### **CONFERENCE COMMITTEE REPORT FORM**

	Austin, Texas
	May 27,2011 Date
Honorable David Dewhurst President of the Senate	
Honorable Joe Straus Speaker of the House of Representatives	
Sirs:	
We, Your Conference Committee, appointed to ad Representatives on HB 1517 beg to report it back with the recommendation that it	just the differences between the Senate and the House of have had the same under consideration, and to pass in the form and text hereto attached.
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WENTWORTH Zachia	PRILLIES
SARFIRINI ELLISA	KLEINSCHANION
On the part of the Senate	On the part of the House
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**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.

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## CONFERENCE COMMITTEE REPORT

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

H.B. No. 1517

#### A BILL TO BE ENTITLED

AN ACT

	·
2	relating to the disposition of fines for traffic violations
3	collected by certain counties and municipalities.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. Section 542.402, Transportation Code, is amended
6	by amending Subsections (a), (c), and (e) and adding Subsections
7	(b-1), $(b-2)$ , $(d-1)$ , $(f)$ , and $(g)$ to read as follows:
8	(a) Except as provided by Subsection (b-1), a [A]
9	municipality or county shall use a fine collected for a violation of
10	a highway law in this title to:
11	(1) construct and maintain roads, bridges, and
12	culverts in the municipality or county;
13	(2) enforce laws regulating the use of highways by
14	motor vehicles; and
15	(3) defray the expense of county traffic officers.
16	(b-1) Subject to Subsection (b-2), a county may use a fine
17	collected for a violation of a highway law as the county determines
18	appropriate if:
19	(1) the county has a population of less than 5,000; and
20	(2) the commissioners court of the county by
21	resolution elects to spend the revenue in a manner other than as
22	provided by Subsection (a).
23	(b-2) In each fiscal year, a county described by Subsection
24	(b-1) may retain, from fines collected for violations of this title

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- 1 and from special expenses collected under Article 45.051, Code of
- 2 Criminal Procedure, in cases in which a violation of this title is
- 3 alleged, an amount equal to 30 percent of the county's revenue for
- 4 the preceding fiscal year from all sources, other than federal
- 5 funds and bond proceeds, as shown by an audit performed under
- 6 Chapter 115, Local Government Code. After a county has retained
- 7 that amount, the county shall send to the comptroller any portion of
- 8 <u>a fine or a special expense collected that exceeds \$1.</u>
- 9 (c) The comptroller shall enforce <u>Subsections</u> [<del>Subsection</del>]
- 10 (b) and (b-2).
- 11 (d-1) In a fiscal year in which a county retains from fines
- 12 and special expenses collected for violations of this title an
- 13 amount equal to at least 20 percent of the county's revenue for the
- 14 preceding fiscal year from all sources other than federal funds and
- 15 bond proceeds, not later than the 120th day after the last day of
- 16 the county's fiscal year, the county shall send to the comptroller:
- 17 (1) a copy of the county's financial statement; and
- 18 (2) a report that shows the total amount collected for
- 19 that fiscal year from fines and special expenses under Subsection
- 20 (b-1).
- (e) If an audit is conducted by the comptroller under
- 22 Subsection (c) and it is determined that the municipality or county
- 23 is retaining more than 20 percent of the amounts under Subsection
- 24 (b) or (b-2), as applicable, and has not complied with Subsection
- 25 (d) or (d-1), as applicable, the municipality shall pay the costs
- 26 incurred by the comptroller in conducting the audit.
- 27 (f) A municipality may include the revenue generated from

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- 1 services provided in the municipality by a utility company
- 2 operating within the municipality as municipal revenue for a fiscal
- 3 year under Subsection (b) if:
- 4 (1) the municipality has a population of more than
- 5 1,000 but less than 1,200; and
- 6 (2) part of the municipality's boundary is a river that
- 7 forms part of the boundary between two counties.
- 8 (g) This subsection and Subsection (f) expire on September
- 9 1, 2021.
- 10 SECTION 2. The change in law made by this Act in amending
- 11 Section 542.402(e), Transportation Code, and in adding Sections
- 12 542.402(b-2) and (d-1), Transportation Code, applies only to the
- 13 fiscal year of a county that begins on or after the effective date
- 14 of this Act.
- 15 SECTION 3. This Act takes effect September 1, 2011.

#### House Bill 1517

#### Conference Committee Report Section-by-Section Analysis

#### **HOUSE VERSION**

SECTION 1. Amends Section 542.402, Transportation Code, by adding Subsection (f) as follows:

No equivalent provision.

#### SENATE VERSION (IE)

SECTION 1. Amends Section 542.402, Transportation Code, by amending Subsections (a), (c), and (e) and adding Subsections (b-1), (b-2), (d-1), and (f) as follows:

- (a) Makes a conforming change.
- (b-1) Authorizes a county having a population of less than 5,000 to use a fine collected for a violation of a highway law as the county determines appropriate.
- (b-2) Authorizes a county having a population of less than 5,000, in each fiscal year, to retain from fines collected for violations of this title and from special expenses collected under Article 45.051, Code of Criminal Procedure, in cases in which a violation of this title is alleged, an amount equal to 30 percent of the county's revenue for the preceding fiscal year from all sources, other than federal funds and bond proceeds, as shown by an audit performed under Chapter 115, Local Government Code. Requires a county, after retaining that amount, to send to the comptroller any portion of a fine or a special expense collected that exceeds \$1.
- (c) Includes *Subsection (b-1)* among the provisions that the comptroller is required to enforce.
- (d-1) Requires a county, in a fiscal year in which the county retains from fines and special expenses collected for violations of this title an amount equal to at least 20 percent of the county's revenue for the preceding fiscal year from all sources

#### **CONFERENCE**

SECTION 1. Amends Section 542.402, Transportation Code, by amending Subsections (a), (c), and (e) and adding Subsections (b-1), (b-2), (d-1), (f), and (g) as follows:

- (a) Same as Senate version.
- (b-1) Substantially the same as Senate version except provides that such authorization is subject to Subsection (b-2) and adds the condition that the commissioners court of the county by resolution elects to spend the revenue in a manner other than as provided by Subsection (a).
- (b-2) Same as Senate version except refers to a county described by Subsection (b-1).

- (c) Includes Subsection (b-2) among the provisions that the comptroller is required to enforce.
- (d-1) Same as Senate version.

#### House Bill 1517

Conference Committee Report Section-by-Section Analysis

#### HOUSE VERSION

#### SENATE VERSION (IE)

other than federal funds and bond proceeds, to send to the comptroller, not later than the 120th day after the last day of the county's fiscal year, a copy of the county's financial statement and a report that shows the total amount collected for that fiscal year from fines and special expenses under

CONFERENCE

No equivalent provision.

- (f) Authorizes a municipality to include the *revenue of* a utility company operating within the municipality as municipal revenue for a fiscal year under Subsection (b) if certain conditions are met.
- No equivalent provision.

No equivalent provision.

(e) Makes conforming changes relating to the addition of *Subsections (b-1)* and (d-1). [FA1(1)]

- (f) Same as House version except refers to the *revenue* generated from services provided in the municipality by a utility company operating within the municipality. [FA2]
- Same as House version.

Subsection (b-1).

SECTION \_\_\_. Makes the change in law made by this Act in amending Sections 542.402(c) and (e) and in adding Sections 542.402(b-1) and (d-1) applicable only to the fiscal year of a county that begins on or after the effective date of this Act. [FA1(2)]

- (e) Same as Senate version except the conforming changes relate to the addition of *Subsections* (b-2) and (d-1).
- (f) Same as Senate version.

(g) Provides that this subsection and Subsection (f) expire on September 1, 2021.

[The conference committee may have exceeded the limitations imposed on its jurisdiction, but only the presiding officer can make the final determination on this issue.]

SECTION 2. Same as Senate version except refers to the change in law made by this Act in amending **Section 542.402** and in adding Sections 542.402(b-2) and (d-1).

#### House Bill 1517

Conference Committee Report Section-by-Section Analysis

**HOUSE VERSION** 

SENATE VERSION (IE)

CONFERENCE

SECTION 2. Effective date.

SECTION 2. Same as House version.

SECTION 3. Same as House version.

# LEGISLATIVE BUDGET BOARD Austin, Texas

#### FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 28, 2011

TO: Honorable David Dewhurst, Lieutenant Governor, Senate Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB1517 by Isaac (Relating to the disposition of fines for traffic violations collected by certain counties and municipalities.), Conference Committee Report

Depending upon the number of counties that would participate, the amount of their budgets, and the amount of any qualifying fines collected, there could be an indeterminate revenue impact to the state.

The bill would amend the Transportation Code to authorize counties with a population of less than 5,000 and the commissioners court of the county by resolution elects to spend the revenue in a manner other than as provided, to retain from fines collected for violations of highway law, an amount equal to 30 percent of the county's revenue for the preceding fiscal year from all sources, other than federal funds and bond proceeds. After retaining that amount, a county would remit any portion of a fine or special expense collected that exceeded \$1 to the Comptroller. A county could use the fine collected from a violation of a highway law as the county determined appropriate.

In any fiscal year that a county retained an amount equal to at least 20 percent of the county's revenue for the preceding fiscal year from all sources, other than federal funds and bond proceeds, a county would be required to send a copy of the county's financial statement and a report showing the total amount collected from fines and special expenses to the Comptroller not later than 120 days after the last day of a county's fiscal year.

Under current statute, all municipalities or counties are required to use a fine collected for a violation of a highway law under Title 7 to construct and maintain roads, bridges, and culverts; to enforce laws regulating the use of highways; and to defray expenses for county traffic officers.

A local governmental entity would be required to pay the costs of an audit conducted by the Comptroller if it is determined during an audit that the entity is retaining more than 20 percent or is not in compliance with the reporting requirements.

Other provisions of the bill would apply only to a municipality with a population of more than 1,000 but less than 1,200 and the boundary is a river that forms part of the boundary between two counties.

The bill would specify that Subsections (g) and (f) expire on September 1, 2021.

According to the analysis of the Comptroller of Public Accounts (CPA), the U.S. Census Bureau's April 2010 census population count indicated there were 51 counties with a population of less than 5,000. Because the counties that would participate, the amount of their budgets and the amount of any qualifying fines collected are unknown, the fiscal implications to the state cannot be determined. CPA reported there would be no administrative costs.

#### **Local Government Impact**

There could be a positive fiscal impact to an applicable county to retain the allowable amounts from specified sources, but the amounts would vary depending on the amount of revenue received from fines

and special expenses. In addition, some of the revenue would offset costs incurred. No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, KJG, TP, SD

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

Rule 13, Section 6(b), House Rules of Procedure, requires that a copy of a conference committee report signed by a majority of each committee of the conference must 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 Section 10(a) of this rule. The paper copies of the report submitted to the chief clerk under Section 10(b) of this rule must contain a certificate that the requirement of this subsection has been satisfied, and that certificate must be attached to the printed copy of the report furnished to each member under Section 10(d) of this rule. Failure to comply with this subsection is not a sustainable point of order under this rule.