

1-1 By: Zerwas (Senate Sponsor - Nelson) H.B. No. 3317
 1-2 (In the Senate - Received from the House April 23, 2019;
 1-3 April 24, 2019, read first time and referred to Committee on
 1-4 Finance; May 19, 2019, reported adversely, with favorable
 1-5 Committee Substitute by the following vote: Yeas 14, Nays 0;
 1-6 May 19, 2019, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19	X			
1-20	X			
1-21	X			
1-22	X			
1-23			X	

1-24 COMMITTEE SUBSTITUTE FOR H.B. No. 3317 By: Nelson

1-25 A BILL TO BE ENTITLED
 1-26 AN ACT

1-27 relating to the creation and re-creation of funds and accounts, the
 1-28 dedication and rededication of revenue and allocation of accrued
 1-29 interest on dedicated revenue, and the exemption of unappropriated
 1-30 money from use for general governmental purposes.

1-31 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-32 SECTION 1. DEFINITION. In any provision of this Act that
 1-33 does not amend current law, "state agency" means an office,
 1-34 institution, or other agency that is in the executive branch or the
 1-35 judicial branch of state government, has authority that is not
 1-36 limited to a geographical portion of the state, and was created by
 1-37 the constitution or a statute of this state. The term does not
 1-38 include an institution of higher education as defined by Section
 1-39 61.003, Education Code.

1-40 SECTION 2. ABOLITION OF FUNDS, ACCOUNTS, AND DEDICATIONS.
 1-41 Except as otherwise specifically provided by this Act, all funds
 1-42 and accounts created or re-created by an Act of the 86th
 1-43 Legislature, Regular Session, 2019, that becomes law and all
 1-44 dedications or rededications of revenue collected by a state agency
 1-45 for a particular purpose by an Act of the 86th Legislature, Regular
 1-46 Session, 2019, that becomes law are abolished on the later of August
 1-47 31, 2019, or the date the Act creating or re-creating the fund or
 1-48 account or dedicating or rededicating revenue takes effect.

1-49 SECTION 3. PREVIOUSLY EXEMPT DEDICATIONS, FUNDS, AND
 1-50 ACCOUNTS. Section 2 of this Act does not apply to:

1-51 (1) statutory dedications, funds, and accounts that
 1-52 were enacted before the 86th Legislature convened to comply with
 1-53 requirements of state constitutional or federal law;

1-54 (2) dedications, funds, or accounts that remained
 1-55 exempt from former Section 403.094(h), Government Code, at the time
 1-56 dedications, accounts, and funds were abolished under that
 1-57 provision;

1-58 (3) increases in fees or in other revenue dedicated as
 1-59 described by this section; or

1-60 (4) increases in fees or in other revenue required to
 1-61 be deposited in a fund or account described by this section.

1-62 SECTION 4. FEDERAL FUNDS. Section 2 of this Act does not
 1-63 apply to funds created under an Act of the 86th Legislature, Regular

2-1 Session, 2019, for which separate accounting is required by federal
2-2 law, except that the funds shall be deposited in accounts in the
2-3 general revenue fund unless otherwise required by federal law.

2-4 SECTION 5. TRUST FUNDS. Section 2 of this Act does not
2-5 apply to trust funds or dedicated revenue deposited to trust funds
2-6 created under an Act of the 86th Legislature, Regular Session,
2-7 2019, except that the trust funds shall be held in the state
2-8 treasury, with the comptroller in trust, or outside the state
2-9 treasury with the comptroller's approval.

2-10 SECTION 6. BOND FUNDS. Section 2 of this Act does not apply
2-11 to bond funds and pledged funds created or affected by an Act of the
2-12 86th Legislature, Regular Session, 2019, except that the funds
2-13 shall be held in the state treasury, with the comptroller in trust,
2-14 or outside the state treasury with the comptroller's approval.

2-15 SECTION 7. CONSTITUTIONAL FUNDS. Section 2 of this Act does
2-16 not apply to funds or accounts that would be created or re-created
2-17 by the Texas Constitution or revenue that would be dedicated or
2-18 rededicated by the Texas Constitution under a constitutional
2-19 amendment proposed by the 86th Legislature, Regular Session, 2019,
2-20 or to dedicated revenue deposited to funds or accounts that would be
2-21 so created or re-created, if the constitutional amendment is
2-22 approved by the voters.

2-23 SECTION 8. ADDITIONAL USES FOR DEDICATED FUNDS OR ACCOUNTS.
2-24 Section 2 of this Act does not apply to a newly authorized use of a
2-25 dedicated fund or dedicated account as provided by an Act of the
2-26 86th Legislature, Regular Session, 2019, to the extent:

2-27 (1) the fund or account was exempted from abolition by
2-28 an Act of the legislature that became law before January 1, 2019;
2-29 and

2-30 (2) the newly authorized use is within the scope of the
2-31 original dedication of the fund or account.

2-32 SECTION 9. COMMERCIAL SEXUAL EXPLOITATION VICTIM FUND;
2-33 DEDICATION OF REVENUE. Section 2 of this Act does not apply to the
2-34 commercial sexual exploitation victim fund, created as a dedicated
2-35 account in the general revenue fund by Article 102.023, Code of
2-36 Criminal Procedure, as added by House Bill No. 3206 or similar
2-37 legislation of the 86th Legislature, Regular Session, 2019, that
2-38 becomes law, and does not apply to the dedication of revenue to that
2-39 account as provided by that legislation.

2-40 SECTION 10. TEXAS B-ON-TIME STUDENT LOAN ACCOUNT. (a)
2-41 Section 56.0092(d), Education Code, is amended to read as follows:

2-42 (d) On September 1, 2024 [~~2020~~], the Texas B-On-time student
2-43 loan account is abolished, and any remaining money in the account
2-44 may be appropriated only to eligible institutions in the manner
2-45 provided by Subsection (e).

2-46 (b) Section 2 of this Act does not apply to the dedication of
2-47 money in the Texas B-On-time student loan account as rededicated by
2-48 this Act.

2-49 SECTION 11. ACCOUNTS IN GENERAL REVENUE FUND. Effective on
2-50 the later of the effective date of the Act creating or re-creating
2-51 the specified account or August 31, 2019, the following accounts,
2-52 the revenue deposited to the credit of those accounts, and the
2-53 revenue dedicated for deposit to the credit of those accounts, are
2-54 exempt from Section 2 of this Act and the accounts are created or
2-55 re-created in the general revenue fund, if created or re-created by
2-56 an Act of the 86th Legislature, Regular Session, 2019, that becomes
2-57 law:

2-58 (1) the identification fee exemption account, created
2-59 as an account in the general revenue fund by House Bill No. 123 or
2-60 similar legislation;

2-61 (2) the newborn screening preservation account,
2-62 created as an account in the general revenue fund by House Bill
2-63 No. 1111, Senate Bill No. 748, or similar legislation;

2-64 (3) the cultivated oyster mariculture cleanup
2-65 subaccount in the game, fish, and water safety account, created as a
2-66 subaccount by House Bill No. 1300 or similar legislation;

2-67 (4) the state hemp production account, created as an
2-68 account in the general revenue fund by House Bill No. 1325 or
2-69 similar legislation;

2-70 (5) the disaster recovery loan account, created as an
2-71 account in the general revenue fund by House Bill No. 2300 or

3-1 similar legislation;

3-2 (6) the Texas music incubator account, created as an

3-3 account in the general revenue fund by House Bill No. 2806 or

3-4 similar legislation;

3-5 (7) the border security infrastructure enhancement

3-6 fund, created as an account in the general revenue fund by House

3-7 Bill No. 4306 or similar legislation;

3-8 (8) the historic site account, re-created as an

3-9 account in the general revenue fund by Senate Bill No. 26 or similar

3-10 legislation;

3-11 (9) the specialty court account, the DNA testing

3-12 account, and the transportation administrative fee account,

3-13 created as accounts in the general revenue fund by Senate Bill

3-14 No. 346 or similar legislation;

3-15 (10) the safety training account, created as an

3-16 account in the general revenue fund by Senate Bill No. 568 or

3-17 similar legislation;

3-18 (11) the veterans treatment court account, created as

3-19 an account in the general revenue fund by Senate Bill No. 1180 or

3-20 similar legislation; and

3-21 (12) the coastal erosion response account, re-created

3-22 as an account in the general revenue fund by Senate Bill No. 1719 or

3-23 similar legislation.

3-24 SECTION 12. SEPARATE FUNDS. Effective on the later of the

3-25 effective date of the Act creating or re-creating the specified

3-26 fund or August 31, 2019, the following funds, if created or

3-27 re-created by an Act of the 86th Legislature, Regular Session,

3-28 2019, the revenue deposited to the funds, and the revenue dedicated

3-29 for deposit to the funds, are exempt from Section 2 of this Act, and

3-30 the funds are created or re-created as separate funds inside or

3-31 outside of the state treasury, as specified by the Act creating or

3-32 re-creating the fund:

3-33 (1) the flood infrastructure fund, created as a

3-34 special fund in the treasury by House Bill No. 13 or similar

3-35 legislation;

3-36 (2) the pesticide disposal fund, created as a special

3-37 fund in the treasury by House Bill No. 191 or similar legislation;

3-38 (3) the disaster reinvestment and infrastructure

3-39 planning revolving fund, created as a special fund outside of the

3-40 treasury by House Bill No. 274 or similar legislation;

3-41 (4) the cannabis testing and quality control fund,

3-42 created as provided by House Bill No. 1365 or similar legislation;

3-43 (5) the dedicated account in the general revenue fund

3-44 for proceeds from the sale of certain historic property, created by

3-45 House Bill No. 1422 or similar legislation;

3-46 (6) the Texas-bred incentive fund, created as an

3-47 escrow account in the treasury by House Bill No. 3366 or similar

3-48 legislation;

3-49 (7) the Texas emissions reduction plan fund, created

3-50 as a trust fund outside the treasury to be held by the comptroller

3-51 and administered by the Texas Commission on Environmental Quality

3-52 as trustee by House Bill No. 3745 or similar legislation;

3-53 (8) the Texas innovation fund and state agency

3-54 technology upgrades account, created as special funds outside of

3-55 the treasury by House Bill No. 4214 or similar legislation;

3-56 (9) the flood infrastructure fund, created as a

3-57 special fund in the treasury by Senate Bill No. 7 or similar

3-58 legislation;

3-59 (10) the Texas leverage fund, created as a trust fund

3-60 held outside the treasury by the comptroller as trustee by Senate

3-61 Bill No. 132 or similar legislation;

3-62 (11) the jury service fund, created as a fund in the

3-63 treasury by Senate Bill No. 346 or similar legislation; and

3-64 (12) the charter school liquidation fund, created as

3-65 provided by Senate Bill No. 1454 or similar legislation.

3-66 SECTION 13. REVENUE DEDICATIONS. Effective on the later of

3-67 the effective date of the Act dedicating or rededicating the

3-68 specified revenue or August 31, 2019, the following dedications or

3-69 rededications of revenue collected for a particular purpose are

3-70 exempt from Section 2 of this Act, if dedicated or rededicated by an

3-71 Act of the 86th Legislature, Regular Session, 2019:

- 4-1 (1) the dedication of certain tax revenue to the drug
- 4-2 court account provided by House Bill No. 1243 or similar
- 4-3 legislation;
- 4-4 (2) the dedication of certain fee revenue to the Texas
- 4-5 Department of Motor Vehicles fund provided by House Bill No. 1548
- 4-6 or similar legislation;
- 4-7 (3) the dedication of revenue to the state highway
- 4-8 fund provided by House Bill No. 1649 or similar legislation;
- 4-9 (4) the dedication of certain fee revenue to the Texas
- 4-10 Department of Motor Vehicles fund provided by House Bill No. 1711 or
- 4-11 similar legislation;
- 4-12 (5) the dedication of certain administrative penalty
- 4-13 revenue to the sexual assault program fund provided by House Bill
- 4-14 No. 1735 or similar legislation;
- 4-15 (6) the dedication of revenue to the state lottery
- 4-16 account provided by House Bill No. 1790 or similar legislation;
- 4-17 (7) the dedication of certain assessment revenue to
- 4-18 the account with the Texas Treasury Safekeeping Trust Company
- 4-19 provided by House Bill No. 1880 or similar legislation;
- 4-20 (8) the dedication of certain revenue to the Texas
- 4-21 Racing Commission account in the general revenue fund provided by
- 4-22 House Bill No. 1995 or similar legislation;
- 4-23 (9) the dedication of certain administrative penalty
- 4-24 revenue to the freestanding emergency medical care facility
- 4-25 licensing fund provided by House Bill No. 2041 or similar
- 4-26 legislation;
- 4-27 (10) the dedication of grants or donations to the
- 4-28 state highway fund provided by House Bill No. 2043 or similar
- 4-29 legislation;
- 4-30 (11) the dedication of certain revenue to the
- 4-31 designated trauma facility and emergency medical services account
- 4-32 provided by House Bill No. 2048 or similar legislation;
- 4-33 (12) the dedication of fee revenue to the Texas
- 4-34 mobility fund provided by House Bill No. 2478 or similar
- 4-35 legislation;
- 4-36 (13) the dedication of revenue provided by House Bill
- 4-37 No. 2587 or similar legislation;
- 4-38 (14) the dedication of certain fee revenue to the
- 4-39 Texas Department of Motor Vehicles fund provided by House Bill
- 4-40 No. 2620 or similar legislation;
- 4-41 (15) the dedication of revenue to the Texas water
- 4-42 resources fund provided by House Bill No. 4116 or similar
- 4-43 legislation;
- 4-44 (16) the dedication of revenue to the foundation
- 4-45 school fund provided by House Bill No. 4306 or similar legislation;
- 4-46 (17) the dedication of revenue provided by Senate Bill
- 4-47 No. 7 or similar legislation;
- 4-48 (18) the dedication of revenue provided by Senate Bill
- 4-49 No. 26 or similar legislation;
- 4-50 (19) the dedication of administrative penalty revenue
- 4-51 to the sexual assault program fund provided by Senate Bill No. 212
- 4-52 or similar legislation;
- 4-53 (20) the dedication of gifts, grants, and donations to
- 4-54 the motorcycle education fund account provided by Senate Bill No.
- 4-55 616 or similar legislation;
- 4-56 (21) the dedication of fee revenue to the game, fish,
- 4-57 and water safety account provided by Senate Bill No. 733 or similar
- 4-58 legislation; and
- 4-59 (22) the dedication of fee revenue to the food and drug
- 4-60 retail fee account provided by Senate Bill No. 932 or similar
- 4-61 legislation.
- 4-62 SECTION 14. REALLOCATION OF INTEREST ACCRUED ON CERTAIN
- 4-63 DEDICATED REVENUE. Effective September 1, 2019, Section 403.0956,
- 4-64 Government Code, is reenacted to read as follows:
- 4-65 Sec. 403.0956. REALLOCATION OF INTEREST ACCRUED ON CERTAIN
- 4-66 DEDICATED REVENUE. Notwithstanding any other law, all interest or
- 4-67 other earnings that accrue on all revenue held in an account in the
- 4-68 general revenue fund any part of which Section 403.095 makes
- 4-69 available for certification under Section 403.121 are available for
- 4-70 any general governmental purpose, and the comptroller shall deposit
- 4-71 the interest and earnings to the credit of the general revenue fund.

- 5-1 This section does not apply to:
- 5-2 (1) interest or earnings on revenue deposited in
- 5-3 accordance with Section 51.008, Education Code;
- 5-4 (2) an account that accrues interest or other earnings
- 5-5 on deposits of state or federal money the diversion of which is
- 5-6 specifically excluded by federal law;
- 5-7 (3) the lifetime license endowment account;
- 5-8 (4) the game, fish, and water safety account;
- 5-9 (5) the coastal protection account;
- 5-10 (6) the Alamo complex account; or
- 5-11 (7) the artificial reef account.

5-12 SECTION 15. AMENDMENT OF SECTION 403.095, GOVERNMENT CODE.
 5-13 Effective September 1, 2019, Sections 403.095(b), (d), and (f),
 5-14 Government Code, are amended to read as follows:

5-15 (b) Notwithstanding any law dedicating or setting aside
 5-16 revenue for a particular purpose or entity, dedicated revenues that
 5-17 on August 31, 2021 [~~2019~~], are estimated to exceed the amount
 5-18 appropriated by the General Appropriations Act or other laws
 5-19 enacted by the 86th [~~85th~~] Legislature are available for general
 5-20 governmental purposes and are considered available for the purpose
 5-21 of certification under Section 403.121.

5-22 (d) Following certification of the General Appropriations
 5-23 Act and other appropriations measures enacted by the 86th [~~85th~~]
 5-24 Legislature, the comptroller shall reduce each dedicated account as
 5-25 directed by the legislature by an amount that may not exceed the
 5-26 amount by which estimated revenues and unobligated balances exceed
 5-27 appropriations. The reductions may be made in the amounts and at
 5-28 the times necessary for cash flow considerations to allow all the
 5-29 dedicated accounts to maintain adequate cash balances to transact
 5-30 routine business. The legislature may authorize, in the General
 5-31 Appropriations Act, the temporary delay of the excess balance
 5-32 reduction required under this subsection. This subsection does not
 5-33 apply to revenues or balances in:

- 5-34 (1) funds outside the treasury;
- 5-35 (2) trust funds, which for purposes of this section
- 5-36 include funds that may or are required to be used in whole or in part
- 5-37 for the acquisition, development, construction, or maintenance of
- 5-38 state and local government infrastructures, recreational
- 5-39 facilities, or natural resource conservation facilities;
- 5-40 (3) funds created by the constitution or a court; or
- 5-41 (4) funds for which separate accounting is required by
- 5-42 federal law.

5-43 (f) This section expires September 1, 2021 [~~2019~~].

5-44 SECTION 16. AMENDMENT OF SECTION 504.6012, TRANSPORTATION
 5-45 CODE. Effective September 1, 2019, Section 504.6012,
 5-46 Transportation Code, is amended to read as follows:

5-47 Sec. 504.6012. ELIMINATION OF DEDICATED REVENUE ACCOUNTS;
 5-48 REVENUES IN TRUST. (a) Notwithstanding any other law, not later
 5-49 than September 30, 2019 [~~2015~~], the comptroller shall eliminate all
 5-50 dedicated accounts established for specialty license plates and
 5-51 shall set aside the balances of those dedicated accounts so that the
 5-52 balances may be appropriated only for the purposes intended as
 5-53 provided by the dedications.

5-54 (b) On and after September 1, 2019 [~~2015~~], the portion of a
 5-55 fee payable that is designated for deposit to a dedicated account
 5-56 shall be paid instead to the credit of an account in a trust fund
 5-57 created by the comptroller outside the general revenue fund. The
 5-58 comptroller shall administer the trust fund and accounts and may
 5-59 allocate the corpus and earnings on each account only in accordance
 5-60 with the dedications of the revenue deposited to the trust fund
 5-61 accounts.

5-62 SECTION 17. STRATEGIC MAPPING ACCOUNT. (a) Section
 5-63 16.023, Water Code, as added by Section 2.13, Chapter 1430 (S.B. 3),
 5-64 Acts of the 80th Legislature, Regular Session, 2007, is reenacted
 5-65 to read as follows:

5-66 Sec. 16.023. STRATEGIC MAPPING ACCOUNT. (a) The strategic
 5-67 mapping account is an account in the general revenue fund. The
 5-68 account consists of:

- 5-69 (1) money directly appropriated to the board;
- 5-70 (2) money transferred by the board from other funds
- 5-71 available to the board;

6-1 (3) money from gifts or grants from the United States
6-2 government, state, regional, or local governments, educational
6-3 institutions, private sources, or other sources;

6-4 (4) proceeds from the sale of maps, data,
6-5 publications, and other items; and

6-6 (5) interest earned on the investment of money in the
6-7 account and depository interest allocable to the account.

6-8 (b) The account may be appropriated only to the board to:

6-9 (1) develop, administer, and implement the strategic
6-10 mapping program;

6-11 (2) provide grants to political subdivisions for
6-12 projects related to the development, use, and dissemination of
6-13 digital, geospatial information; and

6-14 (3) administer, implement, and operate other programs
6-15 of the Texas Natural Resources Information System, including:

6-16 (A) the operation of a Texas-Mexico border region
6-17 information center for the purpose of implementing Section
6-18 16.021(e)(5);

6-19 (B) the acquisition, storage, and distribution
6-20 of historical maps, photographs, and paper map products;

6-21 (C) the maintenance and enhancement of
6-22 information technology; and

6-23 (D) the production, storage, and distribution of
6-24 other digital base maps, as determined by the executive
6-25 administrator.

6-26 (c) The board may invest, reinvest, and direct the
6-27 investment of any available money in the fund as provided by law for
6-28 the investment of money under Section 404.024, Government Code.

6-29 (b) The strategic mapping account is re-created by this Act
6-30 as an account in the general revenue fund, and all revenue dedicated
6-31 for deposit to the credit of the strategic mapping account is
6-32 rededicated by this Act for that purpose. Section 2 of this Act
6-33 does not apply to the account as re-created by this Act or a
6-34 dedication of revenue to the account as rededicated by this Act.

6-35 SECTION 18. EFFECT OF ACT. (a) This Act prevails over any
6-36 other Act of the 86th Legislature, Regular Session, 2019,
6-37 regardless of the relative dates of enactment, that purports to
6-38 create or re-create a special fund or account or to dedicate or
6-39 rededicate revenue to a particular purpose, including any fund,
6-40 account, or revenue dedication abolished under former Section
6-41 403.094, Government Code.

6-42 (b) An exemption from the application of Section 403.095,
6-43 Government Code, contained in another Act of the 86th Legislature,
6-44 Regular Session, 2019, that is exempted from the application of
6-45 Section 2 of this Act has no effect.

6-46 (c) Revenue that, under the terms of another Act of the 86th
6-47 Legislature, Regular Session, 2019, would be deposited to the
6-48 credit of a special account or fund shall be deposited to the credit
6-49 of the undedicated portion of the general revenue fund unless the
6-50 fund, account, or dedication is exempted under this Act.

6-51 SECTION 19. EFFECTIVE DATE. Except as otherwise provided
6-52 by this Act:

6-53 (1) this Act takes effect immediately if this Act
6-54 receives a vote of two-thirds of all the members elected to each
6-55 house, as provided by Section 39, Article III, Texas Constitution;
6-56 and

6-57 (2) if this Act does not receive the vote necessary for
6-58 immediate effect, this Act takes effect on the 91st day after the
6-59 last day of the legislative session.

6-60 * * * * *