

CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

5/24/2013


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 HB7 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.


WILLIAMS


DARBY


DUNCAN


PITTS


NELSON


EILAND


ELTIFE


OTTO


On the part of the Senate Hegan


On the part of the House TURNER

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. 7

A BILL TO BE ENTITLED

AN ACT

relating to the amounts, availability, and use of certain
statutorily dedicated revenue and accounts; reducing or
affecting the amounts or rates of certain statutorily dedicated
fees and assessments; making an appropriation.

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

SECTION 1. Chapter 322, Government Code, is amended by
adding Section 322.024 to read as follows:

Sec. 322.024. REDUCTION OF RELIANCE ON AVAILABLE DEDICATED
REVENUE FOR BUDGET CERTIFICATION. (a) In this section,
"available dedicated revenue" means revenue that Section 403.095
makes available for certification under Section 403.121.

(b) The board shall:

(1) develop and implement a process to review:

(A) new legislative enactments that create
dedicated revenue; and

(B) the appropriation and accumulation of
dedicated revenue and available dedicated revenue;

(2) develop and implement tools to evaluate the use
of available dedicated revenue for state government financing
and budgeting; and

(3) develop specific and detailed recommendations on
actions the legislature may reasonably take to reduce state
government's reliance on available dedicated revenue for the

1 purposes of certification under Section 403.121 as authorized by
2 Section 403.095.

3 (c) The board shall incorporate into the board's budget
4 recommendations appropriate measures to reduce state
5 government's reliance on available dedicated revenue for the
6 purposes of certification under Section 403.121 as authorized by
7 Section 403.095 and shall include with the budget
8 recommendations plans for further reducing state government's
9 reliance on available dedicated revenue for those purposes for
10 the succeeding six years.

11 (d) The board shall consult the comptroller as necessary
12 to accomplish the objectives of Subsections (b) and (c).

13 SECTION 2. Subchapter F, Chapter 403, Government Code, is
14 amended by adding Section 403.0956 to read as follows:

15 Sec. 403.0956. REALLOCATION OF INTEREST ACCRUED ON CERTAIN
16 DEDICATED REVENUE. Notwithstanding any other law, all interest
17 or other earnings that accrue on all revenue held in an account
18 in the general revenue fund any part of which Section 403.095
19 makes available for certification under Section 403.121 are
20 available for any general governmental purpose, and the
21 comptroller shall deposit the interest and earnings to the
22 credit of the general revenue fund. This section does not apply
23 to:

24 (1) interest or earnings on revenue deposited in
25 accordance with Section 51.008, Education Code;

26 (2) an account that accrues interest or other
27 earnings on deposits of state or federal money the diversion of

1 which is specifically excluded by federal law;

2 (3) the lifetime license endowment account; or

3 (4) the game, fish, and water safety account.

4 SECTION 3. Sections 361.013(a) and (f), Health and Safety
5 Code, are amended to read as follows:

6 (a) Except as provided by Subsections (e) through (i), the
7 commission shall charge a fee on all solid waste that is
8 disposed of within this state. The fee is 94 cents [~~61.25~~] per
9 ton received for disposal at a municipal solid waste landfill if
10 the solid waste is measured by weight. If the solid waste is
11 measured by volume, the fee for compacted solid waste is 30 [~~40~~]
12 cents per cubic yard and the fee [~~or~~] for uncompact solid
13 waste is 19 [~~7-25~~] cents per cubic yard received for disposal at
14 a municipal solid waste landfill. The commission shall set the
15 fee for sludge or similar waste applied to the land for
16 beneficial use on a dry weight basis and for solid waste
17 received at an incinerator or a shredding and composting
18 facility at half the fee set for solid waste received for
19 disposal at a landfill. The commission may charge comparable
20 fees for other means of solid waste disposal that are used.

21 (f) The commission may not charge a fee under Subsection
22 (a) for source separated [~~yard-waste~~] materials that are
23 processed [~~composted~~] at a composting and mulch processing
24 facility, including a composting and mulch processing facility
25 located at a permitted landfill site. The commission shall
26 credit any fee payment due under Subsection (a) for any material
27 received and processed [~~converted~~] to compost or mulch product

1 at the facility [~~for composting through a composting process~~].
2 Any compost or mulch product that is produced at a [~~for~~
3 composting and mulch processing facility that is [~~not~~] used in
4 the operation of the facility or is disposed of [~~as compost and~~
5 ~~is deposited~~] in a landfill is not exempt from the fee.

6 SECTION 4. Sections 361.014(a) and (b), Health and Safety
7 Code, are amended to read as follows:

8 (a) Revenue received by the commission under Section
9 361.013 shall be deposited in the state treasury to the credit
10 of the commission. Of that [~~Half of the~~] revenue, 66.7 percent
11 is dedicated to the commission's municipal solid waste
12 permitting programs, [~~and~~] enforcement programs, and site
13 remediation programs, and [~~related support activities and~~] to
14 pay for activities that will enhance the state's solid waste
15 management program. The commission shall issue a biennial
16 report to the legislature describing in detail how the money was
17 spent. The activities to enhance the state's solid waste
18 management program may include [~~, including~~]:

19 (1) provision of funds for the municipal solid waste
20 management planning fund and the municipal solid waste resource
21 recovery applied research and technical assistance fund
22 established by the Comprehensive Municipal Solid Waste
23 Management, Resource Recovery, and Conservation Act (Chapter
24 363);

25 (2) conduct of demonstration projects and studies to
26 help local governments of various populations and the private
27 sector to convert to accounting systems and set rates that

1 reflect the full costs of providing waste management services
2 and are proportionate to the amount of waste generated;

3 (3) provision of technical assistance to local
4 governments concerning solid waste management;

5 (4) establishment of a solid waste resource center in
6 the commission and an office of waste minimization and
7 recycling;

8 (5) provision of supplemental funding to local
9 governments for the enforcement of this chapter, the Texas
10 Litter Abatement Act (Chapter 365), and Chapters 391 and 683,
11 Transportation Code;

12 (6) conduct of a statewide public awareness program
13 concerning solid waste management;

14 (7) provision of supplemental funds for other state
15 agencies with responsibilities concerning solid waste
16 management, recycling, and other initiatives with the purpose of
17 diverting recyclable waste from landfills;

18 (8) conduct of research to promote the development
19 and stimulation of markets for recycled waste products;

20 (9) creation of a state municipal solid waste
21 superfund, from funds appropriated, for:

22 (A) the cleanup of unauthorized tire dumps and
23 solid waste dumps for which a responsible party cannot be
24 located or is not immediately financially able to provide the
25 cleanup;

26 (B) the cleanup or proper closure of abandoned
27 or contaminated municipal solid waste sites for which a

1 responsible party is not immediately financially able to provide
2 the cleanup; and

3 (C) remediation, cleanup, and proper closure of
4 unauthorized recycling sites for which a responsible party is
5 not immediately financially able to perform the remediation,
6 cleanup, and closure;

7 (10) provision of funds to mitigate the economic and
8 environmental impacts of lead-acid battery recycling activities
9 on local governments; and

10 (11) provision of funds for the conduct of research
11 by a public or private entity to assist the state in developing
12 new technologies and methods to reduce the amount of municipal
13 waste disposed of in landfills.

14 (b) Of [~~Half-of~~] the revenue received by the commission
15 under Section 361.013, 33.3 percent is dedicated to local and
16 regional solid waste projects consistent with regional plans
17 approved by the commission in accordance with this chapter and
18 to update and maintain those plans. Those revenues shall be
19 allocated to municipal solid waste geographic planning regions
20 for use by local governments and regional planning commissions
21 according to a formula established by the commission that takes
22 into account population, area, solid waste fee generation, and
23 public health needs. Each planning region shall issue a
24 biennial report to the legislature detailing how the revenue is
25 spent. A project or service funded under this subsection must
26 promote cooperation between public and private entities and may
27 not be otherwise readily available or create a competitive

1 advantage over a private industry that provides recycling or
2 solid waste services.

3 SECTION 5. Section 361.133, Health and Safety Code, is
4 amended by adding Subsection (c-1) to read as follows:

5 (c-1) Notwithstanding Subsection (c), money in the account
6 attributable to fees imposed under Section 361.138 may be used
7 for environmental remediation at the site of a closed battery
8 recycling facility located in the municipal boundaries of a
9 municipality if the municipality submits to the commission a
10 voluntary compliance plan for the site and is paying or has paid
11 for part of the costs of the environmental remediation of the
12 site. This subsection expires September 30, 2014.

13 SECTION 6. Section 771.0711(c), Health and Safety Code, is
14 amended to read as follows:

15 (c) Money collected under Subsection (b) may be used only
16 for services related to 9-1-1 services, including automatic
17 number identification and automatic location information
18 services, or as authorized by Section 771.079(c). Not later
19 than the 15th day after the end of the month in which the money
20 is collected, the commission shall distribute to each emergency
21 communication district that does not participate in the state
22 system a portion of the money that bears the same proportion to
23 the total amount collected that the population of the area
24 served by the district bears to the population of the state. The
25 remaining money collected under Subsection (b) shall be
26 deposited to the 9-1-1 services fee account.

27 SECTION 7. Section 771.079, Health and Safety Code, is

1 amended by amending Subsection (c) and adding Subsection (c-1)
2 to read as follows:

3 (c) Except as provided by Subsection (c-1), money [Money]
4 in the account may be appropriated only to the commission for
5 planning, development, provision, or enhancement of the
6 effectiveness of 9-1-1 service or for contracts with regional
7 planning commissions for 9-1-1 service, including for the
8 purposes of:

9 (1) maintaining 9-1-1 service levels while providing
10 for a transition to a system capable of addressing newer
11 technologies and capable of addressing other needs;

12 (2) planning and deploying statewide, regional, and
13 local emergency network systems; and

14 (3) updating geospatial mapping technologies.

15 (c-1) The legislature may appropriate money from the
16 account to provide assistance to volunteer fire departments
17 under Subchapter G, Chapter 614, Government Code, only if:

18 (1) the purposes described by Subsection (c) have
19 been accomplished or are fully funded for the fiscal period for
20 which an appropriation under this subsection is made; and

21 (2) all other sources of revenue dedicated for the
22 purposes of providing assistance to volunteer fire departments
23 under Subchapter G, Chapter 614, Government Code, are obligated
24 for the fiscal period for which an appropriation under this
25 subsection is made.

26 SECTION 8. Section 780.003(a), Health and Safety Code, is
27 amended to read as follows:

1 (a) The designated trauma facility and emergency medical
2 services account is created as a dedicated account in the
3 general revenue fund of the state treasury. Money in the
4 account may be appropriated only to:

5 (1) the department for the purposes described by
6 Section 780.004; or

7 (2) the Texas Higher Education Coordinating Board for
8 graduate-level:

9 (A) medical education programs; or

10 (B) nursing education programs.

11 SECTION 9. Section 2007.002, Insurance Code, is amended to
12 read as follows:

13 Sec. 2007.002. ASSESSMENT. The comptroller shall assess
14 against all insurers to which this chapter applies amounts for
15 each state fiscal year necessary, as determined by the
16 commissioner, to collect a combined total equal to the lesser of
17 the total amount that the General Appropriations Act
18 appropriates from the volunteer fire department assistance fund
19 account in the general revenue fund for that state fiscal year
20 and ~~of~~ \$30 million ~~[for each 12-month period].~~

21 SECTION 10. Section 81.067(c), Natural Resources Code, is
22 amended to read as follows:

23 (c) The fund consists of:

24 (1) proceeds from bonds and other financial security
25 required by this chapter and benefits under well-specific
26 plugging insurance policies described by Section 91.104(c) that
27 are paid to the state as contingent beneficiary of the policies,

1 subject to the refund provisions of Section 91.1091, if
2 applicable;

3 (2) private contributions, including contributions
4 made under Section 89.084;

5 (3) expenses collected under Section 89.083;

6 (4) fees imposed under Section 85.2021;

7 (5) costs recovered under Section 91.457 or 91.459;

8 (6) proceeds collected under Sections 89.085 and
9 91.115;

10 (7) interest earned on the funds deposited in the
11 fund;

12 (8) oil and gas waste hauler permit application fees
13 collected under Section 29.015, Water Code;

14 (9) costs recovered under Section 91.113(f);

15 (10) hazardous oil and gas waste generation fees
16 collected under Section 91.605;

17 (11) oil-field cleanup regulatory fees on oil
18 collected under Section 81.116;

19 (12) oil-field cleanup regulatory fees on gas
20 collected under Section 81.117;

21 (13) fees for a reissued certificate collected under
22 Section 91.707;

23 (14) fees collected under Section 91.1013;

24 (15) fees collected under Section 89.088;

25 (16) fees collected under Section 91.142;

26 (17) fees collected under Section 91.654;

27 (18) costs recovered under Sections 91.656 and

1 91.657;

2 (19) two-thirds of the fees collected under Section
3 81.0521;

4 (20) fees collected under Sections 89.024 and 89.026;

5 (21) legislative appropriations; ~~and~~

6 (22) any surcharges collected under Section 81.070;

7 and

8 (23) fees collected under Section 91.0115.

9 SECTION 11. Section 81.068, Natural Resources Code, is
10 amended to read as follows:

11 Sec. 81.068. PURPOSES ~~[PURPOSE]~~ OF OIL AND GAS REGULATION
12 AND CLEANUP FUND. Money in the oil and gas regulation and
13 cleanup fund may be used by the commission or its employees or
14 agents for any purpose related to the regulation of oil and gas
15 development, including oil and gas monitoring and inspections,
16 oil and gas remediation, and oil and gas well plugging, the
17 study and evaluation of electronic access to geologic data and
18 surface casing depths necessary to protect usable groundwater in
19 this state, alternative fuels programs under Section 81.0681,
20 public information and services related to those activities, and
21 administrative costs and state benefits for personnel involved
22 in those activities.

23 SECTION 12. Subchapter C, Chapter 81, Natural Resources
24 Code, is amended by adding Section 81.0681 to read as follows:

25 Sec. 81.0681. ALTERNATIVE FUELS PROGRAMS. (a) The
26 commission shall adopt all necessary rules relating to
27 activities regarding the use of alternative fuels that are or

1 have the potential to be effective in improving the air quality,
2 energy security, or economy of this state.

3 (b) The commission shall use the oil and gas regulation
4 and cleanup fund to pay for activities relating to the use of
5 alternative fuels, including direct and indirect costs relating
6 to:

7 (1) researching all possible uses of liquefied
8 petroleum gas and natural gas as alternative fuels;

9 (2) researching, developing, and implementing
10 marketing, advertising, and informational programs relating to
11 alternative fuels to make alternative fuels more understandable
12 and readily available to consumers;

13 (3) developing and implementing conservation and
14 distribution plans to minimize the frequency and severity of
15 disruptions in the supply of alternative fuels;

16 (4) developing a public information plan that will
17 provide advisory services relating to alternative fuels to
18 consumers;

19 (5) developing voluntary participation plans to
20 promote the use of alternative fuels by federal, state, and
21 local agencies; and

22 (6) other functions the commission determines are
23 necessary to add a program established by the commission for the
24 purpose of promoting the use of liquefied petroleum gas, natural
25 gas, or other alternative fuels.

26 SECTION 13. Section 91.0115, Natural Resources Code, is
27 amended by amending Subsection (c) and adding Subsection (d) to

1 read as follows:

2 (c) The commission shall charge a fee not to exceed \$75,
3 in addition to the fee required by Subsection (b), for
4 processing a request to expedite a letter of
5 determination. ~~[Money collected under this subsection may be
6 used to study and evaluate electronic access to geologic data
7 and surface casing depths under Section 91.020.]~~

8 (d) The fees collected under this section shall be
9 deposited in the oil and gas regulation and cleanup fund.

10 SECTION 14. Section 151.801(c-1), Tax Code, is amended to
11 read as follows:

12 (c-1) Except as provided by this subsection, the [The]
13 comptroller may not credit to the Parks and Wildlife Department
14 or the Texas Historical Commission any amounts under this
15 section that are in excess of the amounts appropriated to the
16 department or commission for that biennium[, less any other
17 amounts to which the department or commission is entitled]. In
18 addition to amounts appropriated to the Parks and Wildlife
19 Department from the proceeds described by Subsection (c), the
20 comptroller shall transfer to appropriate department accounts
21 amounts from those proceeds sufficient to fund the state
22 contributions for employee benefits of Parks and Wildlife
23 Department employees whose salaries or wages are paid from
24 department accounts receiving the transfers.

25 SECTION 15. Subchapter G, Chapter 504, Transportation
26 Code, is amended by adding Section 504.6012 to read as follows:

27 Sec. 504.6012. ELIMINATION OF DEDICATED REVENUE ACCOUNTS;

1 REVENUES IN TRUST. (a) Notwithstanding any other provision of
2 this subchapter, not later than September 30, 2013, the
3 comptroller shall eliminate all dedicated accounts established
4 for specialty license plates under this subchapter and shall set
5 aside the balances of those dedicated accounts so that the
6 balances may be appropriated only for the purposes intended as
7 provided by the dedications.

8 (b) On and after September 1, 2013, the portion of a fee
9 payable under this subchapter that is designated for deposit to
10 a dedicated account shall be paid instead to the credit of an
11 account in a trust fund created by the comptroller outside the
12 general revenue fund. The comptroller shall administer the
13 trust fund and accounts and may allocate the corpus and earnings
14 on each account only in accordance with the dedications of the
15 revenue deposited to the trust fund accounts.

16 SECTION 16. Section 39.903, Utilities Code, is amended by
17 adding Subsection (m) to read as follows:

18 (m) This section expires September 1, 2016.

19 SECTION 17. Subchapter Z, Chapter 39, Utilities Code, is
20 amended by adding Section 39.9039 to read as follows:

21 Sec. 39.9039. ELIMINATION OF SYSTEM BENEFIT FUND BALANCE.

22 (a) Notwithstanding Section 39.903(b), the commission shall set
23 the nonbypassable system benefit fund fee at the amount of zero
24 cents per megawatt hour for the period beginning September 1,
25 2013, and ending September 1, 2016.

26 (b) Notwithstanding Section 39.903(e), money in the system
27 benefit fund may be appropriated:

1 (1) for the state fiscal year beginning September 1,
2 2013, a program established by the commission to assist low-
3 income electric customers by providing a reduced rate for the
4 months of September, 2013, and May through August, 2014, in the
5 manner prescribed by Section 39.903(h) at a rate of up to 82
6 percent;

7 (2) for the state fiscal year beginning September 1,
8 2014, a program established by the commission to assist low-
9 income electric customers by providing a reduced rate for the
10 months of September, 2014, and May through August, 2015, in the
11 manner prescribed by Section 39.903(h) at a rate of up to 15
12 percent;

13 (3) for the state fiscal year beginning September 1,
14 2015, a program established by the commission to assist low-
15 income electric customers by providing a reduced rate for the
16 months of September, 2015, and May through August, 2016, in the
17 manner prescribed by Section 39.903(h) at a rate of up to 15
18 percent; and

19 (4) for customer education programs and administrative
20 expenses incurred by the commission in implementing and
21 administering this chapter.

22 (c) This section expires September 1, 2016.

23 SECTION 18. Subchapter 1, Chapter 26, Water Code, is
24 amended by adding Section 26.35745 to read as follows:

25 Sec. 26.35745. REPORT ON CORRECTIVE ACTIONS FOR PETROLEUM
26 CONTAMINATED SITES AND FEES NECESSARY TO CONCLUDE PROGRAM. (a)
27 The commission annually shall prepare a report regarding the

1 status of corrective actions for sites reported to the
2 commission under this subchapter as having had a release needing
3 corrective action. The commission must issue the report to the
4 legislature on or before November 1 of each year.

5 (b) Regarding sites reported to the commission under this
6 subchapter as having had a release needing corrective action on
7 or before December 22, 1998, and that remain in the commission's
8 PST State-Lead Program on September 1, 2013, the report must
9 include:

10 (1) the total number of sites;

11 (2) the total number of sites for which corrective
12 action is ongoing;

13 (3) the total number of sites monitored;

14 (4) the projected costs of the corrective actions;

15 (5) the projected costs of monitoring;

16 (6) a projected timeline for issuing closure letters
17 under this subchapter for all of the sites; and

18 (7) for each site, the corrective action activities
19 proposed and completed during the preceding state fiscal year.

20 (c) Regarding sites reported to the commission under this
21 subchapter as having had a release needing corrective action
22 after December 22, 1998, for which the commission has elected to
23 assume responsibility for undertaking corrective action under
24 this subchapter, the report must include:

25 (1) the current status of each site;

26 (2) the costs associated with the corrective action
27 activities performed during the preceding state fiscal year for

1 the sites;

2 (3) amounts recovered under Section 26.355 related to
3 the sites; and

4 (4) enforcement actions taken against owners and
5 operators related to those sites.

6 (d) The commission shall investigate the amount of fees
7 that would be necessary to cover the costs necessary to conclude
8 the programs and activities under this subchapter before
9 September 1, 2021. The commission shall include in the annual
10 report under this section the conclusions of the investigation
11 and the commission's recommendations regarding the fees and
12 programs and activities.

13 (e) This section expires September 1, 2021.

14 SECTION 19. Effective September 1, 2015, Section
15 56.095(b), Education Code, is repealed.

16 SECTION 20. (a) Subchapter I, Chapter 113, Natural
17 Resources Code, is repealed.

18 (b) On the effective date of this Act:

19 (1) the alternative fuels research and education fund
20 is abolished;

21 (2) any money remaining in the alternative fuels
22 research and education fund is transferred to the undedicated
23 portion of the general revenue fund;

24 (3) any claim against the alternative fuels research
25 and education fund is transferred to the undedicated portion of
26 the general revenue fund; and

27 (4) any amount required to be deposited to the credit

1 of the alternative fuels research and education fund shall be
2 deposited to the credit of the undedicated portion of the
3 general revenue fund.

4 (c) Any money transferred from the alternative fuels
5 research and education fund to the undedicated portion of the
6 general revenue fund that was deposited in the alternative fuels
7 research and education fund as a gift, grant, or other form of
8 assistance under former Subchapter I, Chapter 113, Natural
9 Resources Code, and is encumbered by the specific terms of the
10 gift, grant, or other form of assistance may be spent only in
11 accordance with the terms of the gift, grant, or other form of
12 assistance. Subchapter I, Chapter 113, Natural Resources Code,
13 is continued in effect for the limited purpose of administering
14 this subsection.

15 SECTION 21. In addition to other appropriations made from
16 the system benefit fund by the 83rd Legislature, Regular
17 Session, 2013, the amount of \$500 million is appropriated from
18 the system benefit fund to the Public Utility Commission of
19 Texas for the purposes of Section 39.9039, Utilities Code, as
20 added by this Act, for the period beginning on the effective
21 date of this Act and ending August 31, 2014.

22 SECTION 22. EFFECTIVE DATE. Except as otherwise provided
23 by this Act:

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

27 (2) if this Act does not receive the vote necessary for

1 immediate effect, this Act takes effect on the 91st day after
2 the last day of the legislative session.

House Bill 7
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SECTION 1. Article 102.018, Code of Criminal Procedure, is amended by adding Subsection (e) to read as follows:

(e) On the conviction of an offense relating to the operating of a motor vehicle while intoxicated, as defined by Section 49.09(c)(1)(A) or (B), Penal Code, the court shall impose a cost of \$10 on a defendant. A cost imposed under this subsection is in addition to a cost imposed under Subsection (a), (b), or (c). Each cost collected under this subsection shall be deposited in the account to the credit of the office of the governor as provided by Section 401.106, Government Code, for the prevention of driving while intoxicated.

SECTION 2. Subchapter B, Chapter 102, Government Code, is amended by adding Section 102.0215 to read as follows:

Sec. 102.0215. ADDITIONAL COURT COSTS: CODE OF CRIMINAL PROCEDURE. A defendant who is convicted of an offense relating to the operating of a motor vehicle while intoxicated shall pay a cost on conviction, in addition to all other costs, to help fund the prevention of driving while intoxicated under Section 401.106, Government Code (Art. 102.018(e), Code of Criminal Procedure) . . . \$10.

SECTION 3. Chapter 322, Government Code, is amended by adding Section 322.024 to read as follows:

Sec. 322.024. REDUCTION OF RELIANCE ON AVAILABLE DEDICATED REVENUE FOR BUDGET CERTIFICATION. (a) In this section, "available dedicated revenue" means revenue that Section 403.095 makes available for certification under Section 403.121.

(b) The board shall:

SENATE VERSION (IE)

No equivalent provision.

No equivalent provision.

SECTION 1. Chapter 322, Government Code, is amended by adding Section 322.024 to read as follows:

Sec. 322.024. REDUCTION OF RELIANCE ON AVAILABLE DEDICATED REVENUE FOR BUDGET CERTIFICATION. (a) In this section, "available dedicated revenue" means revenue that Section 403.095 makes available for certification under Section 403.121.

(b) The board shall:

CONFERENCE

Same as Senate version.

Same as Senate version.

SECTION 1. Same as Senate version.

House Bill 7
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

- (1) develop and implement a process to review;
- (A) new legislative enactments that create dedicated revenue;
and
- (B) the appropriation and accumulation of dedicated revenue and available dedicated revenue;
- (2) develop and implement tools to evaluate the use of available dedicated revenue for state government financing and budgeting; and
- (3) develop specific and detailed recommendations on actions the legislature may reasonably take to reduce state government's reliance on available dedicated revenue for the purposes of certification under Section 403.121 as authorized by Section 403.095.
- (c) The board shall incorporate into the board's budget recommendations appropriate measures to reduce state government's reliance on available dedicated revenue for the purposes of certification under Section 403.121 as authorized by Section 403.095 and shall include with the budget recommendations plans for further reducing state government's reliance on available dedicated revenue for those purposes for the succeeding six years.
- (d) For the purpose of reduction of reliance on available dedicated revenue for budget certification, the board shall not set the rate of growth of appropriation as required by Section 316.001 to exceed the lesser of:**
 - (1) the revenue estimate required by Section 403.121;
 - (2) the estimated rate of growth of the state's economy pursuant to Section 316.002; or
 - (3) a rate equal to the sum of:
 - (A) the estimated biennial rate of growth of the state's population; and
 - (B) the estimated biennial rate of monetary inflation in the

SENATE VERSION (IE)

- (1) develop and implement a process to review;
- (A) new legislative enactments that create dedicated revenue;
and
- (B) the appropriation and accumulation of dedicated revenue and available dedicated revenue;
- (2) develop and implement tools to evaluate the use of available dedicated revenue for state government financing and budgeting; and
- (3) develop specific and detailed recommendations on actions the legislature may reasonably take to reduce state government's reliance on available dedicated revenue for the purposes of certification under Section 403.121 as authorized by Section 403.095.
- (c) The board shall incorporate into the board's budget recommendations appropriate measures to reduce state government's reliance on available dedicated revenue for the purposes of certification under Section 403.121 as authorized by Section 403.095 and shall include with the budget recommendations plans for further reducing state government's reliance on available dedicated revenue for those purposes for the succeeding six years.

CONFERENCE

House Bill 7
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (IF)

CONFERENCE

state.

(e) The board shall determine the estimated biennial rate of growth of the state's population based on the average rate of growth during the preceding six years according to United States Census Bureau estimates as certified by the comptroller. The board shall determine the estimated biennial rate of monetary inflation in the state based on the average rate of change during the preceding six years of the effective consumer price index for the state. For purposes of this subsection, the effective consumer price index for the state is the average of the consumer price indexes as determined by the United States Department of Labor for the Corpus Christi metropolitan area and for the Dallas/Fort Worth metropolitan area.

(f) The board shall consult the comptroller as necessary to accomplish the objectives of Subsections (b) and (c).

SECTION 4. Subchapter F, Chapter 401, Government Code, is amended by adding Section 401.106 to read as follows:

Sec. 401.106. DRIVING WHILE INTOXICATED PREVENTION; COLLECTION OF CERTAIN FEES. (a) In this section, "offense relating to the operating of a motor vehicle while intoxicated" has the meaning assigned by Section 49.09(c), Penal Code.

(b) Court costs imposed under Article 102.018(e), Code of Criminal Procedure, shall be deposited in a general revenue dedicated account to the credit of the office of the governor to be used and may be appropriated only for the support of programs for the prevention of offenses relating to the operating of a motor vehicle while intoxicated in this state.

(d) The board shall consult the comptroller as necessary to accomplish the objectives of Subsections (b) and (c).

No equivalent provision.

Same as Senate version.

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SECTION 5. Subchapter F, Chapter 403, Government Code, is amended by adding Section 403.0956 to read as follows:

Sec. 403.0956. REALLOCATION OF INTEREST ACCRUED ON CERTAIN DEDICATED REVENUE. Notwithstanding any other law, all interest or other earnings that accrue on all revenue held in an account in the general revenue fund any part of which Section 403.095 makes available for certification under Section 403.121 are available for any general governmental purpose, and the comptroller shall deposit the interest and earnings to the credit of the general revenue fund. This section does not apply to:

- (1) interest or earnings on revenue deposited in accordance with Section 51.008, Education Code; or
- (2) ~~an account that accrues~~ interest or ~~other~~ earnings on deposits of ~~state or~~ federal money the diversion of which is specifically excluded by ~~state or~~ federal law.

SECTION 6. Sections 361.013(a) and (f), Health and Safety Code, are amended to read as follows:

- (a) Except as provided by Subsections (e) through (i), the commission shall charge a fee on all solid waste that is disposed of within this state. The fee is 94 cents [~~\$1.25~~] per ton received for disposal at a municipal solid waste landfill if the solid waste is measured by weight. If the solid waste is measured by volume, the fee for compacted solid waste is 30 [~~40~~] cents per cubic yard and the fee [~~0.75~~] for uncompacted solid waste is 19 [~~25~~] cents per cubic yard received for disposal at a municipal solid waste landfill. The commission shall set the fee for sludge or similar waste applied to the land

SENATE VERSION (IE)

SECTION 2. Subchapter F, Chapter 403, Government Code, is amended by adding Section 403.0956 to read as follows:

Sec. 403.0956. REALLOCATION OF INTEREST ACCRUED ON CERTAIN DEDICATED REVENUE. Notwithstanding any other law, all interest or other earnings that accrue on all revenue held in an account in the general revenue fund any part of which Section 403.095 makes available for certification under Section 403.121 are available for any general governmental purpose, and the comptroller shall deposit the interest and earnings to the credit of the general revenue fund. This section does not apply to:

- (1) interest or earnings on revenue deposited in accordance with Section 51.008, Education Code;
- (2) interest or earnings on deposits of federal money the diversion of which is specifically excluded by federal law;

- (3) ~~the lifetime license endowment account; or~~
- (4) ~~the game, fish, and water safety account.~~ [FA1(1)]

SECTION 3. Same as House version.

CONFERENCE

SECTION 2. Subchapter F, Chapter 403, Government Code, is amended by adding Section 403.0956 to read as follows:

Sec. 403.0956. REALLOCATION OF INTEREST ACCRUED ON CERTAIN DEDICATED REVENUE. Notwithstanding any other law, all interest or other earnings that accrue on all revenue held in an account in the general revenue fund any part of which Section 403.095 makes available for certification under Section 403.121 are available for any general governmental purpose, and the comptroller shall deposit the interest and earnings to the credit of the general revenue fund.

This section does not apply to:

- (1) interest or earnings on revenue deposited in accordance with Section 51.008, Education Code;
- (2) an account that accrues interest or other earnings on deposits of state or federal money the diversion of which is specifically excluded by federal law;
- (3) the lifetime license endowment account; or
- (4) the game, fish, and water safety account.

SECTION 3. Same as House version.

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for beneficial use on a dry weight basis and for solid waste received at an incinerator or a shredding and composting facility at half the fee set for solid waste received for disposal at a landfill. The commission may charge comparable fees for other means of solid waste disposal that are used.

(f) The commission may not charge a fee under Subsection (a) for source separated [~~yard waste~~] materials that are processed [~~composted~~] at a composting and mulch processing facility, including a composting and mulch processing facility located at a permitted landfill site. The commission shall credit any fee payment due under Subsection (a) for any material received and processed [~~converted~~] to compost or mulch product at the facility [~~for composting through a composting process~~]. Any compost or mulch product that is produced at a [~~for~~] composting and mulch processing facility that is ~~not~~ used in the operation of the facility or is disposed of [~~as compost and is deposited~~] in a landfill is not exempt from the fee.

SECTION 7. Sections 361.014(a) and (b), Health and Safety Code, are amended to read as follows:

(a) Revenue received by the commission under Section 361.013 shall be deposited in the state treasury to the credit of the commission. Of that [~~Half of the~~] revenue, 66.7 percent is dedicated to the commission's municipal solid waste permitting programs, [~~and~~] enforcement programs, and site remediation programs, and [~~related support activities and~~] to pay for activities that will enhance the state's solid waste management program. The commission shall issue a biennial report to the legislature describing in detail how the money was spent. The activities to enhance the state's solid waste

SENATE VERSION (IE)

SECTION 4. Sections 361.014(a) and (b), Health and Safety Code, are amended to read as follows:

(a) Revenue received by the commission under Section 361.013 shall be deposited in the state treasury to the credit of the commission. Of that [~~Half of the~~] revenue, 66.7 percent is dedicated to the commission's municipal solid waste permitting programs, [~~and~~] enforcement programs, and site remediation programs, and [~~related support activities and~~] to pay for activities that will enhance the state's solid waste management program. The commission shall issue a biennial report to the legislature describing in detail how the money was spent. The activities to enhance the state's solid waste

CONFERENCE

SECTION 4. Same as Senate version.

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management program ~~must~~ include~~[-including]~~:

- (1) provision of funds for the municipal solid waste management planning fund and the municipal solid waste resource recovery applied research and technical assistance fund established by the Comprehensive Municipal Solid Waste Management, Resource Recovery, and Conservation Act (Chapter 363);
- (2) conduct of demonstration projects and studies to help local governments of various populations and the private sector to convert to accounting systems and set rates that reflect the full costs of providing waste management services and are proportionate to the amount of waste generated;
- (3) provision of technical assistance to local governments concerning solid waste management;
- (4) establishment of a solid waste resource center in the commission and an office of waste minimization and recycling;
- (5) provision of supplemental funding to local governments for the enforcement of this chapter, the Texas Litter Abatement Act (Chapter 365), and Chapters 391 and 683, Transportation Code;
- (6) conduct of a statewide public awareness program concerning solid waste management;
- (7) provision of supplemental funds for other state agencies with responsibilities concerning solid waste management, recycling, and other initiatives with the purpose of diverting recyclable waste from landfills;
- (8) conduct of research to promote the development and stimulation of markets for recycled waste products;
- (9) creation of a state municipal solid waste superfund, from funds appropriated, for:
 - (A) the cleanup of unauthorized tire dumps and solid waste

SENATE VERSION (IE)

management program ~~may~~ include~~[-including]~~: [FA1(2)]

- (1) provision of funds for the municipal solid waste management planning fund and the municipal solid waste resource recovery applied research and technical assistance fund established by the Comprehensive Municipal Solid Waste Management, Resource Recovery, and Conservation Act (Chapter 363);
- (2) conduct of demonstration projects and studies to help local governments of various populations and the private sector to convert to accounting systems and set rates that reflect the full costs of providing waste management services and are proportionate to the amount of waste generated;
- (3) provision of technical assistance to local governments concerning solid waste management;
- (4) establishment of a solid waste resource center in the commission and an office of waste minimization and recycling;
- (5) provision of supplemental funding to local governments for the enforcement of this chapter, the Texas Litter Abatement Act (Chapter 365), and Chapters 391 and 683, Transportation Code;
- (6) conduct of a statewide public awareness program concerning solid waste management;
- (7) provision of supplemental funds for other state agencies with responsibilities concerning solid waste management, recycling, and other initiatives with the purpose of diverting recyclable waste from landfills;
- (8) conduct of research to promote the development and stimulation of markets for recycled waste products;
- (9) creation of a state municipal solid waste superfund, from funds appropriated, for:
 - (A) the cleanup of unauthorized tire dumps and solid waste

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dumps for which a responsible party cannot be located or is not immediately financially able to provide the cleanup;

(B) the cleanup or proper closure of abandoned or contaminated municipal solid waste sites for which a responsible party is not immediately financially able to provide the cleanup; and

(C) remediation, cleanup, and proper closure of unauthorized recycling sites for which a responsible party is not immediately financially able to perform the remediation, cleanup, and closure;

(10) provision of funds to mitigate the economic and environmental impacts of lead-acid battery recycling activities on local governments; and

(11) provision of funds for the conduct of research by a public or private entity to assist the state in developing new technologies and methods to reduce the amount of municipal waste disposed of in landfills.

(b) Of [~~Half of~~] the revenue received by the commission under Section 361.013, 33.3 percent is dedicated to local and regional solid waste projects consistent with regional plans approved by the commission in accordance with this chapter and to update and maintain those plans. Those revenues shall be allocated to municipal solid waste geographic planning regions for use by local governments and regional planning commissions according to a formula established by the commission that takes into account population, area, solid waste fee generation, and public health needs. Each planning region shall issue a biennial report to the legislature detailing how the revenue is spent. A project or service funded under this subsection must promote cooperation between public and private entities and may not be otherwise readily available or create a competitive advantage over a private industry that

SENATE VERSION (IE)

dumps for which a responsible party cannot be located or is not immediately financially able to provide the cleanup;

(B) the cleanup or proper closure of abandoned or contaminated municipal solid waste sites for which a responsible party is not immediately financially able to provide the cleanup; and

(C) remediation, cleanup, and proper closure of unauthorized recycling sites for which a responsible party is not immediately financially able to perform the remediation, cleanup, and closure;

(10) provision of funds to mitigate the economic and environmental impacts of lead-acid battery recycling activities on local governments; and

(11) provision of funds for the conduct of research by a public or private entity to assist the state in developing new technologies and methods to reduce the amount of municipal waste disposed of in landfills.

(b) Of [~~Half of~~] the revenue received by the commission under Section 361.013, 33.3 percent is dedicated to local and regional solid waste projects consistent with regional plans approved by the commission in accordance with this chapter and to update and maintain those plans. Those revenues shall be allocated to municipal solid waste geographic planning regions for use by local governments and regional planning commissions according to a formula established by the commission that takes into account population, area, solid waste fee generation, and public health needs. Each planning region shall issue a biennial report to the legislature detailing how the revenue is spent. A project or service funded under this subsection must promote cooperation between public and private entities and may not be otherwise readily available or create a competitive advantage over a private industry that

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provides recycling or solid waste services.

SECTION 8. Section 361.133, Health and Safety Code, is amended by adding Subsection (c-1) to read as follows:

(c-1) Notwithstanding Subsection (c), money in the account attributable to fees imposed under Section 361.138 may be used for environmental remediation at the site of a closed battery recycling facility located in the municipal boundaries of a municipality if the municipality submits to the commission a voluntary compliance plan for the site and is paying or has paid for part of the costs of the environmental remediation of the site. This subsection expires September 30, 2014.

SECTION 9. Section 771.0711(c), Health and Safety Code, is amended to read as follows:

(c) Money collected under Subsection (b) may be used only for services related to 9-1-1 services, including automatic number identification and automatic location information services, or as authorized by Section 771.079(c). Not later than the 15th day after the end of the month in which the money is collected, the commission shall distribute to each emergency communication district that does not participate in the state system a portion of the money that bears the same proportion to the total amount collected that the population of the area served by the district bears to the population of the state. The remaining money collected under Subsection (b) shall be deposited to the 9-1-1 services fee account.

SENATE VERSION (IE)

provides recycling or solid waste services.

SECTION 5. Same as House version.

SECTION 6. Same as House version.

CONFERENCE

SECTION 5. Same as House version.

SECTION 6. Same as House version.

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SECTION 10. Section 771.079, Health and Safety Code, is amended by amending Subsection (c) and adding Subsection (c-1) to read as follows:

(c) Except as provided by Subsection (c-1), money [Money] in the account may be appropriated only to the commission for planning, development, provision, or enhancement of the effectiveness of 9-1-1 service or for contracts with regional planning commissions for 9-1-1 service, including for the purposes of:

(1) maintaining 9-1-1 service levels while providing for a transition to a system capable of addressing newer technologies and capable of addressing other needs;

(2) planning and deploying statewide, regional, and local emergency network systems; and

(3) updating geospatial mapping technologies.

(c-1) The legislature may appropriate money from the account to provide assistance to volunteer fire departments under Subchapter G, Chapter 614, Government Code, only if:

(1) the purposes described by Subsection (c) have been accomplished or are fully funded for the fiscal period for which an appropriation under this subsection is made; and

(2) all other sources of revenue dedicated for the purposes of providing assistance to volunteer fire departments under Subchapter G, Chapter 614, Government Code, are obligated for the fiscal period for which an appropriation under this subsection is made.

SECTION 11. Section 780.003(a), Health and Safety Code, is amended to read as follows:

(a) The designated trauma facility and emergency medical services account is created as a dedicated account in the

SENATE VERSION (IE)

SECTION 7. Same as House version.

SECTION 8. Same as House version.

CONFERENCE

SECTION 7. Same as House version.

SECTION 8. Same as House version.

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general revenue fund of the state treasury. Money in the account may be appropriated only to:

- (1) the department for the purposes described by Section 780.004; or
- (2) the Texas Higher Education Coordinating Board for graduate-level:
 - (A) medical education programs; or
 - (B) nursing education programs.

SECTION 12. Section 2007.002, Insurance Code, is amended to read as follows:

Sec. 2007.002. ASSESSMENT. The comptroller shall assess against all insurers to which this chapter applies amounts for each state fiscal year necessary, as determined by the commissioner, to collect a combined total equal to **the total amount that the General Appropriations Act appropriates from the volunteer fire department assistance fund account in the general revenue fund for that state fiscal year** [~~of \$30 million~~ for each 12-month period].

SECTION 13. Section 81.067(c), Natural Resources Code, is amended to read as follows:

- (c) The fund consists of:
 - (1) proceeds from bonds and other financial security required by this chapter and benefits under well-specific plugging insurance policies described by Section 91.104(c) that are paid to the state as contingent beneficiary of the policies, subject to the refund provisions of Section 91.1091, if applicable;
 - (2) private contributions, including contributions made under Section 89.084;

SECTION 9. Section 2007.002, Insurance Code, is amended to read as follows:

Sec. 2007.002. ASSESSMENT. The comptroller shall assess against all insurers to which this chapter applies amounts for each state fiscal year necessary, as determined by the commissioner, to collect a combined total equal to **the lesser of the total amount that the General Appropriations Act appropriates from the volunteer fire department assistance fund account in the general revenue fund for that state fiscal year and** [~~of~~] \$30 million [for each 12-month period].

SECTION 10. Same as House version.

SECTION 9. Same as Senate version.

SECTION 10. Same as House version.

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- (3) expenses collected under Section 89.083;
- (4) fees imposed under Section 85.2021;
- (5) costs recovered under Section 91.457 or 91.459;
- (6) proceeds collected under Sections 89.085 and 91.115;
- (7) interest earned on the funds deposited in the fund;
- (8) oil and gas waste hauler permit application fees collected under Section 29.015, Water Code;
- (9) costs recovered under Section 91.113(f);
- (10) hazardous oil and gas waste generation fees collected under Section 91.605;
- (11) oil-field cleanup regulatory fees on oil collected under Section 81.116;
- (12) oil-field cleanup regulatory fees on gas collected under Section 81.117;
- (13) fees for a reissued certificate collected under Section 91.707;
- (14) fees collected under Section 91.1013;
- (15) fees collected under Section 89.088;
- (16) fees collected under Section 91.142;
- (17) fees collected under Section 91.654;
- (18) costs recovered under Sections 91.656 and 91.657;
- (19) two-thirds of the fees collected under Section 81.0521;
- (20) fees collected under Sections 89.024 and 89.026;
- (21) legislative appropriations: ~~and~~
- (22) any surcharges collected under Section 81.070; and
- (23) fees collected under Section 91.0115.

SECTION 14. Section 81.068, Natural Resources Code, is amended to read as follows:

Sec. 81.068. **PURPOSE** OF OIL AND GAS REGULATION AND CLEANUP FUND. Money in the oil and gas regulation

SECTION 11. Section 81.068, Natural Resources Code, is amended to read as follows:

Sec. 81.068. **PURPOSES** ~~[PURPOSE]~~ OF OIL AND GAS REGULATION AND CLEANUP FUND. Money in the oil

SECTION 11. Same as Senate version.

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and cleanup fund may be used by the commission or its employees or agents for any purpose related to the regulation of oil and gas development, including oil and gas monitoring and inspections, oil and gas remediation, oil and gas well plugging, **public information and services related to those activities**, the study and evaluation of electronic access to geologic data and surface casing depths necessary to protect usable groundwater in this state, and administrative costs and state benefits for personnel involved in those activities.

No equivalent provision.

SENATE VERSION (IE)

and gas regulation and cleanup fund may be used by the commission or its employees or agents for any purpose related to the regulation of oil and gas development, including oil and gas monitoring and inspections, oil and gas remediation, **and** oil and gas well plugging, the study and evaluation of electronic access to geologic data and surface casing depths necessary to protect usable groundwater in this state, **alternative fuels programs under Section 81.0681, public information and services related to those activities.** and administrative costs and state benefits for personnel involved in those activities.

SECTION 12. Subchapter C, Chapter 81, Natural Resources Code, is amended by adding Section 81.0681 to read as follows:
Sec. 81.0681. ALTERNATIVE FUELS PROGRAMS. (a) The commission may adopt all necessary rules relating to activities regarding the use of alternative fuels that are or have the potential to be effective in improving the air quality, energy security, or economy of this state.
(b) The commission may use the oil and gas regulation and cleanup fund to pay for activities relating to the use of alternative fuels, including direct and indirect costs relating to:
(1) researching all possible uses of liquefied petroleum gas and natural gas as alternative fuels;
(2) researching, developing, and implementing marketing, advertising, and informational programs relating to alternative fuels to make alternative fuels more understandable and readily available to consumers;
(3) developing and implementing conservation and distribution plans to minimize the frequency and severity of

CONFERENCE

SECTION 12. Subchapter C, Chapter 81, Natural Resources Code, is amended by adding Section 81.0681 to read as follows:
Sec. 81.0681. ALTERNATIVE FUELS PROGRAMS. (a) The commission shall adopt all necessary rules relating to activities regarding the use of alternative fuels that are or have the potential to be effective in improving the air quality, energy security, or economy of this state.
(b) The commission shall use the oil and gas regulation and cleanup fund to pay for activities relating to the use of alternative fuels, including direct and indirect costs relating to:
(1) researching all possible uses of liquefied petroleum gas and natural gas as alternative fuels;
(2) researching, developing, and implementing marketing, advertising, and informational programs relating to alternative fuels to make alternative fuels more understandable and readily available to consumers;
(3) developing and implementing conservation and

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disruptions in the supply of alternative fuels;
(4) developing a public information plan that will provide advisory services relating to alternative fuels to consumers;
(5) developing voluntary participation plans to promote the use of alternative fuels by federal, state, and local agencies;
and
(6) other functions the commission determines are necessary to add a program established by the commission for the purpose of promoting the use of liquefied petroleum gas, natural gas, or other alternative fuels.

distribution plans to minimize the frequency and severity of disruptions in the supply of alternative fuels;
(4) developing a public information plan that will provide advisory services relating to alternative fuels to consumers;
(5) developing voluntary participation plans to promote the use of alternative fuels by federal, state, and local agencies;
and
(6) other functions the commission determines are necessary to add a program established by the commission for the purpose of promoting the use of liquefied petroleum gas, natural gas, or other alternative fuels.

SECTION 15. Section 91.0115, Natural Resources Code, is amended by amending Subsection (c) and adding Subsection (d) to read as follows:

(c) The commission shall charge a fee not to exceed \$75, in addition to the fee required by Subsection (b), for processing a request to expedite a letter of determination. ~~[Money collected under this subsection may be used to study and evaluate electronic access to geologic data and surface casing depths under Section 91.020.]~~

(d) The fees collected under this section shall be deposited in the oil and gas regulation and cleanup fund.

SECTION 13. Same as House version.

SECTION 13. Same as House version.

SECTION 16. Section 151.801(c-1), Tax Code, is amended to read as follows:

(c-1) Except as provided by this subsection, the [The] comptroller may not credit to the Parks and Wildlife Department or the Texas Historical Commission any amounts under this section that are in excess of the amounts appropriated to the department or commission for that

SECTION 14. Same as House version.

SECTION 14. Same as House version.

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~~biennium[, less any other amounts to which the department or commission is entitled]. In addition to amounts appropriated to the Parks and Wildlife Department from the proceeds described by Subsection (c), the comptroller shall transfer to appropriate department accounts amounts from those proceeds sufficient to fund the state contributions for employee benefits of Parks and Wildlife Department employees whose salaries or wages are paid from department accounts receiving the transfers.~~

SECTION 17. Section 501.138(b-2), Transportation Code, is amended to read as follows:

(b-2) The comptroller shall establish a record of the amount of the fees deposited to the credit of the Texas Mobility Fund under Subsection (b-1) and shall monitor transfers to and from the Texas emissions reduction plan fund. On or before the fifth workday of each month, the department shall remit to the comptroller for deposit to the credit of the Texas emissions reduction plan fund an amount of money, not to exceed ~~[equal to]~~ the amount of the fees deposited by the comptroller to the credit of the Texas Mobility Fund under Subsection (b-1) in the preceding month, ~~the comptroller determines is necessary to meet amounts appropriated from the Texas emissions reduction plan fund or, after consultation with the Texas Commission on Environmental Quality, if a fee is imposed on stationary sources in a county located in a nonattainment area as provided by 42 U.S.C. Section 7511d, an amount of money not to exceed the amount of the total of fees attributable to applicants for titles, other than the state or political subdivisions of the state, who reside in a county located in a nonattainment area or in an affected county, as described by~~

No equivalent provision.

Same as Senate version.

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Subsection (a)(1). The department shall use for remittance to the comptroller as required by this subsection money in the state highway fund that is not required to be used for a purpose specified by Section 7-a, Article VIII, Texas Constitution, and may not use for that remittance money received by this state under the congestion mitigation and air quality improvement program established under 23 U.S.C. Section 149. The Texas Transportation Commission may designate for congestion mitigation projects or for deposit to the Texas rail relocation fund eligible amounts retained in the state highway fund because the amounts were not required to be remitted under this subsection on the condition that the Texas Commission on Environmental Quality, after a public hearing, finds that the use of the funds for those purposes will be at least as effective as other eligible uses of those funds under the Texas emissions reduction plan in maintaining or attaining compliance with the federal Clean Air Act and notifies the Texas Transportation Commission of that finding. Unless that condition is met, the amounts shall be deposited to the credit of the Texas emissions reduction plan fund. The Texas Commission on Environmental Quality by rule shall adopt criteria for making the finding required by this subsection.

SECTION 18. Subchapter G, Chapter 504, Transportation Code, is amended by adding Section 504.6012 to read as follows:

Sec. 504.6012. ELIMINATION OF DEDICATED REVENUE ACCOUNTS; REVENUES IN TRUST. (a) Notwithstanding any other provision of this subchapter, not later than September 30, 2013, the comptroller shall eliminate

SECTION 15. Same as House version.

SECTION 15. Same as House version.

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all dedicated accounts established for specialty license plates under this subchapter and shall set aside the balances of those dedicated accounts so that the balances may be appropriated only for the purposes intended as provided by the dedications.

(b) On and after September 1, 2013, the portion of a fee payable under this subchapter that is designated for deposit to a dedicated account shall be paid instead to the credit of an account in a trust fund created by the comptroller outside the general revenue fund. The comptroller shall administer the trust fund and accounts and may allocate the corpus and earnings on each account only in accordance with the dedications of the revenue deposited to the trust fund accounts.

SECTION 19. Section 17.007, Utilities Code, is amended to read as follows:

Sec. 17.007. ELIGIBILITY PROCESS FOR CUSTOMER SERVICE DISCOUNTS. The commission by rule shall provide for an integrated eligibility process for customer service discounts, including discounts under Sections 39.9035 [~~39.903~~] and 55.015.

No equivalent provision.

Same as Senate version.

SECTION 20. Section 39.002, Utilities Code, is amended to read as follows:

Sec. 39.002. APPLICABILITY. This chapter, other than Sections 39.155, 39.157(e), 39.203, 39.903, 39.9035, 39.904, 39.9051, 39.9052, and 39.914(e), does not apply to a municipally owned utility or an electric cooperative. Sections 39.157(e), 39.203, and 39.904, however, apply only to a municipally owned utility or an electric cooperative that is

No equivalent provision.

Same as Senate version.

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offering customer choice. If there is a conflict between the specific provisions of this chapter and any other provisions of this title, except for Chapters 40 and 41, the provisions of this chapter control.

SECTION 21. Subchapter Z, Chapter 39, Utilities Code, is amended by amending Section 39.903 and adding Section 39.9035 to read as follows:

Sec. 39.903. SYSTEM BENEFIT FUND. (a) The system benefit fund is an account in the general revenue fund. Money in the account may be appropriated only for the purposes provided by this section [~~or other law~~]. Interest earned on the system benefit fund shall be credited to the fund. Section 403.095, Government Code, does not apply to the system benefit fund.

(b) The system benefit fund is financed by a nonbypassable system benefit fund fee set by the commission in an amount not to exceed two [~~65~~] cents per megawatt hour. The system benefit fund fee is allocated to customers based on the amount of kilowatt hours used.

(c) The nonbypassable system benefit fund fee may not be imposed on the retail electric customers of a municipally owned utility or electric cooperative before the sixth month preceding the date on which the utility or cooperative implements customer choice. Money distributed from the system benefit fund to a municipally owned utility or an electric cooperative shall be proportional to the nonbypassable fee paid by the municipally owned utility or the electric cooperative[, ~~subject to the reimbursement provided by Subsection (i)~~]. On request by a municipally owned utility or electric cooperative, the commission shall reduce the

No equivalent provision.

SECTION 16. Section 39.903 Utilities Code, is amended by adding Subsection (m) to read as follows:

(m) This section expires September 1, 2016.

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nonbypassable fee imposed on retail electric customers served by the municipally owned utility or electric cooperative by an amount equal to the amount provided by the municipally owned utility or electric cooperative or its ratepayers for ~~local low income programs and~~ local programs that educate customers about the retail electric market in a neutral and nonpromotional manner. The commission shall adopt rules providing for reimbursements from appropriated system benefit fund money for activities authorized for funding under this section.

(d) The commission shall annually review and approve system benefit fund accounts, projected revenue requirements, and proposed nonbypassable fees. The commission shall report to the electric utility restructuring legislative oversight committee if the system benefit fund fee is insufficient to fund the purposes set forth in Subsection (e) to the extent required by this section.

(e) Money in the system benefit fund may be appropriated to provide funding solely for the following regulatory purposes ~~in the following order of priority~~:

(1) ~~programs to:~~

~~[(A) assist low income electric customers by providing the 10 percent reduced rate prescribed by Subsection (h); and~~

~~[(B) provide one-time bill payment assistance to electric customers who are or who have in their households one or more seriously ill or disabled low income persons and who have been threatened with disconnection for nonpayment;~~

~~[(2) customer education programs;~~

(2) [-] administrative expenses incurred by the commission in implementing and administering this chapter;

(3) [-and] expenses incurred by the office under this chapter;

(4) ~~[(3)]~~ programs to assist low-income electric customers by

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providing weatherization or other [the targeted] energy efficiency programs [described by Subsection (f)(2);

~~[(4) programs to assist low income electric customers by providing the 20 percent reduced rate prescribed by Subsection (h)]; and~~

(5) reimbursement to the commission and the Health and Human Services Commission for expenses incurred in the implementation and administration of an integrated eligibility process created under Section 17.007 for customer service discounts relating to retail electric service, including outreach expenses the commission determines are reasonable and necessary.

(f) The legislature may appropriate from the system benefit fund not more than \$100 million each state fiscal biennium for the purposes of Subsection (e)(4). Money appropriated from the system benefit fund for the purposes of Subsection (e)(4) must be transferred to the low-income electric customers program fund for disbursement under Section 39.9035.

Sec. 39.9035. LOW-INCOME ELECTRIC CUSTOMERS PROGRAM FUND. (a) In this section, "critical care residential customer" means a residential customer who has a person permanently residing in the customer's home who is diagnosed by a physician as being dependent on an electric-powered medical device to sustain life.

(b) The commission shall adopt and enforce rules requiring transmission and distribution utilities to establish a low-income electric customers program fund under commission oversight. The rules must provide for:

(1) the fund to be established as a trust fund outside of the state treasury;

(2) the fund to be held by an administrator selected by the transmission and distribution utilities in accordance with

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standards adopted by the commission; and

(3) any interest earned on money in the fund to be credited to the fund.

(c) The administrator serves as trustee of the fund for the benefit of low-income electric customer programs described by this section, and in accordance with commission rules, the administrator may make any payments or reimbursements from the fund to further the programs. Commission rules must prescribe the maximum percentage of money available in the fund that may be used for the expenses of administering the fund and for annual independent auditing of the fund and expenditures and other transactions related to the fund. The commission or its agents may at any time examine any records related to the fund or investigate any fund-related expenditures or expenses. The administrator and each transmission and distribution utility shall fully cooperate with any investigation regarding the fund conducted by the commission or its agents.

(d) The commission by rule shall impose a nonbypassable low-income electric customers program fund fee to be set by the commission in an amount not to exceed 50 cents per megawatt hour, allocated to customers based on the amount of kilowatt hours used.

(e) The commission shall provide for a nonbypassable fee in the same amount as the fee imposed under Subsection (d) to be imposed on the retail electric customers of a municipally owned utility or electric cooperative beginning on the first day of the sixth month preceding the date on which the utility or cooperative implements customer choice. Money distributed from the system benefit fund to a municipally owned utility or an electric cooperative shall be proportional to the nonbypassable fee paid by the municipally owned utility or

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the electric cooperative. On request by a municipally owned utility or electric cooperative, the commission shall reduce the nonbypassable fee imposed on retail electric customers served by the municipally owned utility or electric cooperative by an amount equal to the amount provided by the municipally owned utility or electric cooperative or its ratepayers for local low-income programs.

(f) Commission rules adopted under this section must provide that the low-income electric customers program fund fees collected for the programs described by this section are collected through the rates of the transmission and distribution service providers and deposited into the low-income electric customers program fund.

(g) Except as provided by Subsection (h), money in the low-income electric customers program fund may be spent only for the following regulatory purposes and must be allocated as follows:

(1) not more than 96 percent of the money available in the fund must be used to provide a 15 percent reduced rate for low-income households for each billing period during the months of May through October of each year; and

(2) not more than 4 percent of the money available in the fund must be used for bill payment assistance for critical care residential customers with total household incomes not to exceed 400 percent of the federal poverty guidelines.

(h) Only money appropriated for the purposes of Section 39.903(e)(4) and transferred to the fund may be used to finance low-income electric customer weatherization programs under this section. The programs must be operated by a statewide network of federal weatherization program providers under federal weatherization program guidelines and may include related low-income energy efficiency

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programs.

~~(i) [(f) Notwithstanding Section 39.106(b), the commission shall adopt rules regarding programs to assist low-income electric customers on the introduction of customer choice. The programs may not be targeted to areas served by municipally owned utilities or electric cooperatives that have not adopted customer choice. The programs shall include:~~

~~[(1) reduced electric rates as provided by Subsections (h) (1); and~~

~~[(2) targeted energy efficiency programs to be administered by the Texas Department of Housing and Community Affairs in coordination with existing weatherization programs.~~

~~[(g) Until customer choice is introduced in a power region, an electric utility may not reduce, in any manner, programs already offered to assist low-income electric customers.~~

~~(j) [(h) The commission shall adopt rules for a retail electric provider to determine a reduced rate for eligible customers to be discounted off the standard retail service package as approved by the commission under Section 39.106 and shall require a retail electric provider to apply the same reduction to any rate plan under which an eligible low-income electric customer is receiving service [or the price to beat established by Section 39.202, whichever is lower]. Municipally owned utilities and electric cooperatives shall establish a reduced rate for eligible customers to be discounted off the standard retail service package established under Section 40.053 or 41.053, as appropriate, so that the total of the discounts provided under this section is proportional to the total of the nonbypassable fees imposed as provided by Section 39.9035(e) that are collected from the retail electric customers of the utility or cooperative. The reduced rate for a retail electric provider shall result in a total charge for each billing~~

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period that is at least 15 [40] percent [and, if sufficient money in the system benefit fund is available, up to 20 percent.] lower than the amount the customer would otherwise be charged for each billing period. To the extent the low-income electric customers program [system benefit] fund is insufficient to pay for [fund] the 15 [initial 40] percent rate reduction, the commission may increase the fee to an amount of not more than 50 [65] cents per megawatt hour, as provided by Subsection (d) [(b)]. If the fee is set at 50 [65] cents per megawatt hour or if the commission determines that revenues anticipated to be due for deposit to the fund are [appropriations are] insufficient to pay for [fund] the 15 [40] percent rate reduction, the commission shall [may] reduce the rate of the reduction to less than 15 [40] percent. For a municipally owned utility or electric cooperative, the reduced rate shall be equal to an amount that can be fully funded by that portion of the nonbypassable fee proceeds paid by the municipally owned utility or electric cooperative that is allocated to the utility or cooperative by the commission under Subsection (g) [(e)] for programs for low-income customers of the utility or cooperative. The reduced rate for municipally owned utilities and electric cooperatives under this section is in addition to any rate reduction that may result from local programs for low-income customers of the municipally owned utilities or electric cooperatives. Before August 1 of each even-numbered year, the commission shall project whether revenue anticipated to be due for deposit to the fund during the next state fiscal biennium will be sufficient to pay for the 15 percent rate reduction. If the commission projects that the anticipated revenue would be insufficient to pay for the rate reduction, not later than August 1 the commission shall report to the Legislative Budget Board the additional amount that

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would be necessary to pay for the rate reduction and request that the board include in the budget for that biennium an appropriation in that amount to the commission for that purpose from the system benefit fund or another source. Notwithstanding Section 39.903, the legislature may appropriate money from the system benefit fund for the purpose of ensuring sufficient funding to pay for the rate reduction.

(k) [(+)] A retail electric provider, municipally owned utility, or electric cooperative seeking reimbursement from the low-income electric customers program [~~system benefit~~] fund may not charge an eligible low-income customer a rate higher than the appropriate rate determined under Subsection (j) [(+)]. Commission rules must provide for [~~A retail electric provider not subject to the price to beat, or~~] a municipally owned utility or electric cooperative subject to the nonbypassable fee under Subsection (e) to [(e), shall] be reimbursed from the [~~system benefit~~] fund for the difference between the reduced rate and the rate established under [~~Section 39.106 or, as appropriate, the rate established under~~] Section 40.053 or 41.053, as appropriate. A retail electric provider [~~who is subject to the price to beat~~] shall be reimbursed from the [~~system benefit~~] fund for the difference between the reduced rate and the rate plan under which the customer is receiving service [~~the price to beat~~]. The commission shall adopt rules providing for the reimbursement.

(l) [(+)] The commission shall adopt rules providing for methods of enrolling customers eligible to receive the reduced rates determined under Subsection (j) [(+)]. The rules must provide for automatic enrollment as one enrollment option. The Health and [~~Texas Department of~~] Human Services Commission, on request of the commission, shall assist in the

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adoption and implementation of these rules. The commission and the Health and [Texas Department of] Human Services Commission shall enter into a memorandum of understanding establishing the respective duties of the agencies [commission and the department] in relation to the automatic enrollment. Rules adopted under this section must provide that:

(1) an electric customer eligible for the reduced rates determined under Subsection (j) is also eligible for reduced rates for telecommunications services offered for low-income customers; and

(2) a customer eligible for reduced rates for telecommunications services offered for low-income customers is also eligible for the reduced rates established under Subsection (j).

(m) [(j-1)] The commission shall adopt rules governing the bill payment assistance program provided under Subsection (g)(2) [(e)(1)(B)]. The rules must provide that a customer is eligible to receive the assistance only if the assistance is necessary to prevent the disconnection of service for nonpayment of bills for a critical care residential customer [and the electric customer is or has in the customer's household one or more seriously ill or disabled low income persons whose health or safety may be injured by the disconnection]. The commission may prescribe the documentation necessary to demonstrate eligibility for the assistance and may establish additional eligibility criteria. The Health and Human Services Commission, on request of the commission, shall assist in the adoption and implementation of these rules.

(n) [(k)] A retail electric provider is prohibited from charging the customer a fee for participation in the reduced rate program.

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(o) Notwithstanding Subsections (d), (e), (f), and (j), the low-income electric customers program fund fee may not be imposed after August 31, 2023. After that date, the commission and the administrator shall undertake to continue the low-income electric customers programs described by this section until the balances of the fund and the system benefit fund are exhausted.

~~[(1) For the purposes of this section, a "low-income electric customer" is an electric customer:~~

~~[(1) whose household income is not more than 125 percent of the federal poverty guidelines; or~~

~~[(2) who receives food stamps from the Texas Department of Human Services or medical assistance from a state agency administering a part of the medical assistance program.]~~

SECTION 22. Section 39.905(f), Utilities Code, is amended to read as follows:

(f) Unless funding is provided under Section 39.9035 ~~[39.903]~~, each unbundled transmission and distribution utility shall include in its energy efficiency plan a weatherization and ~~[targeted]~~ low-income energy efficiency program as described by Section 39.9035(h) ~~[39.903(f)(2)]~~, and the savings achieved by the program shall count toward the transmission and distribution utility's energy efficiency goal. The commission shall determine the appropriate level of funding to be allocated to both the required weatherization programs ~~[targeted]~~ and standard offer low-income energy efficiency programs in each unbundled transmission and distribution utility service area. The level of funding for the required weatherization programs and low-income energy efficiency programs shall be provided from money approved by the

No equivalent provision.

Same as Senate version.

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commission for the transmission and distribution utility's energy efficiency programs. The commission shall ensure that annual expenditures for the required weatherization programs and [targeted] low-income energy efficiency programs of each unbundled transmission and distribution utility are not less than 10 percent of the transmission and distribution utility's energy efficiency budget for the year. A required weatherization program or a [targeted] low-income energy efficiency program must comply with the same audit requirements that apply to federal weatherization subrecipients. In an energy efficiency cost recovery factor proceeding related to expenditures under this subsection, the commission shall make findings of fact regarding whether the utility meets requirements imposed under this subsection. The state agency that administers the federal weatherization assistance program shall provide reports as required by the commission to provide the most current information available on energy and peak demand savings achieved in each transmission and distribution utility service area. The agency shall participate in energy efficiency cost recovery factor proceedings related to expenditures under this subsection to ensure that the required weatherization programs and [targeted] low-income weatherization programs are consistent with federal weatherization programs and adequately funded.

SECTION 23. Section 40.001(a), Utilities Code, is amended to read as follows:

(a) Notwithstanding any other provision of law, except Sections 39.155, 39.157(e), 39.203, 39.903, 39.9035, and 39.904, this chapter governs the transition to and the establishment of a fully competitive electric power industry

No equivalent provision.

Same as Senate version.

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for municipally owned utilities. With respect to the regulation of municipally owned utilities, this chapter controls over any other provision of this title, except for sections in which the term "municipally owned utility" is specifically used.

SECTION 24. Section 40.004, Utilities Code, is amended to read as follows:

Sec. 40.004. JURISDICTION OF COMMISSION. Except as specifically otherwise provided in this chapter, the commission has jurisdiction over municipally owned utilities only for the following purposes:

- (1) to regulate wholesale transmission rates and service, including terms of access, to the extent provided by Subchapter A, Chapter 35;
- (2) to regulate certification of retail service areas to the extent provided by Chapter 37;
- (3) to regulate rates on appeal under Subchapters D and E, Chapter 33, subject to Section 40.051(c);
- (4) to establish a code of conduct as provided by Section 39.157(e) applicable to anticompetitive activities and to affiliate activities limited to structurally unbundled affiliates of municipally owned utilities, subject to Section 40.054;
- (5) to establish terms and conditions for open access to transmission and distribution facilities for municipally owned utilities providing customer choice, as provided by Section 39.203;
- (6) to require collection of the nonbypassable fees [~~fee~~] established under Section 39.903(b) and Section 39.9035(e);
- (7) [~~and~~] to administer the renewable energy credits program under Section 39.904(b) and the natural gas energy credits program under Section 39.9044(b); and

No equivalent provision.

Same as Senate version.

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~~(8)~~ [(7)] to require reports of municipally owned utility operations only to the extent necessary to:

(A) enable the commission to determine the aggregate load and energy requirements of the state and the resources available to serve that load; or

(B) enable the commission to determine information relating to market power as provided by Section 39.155.

SECTION 25. Section 41.001, Utilities Code, is amended to read as follows:

Sec. 41.001. **APPLICABLE LAW.** Notwithstanding any other provision of law, except Sections 39.155, 39.157(e), 39.203, 39.903, 39.9035, and 39.904, this chapter governs the transition to and the establishment of a fully competitive electric power industry for electric cooperatives. Regarding the regulation of electric cooperatives, this chapter shall control over any other provision of this title, except for sections in which the term "electric cooperative" is specifically used.

No equivalent provision.

No equivalent provision.

SECTION 16. Subchapter Z, Chapter 39, Utilities Code, is amended by adding Section 39.9039 to read as follows:

Sec. 39.9039. DISBURSEMENT OF SYSTEM BENEFIT FUND BALANCE. (a) Money in the system benefit fund may be appropriated for the purpose of returning the money to payers of the fee imposed under Section 39.903 as provided by this section.

(b) After consultation with the comptroller, the commission by rule shall establish a system for transmission and distribution utilities, retail electric providers, municipally

Same as Senate version.

SECTION 17. Subchapter Z, Chapter 39, Utilities Code, is amended by adding Section 39.9039 to read as follows:
39.9039 ELIMINATION OF SYSTEM BENEFIT FUND BALANCE. (a) Notwithstanding Section 39.903(b), the commission shall set the nonbypassable system benefit fund fee at the amount of zero cents per megawatt hour for the period beginning September 1, 2013, and ending September 1, 2016.

(b) Notwithstanding Section 39.903(e), money in the system benefit fund may be appropriated:

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owned utilities, or electric cooperatives to credit retail electric customers' bills in amounts necessary to expend in accordance with this section and as fully as practicable any portion of the system benefit fund appropriated to the commission for that purpose.

(c) The commission shall direct the comptroller to disburse as much as practicable of the appropriated money described by Subsection (b) as soon as practicable in one or more installments to transmission and distribution utilities, retail electric providers, municipally owned utilities, or electric cooperatives under the system established under Subsection (b) so that each entity receives an amount necessary to give each retail electric customer that has customer choice an equal credit so that the total of the credits equals the total amount disbursed.

(d) The commission by rule shall require each entity receiving disbursements under this section to ensure that retail electric customers that have customer choice, through one or more billings for electric services, each receive equal credits that, in the aggregate, equal the amount of the disbursements received under this section, less a reasonable amount to reimburse the entity for administering this section as established by the commission in an amount not to exceed two percent of the disbursements. The commission by rule shall ensure that the customer is provided, with the customer's bill, notice that the refund of the system benefit fund fee is "provided by the Texas Legislature."

(e) The comptroller and commission jointly shall issue a report on the progress made in developing and implementing the system required to be established by Subsection (b), and in disbursing the amount appropriated from the system benefit fund through that system, not later than December 15 of each

(1) for state fiscal year beginning September 1, 2013, a program established by the commission to assist low-income electric customers by providing a reduced rate for the months of September, 2013, and May through August, 2014, in the manner prescribed by Section 39.903(h) at a rate of up to 82 percent;

(2) for the state fiscal year beginning September 1, 2014, a program established by the commission to assist low-income electric customers by providing a reduced rate for the months of September, 2014, and May through August, 2015, in the manner prescribed by Section 39.903(h) at a rate of up to 15 percent;

(3) for the state fiscal year beginning September 1, 2015, a program established by the commission to assist low-income electric customers by providing a reduced rate for the months of September, 2015, and May through August, 2016, in the manner prescribed by Section 39.903(h) at a rate of up to 15 percent; and

(4) for customer education programs and administrative expenses incurred by the commission in implementing and administering this chapter.

(c) This section expires September 1, 2016.

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fiscal year for which the money is appropriated. The report issued under this subsection must be presented in writing to the governor, the lieutenant governor, the speaker of the house of representatives, and the standing committees of the senate and house of representatives having primary jurisdiction over electric utilities.

SECTION 26. Subchapter I, Chapter 26, Water Code, is amended by adding Section 26.35745 to read as follows:

Sec. 26.35745. REPORT ON CORRECTIVE ACTIONS FOR PETROLEUM CONTAMINATED SITES AND FEES NECESSARY TO CONCLUDE PROGRAM. (a) The commission annually shall prepare a report regarding the status of corrective actions for sites reported to the commission under this subchapter as having had a release needing corrective action. The commission must issue the report to the legislature on or before November 1 of each year. (b) Regarding sites reported to the commission under this subchapter as having had a release needing corrective action on or before December 22, 1998, and that remain in the commission's PST State-Lead Program on September 1, 2013, the report must include:

- (1) the total number of sites;
- (2) the total number of sites for which corrective action is ongoing;
- (3) the total number of sites monitored;
- (4) the projected costs of the corrective actions;
- (5) the projected costs of monitoring;
- (6) a projected timeline for issuing closure letters under this subchapter for all of the sites; and
- (7) for each site, the corrective action activities proposed and

SECTION 17. Same as House version.

SECTION 18. Same as House version.

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completed during the preceding state fiscal year.

(c) Regarding sites reported to the commission under this subchapter as having had a release needing corrective action after December 22, 1998, for which the commission has elected to assume responsibility for undertaking corrective action under this subchapter, the report must include:

(1) the current status of each site;

(2) the costs associated with the corrective action activities performed during the preceding state fiscal year for the sites;

(3) amounts recovered under Section 26.355 related to the sites; and

(4) enforcement actions taken against owners and operators related to those sites.

(d) The commission shall investigate the amount of fees that would be necessary to cover the costs necessary to conclude the programs and activities under this subchapter before September 1, 2021. The commission shall include in the annual report under this section the conclusions of the investigation and the commission's recommendations regarding the fees and programs and activities.

(e) This section expires September 1, 2021.

SECTION 27. (a) The comptroller of public accounts shall compute the amount by which the amount of the revenue described by Object Code 3201, Insurance Premium Taxes, as referenced in the comptroller's biennial revenue estimate submitted in advance of the 83rd Legislature, Regular Session, 2013, and actually received during the state fiscal biennium beginning September 1, 2013, exceeds the amount of that revenue as estimated for that biennium in the biennial revenue estimate.

No equivalent provision.

Same as Senate version.

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(b) Notwithstanding any other law providing for the allocation or dedication of the revenue described by Object Code 3201, Insurance Premium Taxes, as referenced in the comptroller's biennial revenue estimate submitted in advance of the 83rd Legislature, Regular Session, 2013, the first \$340 million of the amount of the excess revenue computed by the comptroller under Subsection (a) of this section shall be considered available for appropriation for providing the nonfederal share of disproportionate share hospitals supplemental payment program funds.

(c) This section expires August 31, 2015.

SECTION 28. Article 102.018(e), Code of Criminal Procedure, as added by this Act, applies only to a cost on conviction for an offense committed on or after September 1, 2013. An offense committed before September 1, 2013, is governed by the law in effect on the date the offense was committed, and the former law is continued in effect for that purpose. For purposes of this section, an offense was committed before September 1, 2013, if any element of the offense was committed before that date.

No equivalent provision.

Same as Senate version.

SECTION 29. The Public Utility Commission of Texas shall adopt or revise, as necessary to implement this Act, rules governing the system benefit fund and the low-income electric customers program fund under Section 39.903, Utilities Code, as amended by this Act, and Section 39.9035, Utilities Code, as added by this Act, not later than January 1, 2014.

No equivalent provision.

Same as Senate version.

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SENATE VERSION (1E)

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No equivalent provision.

SECTION __. Effective September 1, 2015, Section 56.095(b), Education Code, is repealed. [FA2]

SECTION 19. Same as Senate version.

No equivalent provision.

SECTION __. (a) Subchapter I, Chapter 113, Natural Resources Code, is repealed.
(b) On the effective date of this Act:
(1) the alternative fuels research and education fund is abolished;
(2) any money remaining in the alternative fuels research and education fund is transferred to the undedicated portion of the general revenue fund;
(3) any claim against the alternative fuels research and education fund is transferred to the undedicated portion of the general revenue fund; and
(4) any amount required to be deposited to the credit of the alternative fuels research and education fund shall be deposited to the credit of the undedicated portion of the general revenue fund.
(c) Any money transferred from the alternative fuels research and education fund to the undedicated portion of the general revenue fund that was deposited in the alternative fuels research and education fund as a gift, grant, or other form of assistance under former Subchapter I, Chapter 113, Natural Resources Code, and is encumbered by the specific terms of the gift, grant, or other form of assistance may be spent only in accordance with the terms of the gift, grant, or other form of assistance. Subchapter I, Chapter 113, Natural Resources Code, is continued in effect for the limited purpose of administering this subsection. [FA1(4)]

SECTION 20. Same as Senate version.

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No equivalent provision.

SECTION 30. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

SENATE VERSION (IE)

SECTION 18. The balance of the system benefit fund, in an amount not to exceed \$630 million, to the extent that balance is not otherwise appropriated by an Act of the 82nd Legislature or by an Act of the 83rd Legislature, Regular Session, 2013, is appropriated to the comptroller of public accounts for the period beginning on the effective date of this Act and ending August 31, 2014, for the purpose of returning the money to payers of the fee imposed under Section 39.903, Utilities Code, as provided by Section 39.9039, Utilities Code, as added by this Act. [FA1(3)]

SECTION 19. Same as House version.

CONFERENCE

SECTION 21. In addition to other appropriations made from the system benefit fund by the 83rd Legislature, Regular Session, 2013, the amount of \$500 million is appropriated from the system benefit fund to the Public Utility Commission of Texas for the purposes of Section 39.9039, Utilities Code, as added by this Act, for the period beginning on the effective date of this Act and ending August 31, 2014.

SECTION 22. 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: HB7 by Darby (Relating to the amounts, availability, and use of certain statutorily dedicated revenue and accounts; reducing or affecting the amounts or rates of certain statutorily dedicated fees and assessments; making an appropriation.), **Conference Committee Report**

Estimated Two-year Net Impact to General Revenue Related Funds for HB7, Conference Committee Report: a positive impact of \$107,220,612 through the biennium ending August 31, 2015, if the effective date of the bill is June 1, 2013; or a positive impact of \$97,707,766 through the biennium ending August 31, 2015, if the effective date of the bill is September 1, 2013. Combined, the net loss to the General Revenue-Dedicated accounts and the net gain to General Revenue Fund 0001 associated with the reallocation of interest would offset each other, resulting in no significant impact for certification purposes. Other provisions of the bill that reduce General Revenue-Dedicated account balances would result in a negative impact on amounts available for certification.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The following tables reflect the estimated impact if the effective date of the bill is June 1, 2013.

All Funds, Six-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i> 1	Probable Revenue Gain from <i>State Parks Acct</i> 64	Probable Revenue Gain/(Loss) from <i>Alter Fuels Research Acct</i> 101
2013	\$234,096	\$13,997,750	\$888,000	(\$5,201,500)
2014	\$936,383	\$42,362,000	\$3,551,000	(\$1,930,000)
2015	\$936,383	\$48,754,000	\$3,551,000	(\$1,930,000)
2016	\$936,383	\$48,754,000	\$3,551,000	(\$1,930,000)
2017	(\$7,691,894)	\$48,754,000	\$3,551,000	(\$1,930,000)
2018	(\$7,691,894)	\$48,754,000	\$3,551,000	(\$1,930,000)

Fiscal Year	Probable Revenue Gain from <i>Local Parks Account</i> 467	Probable Revenue (Loss) from <i>Solid Waste Disposal Acct</i> 5000	Probable Revenue (Loss) from <i>Volunteer Fire Dept Assistance</i> 5064	Probable (Cost) from <i>System Benefit Account</i> 5100
2013	\$19,000	(\$2,127,000)	(\$7,500,000)	\$0
2014	\$75,000	(\$8,700,000)	(\$11,500,000)	(\$500,000,000)
2015	\$75,000	(\$8,600,000)	(\$11,500,000)	\$0
2016	\$75,000	(\$8,600,000)	(\$11,500,000)	\$0
2017	\$75,000	(\$8,600,000)	(\$11,500,000)	\$0
2018	\$75,000	(\$8,600,000)	(\$11,500,000)	\$0

Fiscal Year	Probable Revenue (Loss) from <i>System Benefit Account</i> 5100	Probable Revenue Gain from <i>Large Cnty & Muni Rec & Parks</i> 5150	Probable (Cost) from <i>Oil & Gas Regulation</i> 5155	Probable Revenue Gain from <i>Oil & Gas Regulation</i> 5155
2013	\$0	\$16,000	(\$486,856)	\$467,000
2014	(\$121,277,550)	\$64,000	(\$1,947,425)	\$1,400,000
2015	(\$124,241,572)	\$64,000	(\$1,947,425)	\$1,400,000
2016	(\$125,092,000)	\$64,000	(\$1,947,425)	\$1,400,000
2017	(\$125,444,000)	\$64,000	(\$1,947,425)	\$1,400,000
2018	(\$125,775,000)	\$64,000	(\$1,947,425)	\$1,400,000

Fiscal Year	Probable Revenue Gain/(Loss) from <i>Combined Select General Revenue Dedicated (Interest Reallocation)</i>	Probable Revenue (Loss) from <i>General Revenue-Dedicated - University Current Accounts</i>	Probable Revenue (Loss) from <i>Select General Revenue Dedicated (Specialty License Plates)</i>	Probable Revenue Gain from <i>New Other - Trust Fund of the Specialty License Plates</i>
2013	(\$10,186,250)	\$0	\$0	\$0
2014	(\$45,522,000)	\$0	(\$3,908,000)	\$3,908,000
2015	(\$51,914,000)	\$0	(\$2,760,000)	\$2,760,000
2016	(\$51,914,000)	(\$680,000)	(\$2,760,000)	\$2,760,000
2017	(\$51,914,000)	(\$684,000)	(\$2,760,000)	\$2,760,000
2018	(\$51,914,000)	(\$687,000)	(\$2,760,000)	\$2,760,000

The following tables reflect the estimated impact if the effective date of the bill is September 1, 2013.

Fiscal Year	Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i> 1	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Revenue Gain from <i>State Parks Acct</i> 64	Probable Revenue Gain from <i>Alter Fuels Research Acct</i> 101
2014	\$47,081,000	\$936,383	\$3,551,000	(\$6,649,000)
2015	\$48,754,000	\$936,383	\$3,551,000	(\$1,930,000)
2016	\$48,754,000	\$936,383	\$3,551,000	(\$1,930,000)
2017	\$48,754,000	\$936,383	\$3,551,000	(\$1,930,000)
2018	\$48,754,000	\$936,383	\$3,551,000	(\$1,930,000)

Fiscal Year	Probable Revenue Gain from <i>Local Parks Account</i> 467	Probable Revenue (Loss) from <i>Solid Waste Disposal Acct</i> 5000	Probable Revenue (Loss) from <i>Volunteer Fire Dept Assistance</i> 5064	Probable Revenue (Loss) from <i>System Benefit Account</i> 5100
2014	\$75,000	(\$8,700,000)	(\$11,500,000)	(\$121,277,550)
2015	\$75,000	(\$8,600,000)	(\$11,500,000)	(\$124,241,572)
2016	\$75,000	(\$8,600,000)	(\$11,500,000)	(\$125,092,000)
2017	\$75,000	(\$8,600,000)	(\$11,500,000)	(\$125,444,000)
2018	\$75,000	(\$8,600,000)	(\$11,500,000)	(\$125,775,000)

Fiscal Year	Probable (Cost) from <i>System Benefit Account</i> 5100	Probable Revenue Gain from <i>Large Cnty & Muni Rec & Parks</i> 5150	Probable Revenue Gain from <i>Oil & Gas Regulation</i> 5155	Probable (Cost) from <i>Oil & Gas Regulation</i> 5155
2014	(\$500,000,000)	\$64,000	\$1,400,000	(\$1,947,425)
2015	\$0	\$64,000	\$1,400,000	(\$1,947,425)
2016	\$0	\$64,000	\$1,400,000	(\$1,947,425)
2017	\$0	\$64,000	\$1,400,000	(\$1,947,425)
2018	\$0	\$64,000	\$1,400,000	(\$1,947,425)

Fiscal Year	Probable Revenue Gain/(Loss) from <i>Combined Select General Revenue Dedicated (Interest Reallocation)</i>	Probable Revenue (Loss) from <i>General Revenue-Dedicated - University Current Accounts</i>	Probable Revenue (Loss) from <i>Select General Revenue Dedicated (Specialty License Plates)</i>	Probable Revenue Gain from <i>New Other - Trust Fund of the Specialty License Plates</i>
2014	(\$45,522,000)	\$0	(\$3,908,000)	\$3,908,000
2015	(\$51,914,000)	\$0	(\$2,760,000)	\$2,760,000
2016	(\$51,914,000)	(\$680,000)	(\$2,760,000)	\$2,760,000
2017	(\$51,914,000)	(\$684,000)	(\$2,760,000)	\$2,760,000
2018	(\$51,914,000)	(\$687,000)	(\$2,760,000)	\$2,760,000

Fiscal Analysis

Among other provisions, the bill would implement recommendations in the Legislative Budget Board's report, "Options to Reduce Reliance on General-Revenue Dedicated Accounts for Certification of the State Budget" submitted to the Eighty-Third Texas Legislature, 2013. The bill would require the Legislative Budget Board (LBB) to develop and implement a process to review the dedication, appropriation, and accumulation of General Revenue-Dedicated Funds. The bill would require the LBB to incorporate into budget recommendations appropriate measures to reduce reliance on available dedicated revenue for certification and include with the budget recommendations plans for further reducing reliance for the succeeding six years.

The bill would make all interest or other earnings that accrue on revenue held in an account in the General Revenue Fund, any part of which Section 403.095, Texas Government Code, makes available for certification, available for any general governmental purpose. The bill requires the Comptroller of Public Accounts (Comptroller) to deposit the interest and earnings to the credit of the General Revenue Fund. The bill excepts from this provision interest or earnings on certain tuition revenue, or an account that accrues interest or other earnings on deposits of state or federal money the diversion of which is specifically excluded by federal law, including the General Revenue-Dedicated Lifetime License Endowment Account 540 and Game, Fish, and Water Safety Account 09.

The bill would reduce certain solid waste disposal fees, or "tipping" fees, by approximately one quarter. The bill would prohibit tipping fees from being applied to materials that are processed at composting and mulch processing facilities, except for materials that are utilized in the operation of or are disposed of in a landfill. Current law prohibits tipping fees from being applied to yard waste material composted at a composting facility. The bill would increase the allocation of tipping fee revenue deposited to the General Revenue-Dedicated Waste Management Account 549 from 50 to 66.7 percent, and would expand the purposes for which money in the account may be appropriated to include site remediation. The Texas Commission on Environmental Quality (TCEQ) would be required to issue a biennial report to the Legislature describing how the money from this allocation was spent. The bill would reduce the allocation of tipping fee revenue deposited to the General Revenue-Dedicated Solid Waste Disposal Fees Account 5000 from 50 to 33.3 percent.

The bill would authorize the use of battery sales fee revenue deposited to Hazardous and Solid Waste Remediation Fees Account 550 for environmental remediation at the site of a certain closed battery recycling facility, through September 30, 2014.

The bill would expand the purposes for which money in the General Revenue-Dedicated 9-1-1 Service Fees Account 5050 may be appropriated to include maintaining 9-1-1 service levels during transitions to newer technology, planning and deploying certain emergency network systems, and updating geospatial mapping technologies. The bill would also expand the purposes for which money in Account 5050 may be appropriated to include appropriations to the Texas A&M Forest Service for providing assistance to volunteer fire departments, under certain conditions.

The bill would expand the purposes for which money in the General Revenue-Dedicated Designated Trauma Facility and Emergency Medical Services Account 5111 may be appropriated to include appropriations to the Texas Higher Education Coordinating Board for graduate-level medical education programs or graduate-level nursing education programs.

The bill would require the Comptroller to limit the assessment against certain insurers for rural fire protection to the total amount that the General Appropriations Act appropriates from the Volunteer Fire Department Assistance Account 5064 for that fiscal year.

The bill would provide that certain fees collected for surface casing determination (groundwater protection) letters be deposited to the General Revenue-Dedicated Oil and Gas Regulation and Cleanup (OGRC) Account No. 5155. The bill would expand the purposes for which money in Account 5155 may be appropriated to include certain activities regarding the use of alternative fuels. The bill would abolish the General Revenue-Dedicated Alternative Fuels Research and Education (AFRED) Account 101, and the fund balance would be transferred to the undedicated portion of the General Revenue Fund.

The bill would require the Comptroller to transfer, in addition to the appropriated amounts of sporting goods sales tax (SGST) to be credited to the Texas Parks and Wildlife Department, additional amounts of SGST sufficient to fund certain employee benefits costs.

The bill would require the Comptroller, not later than September 30, 2013, to eliminate all General Revenue-Dedicated accounts established for specialty license plates under Subchapter G, Chapter 504, Texas Transportation Code, and set aside the balances of these accounts for appropriation for their dedicated purpose. The bill would deposit, on or after September 1, 2013, the portion of a fee payable under Subchapter G deposited to the credit of these accounts to a trust fund created by the

Comptroller outside the General Revenue Fund.

The bill would amend the Utilities Code to eliminate the nonbypassable fee that finances the General Revenue-Dedicated-System Benefit Account No. 5100 (System Benefit Fund). The bill would eliminate the System Benefit Fund balance by authorizing the appropriation of money in the System Benefit Fund to provide a reduced electricity rate from the months of May through September for eligible low-income electricity customers: (1) not to exceed 82 percent in fiscal year 2014; and (2) not to exceed 15 percent in fiscal years 2015 and 2016. The bill would also allow money in the System Benefit Fund to be appropriated for customer education programs and administrative expenses incurred by the Public Utility Commission (PUC) in implementing and administering Chapter 39 of the Utilities Code. Statutes governing the System Benefit Fund would expire September 1, 2016. The bill would appropriate \$500 million from the System Benefit Fund, in addition to other appropriations made from the System Benefit Fund by the Eighty-third Legislature, 2013, to eliminate the System Benefit Fund balance through the low income discount program and related activities.

The bill would require the Texas Commission on Environmental Quality (TCEQ) to report annually on corrective action status of certain petroleum contaminated sites. The bill would also require TCEQ to investigate the amount of fee revenue that would be necessary to cover the costs necessary to conclude certain programs and activities relating to the remediation of leaking petroleum storage tanks before September 1, 2021.

Effective September 1, 2015, the bill would eliminate the Doctoral Incentive Loan Repayment Set-Asides for Faculty and Administration (Revenue Object Code 3693), revenue from which are currently deposited to several university current accounts.

The bill would take effect immediately upon enactment, assuming it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2013.

Methodology

It is assumed that the costs to the Legislative Budget Board associated with the development and implementation of a process to review the dedication, appropriation, and accumulation of General Revenue-Dedicated Funds would not be significant and could be absorbed within existing resources.

According to the Comptroller, the allocation of all interest and earnings on balances and revenues in the General Revenue-Dedicated accounts that are used for certification purposes to General Revenue Fund 0001, with certain accounts excluded, would result in a revenue loss to those General Revenue-Dedicated accounts and a gain to General Revenue Fund 0001 in an amount estimated by the Comptroller to be approximately \$107.6 million through the biennium ending August 31, 2015, if the effective date of the bill is June 1, 2013, or \$97.4 million through the biennium ending August 31, 2015, if the effective date of the bill is September 1, 2013. Combined, the net loss to the General Revenue-Dedicated accounts and the net gain to General Revenue Fund 0001 associated with the reallocation of interest and earnings would offset each other, resulting in no significant impact for certification purposes.

According to the Comptroller, the reduction of rates for and revenue collections from certain solid waste disposal fees, and a change in the allocation of those fees, would result in a loss in revenue to General Revenue-Dedicated Solid Waste Disposal Fees Account 5000 in an amount estimated

by the Comptroller to be \$19.4 million through the biennium ending August 31, 2015, if the effective date of the bill is June 1, 2013, or \$17.3 million through the biennium ending August 31, 2015, if the effective date of the bill is September 1, 2013. There would be no net effect for revenues allocated to General Revenue-Dedicated Waste Management Account 549. According to TCEQ, expanding the exemption from tipping fees to include materials used for mulch processing could significantly reduce revenue collections, but because certain information related to mulch processing is not reported to TCEQ, the potential fiscal impact cannot be determined.

Current collections from certain insurers for rural fire protection are \$30 million per fiscal year. Assuming an appropriation of \$18.5 million per fiscal year from General Revenue-Dedicated Volunteer Fire Department Assistance Account 5064, limiting the assessment to the total amount appropriated from Account 5064 would result in a loss of \$11.5 million per fiscal year to that account.

Currently, funds collected for surface casing letters of determination are deposited into General Revenue and then a portion of those funds are appropriated to the Railroad Commission as part of the agency's General Revenue funding. The agency reports collections of \$1.4 million in fiscal year 2012 from the expedited fee for surface casing letters of determination, and a General Revenue appropriation for the purpose of making surface casing determinations of \$0.8 for the same year. According to the Comptroller of Public Accounts, upon passage of the bill, revenue to the General Revenue Fund would decrease by an estimated \$1.4 million per fiscal year. Assuming fiscal year 2012 appropriation levels for the surface casing program would continue through fiscal year 2018, and assuming that amounts associated with employee benefits for surface casing FTEs currently paid out of General Revenue (estimated to be \$161,643) would shift to the OGRC Account No. 5155 upon passage of the bill, it is estimated that costs out of the General Revenue Fund would decrease by \$0.9 million per fiscal year. Likewise, revenues to the Oil and Gas Regulation and Cleanup Account No. 5155 would increase by \$1.4 million, while costs to the account would increase by \$0.9 million per fiscal year.

Abolishing the AFRED Account 101 would result in a one-time gain of \$4.7 million to the General Revenue Fund based on the estimated balance in the account on August 31, 2013 per the Comptroller's Biennial Revenue Estimate. The annual cost of the program, including appropriations and benefits of \$1.0 million currently paid out of AFRED Account 101, would shift to the OGRC Account 5155. Because the bill would transfer revenue that is currently deposited to the AFRED Account 101 instead to the General Revenue Fund, the AFRED Account 101 would experience a loss of an estimated \$2.0 per fiscal year, while the General Revenue Fund would experience a gain in the same amount.

The Comptroller's estimates were based on general revenue-dedicated accounts utilized by the TPWD that are currently appropriated SGST and only reflect employee benefits associated with the SGST portion of the accounts. In future fiscal years, benefits paid from the SGST proceeds, as appropriated, may involve additional transfers to the General Revenue-Dedicated Texas Parks and Wildlife Conservation and Capital Account No. 5004. As TPWD received no appropriations of SGST proceeds to transfer to this account in the 2012-13 biennium, any projected amounts are not included here.

The Comptroller reports that the following General Revenue-Dedicated accounts would be abolished and their revenue and balances would be moved to the trust fund: Texas Collegiate License Plates 5015; Read to Succeed Plates 5027; Big Bend National Park Plates 5030; Houston Livestock Show/Rodeo Scholarship Plates 5034; Attorney General Volunteer Advocate Program Plates 5036; Texas Reads Plates 5042; Girl Scout License Plates 5052; Tourism Plates 5053; Texas Special Olympics 5055; Texas A&M Kingsville Graduate Assistance Plates 5056; Waterfowl/Wetland Conservation Plates 5057; I Love Texas Plates 5086; Economic Development

and Tourism 5110; Texas Music Foundation Plates 5113; Daughters of Republic of Texas Plates 5115; Texas Lions Camp Plates 5116; March of Dimes Plates 5117; Knights of Columbus Plates 5118; Cotton Boll Plates 5119; Marine Mammal Recovery Plates 5120; Share the Road Plates 5121; El Paso Mission Restoration 5122; Air Force Association of Texas Plates 5123; Boy Scout Plates 5126 Texas State Rifle Association Plates 5130; Master Gardener Plates 5131; Texas 4-H Plates 5132; Urban Forestry Plates 5133; Specialty License Plates General 5140; American Legion Plates 5141; and Marine Conservation Plates 5142. According to the Comptroller, certain specialty license plate revenue deposited to other General Revenue-Dedicated accounts not included in list above would also be moved to the trust fund. The abolishment of certain General Revenue-Dedicated specialty license plate accounts and the establishment of a trust outside of the General Revenue Fund for the deposit of the balances and revenue of the former accounts would result in a revenue loss to those General Revenue- Dedicated specialty plate accounts and a gain to the Trust Fund for Specialty License Plates, an Other Fund, in an amount estimated by the Comptroller to be \$6.7 million through the biennium ending August 31. Moving balances from these General Revenue-Dedicated accounts to Other Funds outside of General Revenue would result in a negative impact on amounts available for certification.

This analysis is based on information provided by the Comptroller of Public Accounts (CPA) and the PUC. For the purpose of this analysis, it is assumed the nonbypassable fee of 55 cents per megawatt hour would no longer be assessed beginning on September 1, 2013, and no additional revenue would be deposited to the System Benefit Fund. This analysis does not consider interest accrued by the System Benefit Fund.

Based on the balance of the System Benefit Fund, estimated to be \$811,283,000 at the end of fiscal year 2013 according to the Comptroller's 2014-15 Biennial Revenue Estimate, this analysis assumes the low-income discount program would be appropriated money from the System Benefit Fund sufficient to provide the following reduced rates for eligible electric customers from May to September: (1) an 82 percent discount in fiscal year 2014; (2) a 15 percent discount in fiscal year 2015; and (3) a 7 percent discount in fiscal year 2016. This analysis assumes appropriations at the PUC for wholesale and retail electric market oversight, customer education, and administrative costs would remain at the estimated 2014-15 appropriation level (\$8,628,277 each fiscal year), and amounts shown above for the low income discount are in addition to appropriations for fiscal years 2014 and 2015 in the Conference Committee Report on Senate Bill 1, Eighty-third Legislature, 2013. Beginning in fiscal year 2017, because the balance in the System Benefit Fund would be depleted, this analysis assumes appropriations for wholesale and retail electric market oversight, customer education, and administrative costs would be from General Revenue. Based on the analysis of the PUC, duties and responsibilities associated with implementing the provisions of the bill could be accomplished utilizing existing resources.

According to TCEQ, the evaluation of the petroleum product delivery fee to determine the amount necessary to conclude the program and activities is not expected to have significant fiscal implications.

The Comptroller reports that the elimination of the Doctoral Incentive Loan Repayment Set-Asides for Faculty and Administration would result in a loss of revenue of approximately \$680,000 per year beginning in fiscal year 2016.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either within or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

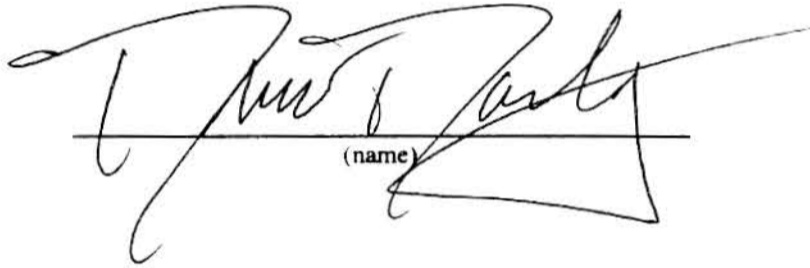
Source Agencies: 304 Comptroller of Public Accounts, 455 Railroad Commission, 473 Public Utility Commission of Texas, 582 Commission on Environmental Quality, 781 Higher Education Coordinating Board

LBB Staff: UP, KK, JI, JJ

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. 7 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.



(name)

5/24/13
(date)