

BILL ANALYSIS

H.B. 6
By: Otto
Appropriations
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Historically, dedications of revenue for particular purposes have limited the legislature's flexibility in appropriating funds based on budgetary need and in using fund balances for other governmental purposes. Over 20 years ago, the legislature enacted provisions relating to the consolidation of funds in existence before the end of the fiscal biennium. These provisions provided for the abolition of dedications in existence prior to the end of the next fiscal biennium, unless otherwise expressly exempted. H.B. 6 seeks to enact a similar consolidation, as it relates to the creation and re-creation of funds and accounts in the state treasury, the dedication and rededication of revenue, and the exemption of unappropriated money from use for general governmental purposes.

In addition, starting with the 2014-2015 budget, H.B. 6 seeks to cap the amounts the legislature can use for funds consolidation to begin the process of reducing the reliance on dedicated revenue for funds consolidation purposes.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 6 abolishes, except as otherwise specifically provided by the bill, all funds and accounts created or re-created in the state treasury by an act of the 83rd Legislature, Regular Session, 2013, that becomes law and all dedications or rededications of revenue in the state treasury or otherwise collected by a state agency for a particular purpose by an act of the 83rd Legislature, Regular Session, 2013, that becomes law on the later of August 31, 2013, or the date the act creating or re-creating the fund or account or dedicating or rededicating revenue takes effect.

H.B. 6 exempts the following dedications, funds, and accounts from abolition by the bill: statutory dedications, funds, and accounts that were enacted before the 83rd Legislature convened to comply with requirements of state constitutional or federal law; dedications, funds, or accounts that remained exempt from former state law consolidating certain state funds and abolishing certain fund dedications at the time dedications, accounts, and funds were abolished under that law; increases in fees or in other such dedicated revenue; and increases in fees or in other revenue required to be deposited in such a fund or account. The bill exempts from abolition by the bill funds created pursuant to an act of the 83rd Legislature, Regular Session, 2013, for which separate accounting is required by federal law but requires such funds to be deposited in accounts in the general revenue fund unless otherwise required by federal law. The bill exempts from abolition by the bill trust funds or dedicated revenue deposited to trust funds created under an act of the 83rd Legislature, Regular Session, 2013, but requires such trust funds to be held in the state treasury, with the comptroller of public accounts in trust, or outside the state treasury with the comptroller's approval. The bill exempts from abolition by the bill bond funds and pledged funds created or affected by an act of the 83rd Legislature, Regular Session, 2013, but

requires such funds to be held in the state treasury, with the comptroller in trust, or outside the state treasury with the comptroller's approval. The bill exempts from abolition by the bill funds or accounts that would be created or re-created by the Texas Constitution, revenue that would be dedicated or rededicated by the constitution under a constitutional amendment proposed by the 83rd Legislature, Regular Session, 2013, and dedicated revenue deposited to funds or accounts that would be so created or re-created, if the constitutional amendment is approved by the voters.

H.B. 6 amends the Government Code, effective September 1, 2013, to cap at \$4.8 billion the amount of dedicated revenues estimated to exceed the amount appropriated by the General Appropriations Act or other enacted laws available for general governmental purposes and considered available for the purpose of the comptroller's certification of the budget. The bill updates references to the 82nd Legislature to reflect application of the bill's provisions to the 83rd Legislature, changes from August 31, 2013, to August 31, 2015, the date on which the estimate of dedicated revenue exceeding the amount appropriated is to be considered, and postpones from September 1, 2013, to September 1, 2015, the date on which provisions relating to this use of dedicated revenue expire.

H.B. 6 establishes that the bill's provisions prevail over any other act of the 83rd Legislature, Regular Session, 2013, regardless of the relative dates of enactment, that amends statutory provisions relating to the use of dedicated revenue or that purports to create or re-create a special fund or account or to dedicate or rededicate revenue to a particular purpose, including any fund, account, or revenue dedication abolished under former law. The bill requires revenues that would be deposited to the credit of a special account or fund under the terms of another act of the 83rd Legislature, Regular Session, 2013, to be deposited to the credit of the undedicated portion of the general revenue fund unless the fund, account, or dedication is exempted under the bill.

EFFECTIVE DATE

Except as otherwise provided, on passage, or, if the bill does not receive the necessary vote, the 91st day after the last day of the legislative session.