

CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

5-25-2013

Date

Honorable David Dewhurst
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on House Bill 6 have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

William

Williams

J. Hinojosa

Duncan

Duncan

Gene Nelson

Nelson

Watson On the part of the Senate

John Otto

Otto

Dez Bohnen

D. Bohnen

Greer

Paul Taylor

Dearby

Jim Pitts

On the part of the House Pitts

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.

CONFERENCE COMMITTEE REPORT

3rd Printing

H.B. No. 6

A BILL TO BE ENTITLED

AN ACT

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.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

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

SECTION 2. ABOLITION OF FUNDS, ACCOUNTS, AND DEDICATIONS. Except as otherwise specifically provided by this Act, all funds and accounts created or re-created by an Act of the 83rd Legislature, Regular Session, 2013, that becomes law and all dedications or rededications of revenue collected by a state agency for a particular purpose by an Act of the 83rd Legislature, Regular Session, 2013, that becomes law are abolished on the later of August 31, 2013, 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. Section 2 of this Act does not apply to:

1 (1) statutory dedications, funds, and accounts that
2 were enacted before the 83rd Legislature convened to comply with
3 requirements of state constitutional or federal law;

4 (2) dedications, funds, or accounts that remained
5 exempt from former Section 403.094(h), Government Code, at the time
6 dedications, accounts, and funds were abolished under that
7 provision;

8 (3) increases in fees or in other revenue dedicated as
9 described by this section; or

10 (4) increases in fees or in other revenue required to
11 be deposited in a fund or account described by this section.

12 SECTION 4. FEDERAL FUNDS. Section 2 of this Act does not
13 apply to funds created pursuant to an Act of the 83rd Legislature,
14 Regular Session, 2013, for which separate accounting is required by
15 federal law, except that the funds shall be deposited in accounts in
16 the general revenue fund unless otherwise required by federal law.

17 SECTION 5. TRUST FUNDS. Section 2 of this Act does not
18 apply to trust funds or dedicated revenue deposited to trust funds
19 created under an Act of the 83rd Legislature, Regular Session,
20 2013, except that the trust funds shall be held in the state
21 treasury, with the comptroller in trust, or outside the state
22 treasury with the comptroller's approval.

23 SECTION 6. BOND FUNDS. Section 2 of this Act does not apply
24 to bond funds and pledged funds created or affected by an Act of the
25 83rd Legislature, Regular Session, 2013, except that the funds
26 shall be held in the state treasury, with the comptroller in trust,
27 or outside the state treasury with the comptroller's approval.

1 SECTION 7. CONSTITUTIONAL FUNDS. Section 2 of this Act does
2 not apply to funds or accounts that would be created or re-created
3 by the Texas Constitution or revenue that would be dedicated or
4 rededicated by the Texas Constitution under a constitutional
5 amendment proposed by the 83rd Legislature, Regular Session, 2013,
6 or to dedicated revenue deposited to funds or accounts that would be
7 so created or re-created, if the constitutional amendment is
8 approved by the voters.

9 SECTION 8. CREATION OF NEW ACCOUNTS FOR LICENSE PLATE FEES.
10 Section 2 of this Act does not apply to a new account created for
11 receipt of fees for special license plates or for receipt of related
12 revenue, gifts, or grants as provided by an Act of the 83rd
13 Legislature, Regular Session, 2013, or to the dedication of revenue
14 to or contained in the new account.

15 SECTION 9. ADDITIONAL USES FOR DEDICATED FUNDS, ACCOUNTS,
16 OR REVENUE. Section 2 of this Act does not apply to a newly
17 authorized dedication of or use of a dedicated fund, a dedicated
18 account, or dedicated revenue as provided by an Act of the 83rd
19 Legislature, Regular Session, 2013, to the extent that Act affects
20 a fund, an account, or revenue that was exempted from funds
21 consolidation before January 1, 2013. A dedicated fund, a
22 dedicated account, or dedicated revenue that was exempted from
23 funds consolidation before January 1, 2013, may be used as an Act of
24 the 83rd Legislature, Regular Session, 2013, provides, and a change
25 in the name or authorized use of a previously exempted dedicated
26 fund or account does not affect the fund's or account's dedicated
27 nature.

1 SECTION 10. ACCOUNTS IN GENERAL REVENUE FUND. Effective on
2 the later of the effective date of the Act creating the account or
3 August 31, 2013, the following account and the revenue deposited to
4 the credit of the account are exempt from Section 2 of this Act and
5 the account is created in the general revenue fund, if created by an
6 Act of the 83rd Legislature, Regular Session, 2013, that becomes
7 law:

8 The statewide electronic filing system fund created as
9 an account in the general revenue fund by Section 51.852,
10 Government Code, as added by House Bill No. 2302 or similar
11 legislation.

12 SECTION 11. REVENUE DEDICATION. Effective on the later of
13 the effective date of the Act dedicating or rededicating the
14 specified revenue or August 31, 2013, the following dedications or
15 rededications of revenue collected for a particular purpose are
16 exempt from Section 2 of this Act, if dedicated or rededicated by an
17 Act of the 83rd Legislature, Regular Session, 2013:

18 (1) the dedication of penalty revenue to the
19 compensation to victims of crime fund as provided by House Bill No.
20 508 or similar legislation;

21 (2) the dedication of fee and penalty revenue for
22 deposit to and revenue held in the oyster sales account in the
23 general revenue fund provided by House Bill No. 1903 or similar
24 legislation;

25 (3) the dedication of voluntary contributions for
26 deposit to the fund for veterans' assistance provided by House Bill
27 No. 633 or similar legislation;

1 (4) the rededication of revenue held in the system
2 benefit fund as provided by House Bill No. 7 or similar legislation;

3 (5) the dedication of fee revenue collected under
4 Section 91.0115, Natural Resources Code, for deposit to the oil and
5 gas regulation and cleanup fund as provided by House Bill No. 7 or
6 similar legislation;

7 (6) the dedication of tax revenue imposed under
8 Chapter 171, Tax Code, for deposit to the property tax relief fund
9 as provided by Section 171.664 of that code, as added by House Bill
10 No. 800 or similar legislation;

11 (7) the allocation of tax revenue for deposit to the
12 credit of the available school fund and to the credit of the state
13 highway fund as provided by Section 162.506, Tax Code, as added by
14 House Bill No. 2148 or similar legislation;

15 (8) the dedication of amounts for deposit to the
16 compensation to victims of crime fund as provided by Section
17 140.012, Civil Practice and Remedies Code, as added by House Bill
18 No. 3241 or similar legislation;

19 (9) the dedication of fees and court costs for deposit
20 to the statewide electronic filing system fund as provided by
21 Section 51.851, Government Code, as added by House Bill No. 2302 or
22 similar legislation; and

23 (10) the allocation of money received by the attorney
24 general as provided by Section 402.007, Government Code, as amended
25 by House Bill No. 1445 or similar legislation.

26 SECTION 12. SEPARATE FUNDS IN THE TREASURY. (a) Effective
27 on the later of the effective date of the Act creating or

1 re-creating the specified fund or August 31, 2013, the following
2 funds, if created by an Act of the 83rd Legislature, Regular
3 Session, 2013, the revenue deposited to the funds, and the revenue
4 dedicated for deposit to the funds, are exempt from Section 2 of
5 this Act and the funds are created as separate funds in the state
6 treasury:

7 (1) the Texas economic development fund, created as a
8 fund in the state treasury by Senate Bill No. 1214 or similar
9 legislation;

10 (2) the permanent fund supporting military and
11 veterans exemptions, created as a special fund in the treasury by
12 Senate Bill No. 1158 or similar legislation;

13 (3) the habitat protection and research fund held
14 inside the treasury as provided by Section 490F.404, Government
15 Code, as added by House Bill No. 3509 or similar legislation; and

16 (4) the transportation infrastructure fund created in
17 the state treasury by Section 256.102, Transportation Code, as
18 added by Senate Bill No. 1747 or similar legislation.

19 (b) Section 2 of this Act does not apply to the State Water
20 Implementation Fund for Texas or to the State Water Implementation
21 Revenue Fund for Texas in the state treasury as established by House
22 Bill No. 4 of the 83rd Legislature, Regular Session, 2013, to
23 implement the creation of those funds by the constitutional
24 amendment proposed by Senate Joint Resolution No. 1, 83rd
25 Legislature, Regular Session, 2013, except that those funds are not
26 created if the voters do not approve of that constitutional
27 amendment at an election held November 5, 2013.

1 SECTION 13. MONEY TRANSFERRED ON DISSOLUTION OF TEXAS
2 HEALTH INSURANCE POOL; ACCOUNT. Section 2 of this Act does not
3 apply to the account created in the Texas Treasury Safekeeping
4 Trust Company for the purposes of Section 6 of Senate Bill No. 1367
5 or similar legislation of the 83rd Legislature, Regular Session,
6 2013, and does not apply to the revenue dedicated for deposit to
7 that account.

8 SECTION 14. DEDICATION OF ASSESSMENTS AND FEES RELATING TO
9 EXAMINATION OF INSURERS. Section 2 of this Act does not apply to
10 the dedication of assessments or fee revenue under Section 401.156,
11 Insurance Code, as provided by Senate Bill No. 1665 or similar
12 legislation of the 83rd Legislature, Regular Session, 2013.

13 SECTION 15. AMENDMENT OF SECTION 403.095, GOVERNMENT CODE.
14 Effective September 1, 2013, Sections 403.095(b), (d), and (e),
15 Government Code, are amended to read as follows:

16 (b) Notwithstanding any law dedicating or setting aside
17 revenue for a particular purpose or entity, dedicated revenues that
18 [7] on August 31, 2015 [~~2013~~], are estimated to exceed the amount
19 appropriated by the General Appropriations Act or other laws
20 enacted by the 83rd [~~82nd~~] Legislature are available for general
21 governmental purposes and are considered available for the purpose
22 of certification under Section 403.121.

23 (d) Following certification of the General Appropriations
24 Act and other appropriations measures enacted by the 83rd [~~82nd~~]
25 Legislature, the comptroller shall reduce each dedicated account as
26 directed by the legislature by an amount that may not exceed the
27 amount by which estimated revenues and unobligated balances exceed

1 appropriations. The reductions may be made in the amounts and at
2 the times necessary for cash flow considerations to allow all the
3 dedicated accounts to maintain adequate cash balances to transact
4 routine business. The legislature may authorize, in the General
5 Appropriations Act, the temporary delay of the excess balance
6 reduction required under this subsection. This subsection does
7 not apply to revenues or balances in:

8 (1) funds outside the treasury;

9 (2) trust funds, which for purposes of this section
10 include funds that may or are required to be used in whole or in part
11 for the acquisition, development, construction, or maintenance of
12 state and local government infrastructures, recreational
13 facilities, or natural resource conservation facilities;

14 (3) funds created by the constitution or a court; or

15 (4) funds for which separate accounting is required by
16 federal law.

17 (e) This section expires ~~[on]~~ September 1, 2015 ~~[2013]~~.

18 SECTION 16. EFFECT OF ACT. (a) This Act prevails over any
19 other Act of the 83rd Legislature, Regular Session, 2013,
20 regardless of the relative dates of enactment, that purports to
21 create or re-create a special fund or account or to dedicate or
22 rededicate revenue to a particular purpose, including any fund,
23 account, or revenue dedication abolished under former Section
24 403.094, Government Code.

25 (b) An exemption from the application of Section 403.095,
26 Government Code, contained in another Act of the 83rd Legislature,
27 Regular Session, 2013, that is exempted from the application of

1 Section 2 of this Act has no effect.

2 (c) Revenue that, under the terms of another Act of the 83rd
3 Legislature, Regular Session, 2013, would be deposited to the
4 credit of a special account or fund shall be deposited to the credit
5 of the undedicated portion of the general revenue fund unless the
6 fund, account, or dedication is exempted under this Act.

7 SECTION 17. EFFECTIVE DATE. Except as otherwise provided
8 by this Act:

9 (1) this Act takes effect immediately if it receives a
10 vote of two-thirds of all the members elected to each house, as
11 provided by Section 39, Article III, Texas Constitution; and

12 (2) if this Act does not receive the vote necessary for
13 immediate effect, this Act takes effect on the 91st day after the
14 last day of the legislative session.

House Bill 6
Conference Committee Report
Section-by-Section Analysis

HOUSE VERSION

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

SECTION 2. ABOLITION OF FUNDS, ACCOUNTS, AND DEDICATIONS. Except as otherwise specifically provided by this Act, all funds and accounts created or re-created *in the state treasury* by an Act of the 83rd Legislature, Regular Session, 2013, that becomes law and all dedications or rededications of revenue *in the state treasury* or otherwise collected by a state agency for a particular purpose by an Act of the 83rd Legislature, Regular Session, 2013, that becomes law are abolished on the later of August 31, 2013, 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. Section 2 of this Act does not apply to:

- (1) statutory dedications, funds, and accounts that were enacted before the 83rd 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

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SECTION 1. DEFINITION. In any provision of this Act that does not amend current law, "state agency" means an office, institution, or other agency that is in the executive branch *or the judicial branch* of state government, has authority that is not limited to a geographical portion of the state, and was created by the constitution or a statute of this state. The term does not include an institution of higher education as defined by Section 61.003, Education Code. [F A1(1)]

SECTION 2. ABOLITION OF FUNDS, ACCOUNTS, AND DEDICATIONS. Except as otherwise specifically provided by this Act, all funds and accounts created or re-created by an Act of the 83rd Legislature, Regular Session, 2013, that becomes law and all dedications or rededications of revenue *in the state treasury* or otherwise collected by a state agency for a particular purpose by an Act of the 83rd Legislature, Regular Session, 2013, that becomes law are abolished on the later of August 31, 2013, or the date the Act creating or re-creating the fund or account or dedicating or rededicating revenue takes effect. [FA1(2)]

SECTION 3. Same as House version.

CONFERENCE

SECTION 1. Same as Senate version.

SECTION 2. Except as otherwise specifically provided by this Act, all funds and accounts created or re-created by an Act of the 83rd Legislature, Regular Session, 2013, that becomes law and all dedications or rededications of revenue in the state treasury or otherwise collected by a state agency for a particular purpose by an Act of the 83rd Legislature, Regular Session, 2013, that becomes law are abolished on the later of August 31, 2013, or the date the Act creating or re-creating the fund or account or dedicating or rededicating revenue takes effect.

SECTION 3. Same as House version.

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| HOUSE VERSION | SENATE VERSION (IE) | CONFERENCE |
|---|-----------------------------------|-----------------------------------|
| 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. Section 2 of this Act does not apply to funds created pursuant to an Act of the 83rd Legislature, Regular Session, 2013, for which separate accounting is required by federal law, except that the funds shall be deposited in accounts in the general revenue fund unless otherwise required by federal law. | SECTION 4. Same as House version. | SECTION 4. Same as House version. |
| SECTION 5. TRUST FUNDS. Section 2 of this Act does not apply to trust funds or dedicated revenue deposited to trust funds created under an Act of the 83rd Legislature, Regular Session, 2013, except that the trust funds shall be held in the state treasury, with the comptroller in trust, or outside the state treasury with the comptroller's approval. | SECTION 5. Same as House version. | SECTION 5. Same as House version. |
| SECTION 6. BOND FUNDS. Section 2 of this Act does not apply to bond funds and pledged funds created or affected by an Act of the 83rd Legislature, Regular Session, 2013, 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 6. Same as House version. | SECTION 6. Same as House version. |
| SECTION 7. CONSTITUTIONAL FUNDS. 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 83rd Legislature, Regular Session, 2013, or to dedicated revenue deposited to funds or accounts that would be so created or re- | SECTION 7. Same as House version. | SECTION 7. Same as House version. |

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SENATE VERSION (IE)

CONFERENCE

created, if the constitutional amendment is approved by the voters.

No equivalent provision.

SECTION __. REVENUE DEDICATION. Effective on the later of the effective date of the Act dedicating or rededicating the specified revenue or August 31, 2013, the following dedications or rededications of revenue collected for a particular purpose are exempt from Section 2 of this Act, if dedicated or rededicated by an Act of the 83rd Legislature, Regular Session, 2013:

- (1) the dedication of penalty revenue to the compensation to victims of crime fund as provided by House Bill No. 508 or similar legislation;
- (2) the dedication of fee and penalty revenue for deposit to and revenue held in the oyster sales account in the general revenue fund provided by House Bill No. 1903 or similar legislation;
- (3) the dedication of voluntary contributions for deposit to the fund for veterans' assistance provided by House Bill No. 633 or similar legislation; and
- (4) the rededication of revenue held in the system benefit fund as provided by House Bill No. 7 or similar legislation. [FA1(4)]

SECTION 11. REVENUE DEDICATION. Effective on the later of the effective date of the Act dedicating or rededicating the specified revenue or August 31, 2013, the following dedications or rededications of revenue collected for a particular purpose are exempt from Section 2 of this Act, if dedicated or rededicated by an Act of the 83rd Legislature, Regular Session, 2013:

- (1) the dedication of penalty revenue to the compensation to victims of crime fund as provided by House Bill No. 508 or similar legislation;
- (2) the dedication of fee and penalty revenue for deposit to and revenue held in the oyster sales account in the general revenue fund provided by House Bill No. 1903 or similar legislation;
- (3) the dedication of voluntary contributions for deposit to the fund for veterans' assistance provided by House Bill No. 633 or similar legislation;
- (4) the rededication of revenue held in the system benefit fund as provided by House Bill No. 7 or similar legislation;
- (5) *the dedication of fee revenue collected under Section 91.0115, Natural Resources Code, for deposit to the oil and gas regulation and cleanup fund as provided by House Bill No. 7 or similar legislation;*
- (6) *the dedication of tax revenue imposed under Chapter 171, Tax Code, for deposit to the property tax relief fund as provided by Section 171.664 of that code, as added by House Bill No. 800 or similar legislation;*
- (7) *the allocation of tax revenue for deposit to the credit of the available school fund and to the credit of the state*

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No equivalent provision.

SECTION __. SEPARATE FUNDS IN THE TREASURY. Effective on the later of the effective date of the Act creating or re-creating the specified fund or August 31, 2013, the following funds, if created by an Act of the 83rd Legislature, Regular Session, 2013, the revenue deposited to the funds, and the revenue dedicated for deposit to the funds, are exempt from Section 2 of this Act and the funds are created in as separate funds in the state treasury:

- (1) the Texas economic development fund, created as a fund in the state treasury by Senate Bill No. 1214 or similar legislation; and
- (2) the permanent fund supporting military and veterans exemptions, created as a special fund in the treasury by Senate Bill No. 1158 or similar legislation. [FA1(3)]

highway fund as provided by Section 162.506, Tax Code, as added by House Bill No. 2148 or similar legislation;
(8) the dedication of amounts for deposit to the compensation to victims of crime fund as provided by Section 140.012, Civil Practice and Remedies Code, as added by House Bill No. 3241 or similar legislation;
(9) the dedication of fees and court costs for deposit to the statewide electronic filing system fund as provided by Section 51.851, Government Code, as added by House Bill No. 2302 or similar legislation; and
(10) the allocation of money received by the attorney general as provided by Section 402.007, Government Code, as amended by House Bill No. 1445 or similar legislation.

SECTION 12. SEPARATE FUNDS IN THE TREASURY.

(a) Effective on the later of the effective date of the Act creating or re-creating the specified fund or August 31, 2013, the following funds, if created by an Act of the 83rd Legislature, Regular Session, 2013, the revenue deposited to the funds, and the revenue dedicated for deposit to the funds, are exempt from Section 2 of this Act and the funds are created as separate funds in the state treasury:

- (1) the Texas economic development fund, created as a fund in the state treasury by Senate Bill No. 1214 or similar legislation;
- (2) the permanent fund supporting military and veterans exemptions, created as a special fund in the treasury by Senate Bill No. 1158 or similar legislation;
- (3) the habitat protection and research fund held inside the treasury as provided by Section 490F.404, Government Code, as added by House Bill No. 3509 or similar legislation; and*

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SECTION 8. AMENDMENT OF SECTION 403.095, GOVERNMENT CODE. Effective September 1, 2013, Sections 403.095(b), (d), and (e), Government Code, are amended to read as follows:

(b) Notwithstanding any law dedicating or setting aside revenue for a particular purpose or entity, dedicated revenues, in a total amount not to exceed \$4 billion, that [;] on August 31, 2015 [2013], are estimated to exceed the amount appropriated by the General Appropriations Act or other laws enacted by the 83rd [82nd] Legislature are available for general governmental purposes and are considered available

SECTION 8. AMENDMENT OF SECTION 403.095, GOVERNMENT CODE. *(a) If S.J.R. No. 1 of the 83rd Legislature, Regular Session, 2013, is approved by both houses of the legislature, and if, on or before September 1, 2013, Section 39.9039, Utilities Code, as proposed by H.B. No. 7 or similar legislation of the 83rd Legislature, Regular Session, 2013, becomes law,* effective September 1, 2013, Section 403.095, Government Code, is amended by amending Subsections (b), (d), and (e) *and adding Subsection (b-1)* to read as follows:

(b) Notwithstanding any law dedicating or setting aside revenue for a particular purpose or entity, an amount of dedicated revenues, not to exceed a total of \$1 billion, that [;] on August 31 of an odd-numbered year is[, 2013, are] estimated to exceed the amount appropriated by the General Appropriations Act or other laws enacted by the legislature is [82nd Legislature are] available for general governmental

(4) the transportation infrastructure fund created in the state treasury by Section 256.102, Transportation Code, as added by Senate Bill No. 1747 or similar legislation.
(b) Section 2 of this Act does not apply to the State Water Implementation Fund for Texas or to the State Water Implementation Revenue Fund for Texas in the state treasury as established by House Bill No. 4 of the 83rd Legislature, Regular Session, 2013, to implement the creation of those funds by the constitutional amendment proposed by Senate Joint Resolution No. 1, 83rd Legislature, Regular Session, 2013, except that those funds are not created if the voters do not approve of that constitutional amendment at an election held November 5, 2013.

SECTION 15. AMENDMENT OF SECTION 403.095, GOVERNMENT CODE. Effective September 1, 2013, Sections 403.095(b), (d), and (e), Government Code, are amended to read as follows:

(b) Notwithstanding any law dedicating or setting aside revenue for a particular purpose or entity, *dedicated revenues that [;] on August 31, 2015 [2013],* are estimated to exceed the amount appropriated by the General Appropriations Act or other laws enacted by the 83rd [82nd] Legislature are available for general governmental purposes and are considered available for the purpose of certification under

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for the purpose of certification under Section 403.121. It is the intent of the legislature that dedicated revenues that exceed the total amount that this subsection makes available for general governmental purposes and for certification must be used for the purposes for which the revenues are dedicated.

(d) Following certification of the General Appropriations Act and other appropriations measures enacted by the 83rd [82nd] Legislature, the comptroller shall reduce each dedicated account as directed by the legislature by an amount that may not exceed the amount by which estimated revenues and unobligated balances exceed appropriations. The reductions may be made in the amounts and at the times necessary for cash flow considerations to allow all the dedicated accounts to maintain adequate cash balances to transact routine business. The legislature may authorize, in the General Appropriations

SENATE VERSION (IE)

purposes and ~~is [are]~~ considered available for the purpose of certification under Section 403.121. It is the intent of the legislature that dedicated revenues that exceed the total amount that this subsection makes available for general governmental purposes and for certification must be used for the purposes for which the revenues are dedicated.

(b-1) Notwithstanding the limitation provided by Subsection (b), the amount of dedicated revenues described by that subsection that on August 31 of an odd-numbered year is estimated to exceed the amount appropriated by the General Appropriations Act or other laws enacted by the legislature is considered available for general governmental purposes and for the purpose of the certification under Section 403.121 in an amount not to exceed:

(1) \$4.2 billion for the fiscal biennium ending August 31, 2015;

(2) \$3.4 billion for the fiscal biennium ending August 31, 2017;

(3) \$2.6 billion for the fiscal biennium ending August 31, 2019; and

(4) \$1.8 billion for the fiscal biennium ending August 31, 2021.

(d) Following certification of the General Appropriations Act and other appropriations measures enacted by the legislature [82nd Legislature], the comptroller shall reduce each dedicated account as directed by the legislature by an amount that may not exceed the amount by which estimated revenues and unobligated balances exceed appropriations. The reductions may be made in the amounts and at the times necessary for cash flow considerations to allow all the dedicated accounts to maintain adequate cash balances to transact routine business. The legislature may authorize, in

CONFERENCE

Section 403.121.

(d) Following certification of the General Appropriations Act and other appropriations measures enacted by the 83rd [82nd] Legislature, the comptroller shall reduce each dedicated account as directed by the legislature by an amount that may not exceed the amount by which estimated revenues and unobligated balances exceed appropriations. The reductions may be made in the amounts and at the times necessary for cash flow considerations to allow all the dedicated accounts to maintain adequate cash balances to transact routine business. The legislature may authorize, in the General Appropriations

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Act, the temporary delay of the excess balance reduction required under this subsection. This subsection does not apply to revenues or balances in:

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

(c) This *section expires* ~~[on]~~ September 1, 2015 [2013].

No equivalent provision.

SENATE VERSION (IE)

the General Appropriations Act, the temporary delay of the excess balance reduction required under this subsection. This subsection does not apply to revenues or balances in:

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

(c) This subsection and Subsection (b-1) expire ~~[section expires on]~~ September 1, 2023 [2013].

(b) If either of the conditions provided by Subsection (a) of this section is not met, Subsection (a) of this section has no effect, and, effective September 1, 2013, Section 403.095, Government Code, is amended by amending Subsections (b), (d), and (e) and adding Subsection (b-1) to read as follows:

(b) Notwithstanding any law dedicating or setting aside revenue for a particular purpose or entity, an amount of dedicated revenues, not to exceed a total of \$1 billion, that [7] on August 31 of an odd-numbered year is ~~[2013, are]~~ estimated to exceed the amount appropriated by the General Appropriations Act or other laws enacted by the legislature is ~~[82nd Legislature are]~~ available for general governmental purposes and is ~~[are]~~ considered available for the purpose of certification under Section 403.121. It is the intent of the legislature that dedicated revenues that exceed the total amount that this subsection makes available for general governmental purposes and for certification must be used for

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Act, the temporary delay of the excess balance reduction required under this subsection. This subsection does not apply to revenues or balances in:

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

(c) This *section expires* ~~[on]~~ September 1, 2015 [2013].

Same as House version.

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the purposes for which the revenues are dedicated.
(b-1) Notwithstanding the limitation provided by Subsection
(b), the amount of dedicated revenues described by that
subsection that on August 31 of an odd-numbered year is
estimated to exceed the amount appropriated by the General
Appropriations Act or other laws enacted by the legislature is
considered available for general governmental purposes and
for the purpose of the certification under Section 403.121 in
an amount not to exceed:
(1) \$5.0 billion for the fiscal biennium ending August 31,
2015;
(2) \$4.0 billion for the fiscal biennium ending August 31,
2017;
(3) \$3.0 billion for the fiscal biennium ending August 31,
2019; and
(4) \$2.0 billion for the fiscal biennium ending August 31,
2021.
(d) Following certification of the General Appropriations Act
and other appropriations measures enacted by the legislature
[~~82nd Legislature~~], the comptroller shall reduce each
dedicated account as directed by the legislature by an amount
that may not exceed the amount by which estimated revenues
and unobligated balances exceed appropriations. The
reductions may be made in the amounts and at the times
necessary for cash flow considerations to allow all the
dedicated accounts to maintain adequate cash balances to
transact routine business. The legislature may authorize, in
the General Appropriations Act, the temporary delay of the
excess balance reduction required under this subsection. This
subsection does not apply to revenues or balances in:
(1) funds outside the treasury;
(2) trust funds, which for purposes of this section include

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funds that may or are required to be used in whole or in part for the acquisition, development, construction, or maintenance of state and local government infrastructures, recreational facilities, or natural resource conservation facilities;

(3) funds created by the constitution or a court; or

(4) funds for which separate accounting is required by federal law.

(e) This subsection and Subsection (b-1) expire ~~[section expires on]~~ September 1, 2023 ~~[2013]~~. [FA4]

No equivalent provision.

No equivalent provision.

SECTION 8. CREATION OF NEW ACCOUNTS FOR LICENSE PLATE FEES. Section 2 of this Act does not apply to a new account created for receipt of fees for special license plates or for receipt of related revenue, gifts, or grants as provided by an Act of the 83rd Legislature, Regular Session, 2013, or to the dedication of revenue to or contained in the new account.

[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.]

No equivalent provision.

No equivalent provision.

SECTION 9. ADDITIONAL USES FOR DEDICATED FUNDS, ACCOUNTS, OR REVENUE. Section 2 of this Act does not apply to a newly authorized dedication of or use of a dedicated fund, a dedicated account, or dedicated revenue as provided by an Act of the 83rd Legislature, Regular Session, 2013, to the extent that Act affects a fund, an account, or revenue that was exempted from funds consolidation before January 1, 2013. A dedicated fund, a dedicated account, or dedicated revenue that was exempted from funds consolidation before January 1, 2013, may be used as an Act

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No equivalent provision.

No equivalent provision.

of the 83rd Legislature, Regular Session, 2013, provides, and a change in the name or authorized use of a previously exempted dedicated fund or account does not affect the fund's or account's dedicated nature.

[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 10. ACCOUNTS IN GENERAL REVENUE FUND. Effective on the later of the effective date of the Act creating the account or August 31, 2013, the following account and the revenue deposited to the credit of the account are exempt from Section 2 of this Act and the account is created in the general revenue fund, if created by an Act of the 83rd Legislature, Regular Session, 2013, that becomes law: The statewide electronic filing system fund created as an account in the general revenue fund by Section 51.852, Government Code, as added by House Bill No. 2302 or similar legislation.

[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.]

No equivalent provision.

No equivalent provision.

SECTION 13. MONEY TRANSFERRED ON DISSOLUTION OF TEXAS HEALTH INSURANCE POOL; ACCOUNT. Section 2 of this Act does not apply to the account created in the Texas Treasury Safekeeping Trust Company for the purposes of Section 6 of Senate Bill No. 1367 or similar legislation of the 83rd Legislature, Regular Session, 2013, and does not apply to the revenue dedicated for

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deposit to that account.

[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.]

No equivalent provision.

No equivalent provision.

SECTION 14. DEDICATION OF ASSESSMENTS AND FEES RELATING TO EXAMINATION OF INSURERS. Section 2 of this Act does not apply to the dedication of assessments or fee revenue under Section 401.156, Insurance Code, as provided by Senate Bill No. 1665 or similar legislation of the 83rd Legislature, Regular Session, 2013

[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 9. EFFECT OF ACT. (a) This Act prevails over any other Act of the 83rd Legislature, Regular Session, 2013, regardless of the relative dates of enactment, that:
(1) purports to create or re-create a special fund or account in the state treasury;
(2) ***purports*** to dedicate or rededicate revenue to a particular purpose, including any fund, account, or revenue dedication abolished under former Section 403.094, Government Code;
or
(3) ***amends Section 403.095, Government Code.***

SECTION 9. Same as House version.

SECTION 16. . EFFECT OF ACT. (a) This Act prevails over any other Act of the 83rd Legislature, Regular Session, 2013, 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) An exemption from the application of Section 403.095, Government Code, contained in another Act of the 83rd Legislature, Regular Session, 2013, that is exempted from the application of Section 2 of this Act has no effect.

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(b) Revenue that, under the terms of another Act of the 83rd Legislature, Regular Session, 2013, would be deposited to the credit of a special account or fund shall 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 10. Effective date.

SENATE VERSION (IE)

SECTION 10. Same as House version.

CONFERENCE

(c) Revenue that, under the terms of another Act of the 83rd Legislature, Regular Session, 2013, would be deposited to the credit of a special account or fund shall 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 17. Same as House version.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 25, 2013

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

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.), **Conference Committee Report**

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| <p>The fiscal impact of the bill relating to the abolition of funds, accounts allocations, and revenue dedications would depend on future actions of the Legislature and cannot be estimated at this time.</p> |
|---|

The bill would abolish all funds, accounts, and revenue dedications created or recreated by the 83rd Legislature, Regular Session, 2013, unless specifically exempted under separate sections of the bill. Any funds, accounts, or revenue dedications abolished under this bill would be deposited to the credit of the unobligated portion of the General Revenue Fund 0001. The bill would define the state agencies to which this act 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 83rd Legislature convened to comply with the State Constitution or federal requirements, or that remained exempt from the abolishment 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 83rd Legislature, Regular Session, 2013. The bill would exempt the State Water Implementation Fund for Texas or to the State Water Implementation Revenue Fund for Texas in the state treasury as established by House Bill 4 to implement the creation of those funds by the constitutional amendment proposed by Senate Joint Resolution 1, 83rd Legislature, Regular Session, 2013, except that those funds are not created if the voters do not approve of that constitutional amendment at an election held November 5, 2013.

The following funds, accounts, and dedications of revenue would be exempt from abolition by this bill, if created or re-created by Acts of the 83rd Legislature, Regular Session (2013): the dedication of penalty revenue to the compensation to victims of crime fund as provided by House Bill 508; the dedication of fee and penalty revenue for deposit to and revenue held in the oyster sales account in the general revenue fund provided by House Bill 1903; the dedication of voluntary contributions for deposit to the fund for veterans' assistance provided by House Bill 633; the rededication of revenue held in the system benefit fund as provided by House Bill 7 or similar legislation; the dedication of fee revenue for deposit to the oil and gas regulation and

cleanup fund as provided by House Bill 7; the dedication of tax revenue for deposit to the property tax relief fund as added by House Bill 800; the allocation of tax revenue for deposit to the credit of the available school fund and to the credit of the state highway fund as added by House Bill 2148; the dedication of amounts for deposit to the compensation to victims of crime fund as provided by House Bill 3241; the dedication of fees and court costs for deposit to the statewide electronic filing system fund as provided by House Bill 2302; the allocation of money received by the attorney general as amended by House Bill 1445; the dedication of assessments or fee revenue as provided by Senate Bill 1665; the statewide electronic filing system fund created as an account in the general revenue fund, as added by House Bill 2302; the Texas economic development fund, created as a fund in the state treasury by Senate Bill 1214; the permanent fund supporting military and veterans exemptions, created as a special fund in the treasury by Senate Bill 1158; the habitat protection and research fund held inside the treasury as added by House Bill 3509; the transportation infrastructure fund created in the state treasury as added by Senate Bill 1747; and the account created in the Texas Treasury Safekeeping Trust Company by Senate Bill 1367 and does not apply to the revenue dedicated for deposit to that account.

Federal funds, created by the 83rd Legislature, Regular Session, 2013, for which separate accounting is required by federal law, would be exempt. These 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 83rd Legislature, Regular Session, 2013, except that all trust funds would have to be held in the State Treasury, with the Comptroller of Public Accounts (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 83rd Legislature, Regular Session, 2013, 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 83rd Legislature.

Dedicated revenues exceeding amounts appropriated by the 83rd Legislature would be available for certification through August 31, 2015. 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, 2015.

The provisions of this bill would prevail over any other act of the 83rd Legislature, Regular Session, 2013, regardless of the date of enactment, purporting to dedicate or rededicate a fund, account, or revenue. The bill would also prevail over an exemption from the application of Section 403.095, Government Code, contained in another Act of the 83rd Legislature, Regular Session, 2013. The bill would take effect immediately upon enactment, assuming that it received the requisite two thirds majority votes in both houses of the Legislature. Otherwise, it would take effect on the 91st day after the last day of the legislative session.

The funds, accounts, and revenue dedications that would be abolished and become part of General Revenue Fund 0001 cannot be determined at this time. Any net gain or loss from the re-creation of existing funds or accounts as exempted in this bill that are dependent upon the passage of another act of the 83rd Legislature Regular Session, 2013, are dependent upon appropriations made in the 2014-15 General Appropriations Act and cannot be estimated at this time.

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, JJ, RS, JI

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.

I certify that a copy of the conference committee report on H. B. 6 was furnished to each member of the conference committee in compliance with Rule 13, Section 6(b), House Rules of Procedure, before submission of the paper copies of the report to the chief clerk under Section 10(b), Rule 13, House Rules of Procedure.

John Otto
(name)

5/25/13
(date)