

## **BILL ANALYSIS**

Senate Research Center  
78S30198 JRD-D

H.B. 28  
By: McCall (Bivins)  
Finance  
9/18/2003  
Engrossed

### **DIGEST AND PURPOSE**

With the enactment of H.B. 2425, 78th Legislature, Regular Session, 2003, the comptroller of public accounts is allowed to borrow funds from outside the state treasury. Due to a line item veto by the governor, H.B. 28 is needed so that an appropriation for repayment of such borrowing can be made. H.B. 28 appropriates to the comptroller, for the 2004-05 biennium, from the General Revenue Fund the amount necessary to return any available cash that was transferred to the General Revenue Fund from a fund outside the state treasury and to maintain the equity of the fund from which the transfer of available cash was made. The bill also addresses the appropriation of vetoed money from the 78th Legislature, Regular Session, 2003, and corrects previously passed legislation dealing with local value appraisals for school districts.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Provides that for the state fiscal biennium beginning September 1, 2003, the comptroller of public accounts (comptroller) is appropriated from the general revenue fund the amount needed to return any available cash that was transferred to that fund from a fund outside the state treasury and to maintain the equity of the fund from which the transfer was made, as required by Section 403.092 (Temporary Transfer of Surplus and Other Cash), Government Code, as amended by Section 19, Chapter 1310, Acts of the 78th Legislature, Regular Session, 2003.

SECTION 2. Limits to \$5,000,000 of the appropriation made by Section 1 of this Act the maximum amount which may be used to allocate earned interest to a fund outside the state treasury under Section 403.092(a), Government Code.

SECTION 3. Requires the comptroller, during the state fiscal biennium beginning September 1, 2003, to return available cash that has been transferred from a fund outside the state treasury to a fund within the state treasury under Section 403.092(a), Government Code, together with the earned interest on the transferred amount, to the fund from which the available cash was transferred within 14 days after the date on which the available cash was transferred.

SECTION 4. Provides that the changes made to Section 42.259 (Foundation School Fund Transfers), Education Code, by Section 4, Chapter 1310, Acts of the 78th Legislature, Regular Session, 2003, and Section 35, Chapter 201, Acts of the 78th Legislature, Regular Session, 2003, effectively transferring certain payments to school districts from August of a state fiscal year to September of the following fiscal year, apply only to a payment from the foundation school fund that is made on or after January 1, 2004. Provides that a payment to a school district from the foundation school fund that is made before that date is governed by Section 42.259, Education Code, as it existed on June 1, 2003, and the former law is continued in effect for that purpose.

SECTION 5. Amends Section 403.302, Government Code, by adding Subsection (c-1), as follows:

(c-1) Provides that notwithstanding Subsection (c), if after conducting the annual study for the year 2002 the comptroller determines that the local value for a school district is invalid and the local value exceeds the state value for the school district determined by the comptroller under Subsections (a) and (b), the taxable value for the school district for that year is the district's state value as established by the comptroller. Provides that this subsection expires September 30, 2004.

SECTION 6. Repealer: Section 403.302(m) (relating to the determination of school district property value), Government Code, as added by Chapter 1183, Acts of the 78th Legislature, Regular Session, 2003.

SECTION 7. (a) Amends Section 11.28, Article IX, Chapter 1330, Acts of the 78th Legislature, Regular Session, 2003 (the General Appropriations Act), by amending Subsection (a) and adding Subsections (c) and (d), as follows:

(a) Deletes existing text relating to the implementation of contingency appropriation reductions and contingency appropriations. Provides that notwithstanding other provisions of this Act, based upon the passage of federal legislation that provides federal funds for the purpose of state fiscal relief, such funds are appropriated to the comptroller in the fiscal year in which the funds are received for the purpose of transferring funds to state agencies for state fiscal relief, as directed by the governor and Legislative Budget Board (LBB) acting under Chapter 317 (State Budget Execution), Government Code, and in accordance with Subsection (b) of this section.

(c) Provides that notwithstanding Section 11.15(b) of this article, an amount equal to the sum of the General Revenue Fund and general revenue dedicated account appropriations contained in this Act that are vetoed by the governor under Section 14 (Approval or Disapproval of Bills; Return and Reconsideration; Failure to Return; Disapproval of Items of Appropriation), Article IV, Texas Constitution, is appropriated out of the General Revenue Fund or appropriate general revenue dedicated account to the comptroller for the state fiscal biennium beginning September 1, 2003, for the purpose of transferring funds to state agencies for state fiscal relief, as directed by the governor and LBB acting under Chapter 317, Government Code, and in accordance with Subsection (b) of this section.

(d) Provides that this section does not prohibit the governor and the LBB, acting under Chapter 317, Government Code, from making an emergency transfer of money appropriated by this section, based on need, to an agency or for a purpose that is not described by Subsection (b) of this section.

(b) Provides that this Act controls in the event of a conflict between this Act and another Act enacted by the 78th Legislature, 3rd Called Session, 2003, that becomes law and that amends Section 11.28, Article IX, Chapter 1330, Acts of the 78th Legislature, Regular Session, 2003 (the General Appropriations Act).

SECTION 8. Amends the heading to Section 11.28, Article IX, Chapter 1330, Acts of the 78th Legislature, Regular Session, 2003 (the General Appropriations Act), to read as follows:

Sec. 11.28. Appropriation of State Fiscal Relief Federal Funds and Reappropriation for State Fiscal Relief of Vetoed General Revenue Appropriations.

SECTION 9. Effective date: upon passage or 91 days after adjournment.