of Section 403.095, Government Code, contained in another Act of the 86th Legislature, Regular Session, 2019, that is exempted from the application of Section 2 of this Act has no effect.

(c) Requires revenue that, under the terms of another Act of the 86th Legislature, Regular Session, 2019, would be deposited to the credit of a special account or fund to 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 16. EFFECTIVE DATE.** Effective date, except as otherwise provided by this Act: upon passage or on the 91st day after the last day of the legislative session.