



TEXAS LEGISLATIVE STUDY GROUP

An Official Caucus of the Texas House of Representatives

Representative:

Desk:

Conference Committee Report Analysis for Senate Bill 1

Author: Sen. Jane Nelson; SP: Rep. Greg Bonnen, M.D.

Recommendation: Favorable, with Concerns

CCR SB 1 evaluated by: Audrey Erwin

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Overview of Budget and Revenue Issues

When the Comptroller released the Biennial Revenue Estimate (BRE) in January 2021, it was projected that the state would have \$118.63 billion in General Revenue (GR) funds until the end of the 2022-23 biennium. Of this, \$5.3 billion was reserved for the Economic Stabilization Fund (ESF) and State Highway Fund (SHF) and \$271 million was reserved for the Texas Tomorrow Fund shortfall. The Comptroller advised the legislature that they would need to address a \$946 million deficit from the 2020-21 biennium. This left \$112.53 billion available for general-purpose spending in the 2022-23 budget, a 0.4% decrease from the previous biennium.

On May 3rd, the Comptroller revised the BRE and projected an ending balance of \$725 million from the 2020-21 biennium, reflecting an increase of \$1.67 billion from the shortfall that was projected in the January estimate. The additional funds projected for 2020-21 ending balance, combined with increased revenue collection estimates for 2022-23, results in an increase of \$3.12 billion from the January estimate, with \$115.65 billion available for general-purpose spending in 2022-23 biennium. This estimate does not account for any appropriations made by the 87th Legislature, savings from 5% budget cuts to state agencies, GR funds that were supplanted with federal relief funds, or non-Foundation School Program (FSP) appropriations made in the supplemental budget. As a result of the projected increases in oil and gas tax revenue collections, the ESF and SHF are expected to receive \$6.94 billion in transfers over the 2022-23 biennium with an ending balance of \$12.12 billion if no funds were used by the legislature.

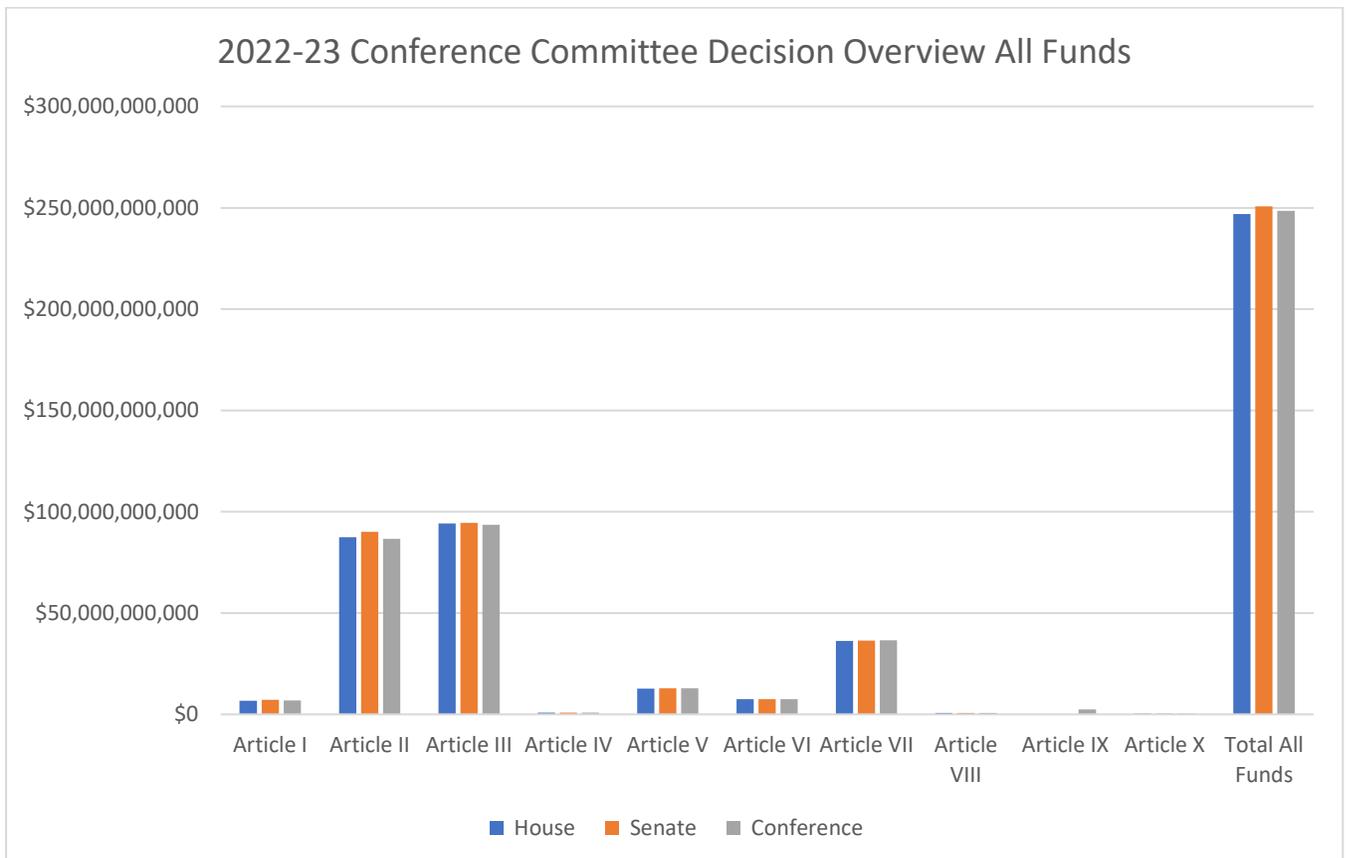
Legislative appropriations are subject to four constitutional spending restrictions. The pay-as-you-go and spending growth limit are the most important in creating a balanced Texas budget. The balanced budget (pay-as-you-go) limit prohibits GR appropriations from exceeding the Comptroller's projected available revenue and the spending growth limit prohibits spending of non-constitutionally dedicated tax revenue at a faster rate than the growth of the economy.

The House version of SB 1 sent to conference proposed \$118.1 billion in GR expenditures, an increase of \$7.8 billion, or 7%, from the 2020-budgeted expenditures of \$110.3 billion. This reflected about \$0.2 billion less than the pay-as-you-go limit and \$4.5 billion below the spending limit. The supplemental budget (HB 2) was sent into conference making appropriations totaling \$876.3 million from the ESF, with identified savings of \$5.74 billion in GR primarily related to budget cuts, method of finance swaps, and exceeded projections from the Foundation School Program that are able to be used as GR.

The conference committee report of SB 1 proposes appropriations of \$116.4 billion in GR, a 5.5% increase from the 2020-21 biennium, and \$248.6 billion in AF, an increase of 5.2% from the 2020-21 biennium. At that level, SB 1 is \$0.3 billion below the pay-as-you-go limit and \$6.3 billion below spending limit, in addition to being below the other constitutional limits.

Additionally, the conference version of HB 2, the supplemental budget, appropriates funding above the House version and to be closer to the Senate version of \$2.73 billion.

Conference Committee Overview



Article	House	Senate	Conference
I. General Government	\$6,745,145,629	\$7,188,290,973	\$6,919,582,325
II. Health and Human Services	\$87,373,666,471	\$90,179,040,269	\$86,677,994,175
III. Agencies of Education	\$94,191,177,581	\$94,451,331,640	\$93,505,591,333
IV. The Judiciary	\$926,304,843	\$919,045,621	\$928,245,755
V. Public Safety and Criminal Justice	\$12,744,200,379	\$12,864,879,452	\$12,892,393,113
VI. Natural Resources	\$7,532,824,664	\$7,492,844,172	\$7,507,554,371
VII. Business and Economic Development	\$36,310,762,438	\$36,469,008,956	\$36,546,796,195
VIII. Regulatory	\$680,928,648	\$729,088,782	\$728,038,491
IX. General Provisions	\$0	\$0	\$2,433,889,660
X. The Legislature	\$395,383,332	\$410,383,332	\$410,383,332
Total All Funds	\$246,900,393,985	\$250,703,913,197	\$248,550,468,750

Conference Committee Highlights

These are areas with significant changes or investments that have been made in the budget following the conference committee meeting.

Article I

- Trusted Programs within the Office of the Governor see a significant increase of \$80 million additional disaster funds.
- Trusted Programs within the Office of the Governor receive an additional \$90.6 million in GR and \$100 million in GR-D for economic development programs, which includes \$100 million to the Texas Enterprise Fund
- \$4.2 million to enhance the Public Utility Commission and other regulatory response related to oversight of ERCOT activities.
- Texas Historical Commission receives \$6.8 million in additional General Revenue and an increase of \$5.1 million in Sporting Goods Sales Tax allocations from 2020-21 allocations for historic sites.
- \$69.2 million to maintain funding for Victims Assistance Grants
- \$34 million for reimbursements to counties for the retrofitting or purchase of new auditable voting machines and an increase of \$1.4 million for the training of county election officials.

Article II

- Provides an additional \$123.5 million for rural hospitals.
- \$86.0 million in GR for new state mental health hospital beds.
- \$352.6 million in All Funds for women's health programs.

Article III

- Public education is fully funded to meet the commitments by HB 3 86R, with funding for projected enrollment growth during the 2022-23 biennium.
- \$60 million for supplemental special education services.
- Teacher Retirement System (TRS) contributions from the state are increased from 7.5% in 2020-21 to 7.75% in FY 2022 and 8.0% in FY 2023.

Article V

- Law enforcement salary increases at the Texas Department of Public Safety
- \$34.1 million for a 3% pay increase for correctional officers at the Texas Department of Criminal Justice working on maximum-security correctional facilities

Article VI

- The General Land Office (GLO) and Veterans' Land Board will receive \$3.0 billion in Federal Funds for disaster recovery related to Hurricane Harvey. This includes \$1.4 billion for short-term and community housing projects, \$1.6 billion for infrastructure and mitigation projects, and \$221.4 million in All Funds for coastal projects. There is a need to address the formula being used by the GLO that is cutting Houston and Harris County largely out of receiving needed aid.
- Funding level for Texans Feeding Texans Programs are maintained, with \$19.7 million for the Home Delivered Meals program and \$10.2 million for the Surplus Agricultural Products Grant Program.
- Texas Parks and Wildlife Department receives \$316.9 million from Sporting Good Sales Tax allocations, a \$100.6 million increase from 2020-21.

Article VII

- \$30.2 million in AF to the Department of Transportation, which includes \$26.5 billion for highway planning and design, right-of-way acquisition, construction, and maintenance and preservation.

Texas Economy

The May BRE estimate included a substantial increase to available All Funds (AF), now estimated to be \$294 billion, for the 2022-23 biennium. This estimate is significantly higher due in part to the substantial increase of Federal Funds (FF), but the estimated \$40 billion Texas is projected to receive from the American Rescue Plan Act (ARPA) is not included in the amount the Comptroller provided for spending. The Governor has stated he will address appropriations from federal relief funds in a special session call. This will allow an opportunity for the legislature to make additional appropriations throughout the 2022-23 biennium with federal funds from ARPA and any other federal relief funds that are not dedicated to specific purposes.

The revised BRE forecast also reflects increased tax revenue collections from online sales, directly resulting from the Wayfair decision enacted last session, that continue to be higher than last year even after coming down from January's all-time high collections. These increases, combined with the decrease in COVID-19 cases, the roll out of the COVID-19 vaccine, and reopening of the Texas economy, has positively influenced the revenue estimates for the state. However, Texas is tied to the global economy and the current rise in global COVID-19 cases could have a negative economic impact should they persist unabated.

The oil and gas industry continues providing significant contributors to the Texas economy and state revenue. While oil and gas remain a volatile revenue source, the industry does appear to be rebounding, even after the May 7th cyber-attacks on the Colonial pipeline, but the US Energy Information Administration has not yet released updated projections following the attack.

The full economic impact of Winter Storm Uri on Texas is still not known at this time. To address some of the increased cost from the storm. Texas House members have filed and passed legislation aiming to address Winter Storm Uri and prevent another winter storm disaster. Many of these bills address industry issues while only a few address direct relief to the people of Texas. We must ensure that money we appropriated for this purpose goes to Texas families.

Employment in Texas

Even with projected economic growth, it will likely take time to return to a pre-pandemic level of growth projections that were disrupted by the COVID-19 pandemic. While the unemployment rate has gone down to 6.9% from the all-time high in March and April of 2020, in March 2021 470,000 fewer Texans had jobs than the during pre-pandemic employment high in February, 2020.

Currently, some employers report difficulty finding people to fill jobs. Some believe that extended unemployment benefits and stimulus payments are to blame for Texans not getting back to work, as indicated by the Governor's decision to end the extended benefits early, but burnout from the pandemic is a serious concern. Prior to the start of the pandemic a survey by Limeade Institute found that 42% of workers are burnt out and this number shot up to 72% only a few months into COVID-19. Burnout leads to negative impacts on a personal level, including lower productivity, physical and mental health issues, and higher absenteeism and turnover. The burnout rate is even more

pronounced among women who are often caregivers in the home who have taken on additional duties during the pandemic. Providing better work environments with paid time off, good benefits, and flexibility can help combat this.

Frontline workers have borne the brunt of such challenges during the pandemic, but SB 1 does not include needed funding for needs like Long-Term Care. Nursing aides and other essential employees in this field have a history of being underpaid, and that led to trouble filling positions pre-pandemic. Without additional funding to maintain the emergency funding levels beyond the public health emergency declaration, Texas could face a serious risk of being unable to fulfil the needs for staff recruitment and retention, upgrades to facilities, and increased education and training for frontline caregivers to help prepare against future pandemics. This concern does not end with healthcare workers but extends to all workers who have been impacted by the pandemic.

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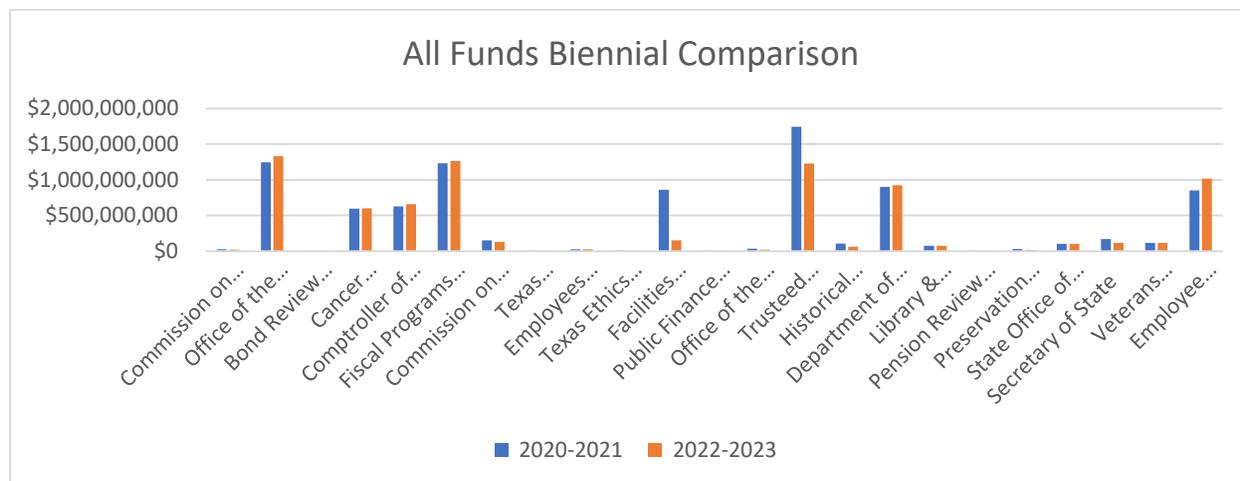
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COMMON ACRONYMS

- GR = General Revenue
- GR-D = General Revenue-Dedicated
- FF = Federal Funds
- OF = Other Funds
- AF = All Funds
- ESF = Economic Stabilization Fund
- FTE = Full-Time Equivalent
- MOF = Method of Finance
- UB = Unexpended Balance
- GOB = General Obligation Bonds

ARTICLE I – GENERAL GOVERNMENT



Agency	2020-2021 (LBB Summary)	2022-2023 Conference	Difference	% Change
Commission on the Arts	\$27,600,000	\$23,008,676	(\$4,591,324)	-16.6%
Office of the Attorney General	\$1,247,500,000	\$1,329,699,640	\$82,199,640	6.6%
Bond Review Board	\$1,700,000	\$1,797,823	\$97,823	5.8%
Cancer Prevention and Research Institute of Texas	\$594,600,000	\$600,102,000	\$5,502,000	0.9%
Comptroller of Public Accounts	\$628,300,000	\$660,274,404	\$31,974,404	5.1%
Fiscal Programs within the Comptroller of Public Accounts	\$1,231,000,000	\$1,264,156,844	\$33,156,844	2.7%
Commission on State Emergency Communications	\$151,300,000	\$128,520,901	(\$22,779,099)	-15.1%
Texas Emergency Services Retirement System	\$3,900,000	\$3,886,849	(\$13,151)	-0.3%
Employees Retirement System	\$28,800,000	\$27,500,000	(\$1,300,000)	-4.5%
Texas Ethics Commission	\$6,800,000	\$6,351,116	(\$448,884)	-6.6%
Facilities Commission	\$861,000,000	\$150,942,324	(\$710,057,676)	-82.5%
Public Finance Authority	\$3,000,000	\$3,125,531	\$125,531	4.2%
Office of the Governor	\$35,200,000	\$23,637,660	(\$11,562,340)	-32.8%
Trusted Programs within the Office of the Governor	\$1,744,800,000	\$1,230,264,102	(\$514,535,898)	-29.5%
Historical Commission	\$108,100,000	\$60,857,957	(\$47,242,043)	-43.7%
Department of Information Resources	\$900,800,000	\$921,710,248	\$20,910,248	2.3%
Library & Archives Commission	\$74,800,000	\$74,805,878	\$5,878	0.0%
Pension Review Board	\$2,100,000	\$2,257,498	\$157,498	7.5%
Preservation Board	\$30,900,000	\$19,447,959	(\$11,452,041)	-37.1%
State Office of Risk Management	\$102,500,000	\$102,498,332	(\$1,668)	0.0%
Secretary of State	\$171,300,000	\$117,120,240	(\$54,179,760)	-31.6%
Veterans Commission	\$115,000,000	\$117,157,321	\$2,157,321	1.9%
Employee Benefits and Debt Services	\$852,600,000	\$1,017,153,356	\$164,553,356	19.3%
Less Interagency Contracts	(\$1,005,400,000)	(\$966,694,334)	\$38,705,666	-3.8%
Total General Revenue and General Revenue Dedicated	\$4,780,700,000	\$4,673,462,786	(\$107,237,214)	-2.2%
Total All Funds	\$7,918,000,000	\$6,919,582,325	(\$998,417,675)	-12.6%

Commission on the Arts

The Commission on the Arts serves communities by offering services, grants, and programs to cultivate and strengthen the cultural industries of Texas. The Commission on the Arts provides resources to enhance economic development, arts education, cultural tourism, and artist sustainability initiatives.

- \$10 million in GR for cultural district grants for the biennium to cities for approximately fifty projects

Office of the Attorney General

The Attorney General provides legal representation for the state; enforces and collects child support; investigates and prosecutes criminal activities; administers victim assistance grants to fund organizations assisting with survivors, prevention, and legal services; and investigates Medicaid fraud, waste, and abuse.

- Provides an appropriation of \$14.9 million in GR to be transferred to the compensation to Victims of Crime Fund to address the funding shortfall.
- Provides an appropriation of \$13.1 million in GR to be transferred to the Sexual Assault Program fund to address the funding shortfall.
- Crime victim's compensation, which provides victims of violent crime financial assistance for certain expenses, is allocated \$167 million in AF and an increase of \$7.1 million from the last biennium.
- \$4.7 million in GR for rape crisis centers.
- Child Support Enforcement is allocated \$688.5 million in AF, an increase from the House version of SB 1.
- Provides \$43.3 million in GR for the Google lawsuit that was not reflected in the House version of SB 1.
- Rider included that requires the Office of the Attorney General to submit a report regarding the amount of money spent during the previous two FYs on election-related litigation.

Cancer Prevention and Research Institute of Texas (CPRIT)

CPRIT provides grant funding to public and private persons to implement the Texas Cancer Plan and prevention programs. CPRIT also awards grant funding to institutions of learning and advanced medical research to expand knowledge on cancer causes, treatment, and prevention.

- \$590.3 million in AF for Cancer Research and Prevention services
- \$600 million in AF for Cancer Prevention and Research Institute of Texas

Comptroller of Public Accounts

The Comptroller of Public Accounts is the tax collector, accountant, revenue estimator, treasurer and purchasing manager, and the agency is responsible for writing the checks and keeping the books for the multi-billion-dollar business of state government. The Comptroller certifies the final budget agreed on by both houses prior to it being sent to the Governor.

- Includes a rider directing the Comptroller to analyze economic development and workforce-related retraining opportunities relating to renewable energy sources.

Fiscal Programs within the Comptroller of Public Accounts

The Comptroller's office administers a variety of programs, including Treasury operations, managing the unclaimed money, State Energy Conservation Office, Texas College Savings Plans, statewide procurement initiatives, enforcing and investigating violations of Texas Tax laws, coordinating payment of salaries and services for all state district judges, district attorneys and other Texas prosecutors.

- Appropriation to meet state obligations for the Texas Guaranteed Tuition Plan is included in HB 2
- \$26 million in GR for payments on miscellaneous and wrongful imprisonment claims based on historical expenditure.
- \$9.4 million for law enforcement education, a \$2 million decrease from the House version of SB 1.

Commission on State Emergency Communications (CSEC)

CSEC administers the State 9-1-1 Service Program and the Statewide Poison Control Program. CSEC's twelve members represent various public and private sector interests.

- The statewide poison control program is allocated \$19 million in AF, consistent with the House version of SB 1.
- \$106.9 million for the 9-1-1 service program, consistent with the House version of SB 1.

Employees Retirement System (ERS)

The Employees Retirement System (ERS) offers health coverage and retirement benefits to eligible state employees, with mandatory participation. These funds are only used to administer the program.

- The state contribution remains the same, but pending the passage of SB 321, the state would be required to make annual actuarially-determined payments in the amount necessary, estimated to be \$510 million each fiscal year to fully fund the liability in 33 years.

Texas Ethics Commission

The Texas Ethics Commission may recommend salary for members of the Legislature, the Lieutenant Governor, and the Speaker of the House of Representatives, subject to voter approval. The agency has rulemaking authority with respect to the laws it administers. The laws the agency is responsible for administering certain areas under the Election Code and Government Code.

- Removes House appropriation of \$300,000 in GR for transition Electronic Filing system to cloud hosting.

Texas Facilities Commission (TFC)

The Texas Facilities Commission provides and contracts for the design, construction, property management, grounds and custodial services, recycling, and waste management services, building climate and energy automation, and the fire and security services required to keep State agencies operating.

- Provides for an additional \$8.1 million in GR and 26 additional FTEs for operational expenses for two new Capitol Complex buildings that was not reflected in the House version of SB 1.
- \$150.9 million in AF appropriated for the biennium.

Office of the Governor

The Office of the Governor includes the duties of the Governor, such as recommending a budget, accounting for all public funds received and paid by the Governor and appointing qualified Texans to state offices and commissions to carry out laws and direct the policies of state government. These appointments include positions in advisory committees and task forces, such as budget and policy, Texas Office of State-Federal Relations, child sex trafficking, economic development, Travel Texas, and Texas Military Preparedness Commission.

- \$23.6 million in AF for the biennium, no change from the House version of SB 1.

Trusted Programs Within the Office of the Governor

The primary function of the Trusted Programs Within the Office of the Governor is to provide grants for various programs. Programs include the Texas Enterprise Fund, Texas Moving Image Industry Incentive Program, Criminal Justice Division grants and services, Homeland Security Grant Division with various homeland security and border security programs, Defense Economic Adjustment Assistance Grant, Texas Economic Development & Tourism Office, Disaster Grants, and Emergency and Deficiency Grants.

- \$110 million is appropriated for disaster funding, an increase of \$80 million from the House version of SB1.
- \$40 million is appropriated for the Governors University Research Initiative.
- \$90.6 million in GR and \$100,000,000 in GR-D to the Texas Enterprise Fund for economic development and tourism programs as follows:
 - \$30 million in GR for Defense Economic Adjustment Assistance Grants (DEAAG).
 - \$45 million in GR for the Moving Image Industry Incentive Program.
 - \$100 million in GR-D for the Texas Enterprise Fund.
- \$200,000 in GR for grants to promote border economic development.
- \$200,000 in unexpended balances of GR to be carried forward for the Peace Officer Mental Health Program.

Texas Historical Commission (THC)

The Texas Historical Commission's primary function is to preserve the history of Texas through collaboration with citizens and organizations. This includes architectural, archeological, and cultural landmarks.

- Funding for the Texas Historical Commission provides \$6.8 million in additional GR and an increase of \$5.1 million in Sporting Goods Sales Tax allocations for historic sites.
- \$1.3 million in GR for the Texas Holocaust and Genocide Commission as part of the Sunset contingency moved under the guidance of THC.

Department of Information Resources (DIR)

The Department of Information Resources is the state's technology agency, providing the mainframe, server, network, information security, data center, and print/mail services for state agencies and universities. DIR is tasked with keeping Texas updated on technology with planning, policy, and standards to improve technology across the state, including statewide project planning.

- \$31.3 million in GR for Endpoint Detections & Response, as provided by the House version of SB 1, is adopted in HB 2.

State Preservation Board

The State Preservation board oversees the preservation, maintenance, and restoration of the State Capitol, the General Land Office Building, and their contents and grounds.

- \$1.4 million and 7 FTEs for grounds management and maintenance of the exterior grounds of the Texas Mall that was not reflected in the House version of SB 1.

Secretary of State

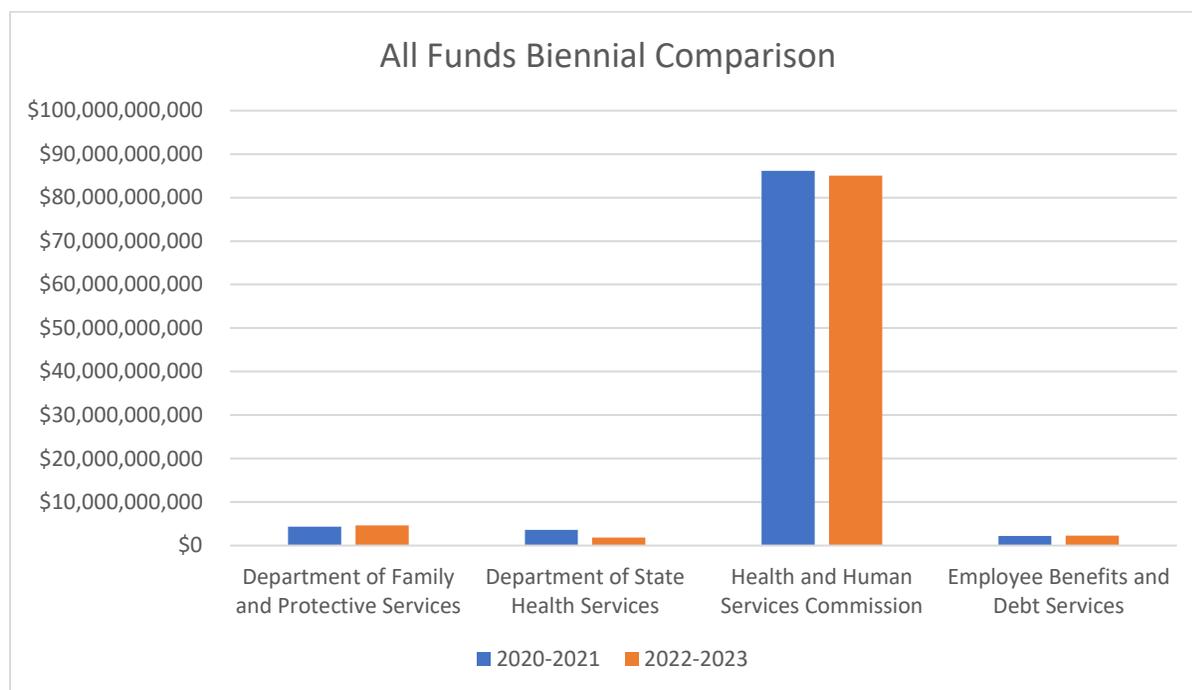
The Office of the Secretary of State is responsible for administering the Texas Election Code, maintaining filings and records related to Texas Corporations, serving as the lead liaison for Texas Border and Mexican Affairs, and serves as the state's chief international protocol officer.

- \$34 million in FF for reimbursing counties for the purchase of auditable voting machines contingent on passage of SB 7.
- Senate provides \$1.4 million in General Revenue and 4 FTEs to provide election training for county officials.

Texas Veterans Commission

The Texas Veterans Commission is responsible for advocating and providing services to Veterans. Services include mental health, education, employment, health care, as well as provide additional aid to organizations and local governments carry out veteran initiatives.

ARTICLE II – HEALTH AND HUMAN SERVICES



Agency	2020-2021 (LBB Summary)	2022-2023 Conference	Difference	% Change
Department of Family and Protective Services	\$4,374,700,000	\$4,602,541,014	\$227,841,014	5.2%
Department of State Health Services	\$3,634,200,000	\$1,865,529,477	(\$1,768,670,523)	-48.7%
Health and Human Services Commission	\$86,171,900,000	\$85,071,360,454	(\$1,100,539,546)	-1.3%
Employee Benefits and Debt Services	\$2,213,200,000	\$2,279,708,745	\$66,508,745	3.0%
Less Interagency Contracts	(\$698,400,000)	(\$673,075,024)	\$25,324,976	-3.6%
Total General Revenue and General Revenue Dedicated	\$36,454,600,000	\$34,849,466,483	(\$1,605,133,517)	-4.4%
Total All Funds	\$95,695,600,000	\$86,677,994,175	(\$9,017,605,825)	-9.4%

Department of Family and Protective Services (DFPS)

The Texas DFPS serves to protect children and vulnerable adults from neglect, abuse, and exploitation through investigations, services, referrals, and prevention programs. DFPS has five main programs: Adult Protective Services (APS), Child Protective Services (CPS), Child Protective Investigations, Prevention and Early Intervention, and Statewide Intake. DFPS also processes reports of abuse, exploitation, and neglect via a 24-hour hotline or an online submission every day of the year.

- \$1.7 billion in AF for direct delivery staff for CPS to restore travel funding and services for pregnant and parenting foster youth.

- \$112.3 million for APS direct delivery staff.
- DFPS will be expanding Community-based Care in currently serviced areas, and the Senate provided funding for seven different regions to receive funding for different stages of implementation of this model of care.
- \$29 million in GR to address the foster care litigation.
- \$164.2 million to provide additional resources to lower CPS caseworker workloads; fund foster care lawsuit needs; expand Community-based Care for foster children; and provide funding to increase capacity in the foster care system.
- \$1.1 billion for Foster Care Payments.
- \$48.8 million to provide Services to At-Risk Youth (STAR) program.
- \$49.3 million in AF for Relative Caregiver payments.
- \$636.5 million in Adoption Subsidy and Permanency Care assistance payments.
- \$33.9 million in Family First Prevention Services Act (FFPSA) federal funds are appropriated for the Nurse-Family Partnership program (\$5,200,000), services for youth at risk of entering foster care (\$9.8 million), service pilot program at CPS (\$8.9 million), and additional funding for the QRTP pilot program implementing FFPSA (\$9.9 million).
- Rider directing DFPS to conduct a study reviewing current capacity and services for pregnant and parenting foster youth.
- \$4.3 million in GR for the biennium to provide payments to providers to support 24-hour awake supervision, a requirement from the Foster Care Lawsuit from 2011. Recommendations stated that supplemental costs associated with 24-hour awake supervision would be \$18 million per fiscal year.

Department of State Health Services

DSHS is responsible for the maintaining vital records including birth and death certificates, organizing state emergency response efforts during disasters, educating and tracking relating to widespread diseases, collecting public health data and statistics, and administering programs that promote public health. DSHS oversees drug safety, emergency medical and trauma services, environmental health, food, and meat safety, as well as radiation control.

- Significant decrease in funding due to one-time federal funds in the 2020-2021 FY.
- \$152.7 million for infectious disease prevention, epidemiology, and surveillance.
- An additional \$1.0 million for a public awareness campaign for the Alzheimer's Disease Program.
- DSHS will be directed to conduct a study on COVID-19 testing and immunization distribution equity by December 31st, 2022. Changes were made from state to federal funds and the study will provide for immunization data, but not testing data.
- \$476.9 million for HIV/STD Prevention.
- \$174.1 million to immunize children and adults in Texas.
- \$4.4 million for border health and colonias.

Health and Human Services Commission

HHSC heads all of the state's health and human service agencies. It is also responsible for implementing and administering Medicaid – including managed care, acute care, long term services and supports, and 1115 waiver programs, – as well as the Healthy Texas Women Program (HTW), the Children's Health Insurance program (CHIP), Temporary Assistance for Needy Families (TANF), and the Supplemental Nutrition Assistance Program (SNAP, formerly food stamps).

- \$78.3 million for Family Violence Services over the biennium. \$13.0 million in federal TANF funding to enhance the capacity of family violence services including capacity for shelter services and legal, mental health, housing, and economic stability services.
- \$101 million for Child Advocacy Programs- \$8 million in GR and \$13.9 million in FF for Child Advocacy Centers.
- \$14.4 million in AF for the Autism Program.
- \$14.9 million for Abstinence Education.
- \$785.7 million for Community Mental Health Adult Services.
- \$187.9 million for Community Mental Health Children Services.
- \$231.4 million for Community Mental Health Crisis Services.
- Despite the Budget providing an additional \$123.5 million for rural directing HHSC to seek a renewal or extension of our 1115 Transformation Waiver, Texas still needs to find a permanent solution (Medicaid Expansion for example) to better deal with our nation leading uninsured rate, and lack of equity in our healthcare system.
- The Community Mental Health Grant Program under HHSC is now contingent on whether Federal funds are available for this purpose, and HHSC is restricted to allocating no more than \$10 million for the biennium for projects that do not receive local matching funds to expand Healthy Community Collaboratives.
- HHSC is required to conduct additional reporting on the amount HHSC would have reimbursed Family Planning Program (FPP) providers if additional funds were available and the results of policies designed to reduce enrollment gaps.
- Found in Article X: State Auditor's Office - Conduct actuarial analysis of the FY 2023 and FY 2024 rates for Medicaid managed care at HHSC.

Medicaid

Texas Medicaid client services are managed by HHSC. Texas Medicaid and the Children's Health Insurance Program (CHIP) includes programs that provide health coverage for low-income children, families, pregnant women, seniors, and people with disabilities.

- \$63.98 billion in AF for Medicaid Client Services.
- \$1.8 billion in AF for CHIP Client Services
 - HHSC is required to provide information on unexpended funds, CHIP client services, and other evaluations of CHIP expenditures with reporting requirements.
- Medicaid cost containment rider cuts Medicaid by \$350 million GR over the biennium and says the Legislature's intent is to have HHSC save money without negatively impacting access to care and to consider stakeholder input.
- Rider directing HHSC to develop and use certain benchmarks in procurements for managed care. FY 2023 appropriations for Medicaid Contracts & Administration are contingent on the development of the benchmarks, which are no longer required to give preference to Medicaid MCOs that meet the quality of care and cost-efficiency standards.
- A pediatric health rider in HHSC's budget provides a 7% rate increase for pediatric services to improve access. The rider includes reporting on whether providing increased rates creates overall cost savings, and HHSC is permitted to implement changes if the study results establish cost savings.
- HHSC would be required to report the number of individuals aging out of Medicaid and CHIP coverage and into the Healthy Texas Women program. A rider requires HHSC to evaluate the feasibility of implementing an auto-enrollment process for those individuals.
- Rider directing the agency to develop and implement cost containment initiatives to save at least \$350 million in GR funds with legislative intent to not negatively impact care.

1115 Waiver

The 1115 waiver is granted by the federal government to assist states in the process of expanding Medicaid. Texas has filed extensions over the years but has not expanded Medicaid. The Biden-Harris administration announced it would not extend the 1115 waiver that has been Texas's safety net with Medicaid. A portion of the ARPA COVID-19 federal relief funding has additional incentives for higher federal match rates, increases to the FMAP, to assist states increase Medicaid access as the federal government is phasing out 1115 waiver programs. Texas has not opted to expand Medicaid and accept these funds at this time. Action is needed to in anticipation of the end of 1115 waivers without Medicaid expansion to prevent an increase in uninsured individuals and hospital closures.

- Rider states that it is the intent of the Legislature to have HHSC seek renewal or extension of the current 1115 Transformation Waiver from CMS.

State Hospitals & State Supported Living Centers (SSLCs)

State Hospitals serve individuals in need of acute mental health services. SSLCs provide housing and care services for individuals with intellectual and developmental disabilities. New and continued construction to expand Texas's state hospitals is included in the proposed supplemental budget.

- \$1.4 billion in AF for State Supported Living Centers.
- \$965.5 million in AF for Mental Health State Hospitals.
- \$307 million in AF for Mental Health Community Hospitals.
- Funding is provided for Mental Health State Hospitals with an additional \$71.3 million in GR funding and 260 FTEs to expand capacity at the Kerrville State Hospital and a new inpatient facility in Harris County. An additional \$1.3 million is provided for Hepatitis C treatment in state hospitals.
- \$1.3 million in GR for Hepatitis C treatment at state hospitals.

Early Childhood Intervention Services (ECI)

ECI serves the needs of children with developmental delays. Implementing ECI programs has been shown to exponentially reduce state costs through early intervention, thus reducing the necessity for future services. A combination of legislated budget cuts and policy changes has reduced Texas' ECI per child funding over the last decade.

- \$339 million in AF for ECI Services
- \$33.9 million in AF (\$15.4 million in GR) for caseload growth

Women's Health Programs (Healthy Texas Women)

The Women's Health Programs strategy is a 100% General Revenue funded program, providing family planning services (FPL) and annual exams to women ages 18 to 44 who are at or below 185% of the FPL and do not qualify for Medicaid.

- Includes \$352.6 million in AF for women's health programs, an increase of \$10.2 million over current spending.
 - \$229.9 million in AF (\$75.4 million in GR) for the Healthy Texas Women's Program
 - \$87.8 million in AF (\$84.0 million in GR) for Family Planning Program
 - \$10.9 million in AF (\$2.5 million in GR) each year for Breast and Cervical Cancer Services

Alternatives to Abortion (A2A)

Alternatives to Abortion is a program providing childbirth and providing support services to pregnant women and their families.

- \$50 million in AF for each FY, this represents \$49.9 million in GR.
- Rider directs HHSC to submit a report on the total number of A2A providers, including subcontractors, by geographical region, and the total number of unduplicated clients served by each provider, by gender and age, description of A2A outreach efforts by providers and HHSC, total expenditures, total contract amounts by provider, including subcontractors; and any outcome measures included in contracts with providers.

Substance Use Disorder Treatment

- \$496.4 million in AF is appropriated for substance use disorder treatment over the 2022-2023 biennium.
- Rider directing HHSC to report on the usage of all Substance Abuse Prevention and Treatment Block Grant funds broken down by one-time and ongoing federal funds.

Intellectual or Developmental Disabilities (IDD) Services

HHSC offers services, programs, and Medicaid coverage for people who have an intellectual or developmental disability. These include severe or chronic conditions due to mental or physical impairments related to language, mobility, learning, self-help, and independent living.

- Provides \$76.9 million in AF to decrease the community waiver interest list for individuals with intellectual, developmental, and physical disabilities.

Texas Civil Commitment Office (TCCO)

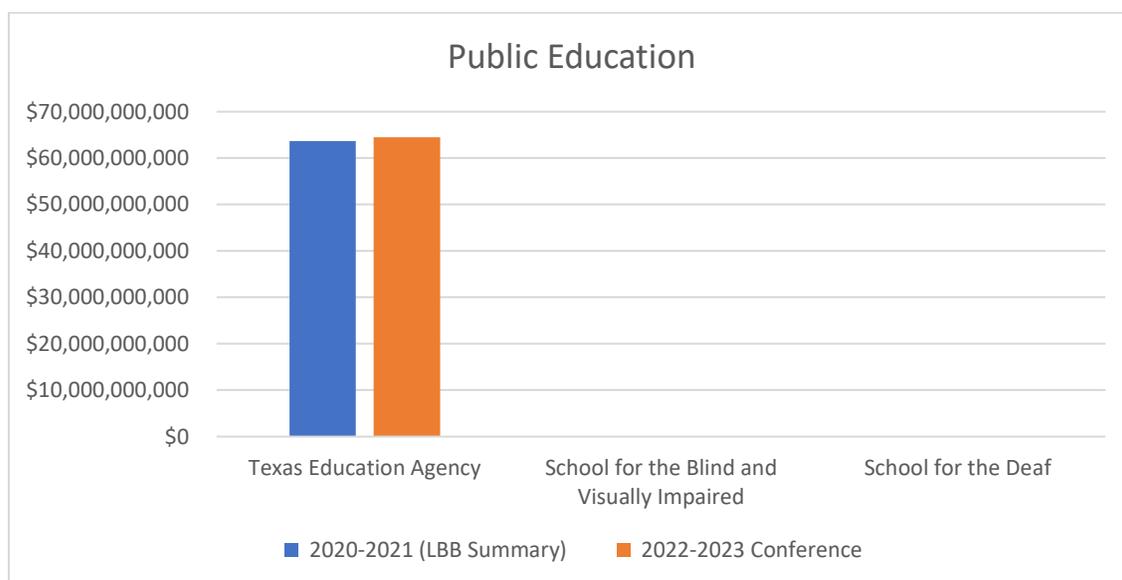
TCCO provides treatment and supervision to civilly committed sexually violent offenders.

- \$40.1 million for the biennium to provide health care not covered under contract to civilly committed residents of a housing facility either operated by or contracted for by TCCO.
- \$713,424 from GR funding is to be provided to the TCCO for the purpose of supporting offsite healthcare.

ARTICLE III – AGENCIES OF EDUCATION

Agency	2020-2021 (LBB Summary)	2022-2023 Conference	Difference	% Change
Public Education Subtotal	\$63,795,600,000	\$64,636,697,722	\$841,097,722	1.3%
Higher Education Subtotal	\$23,206,900,000	\$20,095,559,425	(\$3,111,340,575)	-13.4%
Teacher Retirement System	\$5,930,500,000	\$6,214,304,191	\$283,804,191	4.8%
Optional Retirement Program	\$361,000,000	\$371,119,231	\$10,119,231	2.8%
Higher Education Employees Group Insurance Contributions	\$1,417,900,000	\$1,428,631,851	\$10,731,851	0.8%
Retirement and Group Insurance	\$97,600,000	\$104,717,959	\$7,117,959	7.3%
Social Security and Benefit Replacement Pay	\$660,600,000	\$699,702,094	\$39,102,094	5.9%
Debt Service	\$15,200,000	\$13,083,217	(\$2,116,783)	-13.9%
Less Interagency Contracts	(\$177,200,000)	(\$129,275,476)	\$47,924,524	-27.0%
Total General Revenue and General Revenue Dedicated	\$63,186,000,000	\$65,551,134,589	\$2,365,134,589	3.7%
Total All Funds	\$95,308,100,000	\$93,505,591,333	(\$1,802,508,667)	-1.9%

PUBLIC EDUCATION



Agency	2020-2021 (LBB Summary)	2022-2023 Conference	Difference	% Change
Texas Education Agency	\$63,683,300,000	\$64,522,505,134	\$839,205,134	1.3%
School for the Blind and Visually Impaired	\$50,400,000	\$49,548,564	(\$851,436)	-1.7%
School for the Deaf	\$61,900,000	\$64,644,024	\$2,744,024	4.4%
Public Education Subtotal	\$63,795,600,000	\$64,636,697,722	\$841,097,722	1.3%

Texas Education Agency (TEA)

The TEA oversees primary and secondary public education. Under the leadership of the commissioner, TEA is primarily responsible for the distribution of federal and state education funding to public and charter schools, statewide assessment of school performance, data collection from Texas school districts, and monitoring adherence to state and federal guidelines. The TEA supports the State Board of Education (SBOE) with the development of the state education curriculum, adoption of instructional materials, and performs administrative duties for the State Board of Educator Certification.

- Fully funds the state's commitment to the public education investments made by HB 3 86R, with funding for projected enrollment growth during the 2022-2023 biennium.
- Contingent on passage of HB 1525, SB 1 provides \$464 million for increases to FSP formula funding and various student allotments. Additionally, SB 1 provides \$ 664 million for targeted programs to help students and schools affected by the pandemic.
- \$60 million for supplemental special education services contingent on SB 1716.
- \$11 million to support the Teach for America program in Texas.
- \$3.1 million in additional funding for Communities in Schools to total \$61 million in the biennium. This restores the 5% cuts made during the COVID 19 pandemic.
- Rider directing a report on open-enrollment charter schools, including the number of students enrolled in the charter school who do not complete the school year.
- \$273.9 million for the local designation systems and teacher incentives program. This will provide for 3,455 master designations, 9,881 exemplary designations, and 8,756 recognized teachers.
- Specifies that the School Safety allotment shall be used for prevention practices, such as mental and behavioral health services as schools recover from COVID and the Winter Storm
- \$5.5 million is allocated each fiscal year for the adult high school diploma and industry certification charter school.

Foundation School Program (FSP)

The Foundation School Program is the primary fund source for public school districts and charter schools through the collection of tax revenue. FSP is primarily driven by revenue from property taxes.

- Due to revised revenue projections in the Biennial Revenue Estimate and updated cost drivers, such as district property value increases, attendance projections, and tax rates, updated estimates for the FSP result in a \$1,131.8 million decrease in All Funds, including a decrease of \$1,073.2 million in GR Funds.
- Funding for the New Instructional Facilities Allotment is reduced from \$100 million per fiscal year to \$70 million per fiscal year.

Windham School District (WSD)

The Windham school district provides high school equivalency and technical education to the state's adult prisoner population. Currently, the Windham School District operates under the same school year as other TEA schools. This means they observe summer break, spring break, and winter break. This is unnecessary as the school district serves incarcerated individuals. Additional funding could allow the school district to operate year-round.

- An additional \$2.9 million is added for a total appropriation of \$114.2 million.

Special Education

Rider is removed requiring the LBB to produce a report related to Special Education Progress and funding.

Texas School for the Blind and Visually Impaired

The Texas School for the Blind and Visually Impaired is a state school special school established to provide specialized services for student who are blind and visually impaired, such as opportunities for residential living skills training. It is a statewide resource for parent of children and professionals who serve them.

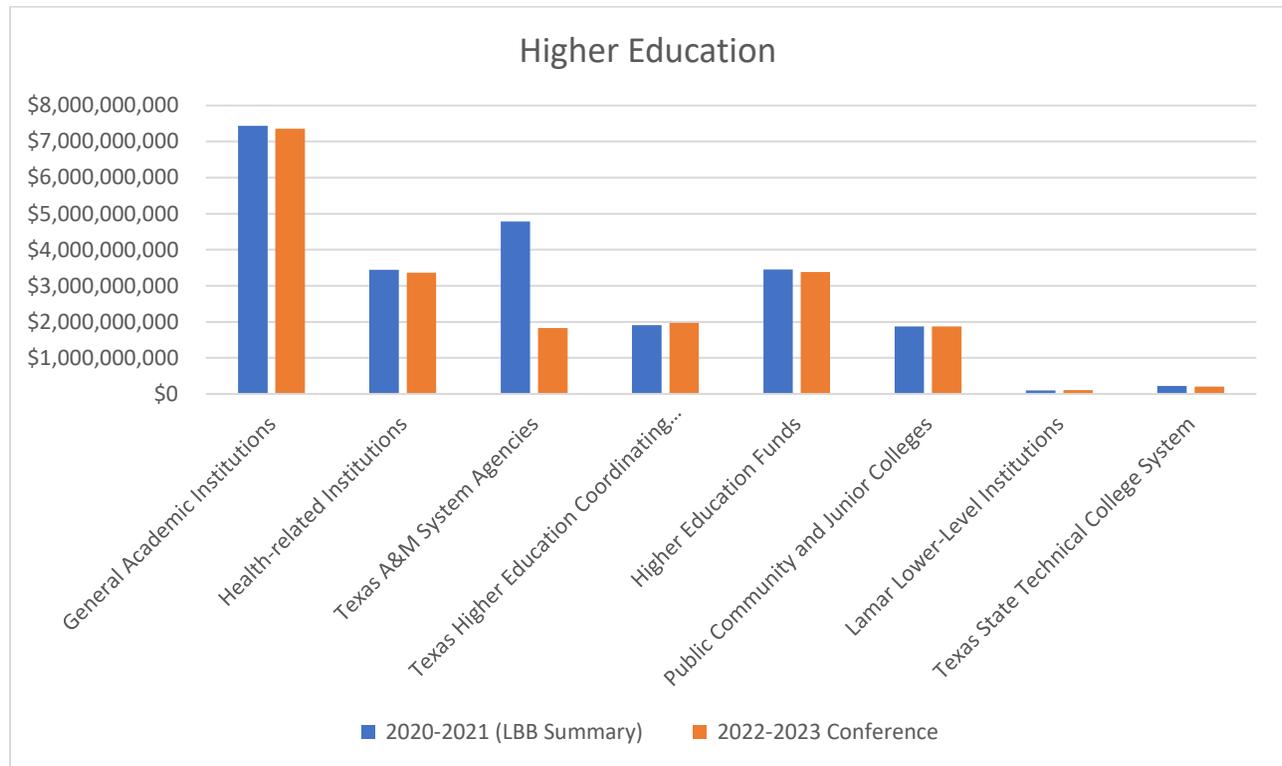
- \$1 million appropriated with an additional 7.0 FTEs to restore summer programs.

Texas School for the Deaf

Texas School for the Deaf is the only school of its kind in the state which offers a continuum of educational services to students ages zero to twenty-one who are deaf or hard of hearing and who may have multiple disabilities. Additionally, Texas School for the Deaf serves as a statewide resource center on deafness support family, students, programs, and professionals with a variety of services.

- \$343,444 each fiscal year appropriated for summer programs.

HIGHER EDUCATION



Agency	2020-2021 (LBB Summary)	2022-2023 Conference	Difference	% Change
General Academic Institutions	\$7,434,300,000	\$7,354,519,736	(\$79,780,264)	-1.1%
Health-related Institutions	\$3,444,500,000	\$3,366,415,603	(\$78,084,397)	-2.3%
Texas A&M System Agencies	\$4,781,600,000	\$1,828,405,094	(\$2,953,194,906)	-61.8%
Texas Higher Education Coordinating Board	\$1,907,500,000	\$1,973,911,945	\$66,411,945	3.5%
Higher Education Funds	\$3,451,500,000	\$3,381,496,740	(\$70,003,260)	-2.0%
Public Community and Junior Colleges	\$1,867,700,000	\$1,875,535,144	\$7,835,144	0.4%
Lamar Lower-Level Institutions	\$95,200,000	\$107,707,981	\$12,507,981	13.1%
Texas State Technical College System	\$224,600,000	\$207,567,182	(\$17,032,818)	-7.6%
Higher Education Subtotal	\$17,629,800,000	\$14,587,896,402	(\$3,041,903,598)	-17.3%

General Academic Institutions (GAIs)

Texas General Academic Institutions consist of the state four-year higher education instructions. Texas higher education continues to grow more notable in the research, programs, and innovations produced by students and staff.

- \$6.0 million to fund the Liberty Institute at the University of Texas (UT) at Austin, including 60 FTEs. The Liberty Institute is a conservative constitutional legal institute dedicated to free markets, economic development, private enterprise, and personal liberty. UT Austin students have been calling for the University President to rescind support for this being developed on campus.
- Removed House rider requiring Prairie View A&M University to conduct a study and generate a report on the use of deadly force and brutality in policing procedures.
- 5% reduction is restored to the Center for Autism and Developmental Disabilities at the University of Houston – Clear Lake.
- \$45.0 million is appropriated to Texas A&M Galveston in HB 2 for the Special Maritime Infrastructure Project, including dock and infrastructure improvements needed to accept new and larger vessels from the U.S. Department of Transportation and MARAD.
- 5% cuts made to expansion funding at Texas A&M University (TAMU) Texarkana, TAMU Central Texas, and University of North Texas Dallas are restored to 2020-21 appropriations - an additional \$964,478 from the House version of SB 1.

Health Related Institutions (HRIs)

There are 14 state Health Related Institutions that impact the health outcomes of Texans, increase innovation in health-related fields, train highly qualified professionals, and have a huge impact on Texas being known for world medical research institutes.

- \$10 million in additional funding for the UT Southwestern Medical Center's School of Public Health that was not in the House version of SB 1.
- UT Southwestern Medical Center's formula for performance-based research match rate was increased from 8.69% to 12.63%.
- \$3.4 million in GR added to support Texas A&M University Health Science Center to improve access to sexual assault care.

Texas A&M System Agencies

The Texas A&M System Agencies consist of 8 state agencies ranging in research and contributions to their selective fields. These agencies have a wide range of duties from conserving and protecting the lands of the state to vocational training.

- \$466.9 million in Federal Funds, Appropriated Receipts, Other Funds, and Indirect Cost Recovery is now included in the bill patterns of Texas A&M Engineering Experiment Station, Texas A&M Engineering Extension Service, and Texas A&M Transportation Institute reflecting increased appropriations.
- Senate rider included to have federal funds, appropriated receipts, and indirect cost recovery included in the bill patterns Texas A&M Engineering Experiment Station, Texas A&M Engineering Extension Service, and Texas A&M Transportation Institute and that these funds be exempt from any statewide hiring freeze.
- Additional \$18 million and 55 FTEs to Texas A&M AgriLife Research for Advancing Health through Agriculture program.
- \$5.6 million in GR-R, including 28.0 FTEs, appropriated to Texas A&M AgriLife Research to restore 5% cuts from the 2020-21 biennium.
- \$5.9 million in GR-R, including 52.0 FTEs, appropriated to Texas A&M AgriLife Extension Service to restore 5% cuts from the 2020-21 biennium.
- \$10 million appropriated to Texas A&M Engineering Experiment Station with the adoption of new rider to create new Advanced Manufacturing Innovation Hub.
- \$23.8 million to be included in Texas A&M Veterinary Medical Diagnostic Laboratory bill pattern for Fee Revenue-related methods of finance, this includes Drug Testing Laboratory Fee Revenue and Veterinary Medical Diagnostic Lab Fee Revenue.
- \$60.0 million in GR appropriated to Texas Division of Emergency Management for the purchase of eight warehouses throughout the state. This decision adds 17.0 FTEs for the 2022-23 biennium.

Texas Higher Education Coordinating Board

The Higher Education Coordinating Board is the highest authority in the state on public higher education matters. provides leadership and coordination for Texas Higher Education and promotes access, affordability, quality, and success, and cost efficiency.

- Includes \$1.25 billion for financial aid programs:
 - \$866 million for the TEXAS Grants program, \$178.6 million for the Tuition Equalization Grants program.
 - \$88.5 million for Texas Educational Opportunity Grants (TEOG) – Public Community Colleges; and
 - \$7.5 million for TEOG – State and Technical Colleges, \$110 million for Student Financial Aid to be allocated to TEXAS Grants, Tuition Equalization Grants, TEOG Public Community Colleges, and TEOG Public State and Technical Colleges.
- \$199.0 million for graduate medical education and \$118.5 m for the Texas Child Mental Health Care Consortium

Higher Education Funds

These four higher education funds help fund the state institutions of higher learning: Higher Education Fund, Available National Research University Fund, Available University Fund, and Support for Military and Veteran Exemptions.

Public Community and Junior Colleges

There are 50 Public Community and Junior Colleges throughout the state dedicated to helping Texas reach the 60x30TX plan of striving to have 60% of 25–34-year-old Texans hold a certificate of a degree by 2030.

- Increase of \$332,640 from 2020-21 appropriations to restore the five percent baseline reduction to Howard College's Southwest Collegiate Institute for the Deaf.
- \$11.0 million, reduced from \$15.0 million in House version of SB 1, is appropriated equally across eleven institutions, instead of 15, for need-based supplemental appropriations.

Lamar Lower-Level Institutions

Included in Lamar Lower-Level Institutions is Lamar Institute of Technology, Lamar State College Orange, and Lamar State College Port Arthur. These are two-year institutions that provide certificate programs, associate degrees, institutional awards, and other types of trades.

- \$58.5 million appropriated, with an additional 184.5 FTEs, for the Lamar State Colleges Instruction & Operations Formula, as provided by the House version of SB 1.

Texas State Technical Colleges

These campuses help Texans meet the high-tech challenges of today’s global economy, in partnership with business and industry, government agencies and other educational intuitions. Texas State Technical College System is dedicated to keeping abreast of what markets will likely be the most in demand and providing education, training, and certification in high paying and high demand fields.

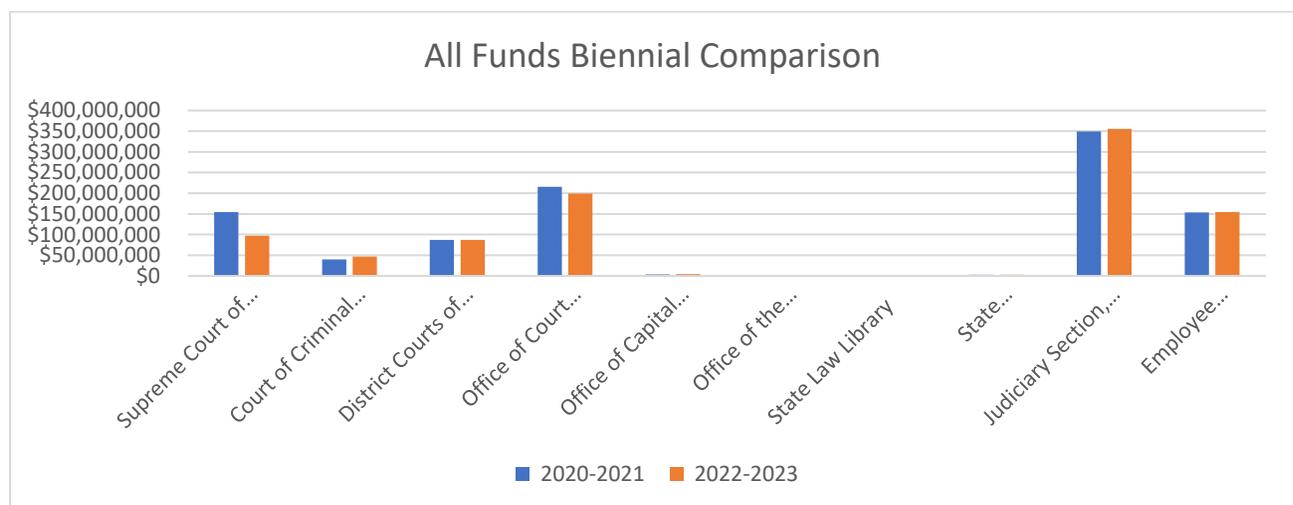
- House rider to establish, using currently appropriated funds, the Center for Employability Outcomes at the Texas State Technical College System Administration remains.
- Restores 5% reduction cuts to TSTC campuses and the system office, this includes an additional \$1.3 million from the House version of SB 1.
- Additional \$7.6 million in GR appropriated to fund Texas State Technical Colleges Instruction and Operations Formula.

Teacher Retirement System (TRS)

The Teacher Retirement system is an employment benefit plan for current and previous public and higher education teachers. Funding for TRS is comprised of state contributions for retirement and health care benefits for employees of public schools, higher education institutions, and retired teachers.

- Increases the state’s contribution rates at the TRS from 7.5% in 2020-2021 to 7.75% in FY 2022 and 8.0% in FY 2023.
- Provides \$897.6 million, an increase of \$39.5 million, to maintain current health insurance premiums and benefits for our retired teachers through TRS-Cares.

ARTICLE IV – THE JUDICIARY



Agency	2020-2021 (LBB Summary)	2022-2023 Conference	Difference	% Change
Supreme Court of Texas	\$154,800,000	\$97,285,363	(\$57,514,637)	-37.15%
Court of Criminal Appeals	\$40,100,000	\$46,585,181	\$6,485,181	16.17%
District Courts of Appeals	\$86,900,000	\$86,958,041	\$58,041	0.07%
Office of Court Administration, Texas Judicial Council	\$215,600,000	\$199,469,519	(\$16,130,481)	-7.48%
Office of Capital and Forensic Writs	\$3,500,000	\$4,301,421	\$801,421	22.90%
Office of the State Prosecuting Attorney	\$900,000	\$942,240	\$42,240	4.69%
State Law Library	\$2,100,000	\$2,186,853	\$86,853	4.14%
State Commission on Judicial Conduct	\$2,400,000	\$2,443,908	\$43,908	1.83%
Judiciary Section, Comptroller's Department	\$349,400,000	\$355,882,996	\$6,482,996	1.86%

Employee Benefits and Debt Services	\$153,300,000	\$154,788,416	\$1,488,416	0.97%
Less Interagency Contracts	(\$22,600,000)	(\$22,598,183)	\$1,817	-0.01%
Total General Revenue and General Revenue Dedicated	\$745,000,000	\$744,316,553	(\$683,447)	-0.09%
Total All Funds	\$986,500,000	\$928,245,755	(\$58,254,245)	-5.91%

Supreme Court of Texas

The Supreme Court is the highest court and last resort for civil matters in the state of Texas.

- \$76.6 million appropriated for Basic civil legal services
 - \$7 million for veterans
 - \$10 million for victims of sexual assault
- \$2 million for the biennium for the Judicial Commission on Mental Health, with \$500,000 dedicated for continuing a training program to educate and inform judges and their staff on mental health care resources.
- Maintains 2020-2021 Appropriation Levels for Travel to Children’s Courts for In-Person Hearings by an increase of \$303,360 in GR for associate judges and court coordinators.

Court of Criminal Appeals

The Court of Criminal Appeals is the highest court for criminal cases in Texas.

- \$349,229 for the biennium for education services and providing training on working with indigent clients and mental health.
- \$611,839 each FY for innocence education
- \$550,502 estimated for the Indigent disposition process and Judge Mentor program regarding bail, fines, fees, requests for community service, jail commitments, and jail credit in cases involving the indigent population.
- \$187,500 each FY strictly for training on mental health issues and pre-trial diversion.

District Courts of Appeals

There are 14 District Court of Appeals in the state, each with jurisdiction over a specific region in the state, for both civil and criminal appeal cases. Cases are heard by a panel of three justices, except for en banc cases where all justices hear and consider the case, and the number of justices on each court varies from three to thirteen. Each court is presided over by a chief justice with at least two other justices.

Office of Court Administration (OCA), Texas Judicial Council

Office of Court Administration (OCA)

The Office of Court Administration provides resources and information for the administration of the Judicial Branch of Texas, including to judicial branch regulatory boards and policy making bodies. Resources provided on technical assistance, training, research for trial courts, IT solutions, fiscal consultation for appellate and specialty courts, staffing and administration.

Texas Judicial Council

The Texas Judicial Council was created by the 41st Legislature in 1929 to continuously study and report on the organization and practices of the Texas Judicial Branch. They are the policy making body for the state judiciary. Within this agency the Texas Indigent Defense Commission serves as a support system for counties in establishing, developing, and maintaining cost-effective indigent defense services.

- \$17.5 million for Child Support Courts Program
- \$13.1 million for Child Protection Courts Program
- \$94.9 million in AF is allocated, \$0.5 million more in AF than in the 2020-21 biennium, for the Texas Indigent Defense Commission (TIDC) to assist counties in establishing, developing, and maintaining cost-effective indigent defense service. This also includes \$1.2 million of funding through six universities for the continuance of the Innocence Project.
 - Rider directing TIDC to fund a pilot project for the early identification and specialized representation of indigent defendants with mental illness by providing grants to counties to expand the capacity of existing mental health defender programs and to establish mental health defender programs in geographically diverse counties with a population of more than 800,000 currently without these programs.
- Domestic Violence / Community Safety to receive \$204,200 in GR to continue an Attorney position to provide training and technical assistance on domestic violence and protective order issues to judges that were previously funded with Federal Funds which are no longer available.

Office of Capital and Forensic Writs (OCFW)

The OCFW represent persons sentenced to death in Texas during their initial state habeas corpus applications, related proceedings, and raising challenges to their convictions through forensic science writs. Representation includes both capital and non-capital offenses.

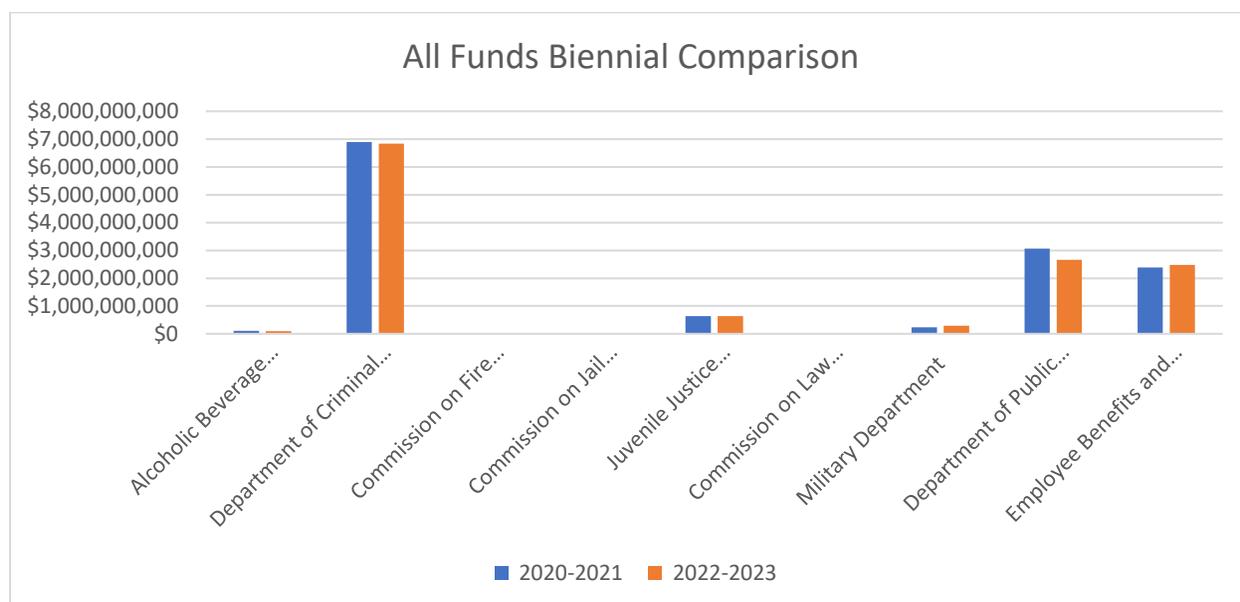
- OCFW is appropriated \$3.7 million in AF, an increase of \$0.2 million from the 2020-21 biennium, and is expected to accept 3 new non-capital offense cases in 2022 and 4 additional in 2023.

Judiciary Section, Comptrollers Department

The Judiciary Section of the Comptrollers Department coordinates the payment of salaries and expenses for all state district judges, district attorneys and other prosecutors in Texas.

- \$10.9 million for the Special Prosecution Unit (SPU), Walker Co for Juvenile Sexual Assault prosecutor, civil commitment expert witness expenses, travel, continuing education, and operational expenses with the SPU Palestine office.

ARTICLE V – PUBLIC SAFETY AND CRIMINAL JUSTICE



Agency	2020-2021 (LBB Summary)	2022-2023 Conference	Difference	% Change
Alcoholic Beverage Commission	\$107,800,000	\$96,859,596	(\$10,940,404)	-10.1%
Department of Criminal Justice	\$6,898,800,000	\$6,835,877,036	(\$62,922,964)	-0.9%
Commission on Fire Protection	\$3,800,000	\$3,762,976	(\$37,024)	-1.0%
Commission on Jail Standards	\$3,000,000	\$2,880,838	(\$119,162)	-4.0%
Juvenile Justice Department	\$639,300,000	\$635,617,042	(\$3,682,958)	-0.6%
Commission on Law Enforcement	\$8,300,000	\$10,276,257	\$1,976,257	23.8%
Military Department	\$234,400,000	\$292,497,687	\$58,097,687	24.8%
Department of Public Safety	\$3,065,000,000	\$2,666,682,595	(\$398,317,405)	-13.0%
Employee Benefits and Debt Services	\$2,389,000,000	\$2,477,752,919	\$88,752,919	3.7%
Less Interagency Contracts	(\$176,700,000)	(\$165,645,403)	\$11,054,597	-6.3%
Total General Revenue and General Revenue Dedicated	\$11,925,900,000	\$12,105,445,965	\$179,545,965	1.5%
Total All Funds	\$13,172,700,000	\$12,892,393,113	(\$280,306,887)	-2.1%

Texas Alcoholic Beverage Commission (TABC)

TABC is responsible for regulating, inspecting, and taxing the production, sale, and use of alcohol in the state. It offers licenses and certificates for companies and employees in the alcoholic beverage industry, enforces applicable laws, and collects excise taxes.

- TABC is appropriated \$97 million in AF, a reduction of \$10.8 million in AF, primarily due to the one-time funding for IT projects during the 2020-21 biennium.

Texas Department of Criminal Justice (TDCJ)

TDCJ manages the housing, security, food, healthcare, and treatment services for adults who are incarcerated in state prisons, state jails, and contracted private correctional facilities. The agency also funds community supervision, diversion, and reentry programs.

- \$59.8 million for the Board of Pardons and Paroles
- \$34.1 million in GR for a 3% salary increase for correctional officers working in TDCJ maximum security facilities.
- Rider directs an increase of \$1.0 million in GR for reentry treatment services pilot programs in Houston and Dallas.
- \$63.6 million in GR for the highest priority facility repair and renovation projects including \$60.2 million for safety and \$3.3 million for security. \$82,630,000 for safety projects and \$29.3 million for safety projects in Economic Stabilization Funds.
- Rider directs
- TDCJ to log temperature and temperature-related deaths in housing areas.
- Rider directs TDCJ to produce a report on warrants issued for parole violations, or blue warrants.
- The rider directs TDCJ to produce reports on pregnant inmates.
- \$1.9 million in GR to restore academic and vocational programming to 2020-2021 appropriated funds.
- Includes \$34.1 million for a 3% pay increase for correctional officers at the Texas Department of Criminal Justice working on maximum-security correctional facilities.
- \$61.0 million in capital expenses including computer and software purchasing, data center consolidation, vehicle replacement, equipment replacement for operational support and industrial operations, and items for agriculture
- TDCJ will maintain a safe prisons program to prevent and limit the number of sexual assaults by inmates on inmates and report annually on the number of assaults and actions taken.
- Texas Correctional Office on Offenders with Medical or Mental Impairments (TCOOMMI) will coordinate with DSHS, county and municipal jails, and community centers pre- and post-release for continuity of care.
 - TCOOMMI allocated \$500,000 each FY to reimburse HHSC for providing formerly incarcerated individuals with a 90-day supply of medication post-release.

Texas Juvenile Justice Department (TJJD)

TJJD is responsible for housing, parole, supervision, re-entry programs, facility staffing, education, food, healthcare, and treatment services for children who are incarcerated. Projections for state juvenile residential populations are 1,009 and 1,120, supervised probation populations are 17,897 and 18,629, and for parole supervision are projected to be 283 and 315 for fiscal years 2022 and 2023, respectively.

- \$19.2 million in GR each FY to be used to provide diversion programs, including residential, community-based, family and after care programs.
- \$28.2 million for mental health service grants.
- \$250,000 in GR each FY to establish a pilot program in Harris, Hidalgo, and Cameron counties to provide trauma-informed counseling, life skills, and hands on vocational training for youth who were previously committed to state correctional custody.
- Providing an increase of \$6.0 million in GR to restore the full 5% reduction to Prevention and Intervention.
- Senate provides an increase of \$1.3 million in GR to restore the full 5% reduction to Commitment Diversion Initiatives.
- \$2,553,836 in GR to resume previous supervision levels at juvenile state secure facilities. Includes FTEs.
- \$1.6 million in GR for the continuation of body-worn cameras for facility supervision
- Rider including juvenile correctional officers in the list of individuals eligible to receive housing facilities, meals, and laundry service in exchange for services rendered.
- Juvenile Justice Alternative Education Program (JJAEP) funding allocations from the Texas Education Agency:
 - Change TEA transfer amount at the beginning of each FY from \$1.5 million to 15% of total
 - Remove language that says counties that choose to participate in requirements of Chapter 37 of the Texas Education Code be included in this distribution
 - Alter the cap that can be spent on summer school from \$3.0 million to 10% of the appropriation
 - Adds language to the rider that would require TEA to increase appropriated funds to provide a minimum reimbursement of \$86 per attendance day if the reimbursement rate falls below \$86 per day due to increased days of attendance.

Texas Commission on Law Enforcement (TCOLE)

TCOLE is the regulatory agency for law enforcement, corrections, and telecommunications personnel. It offers training, licensure, and educational services to ensure that relevant statutes and standards are enforced.

- The Sunset Act for TCOLE has not progressed through the legislature, however, there are plans to continue the agency and enact Sunset recommendations next session.
- A rider provides funding each fiscal year and an additional \$1,051,820 is provided for the Texas Law Enforcement Peer Network at the TCOLE for peace officers to receive mental health support
- Rider directs \$121,008 in FY 2022 for the purpose of conducting a study on the salaries of peace officers.
- Senate adopts contingency rider for behavioral health funds for peace officers
- \$1.3 million is provided for curriculum staff to oversee law enforcement training and to reimburse volunteer curriculum committee participants for travel and per diem expenses.

Texas Military Department (TMD)

The Texas Military Department manages the state military forces in support of state and federal authorities. The agency is comprised of the Texas Army National Guard, Texas Air National Guard, and the Texas State Guard.

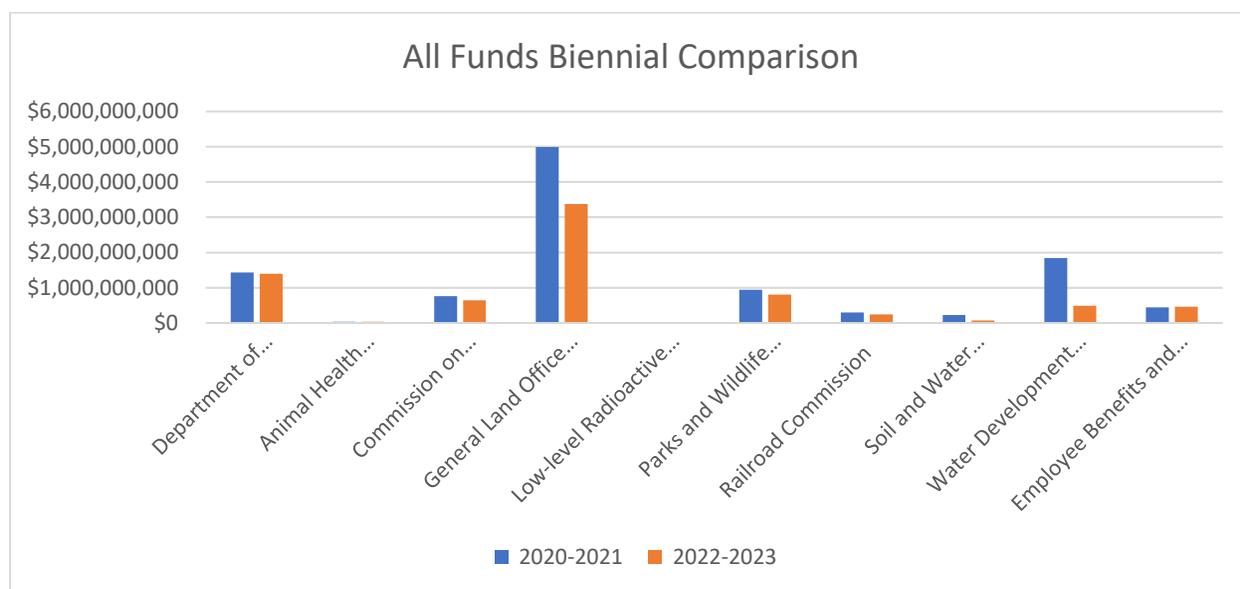
- \$1.43 million each fiscal year for the Challenge youth education program. This program serves 16-18 year old high school dropouts and uses boot camp-like tactics to build life skills and discipline.
- \$6.6 million for the biennium for mental health services for members of the Texas Army National Guard, Texas Air National Guard and Texas State Guard.

Department of Public Safety (DPS)

The Department of Public Safety is responsible for statewide law enforcement and vehicle registration services, including criminal investigations, emergency response, cybersecurity, counterterrorism, and handgun and driver's licensing services. This agency also manages the Highway Patrol (state police) and the Texas Rangers.

- In addition to targeted salary increases for DPS troopers, the legislature provides funding for 100 new troopers along the border and 74 additional DPS troopers and staff to enhance the security throughout the Capitol complex.
- The rider adds \$250,000 in each FY for the continuation of the statewide safe gun storage campaign.
- \$5.0 million in GR to fund one additional trooper recruit school. Increase of \$6.0 million in GR to fund one additional trooper recruit school.
- Adopt \$56.7 million in SB 1 for 100 additional border troopers.
- Found in Article IX: \$5.2 million for the biennium in additional funds in GR to provide a 25% salary increase to Police Communication Officers I-VII employed at DPS Salary increases for Law Enforcement Officers, Troopers, Corporals, Sergeants, and Pilot Investigator 1 are granted an additional 12.2% Lieutenants and Pilot Investigator 2, are granted an additional 15% Captains, Commanders, Majors, Pilot Investigator 3/4, are granted an additional 16.7%
- Found in Article X: State Auditor's Office will conduct an audit of the DPS TXGANG index to identify records older than 10 years that have not been recently violated.

ARTICLE VI – NATURAL RESOURCES



Agency	2020-2021 (LBB Summary)	2022-2023 Conference	Difference	% Change
Department of Agriculture	\$1,436,500,000	\$1,394,762,790	(\$41,737,210)	-3%
Animal Health Commission	\$31,900,000	\$31,303,899	(\$596,101)	-2%
Commission on Environmental Quality	\$760,800,000	\$647,012,815	(\$113,787,185)	-15%
General Land Office and Veterans Land Board	\$4,993,400,000	\$3,372,605,565	(\$1,620,794,435)	-32%
Low-level Radioactive Waste Disposal Compact Commission	\$800,000	\$886,454	\$86,454	11%
Parks and Wildlife Department	\$939,300,000	\$805,958,922	(\$133,341,078)	-14%
Railroad Commission	\$299,700,000	\$247,885,779	(\$51,814,221)	-17%
Soil and Water Conservation Board	\$222,200,000	\$74,072,539	(\$148,127,461)	-67%
Water Development Board	\$1,843,100,000	\$493,209,728	(\$1,349,890,272)	-73%
Employee Benefits and Debt Services	\$448,400,000	\$460,630,248	\$12,230,248	3%
Less Interagency Contracts	(\$21,200,000)	(\$20,774,368)	\$425,632	-2%
Total General Revenue and General Revenue Dedicated	\$2,224,400,000	\$2,167,896,335	(\$56,503,665)	-3%
Total All Funds	\$10,954,900,000	\$7,507,554,371	(\$3,447,345,629)	-31%

Texas Department of Agriculture (TDA)

TDA is responsible for promoting the production of agriculture, consumer protection, economic development, and healthy living.

- The Senate did not concur with House amendments to the Sunset Act for TDA and a conference committee has been appointed
- Texans Feeding Texans Programs receives \$19.7 million for the Home Delivered Meals program and \$10.2 million for the Surplus Agricultural Products Grant Program.
- Directs the agency to do a study on how to increase the number of grocery stores in food deserts using existing agency appropriations.
- \$1.15 billion in AF for the biennium for the Child and Adult Nutrition programs.
- \$9.7 million in GR for the biennium to fund the Boll Weevil Eradication Program.
- Rider that directs the agency to biennially report on plant disease strategies to identify pathways of new pests and diseases that threaten Texas agriculture and include efforts to address them with existing appropriations
- Rider that directs the agency to provide a quarterly report on the Hemp Program regarding operational costs, budget adjustments and issues, number of hemp growers’ licenses and narrative explanations.

- Found in Article X: the State Auditor's Office will conduct an audit of the Hemp Program licensing and permit application process at the Texas Department of Agriculture.

Texas Commission of Environmental Quality (TCEQ)

The TCEQ is the main environmental agency for the state, responsible for permitting usage and enforcing laws related to air, water, and land resources.

- Rider requires a quarterly status report from TCEQ of litigation expenses for the Rio Grande Compact Commission; allows LBB to withhold future expenditures if previous expenditures are determined to be inappropriate
- Rider directing TCEQ to create an annual report on TERP programs
- \$3 million in GR Dedicated Hazardous and Solid Waste Remediation Fee Account No. 550 funding in the fiscal year 2022 for remediation of a closed battery recycling facility site contingent on the enactment of legislation
- TCEQ Rider and funding would provide \$250,000 each fiscal year in GR Dedicated Clean Air Account No. 151 in Air Quality Assessment and Planning with authority for 4 additional FTEs to fully staff the agency's mobile air monitoring units
- TCEQ Rider amendment defines affected counties attainment status for the O3 National Ambient Air Quality Standards and identifies counties that would qualify for a grant from the \$4.5 million identified
- \$5 million in GR each fiscal year for litigation expenses associated with the Rio Grande Compact Commission of Texas continuing lawsuit against New Mexico for the equitable distribution of water Rio Grande compact commission.

General Land Office and Veterans' Land Board

The General Land Office manages state lands and mineral right properties, state veterans benefit programs, and the Permanent School Fund. It protects and maintains Texas's natural and coastal landscapes and historical facilities like the Alamo and administers community recovery grants. The Veterans' Land Board provides land, home loans, home improvement loans exclusively to Veterans and Military Members. It is also in charge of nine Texas State Veteran Homes and four Texas State Veteran Cemeteries.

- \$1.4 million to add healthcare advocates at VA clinics across the state.
- \$3.0 billion in Federal Funds for disaster recovery related to Hurricane Harvey, including \$1.4 billion for short-term and community housing projects and \$1.6 billion for infrastructure and mitigation projects; and \$221.4 million in All Funds for coastal projects.
- \$10.7 million in AF for the Alamo Complex over the biennium.

Low Level Radioactive Waste Disposal Compact Commission

The Texas Low-Level Radioactive Waste Disposal Compact Commission is responsible for ensuring the safe disposal of low-level radioactive waste generated within member states. This includes the identification of a host state to receive and dispose of the waste, conducting research, establishment of relevant regulations, and providing the public with information about the entire process.

Texas Parks and Wildlife Department

The Texas Parks and Wildlife Department manages coastal and inland fisheries, conservation of natural and cultural resources, state parks, provides legal assistance with the Texas Parks and Wildlife Commission, and provides a statewide law enforcement meant to protect Texas' wildlife, natural resources, and the environment. The agency also manages hunting, fishing, and outdoor recreation.

- \$4.6 million for Vehicles and equipment from the Sporting Goods Sales Tax (SGST)
- \$13.6 million for local park grants allocated from the Sporting Goods Sales Tax (SGST)
- \$182.0 million for State Park Operations
- \$14.2 million for Parks Minor Repair Program
- \$11.1 million for Statewide Management Plan
- The Sunset Act for TPWD is currently awaiting governor action.

Railroad Commission

The Railroad Commission of Texas is responsible for regulating the state's energy industry through issuing permits and enforcing applicable laws with the goal of preserving the state's natural resources. The RCT regulates the oil and gas industry, natural gas, liquified petroleum, liquid pipeline industry, and coal and uranium surface mining operations through issuing permits and enforcing applicable laws with the goal of preserving the state's natural resources.

- \$48.7 million in GR is appropriated for oil and gas well plugging and site remediation
- RRC is required to review sources of revenue credited to Oil and Gas Regulation and Cleanup and report recommendations for statutory and regulatory changes to assure adequate revenue is collected

- Rider directing RRC to develop a strategic plan to evaluate and provide solutions to remedy the discrepancy between natural gas flaring data reported to the agency and satellite data collected by NOAA.
- Rider directing a study on the Oil and Gas Regulations and Cleanup Fund Revenue Stream rider requires the agency to conduct a review of the source or revenue credit Account No. 5155, including but not limited to well bonding, fine levels, and permit fees, on or before September 1, 2022, and report the information to the SBB with recommendations.
- Rider directing a strategic Plan on Flaring Data to evaluate the discrepancy between natural gas flaring data reported to the agency and satellite data collected by the National Centers for Environmental Information at the National Oceanic and Atmospheric Administration and to provide solutions to remedy the discrepancy.

Soil and Water Conservation Board

The Texas State Soil and Water Conservation Board administers Texas’ soil and water conservation law, provides operation and maintenance of flood control structures, coordinates conservation, and provides education programs. The agency is also in charge of the planning, management, and abatement of agricultural and silvicultural nonpoint source water pollution and administers the Water Supply Enhancement Program.

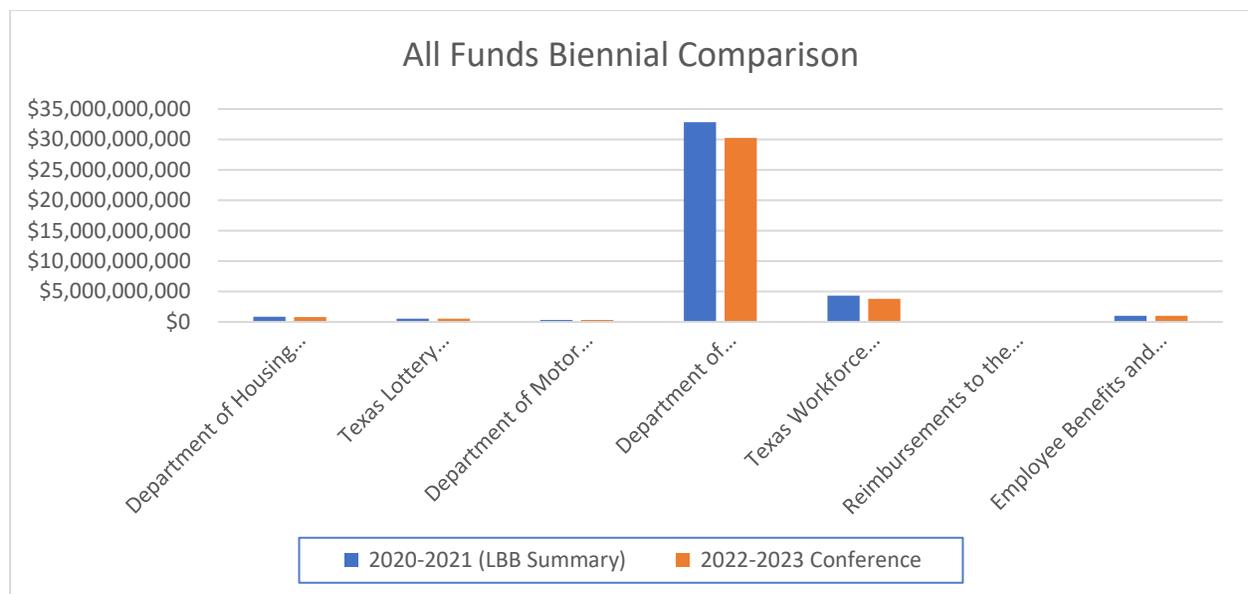
- \$11.1 million for Statewide Management Plan
- \$406,818 in GR each fiscal year for administrative costs associated with the preparation of water quality management plans for poultry operators.
- \$3.5 million in GR each fiscal year for the planning and implementation of water quality management plans

Texas Water Development Board (TWDB)

The Water Development Board manages the state’s water and flood plans. It supports local and regional water, wastewater, and flood mitigation plans and projects through technical and financial assistance.

- \$2.6 million in GR to provide for debt service for the issuance of about \$30 million in new Economically Distressed Areas Program (EDAP) bonds.
- \$51.3 million each fiscal year from the Texas Infrastructure Resiliency Fund and \$1.2 million each fiscal year from the Floor Infrastructure Fund for flood preparedness and safety activities.

ARTICLE VII – BUSINESS AND ECONOMIC DEVELOPMENT



Agency	2020-2021 (LBB Summary)	2022-2023 Conference	Difference	% Change
Department of Housing and Community Affairs	\$842,400,000	\$801,621,323	(\$40,778,677)	-4.8%
Texas Lottery Commission	\$556,800,000	\$525,145,617	(\$31,654,383)	-5.7%
Department of Motor Vehicles	\$328,900,000	\$306,797,114	(\$22,102,886)	-6.7%
Department of Transportation	\$32,812,400,000	\$30,242,485,172	(\$2,569,914,828)	-7.8%

Texas Workforce Commission	\$4,342,200,000	\$3,791,060,166	(\$551,139,834)	-12.7%
Reimbursements to the Unemployment Compensation Benefit Account	\$55,100,000	\$64,808,566	\$9,708,566	17.6%
Employee Benefits and Debt Services	\$994,100,000	\$1,031,151,772	\$37,051,772	3.7%
Less Interagency Contracts	\$284,000,000	\$216,273,535	\$67,726,465	-23.8%
Total General Revenue and General Revenue Dedicated	\$1,143,700,000	\$1,089,581,931	(\$54,118,069)	-4.7%
Total All Funds	\$39,647,700,000	\$36,546,796,195	(\$3,100,903,805)	-7.8%

Texas Department of Housing and Community Affairs (TDHCA)

TDHCA provides affordable housing, community, and energy assistance programs, colonia development, utility and rental assistance programs, HOME and assistance programs for people experiencing homelessness, and regulation of the manufactured housing industry.

- Out of appropriated funds, the agency will produce a monthly report Reporting on the Texas Rent Relief program to be submitted to the Speaker of the House, Lt. Governor, and the chairs of Urban Affairs (House) and Local Government (Senate).

Texas Lottery Commission (TLC)

TLC generates revenue for the state and the Foundation School Fund through the management and sale of lottery products.

- TLC experienced a \$25.9 million decrease in the state’s projected contractual obligation, a \$3.8 million decrease in Bingo Prize Fee collections, and a \$5.2 million decrease related to George H. W. Bush Building relocation costs. These are offset by increases of \$17.8 million for Retailer Commissions, based on total projected sales, and \$1.4 million for changes in agency product contracting and administration costs for a net decrease of \$15.7 million in AF
- In FY 2020 the agency’s revenue transfers included \$1.66 billion to the FSF and \$22.2 million to the Fund for Veterans’ Assistance, the largest expenditures in the agency’s history.

Texas Department of Motor Vehicles (TxDMV)

TxDMV administers motor vehicle programs and services to ensure vehicle compliance and generate revenue for the state. TxDMV provides customer service related to vehicle registration, vehicle titling, motor carrier credentialing, permitting, motor vehicle industry regulation, compliance and investigation, consumer protections within the Enforcement Division, and burglary and theft prevention.

- \$30 million in GR for motor vehicle crime prevention grants to local law enforcement.

Department of Transportation (TxDOT)

The Department of Transportation (TxDOT) is responsible for maintaining a safe, reliable, and integrated transportation system.

- Increase State Highway Fund by \$ 558.0 billion for the biennium
- \$1.4 billion provided in State Highway Funds for construction contracts.
- \$32.0 million provided to fund infrastructure construction projects at the Bridge of the Americas and the Ysleta Bridge.
- \$30.2 billion provided in All Funds to the Department of Transportation. Includes \$26.5 billion for highway planning and design, right-of-way acquisition, construction, and maintenance and preservation.

Texas Workforce Commission (TWC)

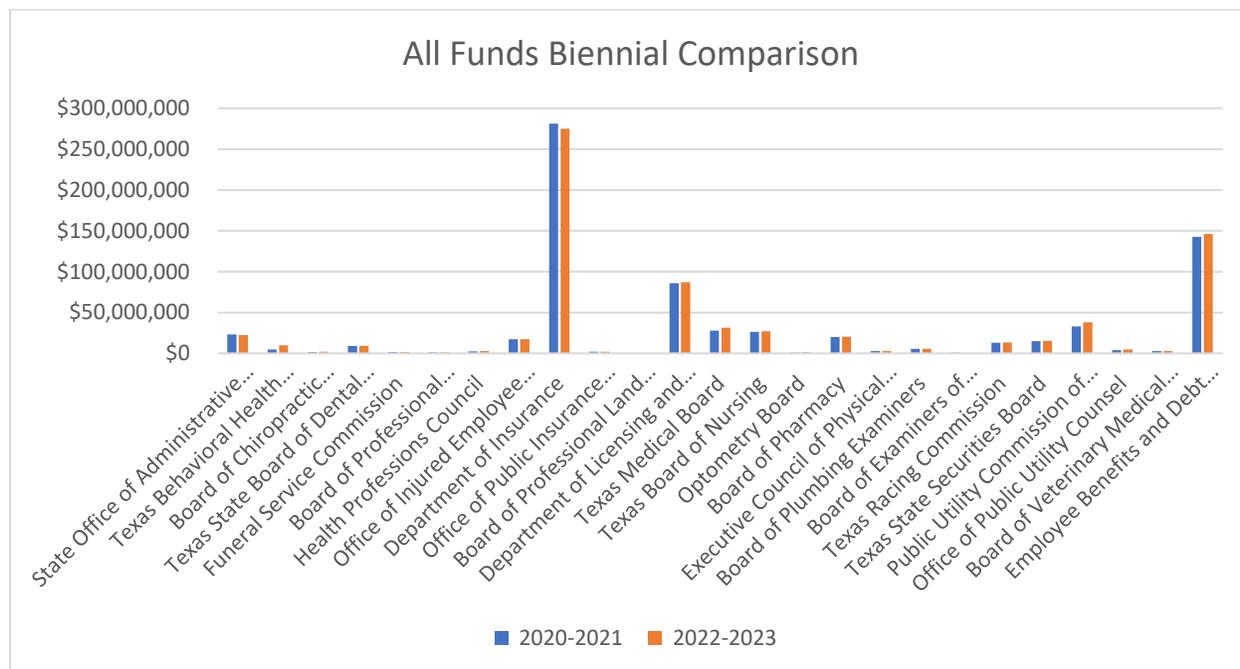
TWC assists employers and job seekers by overseeing and providing workforce development services including job matching, recruiting, and training.

- \$8.0 million provided to fund a program with community-based organizations that partner with employers to transition houseless and unemployed individuals into permanent employment.
- \$178.4 million for Unemployment Claims for the 2022-2023 biennium, consistent with the House version of SB 1.
- \$5.8 million from TANF funds each FY for adult literacy programs
- \$576.1 million in AF for vocational rehabilitation to assist people who are differently-abled in preparing to enter the workforce and advancing their employment goals.
- \$1.8 billion in AF for childcare services for DFPS families, at-risk children, and low-income families and families working or training for work.

Reimbursements to the Unemployment Compensation Benefit Account

This account is held outside the state treasury for the comptroller to move funds from other state entities to reimburse TWC for the agency’s half of unemployment benefits paid out to former state employees. TWC may also temporarily utilize funds for anticipated amounts to be paid by a state agency.

ARTICLE VIII – REGULATORY



Agency	2020-2021 (LBB Summary)	2022-2023 Conference	Difference	% Change
State Office of Administrative Hearings	\$23,200,000	\$22,452,023	(\$747,977)	-3.2%
Texas Behavioral Health Executive Council	\$4,600,000	\$9,606,579	\$5,006,579	110.8%
Board of Chiropractic Examiners	\$1,700,000	\$1,901,556	\$201,556	11.9%
Texas State Board of Dental Examiners	\$8,900,000	\$9,210,264	\$310,264	3.5%
Funeral Service Commission	\$1,600,000	\$1,789,407	\$189,407	11.8%
Board of Professional Geoscientists	\$1,100,000	\$1,249,404	\$149,404	13.6%
Health Professions Council	\$2,300,000	\$2,929,731	\$629,731	27.4%
Office of Injured Employee Counsel	\$17,300,000	\$17,402,826	\$102,826	0.6%
Department of Insurance	\$281,200,000	\$275,133,498	(\$6,066,502)	-2.2%
Office of Public Insurance Counsel	\$1,900,000	\$2,000,180	\$100,180	5.3%
Board of Professional Land Surveying	\$300,000	N/A	N/A	N/A
Department of Licensing and Regulation	\$85,900,000	\$86,956,761	\$1,056,761	1.2%
Texas Medical Board	\$28,000,000	\$31,354,958	\$3,354,958	12.0%
Texas Board of Nursing	\$26,200,000	\$27,247,816	\$1,047,816	4.0%
Optometry Board	\$1,000,000	\$1,074,730	\$74,730	7.5%
Board of Pharmacy	\$20,200,000	\$20,293,946	\$93,946	0.5%
Executive Council of Physical Therapy & Occupational Therapy Examiners	\$2,700,000	\$2,827,400	\$127,400	4.7%
Board of Plumbing Examiners	\$5,500,000	\$5,666,024	\$166,024	3.0%
Board of Examiners of Psychologists	\$1,000,000	0	N/A	N/A
Texas Racing Commission	\$13,000,000	\$13,467,745	\$467,745	3.6%

Texas State Securities Board	\$14,800,000	\$15,307,015	\$507,015	3.4%
Public Utility Commission of Texas	\$33,100,000	\$38,182,168	\$5,082,168	15.4%
Office of Public Utility Counsel	\$4,100,000	\$4,871,528	\$771,528	18.8%
Board of Veterinary Medical Examiners	\$2,700,000	\$2,883,282	\$183,282	6.8%
Employee Benefits and Debt Services	\$142,800,000	\$146,367,997	\$3,567,997	2.5%
Total General Revenue and General Revenue Dedicated	\$611,700,000	\$631,737,645	\$20,037,645	3.3%
Total All Funds	\$712,800,000	\$728,038,491	\$15,238,491	2.1%

Texas Behavioral Health Executive Council (BHEC)

BHEC ensures compliance with professional standards and regulates behavioral health services and social work practices. BHEC oversees several Texas State Boards of Examiners, including marriage and family therapists, professional counselors, psychologists, and social workers.

- Funding increases can be attributed to the council’s inception during the 86th Legislative session, following the consecutive review of the member boards under its purview. The 2020-21 biennium funded the council’s creation, and the one-year operations appropriation fully cover operations costs for the 2022-23 biennium.

Texas Department of Insurance (TDI)

TDI regulates the insurance industry, implements the Texas workers compensation program, and protects Texas consumers. The Division of Workers Compensation, responsible for implementing the Texas Workers Compensation System, is under the per view of TDI.

- \$43.4 million contingent on passage of SB 874 to implement the administration of a temporary health insurance risk pool.

Board of Pharmacy

The Texas State Board of Pharmacy ethically regulates the pharmaceutical profession and administrates the licensing of Texas pharmacy workers and pharmacies. The agency is also responsible for establishing regulation for pharmacy practice.

- \$5 million in GR for software subscriptions for enhancements to the Prescription Monitoring Program (PMP).

Texas State Board of Plumbing Examiners

The Texas State Board of Plumbing Examiners protects the health and safety of Texans by regulating the industry, overseeing licensure administration, and ensuring plumbing safety compliance.

- The Board of Plumbing Examiners underwent the Sunset Review process in the 86th legislative session, which resulted in executive action from Governor Abbott continuing the TSBPE for two years when legislative consensus could not be reached regarding certain sunset recommendations. Legislation passed this session continued the functions of TSBPE as a standalone agency for 12 years.

Public Utility Commission of Texas (PUC)

PUC oversees electric, water, wastewater, and telecommunications rates and services. PUC regulates utility markets and is responsible for ensuring independent public utility providers follow state and federal law.

- In response to Winter Storm Uri in February 2021, \$1.69 million in GR and 8 FTEs is provided for enhanced oversight of ERCOT. PUC will be required to submit a report to the legislature regarding the effects of ERCOT load shedding protocols. PUC will also be required to include whether connecting ERCOT to Western, Eastern, or Mexico interconnections would project and further public interest in their biennial report.

Office of Public Utility Counsel

The Office of Public Utility Counsel is a legal group established by the state to represent and protect the interests of residential and small business consumers in public utilities legal proceedings. The agency is also charged with protecting consumer interests during rule-making proceedings, like in the rate market and with regulations.

- In response to Winter Storm Uri, 4 additional FTEs are funded to help the agency participate in more rulemaking and policy projects at PUC and for providing more consumer advocacy with ERCOT.