

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 7, 2009

TO: Honorable Jim Pitts, Chair, House Committee on Appropriations

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

IN RE: HB4586 by Pitts (Relating to making supplemental appropriations and reductions in appropriations and giving direction and adjustment authority and prescribing limitations regarding appropriations.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB4586, Committee Report 1st House, Substituted: a positive impact of \$290,145,044 through the biennium ending August 31, 2011.

Appropriations:

Fiscal Year	Appropriation out of <i>General Revenue Fund</i> 1	Appropriation out of <i>Dept Ins Operating</i> <i>Acct</i> 36	Appropriation out of <i>Clean Air Account</i> 151	Appropriation out of <i>Water Resource</i> <i>Management</i> 153
2009	(\$407,199,192)	\$265,313	\$12,941	\$64,706
2010	\$117,054,148	\$0	\$0	\$0

Fiscal Year	Appropriation out of <i>Waste Management</i> <i>Acct</i> 549	Appropriation out of <i>Hazardous/Waste</i> <i>Remed Acc</i> 550	Appropriation out of <i>Volunteer Fire Dept</i> <i>Assistance</i> 5064	Appropriation out of <i>Regional Trauma</i> <i>Account</i> 5137
2009	\$121,648	\$1,094,830	\$2,500,000	\$6,712,284
2010	\$0	\$0	\$0	\$0

Fiscal Year	Appropriation out of <i>Federal Funds</i> 555
2009	\$3,298,596,795
2010	\$0

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2009	\$407,199,192
2010	(\$117,054,148)
2011	\$0
2012	\$0
2013	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/ (Cost) from <i>General Revenue Fund</i> 1	Probable Savings/ (Cost) from <i>Dept Ins Operating</i> <i>Acct</i> 36	Probable Savings/ (Cost) from <i>Clean Air Account</i> 151	Probable Savings/ (Cost) from <i>Water Resource</i> <i>Management</i> 153
2009	\$407,199,192	(\$265,313)	(\$12,941)	(\$64,706)
2010	(\$117,054,148)	\$0	\$0	\$0
2011	\$0	\$0	\$0	\$0
2012	\$0	\$0	\$0	\$0
2013	\$0	\$0	\$0	\$0

Fiscal Year	Probable Savings/ (Cost) from <i>Waste Management</i> <i>Acct</i> 549	Probable Savings/ (Cost) from <i>Hazardous/Waste</i> <i>Remed Acc</i> 550	Probable Savings/ (Cost) from <i>Volunteer Fire Dept</i> <i>Assistance</i> 5064	Probable Savings/ (Cost) from <i>Regional Trauma</i> <i>Account</i> 5137
2009	(\$121,648)	(\$1,094,830)	(\$2,500,000)	(\$6,712,284)
2010	\$0	\$0	\$0	\$0
2011	\$0	\$0	\$0	\$0
2012	\$0	\$0	\$0	\$0
2013	\$0	\$0	\$0	\$0

Fiscal Year	Probable Savings/ (Cost) from <i>Federal Funds</i> 555
2009	(\$3,298,596,795)
2010	\$0
2011	\$0
2012	\$0
2013	\$0

Fiscal Analysis

The bill would make supplemental appropriations and reduce appropriations for fiscal year 2009.

The bill would make appropriations out of the General Revenue Fund to the following agencies to fund unanticipated increases in consumption related to data center services:

- \$128,000 to the Texas Facilities Commission
- \$278,855 to the Secretary of State
- \$6,730,000 to the Department of Criminal Justice
- \$150,991 to the Texas Youth Commission
- \$42,089 to the Department of Agriculture
- \$1,179,894 to the Parks and Wildlife Department
- \$349,929 to the Railroad Commission
- \$135,999 to the Department of Licensing and Regulation

The bill would make an appropriation to the Texas Commission on Environmental Quality out of the following funds for increases in consumption related to data centers:

- \$1,094,830 out of the General Revenue Dedicated account number 550
- \$121,648 out of the General Revenue Dedicated account number 549
- \$64,706 out of the General Revenue Dedicated account number 153
- \$12,941 out of the General Revenue Dedicated account number 151

The bill would make an appropriation to the Texas Department of Insurance out of the following funds for increases in consumption related to data centers:

- \$147,687 out of the General Revenue Fund
- \$265,313 out of the General Revenue Dedicated account number 36

The following funds would be appropriated out of the General Revenue Fund for the purpose of restoring fiscal year 2009 proportional state contributions for health benefits:

\$12,185,357 to Alamo Community College
\$1,574,860 to Alvin Community College
\$3,758,285 to Amarillo College
\$1,367,325 to Angelina College
\$7,164,544 to Austin Community College
\$3,054,600 to Blinn College
\$1,373,650 to Brazosport College
\$2,731,087 to Central Texas College
\$990,189 to Cisco Junior College
\$461,040 to Clarendon College
\$1,497,422 to Coastal Bend College
\$2,138,088 to College of the Mainland
\$3,784,295 to Collin County Community College
\$15,758,341 to Dallas County Community College District
\$4,018,340 to Del Mar College
\$6,182,391 to El Paso Community College
\$585,527 to Frank Phillips College
\$943,016 to Galveston College
\$1,468,952 to Grayson County College
\$954,181 to Hill College
\$10,278,053 to Houston Community College
\$1,813,685 to Howard College
\$2,129,068 to Kilgore College
\$3,342,228 to Laredo Community College
\$2,119,681 to Lee College
\$8,670,589 to Lone Star College System
\$2,724,160 to McLennan Community College
\$2,065,163 to Midland College
\$1,470,933 to Navarro College
\$1,418,908 to North Central Texas College
\$874,764 to Northeast Texas Community College
\$1,963,198 to Odessa College
\$945,499 to Panola College
\$1,278,367 to Paris Junior College
\$474,991 to Ranger College
\$6,628,666 to San Jacinto College
\$3,338,955 to South Plains College
\$3,985,978 to South Texas College
\$1,666,736 to Southwest Texas Junior College
\$9,207,978 to Tarrant County College
\$1,330,783 to Temple College
\$1,667,329 to Texarkana College
\$1,706,940 to Trinity Valley Community College
\$3,361,192 to Tyler Junior College
\$1,120,729 to Vernon College
\$1,519,013 to Victoria College
\$1,397,289 to Weatherford College
\$694,843 to Western Texas College
\$1,789,670 to Wharton County Junior College

The bill would make the following appropriations out of the General Revenue Fund for fiscal year 2009:

\$917,389 to the Cancer Prevention and Research Institute for salaries and wages, travel, acquisition of information technology, computers, furniture, legal counseling and contracts. The center may employ an additional 16 FTEs during the remainder of fiscal year 2009.

\$2,396,612 to the Texas Facilities Commission to provide for payment of increased utility costs resulting from an increase in utility rates.

\$188,349 to the Texas Ethics Commission to reimburse the commission for the payment of the judgment in Free Market Association of Texas v. Texas Ethics Commission.

\$68,268,044 to the Department of Information Resources for the transfer of agency mainframe and server systems to the State Data Center. As well as the transition of agency staff, initiation of common policies, procedures, processes, implementation of service management tools, metrics, and processes, deployment of system automation tools, and the initiation of infrastructure rollout upgrades.

\$1,894,676 to the Texas State Library and Archives Commission for the purchase of furniture and shelving for the Lorenzo de Zavala Building.

\$8,289,680 to the Texas Historical Commission for costs associated with restoration of the Governor's Mansion.

\$2,630,206 to the Texas Education Agency to conduct criminal history background checks.

\$4,245,244 to the University of Houston to develop and construct the National Large Wind Turbine Research and Testing Facility.

\$500,000 to the University of Texas Medical Branch at Galveston for additional contributions made to higher education group insurance.

\$2,800,000 to the University of North Texas System to reimburse the cost of planning and design for construction on a second academic building at the Dallas campus.

\$125,112,392 to the Texas Department of Criminal Justice to provide salaries and wages, hazardous duty and longevity pay, overtime pay, food for wards of the state, contracted temporary capacity, utilities, and fuel.

\$38,995,518 to the Texas Department of Criminal Justice for the purpose of providing for correctional managed health care.

\$4,000,000 to the Water Development Board to be transferred to the Water Assistance Fund to provide a grant to the Bexar-Medina Atascosa Water Control and Improvement District #1 for structural improvements to the Medina Lake Dam.

\$54,644 to the Soil and Water Conservation Board for mileage reimbursement for district directors.

\$178,525 to the Racing Commission to provide for current operations as a result of a revenue shortfall.

\$62,351,306 to the Department of Aging and Disability Services for nursing facility payments. The bill would appropriate all revenue deposited to the Regional Trauma Account 5137, estimated to be \$6,712,284 to the Health and Human Services Commission to reimburse uncompensated trauma care.

The bill would appropriate the following amounts to the Department of Family and Protective Services (DFPS) from the General Revenue Fund:

\$5,174,830 for Adoption Subsidy Payments

\$6,191,042 for CPS Reform Continued

\$13,126,361 for APS Direct Delivery Staff

\$4,199,776 in Federal Funds for CPS Reform Continued and \$12,460,353 in Federal Funds (TANF) for CPS Direct Delivery Staff are also appropriated to DFPS.

The bill would appropriate \$357,839,421 for Goal B, Medicaid and, \$322,378,835 for Medicare Federal Give Back to the Health and Human Services Commission from the General Revenue Fund.

The following amounts would be appropriated to the agencies listed below for general costs associated with natural disasters from the General Revenue Fund:

\$300,000,000 to UT Medical Branch at Galveston
\$120,111 to Brazosport College
\$60,849,794 to the Parks and Wildlife Department
\$47,416,821 to the Health and Human Services Commission
\$1,725,995 to UT M.D. Anderson Cancer Center
\$12,043,688 to Alvin College
\$10,700,000 to Texas A&M Galveston
\$385,091 to the Texas Forest Service
\$6,030,680 to the Houston Community College
\$32,387,608 to the Department of Criminal Justice
\$4,598,100 to the Commission on Environmental Quality
\$3,700,000 to San Jacinto College
\$491,844 to Galveston College
\$1,190,794 to the Texas Engineering Extension Service
\$1,244,007 to the Adjutant General's Department
\$1,178,189 to the University of Texas at Brownsville
\$2,803,561 to Lamar University
\$2,007,758 to Lamar Institute of Technology
\$1,082,754 to Lamar State College: Port Arthur
\$17,844,439 to Texas Southern University
\$704,945 to the College of the Mainland
\$102,258 to the University of Texas Pan American
\$281,428 to Texas AgriLife Research
\$35,220,100 to the General Land Office and Veterans' Land Board
\$142,245 to Angelina College
\$59,145 to Texas A&M Corpus Christi
\$143,378 to Texas AgriLife Extension Service
\$2,898,557 to The University of Texas Health Center at Tyler
\$8,520,839 to The University of Texas Health Science Center at Houston
\$7,339,000 to the University of Houston System Administration
\$904,558 to Texas State Technical College: Harlingen
\$693,691 to Lamar State College: Orange
\$488,864 to Prairie View A&M University
\$434,075 to Stephen F. Austin State University
\$215,688 to Tyler Junior College
\$118,841 to Sam Houston State University
\$89,436 to The University of Texas Health Science Center at San Antonio
\$39,694 to Texas A&M University – Commerce
\$137,554 to Lee College
\$20,000,000 to the Department of Agriculture

The bill would appropriate \$9,384,231 to the Texas Forest Service from the General Revenue Fund to pay for, or reimburse payments made for, costs associated with wildfires.

The bill would appropriate \$69,339 to the Texas Forest Service and \$2,106,560 to the Texas Engineering Extension Service from the General Revenue Fund to pay for, or reimburse payments made for, costs associated with flooding.

The bill would appropriate \$2,500,000 out of the General Revenue Dedicated account number 5064 to the Texas Forest Service for grants to volunteer fire departments for training and equipment through the Volunteer Fire Department Assistance Program.

The bill would appropriate \$100,000,000 from the General Revenue Fund to be transferred into the Disaster Contingency Fund, and would be appropriated for expenditure out of the fund to the Trusteed Programs within the Office of the Governor.

\$1,000,000 would be appropriated to the Texas Department of Transportation to repair damage caused by flooding to Farm-to-Market Road 170 in Brewster and Presidio Counties.

The bill would appropriate up to \$18,000,000 to Texas Education Agency to allow certain school districts to retain recapture payments in order to respond to a disaster.

The following amounts would be appropriated out of funds received under the American Recovery and Reinvestment Act of 2009:

\$662,200,000 to the Texas Department of Transportation for highway and bridge construction.

\$758,084,423 to the Texas Education Agency for providing formula distributions to school districts and charter schools for the purchase of textbooks and continuing contracts related to instructional materials.

\$27,300,000 to the Office of the Attorney General to provide child support enforcement.

\$220,915,577 to the Texas Education Agency to provide additional technology and instructional materials through the Technology Allotment

\$1,640,156,643 to the Health and Human Services Commission for increased Medicaid funding.

Fiscal Year 2009 Appropriation Reductions

The bill would reduce appropriations to the following agencies for fiscal year 2009 out of the General Revenue Fund, unless otherwise noted:

\$4,245,244 from the special item appropriation from the University of Houston -Wind Energy

\$27,300,000 from Strategy B.1.1, Child Support Enforcement from the Office of the Attorney General.

\$500,000 from Strategy A.1.1, Medical Education from the Texas Tech University Health Sciences Center.

\$500,000,000 from Strategy A.1.1, FSP - Equalized Operations from the Texas Education Agency.

\$414,556,053 from Strategy A.6.1, Nursing Facility Payments from the Department of Aging and Disability Services.

\$11,609,096 from Strategy A.2.10, Foster Care Payments and \$7,483,772 from Strategy A.2.11 for Adoption Subsidy Payments from the Department of Family and Protective Services.

\$1,206,507,722 from the Health and Human Services Commission, Strategy B.1.4, Children and Medically Needy.

\$24,492,233 out of general revenue for Foster Care Payments and \$26,719,977 out of Federal Funds (TANF) from the Department of Family and Protective Services.

\$117,054,148 from Goal B, Medicaid from the Health and Human Services Commission.

Fiscal year 2010 Appropriations:

\$117,054,148 from General Revenue to the Health and Human Services Commission to fund the Frew Strategic Initiative during fiscal year 2010.

Methodology

Under the provisions of the bill, an agency or institution receiving an appropriation for costs associated with disasters, flooding or wildfires would be required to reimburse the state if a federal reimbursement was received for the same expenditure. The reimbursement to the state would be deposited into the general revenue fund and would total the amount of the original appropriation plus the amount of the federal reimbursement.

If a state agency or institution of higher education receives reimbursement from the federal government for an expenditure paid for or reimbursed by money appropriated for disaster relief from the disaster contingency fund, the agency would be required to reimburse the disaster contingency fund for the amount paid for both the original appropriation amount and the federal reimbursement amount.

All appropriations are for the two-year period beginning on the effective date of the act. The bill would take effect immediately.

Local Government Impact

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

Source Agencies:

LBB Staff: JOB, MN, SD