

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 7, 2015

TO: Honorable John Otto, Chair, House Committee on Appropriations

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.), **As Introduced**

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 84th Legislature, Regular Session (2015) and are dependent upon appropriations made in the 2016-17 General Appropriations Act.

The bill would abolish all funds, accounts, and revenue dedications created or recreated by the 84th 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 General Revenue Fund 0001.

The bill would define the state agencies 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 84th Legislature convened to comply with the State Constitution or federal law, or that remained exempt from the abolition 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 84th Legislature, Regular Session (2015).

Federal funds, created by the 84th Legislature, Regular Session (2015), for which separate accounting is required by federal law, would be exempt. Those funds would be deposited into accounts within General Revenue Fund 0001, unless otherwise required by federal law.

The bill would exempt all trust funds and bond funds created by the 84th 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 with the Comptroller's approval.

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 84th Legislature, Regular Session (2015), if approved by the voters.

The bill would amend Sections 403.095(b), (d) and (e) of the Government Code to allow the Comptroller as directed by the Legislature, to make reductions in dedicated accounts in the amounts by which estimated revenues and unobligated balances exceeded appropriations following certification of all appropriations enacted by the 84th Legislature. Dedicated revenues exceeding amounts appropriated by the 84th 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.

The provisions of this bill would prevail over any other act of the 84th 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.

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, SD