CONFERENCE COMMITTEE REPORT ON SENATE BILL 1

FOR THE 2006 –2007 BIENNIUM

79TH LEGISLATIVE SESSION

Legislative Budget Board
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RECAPITULATION - ALL ARTICLES
(General Revenue)

	For the Years Ending August 31, 2006	August 31, 2007
ARTICLE I - General Government	$ 926,151,760	$ 748,187,881
ARTICLE II - Health and Human Services	8,829,490,933	8,770,302,976
ARTICLE III - Agencies of Education	18,489,114,786	18,225,282,430
ARTICLE IV - The Judiciary	166,685,888	168,062,200
ARTICLE V - Public Safety and Criminal Justice	3,467,034,605	3,531,457,106
ARTICLE VI - Natural Resources	220,811,152	216,310,639
ARTICLE VII - Business and Economic Development	129,061,375	123,821,288
ARTICLE VIII - Regulatory	202,333,488	201,730,683
ARTICLE IX - General Provisions	135,494,080	195,470,293
ARTICLE X - The Legislature	148,397,679	165,266,212
GRAND TOTAL, General Revenue	$ 32,714,575,746	$ 32,345,891,708

RECAPITULATION - ALL ARTICLES
(General Revenue - Dedicated)

	For the Years Ending August 31, 2006	August 31, 2007
ARTICLE I - General Government	$ 298,923,591	$ 379,462,993
ARTICLE II - Health and Human Services	597,056,093	615,268,906
ARTICLE III - Agencies of Education	1,133,600,541	1,151,221,315
ARTICLE IV - The Judiciary	15,192,607	13,715,503
ARTICLE V - Public Safety and Criminal Justice	22,416,437	22,683,049
ARTICLE VI - Natural Resources	640,365,367	530,631,105
ARTICLE VII - Business and Economic Development	203,838,901	204,252,249
ARTICLE VIII - Regulatory	58,089,792	58,434,690
ARTICLE IX - General Provisions	15,493,787	22,676,767
ARTICLE X - The Legislature	0	0
GRAND TOTAL, General Revenue - Dedicated	$ 2,984,977,116	$ 2,998,346,577

RECAPITULATION - ALL ARTICLES
(Federal Funds)

	For the Years Ending August 31, 2006	August 31, 2007
ARTICLE I - General Government	$ 347,301,529	$ 320,846,840
ARTICLE II - Health and Human Services	14,786,810,514	14,947,483,992
ARTICLE III - Agencies of Education	4,181,192,916	4,226,612,460
ARTICLE IV - The Judiciary	47,746	49,431
ARTICLE V - Public Safety and Criminal Justice	147,738,404	139,237,239
ARTICLE VI - Natural Resources	139,599,997	141,286,781
ARTICLE VII - Business and Economic Development	4,982,631,940	4,491,711,107
ARTICLE VIII - Regulatory	2,454,623	2,454,623
ARTICLE IX - General Provisions	32,974,766	50,055,779
ARTICLE X - The Legislature	0	0
GRAND TOTAL, Federal Funds	$ 24,620,752,435	$ 24,319,738,252

RECAPITULATION - ALL ARTICLES
(Other Funds)*

	For the Years Ending August 31, 2006	August 31, 2007
ARTICLE I - General Government	$ 65,128,132	$ 35,958,356
ARTICLE II - Health and Human Services	527,733,510	506,949,820
ARTICLE III - Agencies of Education	3,491,470,038	3,803,221,662
ARTICLE IV - The Judiciary	51,250,295	41,667,326
ARTICLE V - Public Safety and Criminal Justice	611,917,832	582,110,564
ARTICLE VI - Natural Resources	188,415,422	171,148,217
ARTICLE VII - Business and Economic Development	4,164,206,956	4,344,765,067
ARTICLE VIII - Regulatory	7,141,081	7,150,386
ARTICLE IX - General Provisions	82,159,002	91,532,188
ARTICLE X - The Legislature	1,810,000	1,810,000
GRAND TOTAL, Other Funds	$ 9,191,232,268	$ 9,586,313,586

* Excludes interagency contracts

RECAPITULATION - ALL ARTICLES
(All Funds)*

	For the Years Ending August 31, 2006	August 31, 2007
ARTICLE I - General Government	$ 1,637,505,012	$ 1,484,456,070
ARTICLE II - Health and Human Services	24,741,091,050	24,840,005,694
ARTICLE III - Agencies of Education	27,295,378,281	27,406,337,867
ARTICLE IV - The Judiciary	233,176,536	223,494,460
ARTICLE V - Public Safety and Criminal Justice	4,249,107,278	4,275,487,958
ARTICLE VI - Natural Resources	1,189,191,938	1,059,376,742
ARTICLE VII - Business and Economic Development	9,479,739,172	9,164,549,711
ARTICLE VIII - Regulatory	270,018,984	269,770,382
ARTICLE IX - General Provisions	266,121,635	359,735,027
ARTICLE X - The Legislature	150,207,679	167,076,212
GRAND TOTAL, All Funds	$ 69,511,537,565	$ 69,250,290,123
Number of Full-Time-Equivalents (FTE)- Appropriated Funds	221,353.2	219,415.5

* Excludes interagency contracts

A BILL TO BE ENTITLED
AN ACT

appropriating money for the support of the Judicial, Executive, and Legislative Branches of the State government, for the construction of State buildings, and for State aid to public junior colleges, for the period beginning September 1, 2005 and ending August 31, 2007; authorizing and prescribing conditions, limitations, rules, and procedures for allocating and expending the appropriated funds; and declaring an emergency.

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

ARTICLE I

GENERAL GOVERNMENT

Sec. 1. The several sums of money herein specified, or so much thereby as may be necessary, are appropriated out of any funds in the State Treasury not otherwise appropriated, or out of special funds as indicated, for the support, maintenance, or improvement of the designated agencies of general government.

COMMISSION ON THE ARTS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 2,678,379	$ 2,570,566
GR Dedicated - Commission on the Arts Operating Account No. 334	609,040	593,745
Federal Funds	791,200	791,200
Other Funds		
Appropriated Receipts	331,905	331,905
Interagency Contracts	970,000	970,000
Subtotal, Other Funds	$ 1,301,905	$ 1,301,905
Total, Method of Financing	$ 5,380,524	$ 5,257,416
This bill pattern represents an estimated 88.5% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	19.0	19.0
Schedule of Exempt Positions:		
Executive Director, Group 2	$72,500	$72,500
Items of Appropriation:		
A. Goal: ARTS AND CULTURAL GRANTS		
Provide and Support Arts and Cultural Grants.		
A.1.1. Strategy: ARTS ORGANIZATION GRANTS	$ 3,165,734	$ 3,142,626 & UB
A.1.2. Strategy: ARTS EDUCATION GRANTS	$ 826,340	$ 826,340
Total, Goal A: ARTS AND CULTURAL GRANTS	$ 3,992,074	$ 3,968,966
B. Goal: PROMOTION AND PARTICIPATION		
Promote Participation in Arts & Cultural Events.		
B.1.1. Strategy: CULTURAL TOURISM Promote Arts and Cultural Events to Attract Tourists.	$ 187,039	$ 187,039
B.1.2. Strategy: MARKETING AND FUNDRAISING Market Arts & Cultural Events; Raise Private Funds for Agency Programs.	$ 505,150	$ 505,150
Total, Goal B: PROMOTION AND PARTICIPATION	$ 692,189	$ 692,189

C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: CENTRAL ADMINISTRATION	$ 382,009	$ 379,110
C.1.2. Strategy: INFORMATION RESOURCES	$ 314,252	$ 217,151
Total, Goal C: INDIRECT ADMINISTRATION	$ 696,261	$ 596,261
Grand Total, COMMISSION ON THE ARTS	$ 5,380,524	$ 5,257,416
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 938,940	$ 931,127
Other Personnel Costs	44,900	44,900
Professional Fees and Services	285,000	285,000
Consumable Supplies	30,000	30,000
Utilities	41,000	21,000
Travel	90,000	90,000
Rent - Building	5,300	5,300
Rent - Machine and Other	16,000	16,000
Other Operating Expense	249,389	219,389
Grants	3,579,995	3,564,700
Capital Expenditures	100,000	50,000
Total, Object-of-Expense Informational Listing	$ 5,380,524	$ 5,257,416
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 54,443	$ 55,532
Group Insurance	97,466	104,514
Social Security	70,747	72,162
Benefits Replacement	6,105	5,800
Subtotal, Employee Benefits	$ 228,761	$ 238,008
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 228,761	$ 238,008

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Commission on the Arts. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Commission on the Arts. In order to achieve the objectives and service standards established by this Act, the Commission on the Arts shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: ARTS AND CULTURAL GRANTS		
Outcome (Results/Impact):		
Percentage of Assistance Dollars Provided to Applications from Minority Organizations	16%	16%
Percentage of Assistance Dollars Provided to Applications from Rural and Geographically Isolated Communities	33%	33%
Percentage of Grants Funded That Are for Arts Education Programs	14%	15%
A.1.1. Strategy: ARTS ORGANIZATION GRANTS		
Output (Volume):		
Number of Funded Applications from Rural and Geographically Isolated Communities	475	500
Number of Funded Applications from Minority Organizations	300	300
Efficiencies:		
Average Grant Amount Awarded to Arts and Cultural Organizations	2,200	2,200
A.1.2. Strategy: ARTS EDUCATION GRANTS		
Efficiencies:		
Average Grant Amount Awarded for Arts Education Programs	3,500	3,500

B. Goal: PROMOTION AND PARTICIPATION		
B.1.1. Strategy: CULTURAL TOURISM		
Output (Volume):		
Number of Marketing and Public Relations Activities, Conferences, and Seminars That Promote Tourism	110	110

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2006	2007
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Server Support	$ 25,000	$ 12,500
(2) Web Application Development	45,000	22,500
(3) Computer Hardware and Software	30,000	15,000
Total, Acquisition of Information Resource Technologies	$ 100,000	$ 50,000
Total, Capital Budget	$ 100,000	$ 50,000

3. Interagency Agreement. Out of amounts included above in Strategy A.1.1, Arts Organization Grants, and Strategy B.1.1, Cultural Tourism, the Commission on the Arts shall expend $1,340,000 during the biennium beginning September 1, 2005, transferred from the Texas Department of Transportation through interagency contract, to showcase the arts and cultural diversity in Texas to promote tourism.

4. Arts Education. Out of the amounts appropriated above, in Strategy A.1.2, Arts Education Grants, the Commission on the Arts shall expend $300,000 each fiscal year, transferred from the Texas Education Agency through interagency contract, to award grants for arts education.

5. Unexpended Balances within the Biennium. Any unexpended balances in appropriations made to Strategy A.1.2, Arts Education Grants, remaining as of August 31, 2006, are hereby appropriated to the Commission on the Arts for the fiscal year beginning September 1, 2006, for the same purpose.

6. Texas, State of the Arts License Plates: Appropriation of License Plate Unexpended Balances and Receipts. Included in the amounts appropriated above in Strategy A.1.1, Arts Organization Grants, are all estimated balances collected prior to the effective date of this Act (estimated to be $25,295 and included in fiscal year 2006) and revenue collected on or after September 1, 2005, (estimated to be $500,000 in fiscal year 2006 and $510,000 in fiscal year 2007) from the sale of license plates as provided by Transportation Code § 504.604 and deposited to the credit of the Commission on the Arts Operating Account No. 334. In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, 2005, and all revenue collected on or after September 1, 2005 are hereby appropriated for the same purpose.

Any unexpended balances as of August 31, 2006, out of the appropriations made herein are hereby appropriated to the Commission on the Arts for the fiscal year beginning September 1, 2006.

7. Limitation on Reimbursements for Commission Meetings. Notwithstanding Article IX provisions, the number of days commissioners are appropriated expenses related to conducting Commission business as provided by Government Code § 659.032 is not to exceed six days a fiscal year.

8. Reporting Requirements: Geographic Distribution. The Commission on the Arts shall submit an annual report to the Legislative Budget Board and the Governor on the geographic distribution of their grants.

9. Arts Entrepreneurial Business System. Included in the amounts appropriated above, the Commission on the Arts is hereby authorized to collect receipts from the sale of promotional items bearing the Agency's logo, estimated to be $1,000 in Appropriated Receipts for the biennium beginning September 1, 2005, for Strategy A.1.1, Arts Organization Grants.

10. Appropriation: Texas Cultural Endowment Fund Interest Earnings. Included above in Strategy B.1.2, Marketing and Fundraising, are interest earnings on money deposited in the Texas Cultural Endowment Fund and transferred for appropriation out of the Commission on the Arts Operating Account No. 334 in the amounts of $83,745 in fiscal year 2006 and $83,745 in fiscal year 2007 for the purpose of meeting current matching obligations for restricted gifts to the Cultural Endowment Fund, contingent upon interest earnings transferred from the Texas Cultural Endowment Fund to the General Revenue-Dedicated Commission on the Arts Operating Account No. 334 exceeding $700,000 for the biennium beginning September 1, 2005.

Any unexpended balance of such interest earnings on August 31, 2006 is appropriated for the same purpose for the year beginning September 1, 2006.

OFFICE OF THE ATTORNEY GENERAL

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 47,043,986	$ 47,043,957
Child Support Retained Collection Account	63,316,303	61,187,083
Attorney General Debt Collection Receipts	8,300,000	8,300,000
General Revenue - Insurance Companies Maintenance Tax and Insurance Department Fees	2,937,771	2,937,771
Subtotal, General Revenue Fund	$ 121,598,060	$ 119,468,811
General Revenue Fund - Dedicated		
AG Law Enforcement Account No. 5006	288,572	288,572
Sexual Assault Program Account No. 5010	204,904	204,904
Attorney General Volunteer Advocate Program Account No. 5036	158,011	72,101
Compensation to Victims of Crime Account No. 469	99,156,163	105,505,962
Subtotal, General Revenue Fund - Dedicated	$ 99,807,650	$ 106,071,539
Federal Funds	218,182,740	216,699,867
Other Funds		
Appropriated Receipts	7,802,531	7,778,550
Interagency Contracts	5,284,313	5,284,313
State Highway Fund No. 006	5,585,588	5,585,588
Subtotal, Other Funds	$ 18,672,432	$ 18,648,451
Total, Method of Financing	$ 458,260,882	$ 460,888,668
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	4,044.3	4,054.3
Number of FTEs in Riders:	93.7	96.7
Schedule of Exempt Positions:		
Attorney General, Group 6	$125,000	$125,000

Items of Appropriation:		
A. Goal: PROVIDE LEGAL SERVICES		
Provide General Legal Services to the State and Authorized Entities.		
A.1.1. Strategy: LEGAL SERVICES Provide Counseling/Litigation/Alternative Dispute Resolution Services.	$ 58,345,093	$ 58,344,799
B. Goal: ENFORCE CHILD SUPPORT LAW		
Enforce State/Federal Child Support Laws.		
B.1.1. Strategy: CHILD SUPPORT ENFORCEMENT Establish Paternity/Obligations, Enforce Orders and Distribute Monies.	$ 222,576,363	$ 222,501,277
B.1.2. Strategy: STATE DISBURSEMENT UNIT	$ 31,482,626	$ 27,921,854
Total, Goal B: ENFORCE CHILD SUPPORT LAW	$ 254,058,989	$ 250,423,131
C. Goal: CRIME VICTIMS' SERVICES		
Investigate/Process Applications for Compensation to Crime Victims.		
C.1.1. Strategy: CRIME VICTIM COMPENSATION Review Claims, Determine Eligibility/State Liability, Pay Correctly.	$ 98,141,354	$ 102,844,640
C.1.2. Strategy: VICTIMS ASSISTANCE Provide Grants & Contrcts for Victims Svcs/Sexual Asslt Vctms/Chld Adv.	$ 36,055,695	$ 37,616,298
Total, Goal C: CRIME VICTIMS' SERVICES	$ 134,197,049	$ 140,460,938
D. Goal: REFER MEDICAID CRIMES		
Investigate/Refer for Prosecution Fraud/Misconduct Involving Medicaid.		
D.1.1. Strategy: MEDICAID INVESTIGATION Conduct Investigation Supporting Prosecution of Alleged Medicaid Crime.	$ 10,891,555	$ 10,891,555
E. Goal: ADMINISTRATIVE SUPPORT FOR SORM		
Provide Administrative Support for the State Office of Risk Management.		
E.1.1. Strategy: ADMINISTRATIVE SUPPORT FOR SORM Provide Aministrative Support to the State Office of Risk Management.	$ 768,196	$ 768,245
Grand Total, OFFICE OF THE ATTORNEY GENERAL	$ 458,260,882	$ 460,888,668
Supplemental Appropriations Made in Riders:	$ 6,968,539	$ 7,018,130
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 177,834,041	$ 178,263,281
Other Personnel Costs	3,548,881	3,548,881
Professional Fees and Services	6,415,340	6,415,338
Fuels and Lubricants	41,011	41,011
Consumable Supplies	1,896,063	1,896,206
Utilities	6,422,867	6,273,986
Travel	4,179,896	4,179,896
Rent - Building	10,829,579	10,829,571
Rent - Machine and Other	2,994,043	2,993,672
Other Operating Expense	201,644,590	203,192,354
Grants	46,722,281	49,972,602
Capital Expenditures	2,700,829	300,000
Total, Object-of-Expense Informational Listing	$ 465,229,421	$ 467,906,798
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 9,387,287	$ 9,575,033
Group Insurance	21,227,403	22,739,052
Social Security	12,408,810	12,656,986
Benefits Replacement	1,678,021	1,594,120
Subtotal, Employee Benefits	$ 44,701,521	$ 46,565,191

Debt Service		
Lease Payments	$ 5,447,693	$ 5,461,169
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 50,149,214	$ 52,026,360

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Office of the Attorney General. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Office of the Attorney General. In order to achieve the objectives and service standards established by this Act, the Office of the Attorney General shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: PROVIDE LEGAL SERVICES		
Outcome (Results/Impact):		
Delinquent State Revenue Collected	47,000,000	47,000,000
A.1.1. Strategy: LEGAL SERVICES		
Output (Volume):		
Legal Hours Billed to Litigation and Counseling	817,224	867,771
Efficiencies:		
Average Cost Per Legal Hour	66.97	67.24
B. Goal: ENFORCE CHILD SUPPORT LAW		
Outcome (Results/Impact):		
Percent of Title IV-D Cases That Have Court Orders for Child Support	78%	78%
Percent of All Current Child Support Amounts Due That Are Collected	63%	63%
Percent of Title IV-D Cases with Arrears Due in Which Any Amount Is Paid Toward Arrears	64%	64%
Percent of Paternity Establishments for Out of Wedlock Births	95%	95%
B.1.1. Strategy: CHILD SUPPORT ENFORCEMENT		
Output (Volume):		
Amount of Title IV-D Child Support Collected (in Millions)	1,909.5	2,033.6
Number of Children for Whom Paternity Has Been Established	57,439	57,439
Number of Child Support Obligations Established	51,433	51,433
Efficiencies:		
Ratio of Total Dollars Collected Per Dollar Spent	8.58	9.14
B.1.2. Strategy: STATE DISBURSEMENT UNIT		
Output (Volume):		
Number of Payment Receipts Processed by the SDU Vendor	15,231,744	16,506,488
C. Goal: CRIME VICTIMS' SERVICES		
Outcome (Results/Impact):		
Amount of Crime Victims Compensation Awarded	91,688,584	96,035,123
C.1.1. Strategy: CRIME VICTIM COMPENSATION		
Efficiencies:		
Average Number of Days to Analyze a Claim and Make an Award	65	65
C.1.2. Strategy: VICTIMS ASSISTANCE		
Output (Volume):		
Total Number of Counties Served by CASA Programs	205	208
D. Goal: REFER MEDICAID CRIMES		
Outcome (Results/Impact):		
Amount of Medicaid Over-payments Identified	50,000,000	50,000,000
D.1.1. Strategy: MEDICAID INVESTIGATION		
Output (Volume):		
Number of Investigations Concluded	380	380

2. **Capital Budget.** Funds appropriated above may be expended for capital budget items listed below. The amounts identified for each item may be adjusted or may be expended on other non-capital expenditures within the strategy to which the funds were appropriated. However, any amounts spent on capital items are subject to the aggregate dollar restrictions on capital budget expenditures provided in the General Provisions of this Act.

	2006	2007
a. Acquisition of Information Resource Technologies		
(1) Child Support Hardware/Software Enhancements	$ 2,400,000	$ 300,000
b. Transportation Items		
(1) Child Support Motor Vehicles	$ 170,829	$ 0
c. Acquisition of Capital Equipment and Items		
(1) Child Support File Systems	$ 130,000	$ 0
Total, Capital Budget	$ 2,700,829	$ 300,000
Method of Financing (Capital Budget):		
Federal Funds	$ 1,775,026	$ 198,000
Child Support Retained Collection Account	925,803	102,000
Total, Method of Financing	$ 2,700,829	$ 300,000

3. Cost Allocation, Reporting Requirement. The Attorney General's Office is directed to continue an accounting and billing system by which the costs of legal services provided to each agency may be determined. This cost information shall be provided to the Legislative Budget Board and the Governor within 60 days after the close of the fiscal year.

4. Child Support Collections.

a. The Attorney General shall deposit Child Support Retained Collections in a special account in the Comptroller's Office. The account shall be called the Child Support Retained Collections Account. Child Support Retained Collections shall include the state share of funds collected by the Office of the Attorney General which were previously paid by the State as Aid to Families with Dependent Children (AFDC) or Temporary Assistance for Needy Families (TANF) or foster care payments, all child support enforcement incentive payments received from the federal government, and all revenues specifically established by statute on a fee or service-provided basis and pertaining to the Child Support Enforcement Program.

b. Amounts earned as interest on, and allocated by the Comptroller of Public Accounts to, the Child Support Trust Fund No. 994, in excess of $808,289 in fiscal year 2006 and $808,289 in fiscal year 2007, shall be transferred monthly by the Comptroller of Public Accounts to such funds from the General Revenue Fund, and all amounts so transferred are hereby appropriated to the Attorney General for use during the 2006-07 biennium, in addition to the amounts otherwise appropriated herein. Amounts transferred pursuant to this provision shall be shown as a separate, individual entry in the Method of Finance in all standard reports regularly utilizing a method of finance which are submitted to the Governor's Office or the Legislative Budget Board.

c. The Attorney General is directed to accrue and leave unexpended amounts in the Child Support Retained Collections Account sufficient to be used as the initial state funding necessary for operation of the Child Support Enforcement program during fiscal year 2008. It is the intent of the Legislature that this program be self sufficient through funding from the Child Support Retained Collections Account and related Title IV-D grant funds.

d. The Attorney General, in cooperation with the Comptroller of Public Accounts, shall develop and maintain such cost centers and/or subaccounts within the Child Support Trust Fund No. 994 and/or the Child Support Retained Collections Account as may be determined necessary or appropriate to separately account for, and allocate the interest earned on, the various sources for receipts deposited to, and types of expenditures made from such funds. The Comptroller of Public Accounts shall separately allocate interest earned by the State to each such cost center and/or subaccount, or to such groupings thereof as may be designated by the Attorney General for purposes of reporting interest earned to the federal government.

e. The Comptroller of Public Accounts is directed to transfer and carry forward all the balances of funds in the Child Support Trust Fund No. 994 and the Child Support Retained

Collections Account as of August 31, 2005, in such funds to be available for use in fiscal year 2006. Any balances in the Child Support Trust Fund No. 994 and the Child Support Retained Collections Account on hand as of August 31, 2006, shall be carried forward in such funds as funding sources for the appropriation for fiscal year 2007. It is the intent of the Legislature that the remaining balances in the Child Support Trust Fund No. 994 and the Child Support Retained Collections Account as of August 31, 2007, be carried forward into fiscal year 2008 and be appropriated for fiscal year 2008 for the child support enforcement program.

f. In addition to the amounts otherwise appropriated for Strategy B.1.1, Child Support Enforcement, all funds received from the federal government as reimbursement for the costs and fees paid to counties, district or county clerks, sheriffs or constables pursuant to the provisions of Chapter 231 of the Texas Family Code are hereby appropriated to the Office of the Attorney General for use during the 2006-07 biennium.

5. Reporting Requirement. The Attorney General's Office is directed to develop and maintain separate accounting information and records on receipts and distribution of funds from the Child Support Trust Fund No. 994 and the Child Support Retained Collections Account. Such information must at a minimum identify all deposits, allocations and expenditures by type of revenues. The Comptroller of Public Accounts shall prescribe rules and procedures to assure compliance with this section and all transactions and balances shall be reconciled monthly against the records of the Comptroller. In addition to the requirements for annual financial reports required by the General Provisions of this Act, the Attorney General shall include a separate section detailing all such balances, receipts and distributions of money in Fund No. 994 and the Child Support Retained Collections Account. The report must specifically show balances held for transfer to operating appropriations of the Attorney General's Office and any other agency. In addition, any balances which are unclaimed and subject to escheat under other laws must be identified as to amount and age.

6. Debt Collections.

a. The Office of the Attorney General shall attempt to collect all delinquent judgments owed the State of Texas. A portion of those debts collected, as outlined below, shall be eligible for retention by the Office of the Attorney General and may be used as a source of funding for agency operations as specified in and limited by the method of financing of the Office. One hundred percent of the debts collected by the Office of the Attorney General and eligible for retention by the Office shall be applied toward the amounts shown above for Attorney General Debt Collection Receipts in the method of financing for agency operations. Regardless of the total amount collected by the Attorney General, in no event shall this provision be construed as an appropriation in addition to the amount appropriated above as specified in the method of financing, of any of the funds collected by the Office of the Attorney General.

b. To be eligible for retention by the Office of the Attorney General the debt collected must be from a qualifying judgment. Qualifying judgments, as used in this rider, are judgments that are at least one-year old from the date of entry of the court order and also include debts not reduced to judgment where there are collections on the debt by the Collections Division of the Attorney General's Office if the debt is delinquent by more than one year or has been certified for collection to the Collections Division of the Attorney General's Office. In no event shall more than $5.0 million from collections stemming from a common nucleus of operative fact be eligible for retention by the Office of the Attorney General.

c. It is the intent of the Legislature that the following not be allowed as a credit toward the percentage set forth in Rider 6.a. above: judgments collected by state agencies; judgments less than one year old; or judgments collected without direct action by the Attorney General's Collection Division.

d. The Attorney General shall maintain a centralized recordkeeping system for accounting for various departmental and agency certification of delinquent taxes, judgments, and other debts owed the state. The accounting should distinguish by type of tax, judgment, or other debt, and provide for: when the debt was certified by an agency or department for collection by the Attorney General; when it was collected or disposed of, and such other information as the Legislative Budget Board, Governor, or the Comptroller of Public Accounts may require. The Attorney General shall submit semi-annual reports to the

Governor and the Legislative Budget Board detailing by agency or department the amount of each debt, when the debt was certified and when, and in what amount, it was collected or disposed of.

7. **River Compact Lawsuit Contingency.** Out of the amounts appropriated above for Strategy A.1.1, Legal Services, $205,000 shall be set aside to purchase professional services to force compliance with the Texas river compacts by member states and/or agencies of the United States and defend the State in any legal proceeding involving the compacts.

8. **Client Representation.** In making a determination whether to initiate or settle litigation referred by a state agency, the Attorney General shall follow the written recommendation of the executive director of the referring state agency, or his designee, unless the Attorney General determines that good cause exists to disregard such recommendation. In that event, the Attorney General shall provide the client agency with a written explanation of the reasons for such determination.

9. **Appropriation of Receipts, Court Costs.** Out of the funds appropriated above as Appropriated Receipts, $7,500,000 in each fiscal year of the biennium represents the annual appropriation of court costs, attorneys' fees and investigative costs recovered by the Office of the Attorney General. Court costs, attorneys' fees and investigative costs recovered by the Office of the Attorney General in excess of those specifically appropriated and shown in the agency's method of financing are appropriated to the Office of the Attorney General, in an amount not to exceed $10,000,000 each fiscal year and shall be used for Child Support Enforcement. At least semi-annually, beginning within 60 days after the close of each fiscal year, or more often upon request of the Legislative Budget Board, the Office of the Attorney General shall submit to the Legislative Budget Board, the Senate Finance Committee, the House Appropriations Committee, and the Governor a report that lists each case in which an award of court costs, attorneys' fees, or investigative fees was made, the date of the award, the amount of court costs that were awarded, the amount of investigative costs that were awarded, the amount of attorneys' fees that were awarded, and the strategy or strategies to which the above receipts were allocated, in addition to any other information that may be requested by the Legislative Budget Board.

10. **Interagency Contracts for Legal Services.** The Office of the Attorney General shall not be appropriated any state funds from interagency contracts, notwithstanding the provisions of the section entitled Reimbursements and Payments, in Article IX, General Provisions of this Act unless the Attorney General gives prior written notice to the Legislative Budget Board and the Governor, accompanied by written permission by the affected agency. Any such interagency contract for legal services between the Attorney General's Office and state agencies shall not jeopardize the ability of the agencies to carry out their legislative mandates, shall not affect their budget such that employees must be terminated in order to pay the requested amount and shall not exceed reasonable attorney fees for similar legal services in the private sector. The Office of the Attorney General is hereby appropriated funds received from interagency contracts for non-legal services rendered by the Office of the Attorney General.

11. **Unexpended Balances: Between Fiscal Years within the Biennium.** Any unexpended balances as of August 31, 2006, in appropriations made to the Office of the Attorney General are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2006. It is the intent of the Legislature that any unexpended balances in Strategy B.1.1, Child Support Enforcement, shall be used only to enforce child support laws and regulations.

12. **Transfer Authority.** Notwithstanding limitations on appropriation transfers contained in the General Provisions of this Act, the Attorney General is hereby authorized to direct agency resources and transfer such amounts appropriated above between appropriation line items.

13. **Victims Assistance Grants.** Funds appropriated above in C.1.2, Victims Assistance, shall be spent as follows:

Program	FY 2006	FY 2007
(1) Victims Assistance Coordinators and Victims Liaisons	$ 2,401,065	$ 2,413,548
(2) Court Appointed Special Advocates	3,158,011	3,072,101
(3) Sexual Assault Prevention and Crisis Services Program	9,657,801	11,325,111

(4)	Sexual Assault Services Program Grants	375,000	375,000
(5)	Children's Advocacy Centers	3,999,003	3,999,003
(6)	Legal Services Grants	2,500,000	2,500,000
(7)	Other Victims Assistance Grants	10,516,379	10,435,114
(8)	Statewide Victim Notification System	3,448,436	3,496,421
Total		$ 36,055,695	$ 37,616,298

Method of Financing:

Compensation to Victims of Crime Fund No. 469	$ 32,155,842	$ 33,802,355
Sexual Assault Program Account No. 5010	204,904	204,904
Attorney General Volunteer Advocate Program Account No. 5036	158,011	72,101
Federal Funds	3,536,938	3,536,938
Total, Method of Financing	$ 36,055,695	$ 37,616,298

The Office of the Attorney General shall adopt rules for the competitive allocation of funds under item number (7) Other Victims Assistance Grants. None of the funds appropriated in Strategy C.1.2, Victims Assistance, may be expended on grants to organizations that make contributions to campaigns for elective office or that endorse candidates.

Within 100 days after the close of each fiscal year, the Office of the Attorney General shall submit a report detailing the expenditure of funds appropriated in Strategy C.1.2, Victims Assistance. The report shall include information on the guidelines used to select programs that receive grants, on the amount of grants awarded in each of the categories listed above, on the amount of expenditures for administration, and on audit and oversight activities conducted relating to the victims assistance grants and the programs receiving such grants. The report shall be submitted to the Legislative Budget Board, the Governor, the Senate Finance Committee, and the House Appropriations Committee.

14. Appropriation of All CASA License Plates Unexpended Balances and Receipts. Included in amounts appropriated above in Strategy C.1.2, Victims Assistance, are all estimated balances collected prior to the effective date of this Act (estimated to be $93,607 and included in fiscal year 2006) and revenue collected on or after September 1, 2005 (estimated to be $64,404 in fiscal year 2006 and $72,101 in fiscal year 2007) from the sale of license plates as provided by the Transportation Code Section 504.620 and deposited to the credit of the General Revenue - Dedicated Attorney General Volunteer Advocate Program Account No. 5036. In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, 2005 and all revenue generated on or after September 1, 2005 are hereby appropriated for the same purpose.

Any unexpended balances remaining as of August 31, 2006 in the appropriation made herein are hereby appropriated for the fiscal year beginning September 1, 2006.

15. Child Support Contractors. Full-Time-Equivalent (FTE) positions associated with contracted workers in Strategy B.1.1, Child Support Enforcement, shall be exempt from the provisions in Article IX relating to limiting state agency employment levels.

16. Elephant Butte Litigation. The Office of the Attorney General may, if the Attorney General deems necessary, use funds appropriated above in Strategy A.1.1, Legal Services, not to exceed a total amount of $10,153,000, for potential intervention in certain developing ground and surface water disputes with the state of New Mexico along the Rio Grande Project from Elephant Butte Reservoir to Fort Quitman, Texas.

It is the intent of the Legislature that the Office of the Attorney General vigorously represent the State of Texas in all litigation involving water rights disputes with the State of New Mexico, including but not limited to issues relating to the Elephant Butte Reservoir. Before proceeding, the Attorney General shall make every effort to achieve agreement among all involved parties in the State of Texas on the related issues.

17. Excess Retained Collections. In addition to funds appropriated above, the Office of the Attorney General is hereby appropriated Child Support Retained Collections receipts in excess

of the amounts in the Comptroller's Biennial Revenue Estimate, plus federal matching funds, to be used in Strategy B.1.1, Child Support Enforcement and B.1.2, State Disbursement Unit, during the 2006-07 biennium.

18. Crime Victims Services Publications. It is the intent of the Legislature that any information disseminated by the Office of the Attorney General regarding crime victims services be published in both English and Spanish.

19. Litigation Related to the Conversion of Mineral Rights on State Property. Included in amounts appropriated above in Strategy A.1.1, Legal Services, is $1,700,000 from the State Highway Fund 6 for the 2006-07 biennium for litigation expenses related to the conversion of mineral rights on state property.

20. Interagency Contract with the Texas Department of Criminal Justice. Notwithstanding Rider 10 above, Interagency Contracts for Legal Services, the Office of the Attorney General is appropriated any funds transferred from the Texas Department of Criminal Justice (TDCJ) pursuant to an interagency contract for the Office of the Attorney General to provide legal services to the Texas Department of Criminal Justice.

21. Interagency Contract with the Department of Public Safety. Notwithstanding Rider 10 above, Interagency Contracts for Legal Services, the Office of the Attorney General is appropriated any funds transferred from the Department of Public Safety pursuant to an interagency contract for the Office of the Attorney General to provide legal services to the Department of Public Safety.

22. Contingency Appropriation for Senate Bill 495. Contingent upon enactment of Senate Bill 495, or similar legislation relating to increasing the bond review fee as authorized by Government Code, § 1202.004, in addition to amounts appropriated above, the Office of the Attorney General is hereby appropriated to Strategy A.1.1, Legal Services, $4,361,965 in fiscal year 2006 and $4,411,528 in fiscal year 2007. In addition, the Number of Full-Time-Equivalent Positions (FTEs) is hereby increased by 31.0 in fiscal year 2006 and by 34.0 in fiscal year 2007 for the following purposes:

$2,433,609 in fiscal year 2006 and $2,433,609 in fiscal year 2007 for salary increases for Assistant Attorney Generals I, II, III, IV, and V;
$263,919 in fiscal year 2006 and $379,866 in fiscal year 2007 for the Open Records Division, including 6 FTEs in fiscal year 2006 and 9 FTEs in fiscal year 2007;
$915,620 in fiscal year 2006 and $915,620 in fiscal year 2007 for the Cyber Crimes Unit, including 16 FTEs each fiscal year of the biennium; and
$748,817 in fiscal year 2006 and $682,433 in fiscal year 2007 for the Post Conviction Litigation Division, including 9 FTEs each fiscal year of the biennium.

In addition and subject to passage House Bill 1979 or similar legislation relating to increasing the bond review fee as authorized by Government Code, § 1202.004, the Office of the Attorney General is hereby appropriated to Strategy D.1.1, Medicaid Investigation, $694,281 in General Revenue and $1,912,293 in Federal Funds in fiscal year 2006 and $694,309 in General Revenue and $1,912,293 in Federal Funds in fiscal year 2007, for Medicaid fraud investigations. In addition, the Number of Full-Time-Equivalent Positions (FTEs) is hereby increased by 62.7 FTEs each fiscal year of the biennium.

Any unexpended balances remaining as of August 31, 2006 out of the appropriations made herein are hereby appropriated for the fiscal year beginning September 1, 2006.

23. Contingency for House Bill 1489. Contingent upon passage of House Bill 1489, or similar legislation relating to removal of the 20 percent claims buffer required by Article 56.541 of the Code of Criminal Procedures, funds appropriated out of the Compensation to Victims of Crime Account No. 469 in this Act and any other Act enacted by the Seventy-ninth Legislature, shall not exceed the amount of "excess" funds certified by the Office of the Attorney General (OAG) as defined by Article 56.541 of the Code of Criminal Procedures.

In the event such legislation does not pass and/or appropriations exceed the excess amount certified, the Legislative Budget Board and the Office of the Governor shall determine reductions to agency appropriations contained in this Act and any other Act enacted by the Seventy-ninth Legislature, and report the reductions to the Comptroller of Public Accounts and affected state agencies not later than October 15, 2005.

The Comptroller is hereby directed to reduce agency appropriations in the amounts reported by the Legislative Budget Board and Office of the Governor.

24. Disposition, Earned Federal Funds. Earned Federal Funds received in connection with child support enforcement, in excess of the amounts included in the Comptroller's Biennial Revenue Estimate for earned federal funds received by the Office of the Attorney General, plus federal matching funds, are appropriated to the Office of the Attorney General for use in Strategy B.1.1, Child Support Enforcement.

BOND REVIEW BOARD

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 503,343	$ 503,344
Total, Method of Financing	$ 503,343	$ 503,344
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	9.5	9.5
Schedule of Exempt Positions:		
Executive Director, Group 3	$85,000	$85,000
Items of Appropriation:		
A. Goal: PROTECT TEXAS BOND RATING		
Attain Highest Bond Rating and Issue Texas' Bonds Cost Effectively.		
A.1.1. Strategy: REVIEW BOND ISSUES Review Bond Issues to Assure Legality and Other Provisions.	$ 105,703	$ 105,703
A.1.2. Strategy: STATE BOND DEBT Report to the Legislature on Debt Obligation and Policy Alternatives.	$ 105,701	$ 105,701
Total, Goal A: PROTECT TEXAS BOND RATING	$ 211,404	$ 211,404
B. Goal: LOCAL BOND DEBT		
Ensure That Public Officials Have Current Info on Debt Management.		
B.1.1. Strategy: ANALYZE LOCAL BOND DEBT Analyze Data on Local Government Finance and Debt Management.	$ 181,735	$ 181,735
C. Goal: PRIVATE ACTIVITY BONDS		
Equitably Administer the Private Activity Bond Allocation for Texas.		
C.1.1. Strategy: ADMINISTER PRIVATE ACTIVITY BONDS Effectively Administer the Private Activity Bond Allocation Program.	$ 110,204	$ 110,205
Grand Total, BOND REVIEW BOARD	$ 503,343	$ 503,344
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 463,818	$ 463,819
Other Personnel Costs	5,000	5,000
Consumable Supplies	3,700	3,700
Travel	4,500	4,500
Rent - Machine and Other	4,367	4,367
Other Operating Expense	21,958	21,958
Total, Object-of-Expense Informational Listing	$ 503,343	$ 503,344

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits		
Retirement	$ 22,718	$ 23,173
Group Insurance	41,967	45,170
Social Security	34,799	35,495
Benefits Replacement	1,853	1,761
Subtotal, Employee Benefits	$ 101,337	$ 105,599
Debt Service		
Lease Payments	$ 66,678	$ 66,618
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 168,015	$ 172,217

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Bond Review Board. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Bond Review Board. In order to achieve the objectives and service standards established by this Act, the Bond Review Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: PROTECT TEXAS BOND RATING		
A.1.1. Strategy: REVIEW BOND ISSUES		
Output (Volume):		
Number of State Bond Issues and Lease-purchase Projects Reviewed	50	50
A.1.2. Strategy: STATE BOND DEBT		
Output (Volume):		
Number of Responses to Debt Information Requests	150	150
B. Goal: LOCAL BOND DEBT		
B.1.1. Strategy: ANALYZE LOCAL BOND DEBT		
Output (Volume):		
Number of Local Government Financings Analyzed	1,200	1,200
C. Goal: PRIVATE ACTIVITY BONDS		
C.1.1. Strategy: ADMINISTER PRIVATE ACTIVITY BONDS		
Output (Volume):		
Number of Applications Reviewed	260	260

2. **Debt Issuance Technical Assistance to School Districts.** It is the intent of the Legislature that the Bond Review Board (BRB) and any other public entities or outside consultants determined by the BRB to be needed, provide technical assistance to school districts entering into bonded indebtedness or lease purchase agreements. This assistance may include, but is not limited to: advising districts of the financial implications of debt and lease purchase agreements; the appropriate criteria districts should consider in debt-related decision making; and options available to districts in the issuance of debt.

3. **Cost Analysis and Legislative Report on Interest-Only Payments on State Bonds.** The Bond Review Board shall identify, by agency and project, the total amount of general obligation and revenue bonds for which interest-only was paid on outstanding debt during fiscal years 2004 and 2005 and for which interest-only is paid on debt issued or debt outstanding in fiscal years 2006 and 2007. The Board shall determine the amount of additional costs incurred for each biennium and the long-term costs to the state if such a debt policy is continued. The Board shall report its findings to the Legislature, the Governor, and the Comptroller of Public Accounts not later than October 1, 2006.

BUILDING AND PROCUREMENT COMMISSION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 31,530,176	$ 31,530,175
General Revenue Fund - Dedicated		
GR Dedicated - Texas Department of Insurance Operating Fund Account No. 036	1,030,083	1,030,083
GR Dedicated - Surplus Property Service Charge Fund Account No. 570	1,172,877	1,172,877
Subtotal, General Revenue Fund - Dedicated	$ 2,202,960	$ 2,202,960
Other Funds		
Appropriated Receipts	2,690,298	2,690,297
Interagency Contracts	12,287,370	12,287,370
Bond Proceeds - General Obligation Bonds	29,142,000	0
Subtotal, Other Funds	$ 44,119,668	$ 14,977,667
Total, Method of Financing	$ 77,852,804	$ 48,710,802
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 73,616	$ 72,471
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	590.5	590.5
Schedule of Exempt Positions:		
Executive Director, Group 4	$115,000	$115,000
Items of Appropriation:		
A. Goal: PROCUREMENT		
Manage a System that Ensures the State Receives Quality, Cost-eff Svcs.		
A.1.1. Strategy: STATEWIDE PROCUREMENT Provide a Competitive Procurement System.	$ 1,849,937	$ 1,849,937
A.1.2. Strategy: TRAINING AND COMPLIANCE Ensure State Purchasers Are Qualified.	$ 320,061	$ 320,061
A.1.3. Strategy: STATEWIDE HUBS Effective Promotion of HUB Business Opportunities.	$ 795,011	$ 795,011
A.1.4. Strategy: TRAVEL PROCUREMENT Minimize Statewide Travel Costs.	$ 169,846	$ 169,846
Total, Goal A: PROCUREMENT	$ 3,134,855	$ 3,134,855
B. Goal: FACILITIES CONSTRUCTION AND LEASING		
Provide Office Space for State Agencies through Constr/Leasing Svcs.		
B.1.1. Strategy: LEASING Provide Quality Leased Space for State Agencies at the Best Value.	$ 524,815	$ 524,814
B.1.2. Strategy: FACILITIES PLANNING Ensure State Optimizes Use of Leased/Purchased/Constructed Off Space.	$ 224,130	$ 224,130
B.2.1. Strategy: BUILDING DESIGN AND CONSTRUCTION Ensure Facilities Are Designed & Built Timely/Cost Eff/Highest Quality.	$ 18,379,030	$ 2,848,030
Total, Goal B: FACILITIES CONSTRUCTION AND LEASING	$ 19,127,975	$ 3,596,974
C. Goal: PROPERTY MANAGEMENT		
To Protect & Cost Effectively Manage & Maintain State-owned Facilities.		
C.1.1. Strategy: CUSTODIAL Provide Cost-effective/Efficient Custodial Svcs for State Facilities.	$ 4,802,656	$ 4,802,655

C.2.1. Strategy: FACILITIES OPERATION Provide a Comprehensive Pgm to Protect State's Invstmnt in Facilities.	$ 42,599,679	$ 28,988,679
C.2.2. Strategy: LEASE PAYMENTS Make Lease Payments on Facilities Financed by the Public Finance Auth.	$	$
Total, Goal C: PROPERTY MANAGEMENT	$ 47,402,335	$ 33,791,334
D. Goal: SUPPORT SERVICES Provide Support Services to State Agencies.		
D.1.1. Strategy: CENTRAL OFFICE SERVICES Provide for the Timely & Cost-effective Delivery of Office Services.	$ 1,027,345	$ 1,027,345
D.1.2. Strategy: FLEET MANAGEMENT Develop and Maintain a Statewide Vehicle Fleet Management System.	$ 270,419	$ 270,419
D.2.1. Strategy: SURPLUS PROPERTY MANAGEMENT Provide Timely/Appropriate/Cost-effective Disposal of Surplus Property.	$ 1,439,503	$ 1,439,503
Total, Goal D: SUPPORT SERVICES	$ 2,737,267	$ 2,737,267
E. Goal: INDIRECT ADMINISTRATION		
E.1.1. Strategy: CENTRAL ADMINISTRATION	$ 2,189,508	$ 2,189,508
E.1.2. Strategy: INFORMATION RESOURCES	$ 2,174,300	$ 2,174,300
E.1.3. Strategy: OTHER SUPPORT SERVICES	$ 1,086,564	$ 1,086,564
Total, Goal E: INDIRECT ADMINISTRATION	$ 5,450,372	$ 5,450,372
Grand Total, BUILDING AND PROCUREMENT COMMISSION	$ 77,852,804	$ 48,710,802
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 14,553,109	$ 14,553,108
Other Personnel Costs	393,840	393,840
Professional Fees and Services	964,127	964,127
Fuels and Lubricants	62,018	62,018
Consumable Supplies	319,166	319,166
Utilities	16,583,120	16,583,122
Travel	68,271	68,271
Rent - Building	34,532	34,532
Rent - Machine and Other	154,107	154,107
Other Operating Expense	13,578,514	13,578,511
Capital Expenditures	31,142,000	2,000,000
Total, Object-of-Expense Informational Listing	$ 77,852,804	$ 48,710,802
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 937,741	$ 956,496
Group Insurance	3,979,695	4,343,000
Social Security	1,216,482	1,240,811
Benefits Replacement	182,513	173,387
Subtotal, Employee Benefits	$ 6,316,431	$ 6,713,694
Debt Service		
Bond Debt Service	$ 1,404,916	$ 1,416,299
Lease Payments	718,809	720,511
Subtotal, Debt Service	$ 2,123,725	$ 2,136,810
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 8,440,156	$ 8,850,504

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Building and Procurement Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to

achieve the intended mission of the Building and Procurement Commission. In order to achieve the objectives and service standards established by this Act, the Building and Procurement Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: PROCUREMENT		
Outcome (Results/Impact):		
Number of New HUBs Certified as a Result of HUB Outreach Efforts	1,000	1,000
Percent Increase in Dollar Value of Purchases Made through the TBPC Cooperative (Co-op) Program	12%	15%
Percentage of Post-payment Audits Completed	50%	50%
A.1.1. Strategy: STATEWIDE PROCUREMENT		
Output (Volume):		
Number of New, Revised, and Renewed Term Contracts Awarded	95	95
Number of New, Revised, and Renewed Volume Contracts Awarded	60	60
A.1.4. Strategy: TRAVEL PROCUREMENT		
Output (Volume):		
Number of State Travelers Using Travel Contracts	30,000	30,000
B. Goal: FACILITIES CONSTRUCTION AND LEASING		
Outcome (Results/Impact):		
Square Footage of Office Space Leased Per Full-Time Equivalent	135	135
Dollar Savings Achieved through Efficient Use of State-owned Space	1,000,000	3,000,000
Dollar Savings Achieved through the Negotiation of Leased Space	5,500,000	3,500,000
Percentage of Completed Construction Projects on Schedule within Budget	90%	90%
B.1.1. Strategy: LEASING		
Output (Volume):		
Total Number of Leases Awarded, Negotiated, or Renewed	200	180
Percent Reduction of Leased Square Footage of Office and Warehouse Space	12%	16%
Explanatory:		
Number of Emergency Leases Awarded, Negotiated, or Renewed	0	0
Total Square Footage of Office and Warehouse Space Leased	10,242,368	10,014,258
C. Goal: PROPERTY MANAGEMENT		
C.1.1. Strategy: CUSTODIAL		
Efficiencies:		
Cost Per Square Foot of TBPC-provided Custodial Services	.16	.14
Cost Per Square Foot of Privatized Custodial Services	.07	.07
C.2.1. Strategy: FACILITIES OPERATION		
Efficiencies:		
Average Cost Per Square Foot of All Building Maintenance	1.3	1.3
D. Goal: SUPPORT SERVICES		
D.2.1. Strategy: SURPLUS PROPERTY MANAGEMENT		
Output (Volume):		
Dollar Amount of Federal Surplus Property Donated	28,000,000	28,500,000

2. **Information Listing of Appropriated Funds.** The appropriations made in this and other Articles of this Act to the Texas Building and Procurement Commission for lease payments to the Texas Public Finance Authority, are subject to the following provision. The following amounts shall be used for the purpose indicated.

	For the Fiscal Year Ending August 31, 2006	August 31, 2007
Strategy C.2.2, Lease Payments	$ 46,035,526	$ 46,010,658 &UB

Method of Financing:		
General Revenue Fund	$ 42,732,980	$42,467,029
General Revenue-Dedicated Department of Insurance Companies Operating Fund Account No. 036	3,302,546	3,543,629
Total, Method of Financing, Lease Payments	$ 46,035,526	$ 46,010,658

3. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code, § 1232.103.

	2006	2007
a. Construction of Buildings and Facilities		
(1) Construction of Buildings	$ 2,000,000	$ 2,000,000 & UB
b. Repair or Rehabilitation of Buildings and Facilities		
(1) Deferred Maintenance for Critical Repairs	3,011,000	UB
(2) Deferred Maintenance for Compliance Projects	5,600,000	UB
(3) Deferred Maintenance for Asset Management	5,000,000	UB
(4) Facilities Renovation of the Texas State Library and Archives Commission	15,531,000	UB
Total, Repair or Rehabilitation of Buildings and Facilities	$ 29,142,000	$ UB
Total, Capital Budget	$ 31,142,000	$ 2,000,000
Method of Financing (Capital Budget):		
Interagency Contracts	$ 2,000,000	$ 2,000,000
Bond Proceeds - General Obligation Bonds	29,142,000	UB
Total, Method of Financing	$ 31,142,000	$ 2,000,000

4. Unexpended Balances of Bond Proceeds for Deferred Maintenance. Included in the amounts appropriated above are unexpended and unobligated balances remaining as of August 31, 2005, (estimated to be $0) for deferred maintenance for the 2006-07 biennium to Strategy C.2.1, Facilities Operation, in General Obligation Bonds. Any unobligated balances remaining as of August 31, 2006 are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2006.

5. Transfer Authority - Utilities. In order to provide for unanticipated cost increases in purchased utilities during fiscal year 2006, the Texas Building and Procurement Commission may transfer such amounts as may be necessary to cover such increases from appropriations made in fiscal year 2007 for utilities in C.2.1, Facilities Operation, to amounts appropriated in fiscal year 2006 for utilities. Prior to transferring fiscal year 2007 funds into the 2006 fiscal year, notification shall be given to the Comptroller of Public Accounts of the amounts to be transferred and quarterly reports shall be filed with the Legislative Budget Board and the Governor detailing the necessity for such transfers.

6. Employee Testing. Out of the funds appropriated herein, the Texas Building and Procurement Commission is authorized to pay for medical testing for employees or prospective employees that work in high risk environment areas (e.g., asbestos removal, sewage). Funds appropriated

above may also be expended for immunizations which are required of employees at risk in the performance of these duties. Testing deemed necessary under this provision must be approved by the Executive Director and obtained for the safety of the employee or the general public.

7. **Office Notification Policy.** Before relocation of an office, execution of a contract for lease of a state office, or before implementing a change in policy which affects office location, the Legislative members for the respective district must be notified to the extent possible.

8. **Cost Recovery, Reimbursement of General Revenue Funds.** In the event that the Leasing Services Program or any other function funded with general revenue in the above strategies, recovers operational costs through reimbursements from other agencies or entities, the Texas Building and Procurement Commission shall reimburse the General Revenue Fund for the amounts expended. Upon reimbursement, the Comptroller shall transfer these funds to unappropriated general revenue balances.

9. **Texas Building and Procurement Commission's Revolving Account.** It is the intent of the Legislature that the Comptroller of Public Accounts maintain the "Texas Building and Procurement Commission's Revolving Account" to account for the expenditures, revenues, and balances of its full cost-recovery operations of Quick Copy, Minor Construction, and Project Management. The expenditures, revenues, and balances for each operation shall be maintained separately by the Texas Building and Procurement Commission within its accounting system. Included in funds appropriated above are unexpended and unobligated balances for these operations as of August 31, 2005 (not to exceed $175,000 in Interagency Contracts) for use during the 2006-07 biennium, along with any revenues received during the biennium. Any unobligated balances as of August 31, 2006, are appropriated for the same use during fiscal year 2007.

10. **Appropriations Limited to Revenue Collections.** It is the intent of the Legislature that fees, fines and other miscellaneous revenues as authorized and generated by the operation of the Federal Surplus Property program cover, at a minimum, the cost of the appropriations made for the Federal Surplus Property Program above for strategy item D.2.1, Surplus Property Management, as well as the "other direct and indirect costs" associated with this program, appropriated elsewhere in this Act. "Other direct and indirect costs" for the Federal Surplus Property Program above for strategy item D.2.1, Surplus Property Management, are estimated to be $73,616 for fiscal year 2006 and $72,471 for fiscal year 2007. In the event that the actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct the Comptroller of Public Accounts to reduce the appropriation authority provided herein to be within the amount of fee revenue expected to be available. Any unexpended balances as of August 31, 2005 (estimated to be $0), in Surplus Property Service Charge Account Fund 570 are hereby appropriated to the Texas Building and Procurement Commission for costs associated with the operations of the Federal Surplus Property Program during the 2006-07 biennium. Any balances remaining on August 31, 2006, are appropriated for the same use during fiscal year 2007.

11. **Unexpended Balances, Bidders List Fees.** The Texas Building and Procurement Commission is hereby authorized to carry forward unexpended balances received from bidders list fees collected during fiscal year 2006 to fiscal year 2007 for the cost of maintaining a consolidated statewide bidders list.

12. **Standby Pay.** It is expressly provided that the Texas Building and Procurement Commission, to the extent permitted by law, may pay compensation for on-call time at the following rates: credit for one hour worked for each day on-call during the normal work week, and two hours worked for each day on-call during weekends and on holidays. This credit shall be in addition to actual hours worked during normal duty hours and actual hours worked during on-call status. For employees subject to the Fair Labor Standards Act (FLSA) an hour of on-call service shall be considered to be an hour worked during the week for purposes of the FLSA only to the extent required by federal law.

13. **Capitol Complex - Utilities.** Notwithstanding any other provision in this Act, the Texas Building and Procurement Commission shall be responsible for the payment of all utility costs out of appropriated funds in Strategy C.2.1, Facilities Operation, for the Capitol, the Capitol Extension, the Historic Capitol Grounds, the 1857 General Land Office Building, and the State History Museum.

14. State Owned Housing. A State Cemetery employee is authorized to live in the State Cemetery Caretaker's residence as set forth in Article IX, State Owned Housing - Recover Housing Costs, of this Act. Funds recovered for employee housing are hereby appropriated to the agency to maintain the State Cemetery Caretaker's residence.

15. Night Shift Differential. It is expressly provided that the Texas Building and Procurement Commission, to the extent provided by law, is hereby authorized to pay an additional night shift differential to Facilities Management Division employees.

16. Texas State Cemetery. Out of funds appropriated above, in Strategies C.2.1, Facilities Operation and B.2.1, Building Design and Construction, there is hereby allocated a total of $469,344 for each fiscal year of the biennium beginning September 1, 2005, for the purpose of operation and maintenance, including constructing and furnishing facilities, at the Texas State Cemetery and/or the cemetery annex and for developing and maintaining a master plan for the Texas State Cemetery.

17. State Office Lease Space. The Leasing Division of the Texas Building and Procurement Commission shall make a good faith effort to provide a state agency, whose central operations are located within Travis County and that is in the process of initiating or renewing a lease agreement for office space, with information on lease availability, terms, and rates in other Texas counties in addition to Travis County. Additionally, if an agency requests initiation or renewal of a lease agreement in Travis County, the agency shall provide the Texas Building and Procurement Commission written justification for the reason(s) the proposed lease must be located in Travis County.

18. State and Federal Surplus Property. Included in amounts appropriated above in Strategy D.2.1, Surplus Property Management, are appropriations not to exceed $2,879,006 from receipts collected for the biennium beginning September 1, 2005 to be collected pursuant to Chapter 2175, Government Code. The Texas Building and Procurement Commission may not expend, in a given fiscal year, an amount greater than the amount of receipts collected during the biennium pursuant to Chapter 2175, Government Code and appropriated by Article IX, § 8.04 of this Act in that fiscal year.

19. Feasibility Study. Out of amounts appropriated above, the Building and Procurement Commission shall conduct a feasibility study on possible state use of the Veterans Affairs (VA) hospital located in Waco. The study shall address options for the state that include, but not limited to, relocating the School for the Blind and Visually Impaired from Austin to the VA hospital location. This feasibility study shall be completed by December 31, 2005.

20. Facilities Management. It is the intent of the legislature that agencies affected by the facilities management provision under § 2165.007, Government Code, shall enter into a two-year contract for facility management services with the Texas Building and Procurement Commission on or before September 1, 2005. Payments made to the Texas Building and Procurement Commission shall be for actual facilities management services estimated by those affected agencies in cooperation with the Texas Building and Procurement Commission. In addition, funds received by the Texas Building and Procurement Commission from those agencies shall only be expended on the agency for which payment has been made. Any funds not used for those purposes shall be transferred back to the agency of origin.

21. Historically Underutilized Business Enforcement and Audits. It is the intent of the legislature that the Texas Building and Procurement Commission shall increase the fee it charges to vendors by $20.00 per vendor for inclusion on the Centralized Master Bidders List. The increase in Appropriated Receipts (estimated to be $250,000 for each year of the biennium) is included above in Strategy A.1.3, Statewide HUBs. It is the intent of the legislature the increased funds be used for the purpose of enforcing compliance with requirements of state purchasing statutes and the prevention of fraud in the HUB program as set forth in Chapter 2161, Texas Government Code.

22. Historically Underutilized Business Disparity Study. Out of amounts appropriated above, the Building and Procurement Commission shall conduct a Historically Underutilized Business Disparity study by December 1, 2006, to obtain information on the procurement of goods and services for targeted markets for state agencies and institutions of higher education. The study should also provide reliable information based on the current economy and the state's use of minority and women-owned businesses. The Building and Procurement Commission shall provide a copy of the study to the Legislative Budget Board upon completion.

CANCER COUNCIL

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
GR Dedicated - Texas Department of Insurance Operating Fund Account No. 036	$ 3,306,512	$ 3,243,350
GR Dedicated - Texans Conquer Cancer License Plates Account No. 5090	40,710	12,000
Total, Method of Financing	$ 3,347,222	$ 3,255,350
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	8.0	8.0
Schedule of Exempt Positions:		
Executive Director, Group 2	$57,691	$57,691
Items of Appropriation:		
A. Goal: CANCER SERVICES		
Ensure Access to Cancer Prevention Information and Services.		
A.1.1. Strategy: COORD. CANCER GRANTS & SERV Coordinate Cancer Grants and Services.	$ 2,973,797	$ 2,945,087
B. Goal: DIRECT AND INDIRECT ADMINISTRATION		
B.1.1. Strategy: DIRECT AND INDIRECT ADMINISTRATION	$ 373,425	$ 310,263
Grand Total, CANCER COUNCIL	$ 3,347,222	$ 3,255,350
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 253,865	$ 253,865
Other Personnel Costs	4,900	5,220
Professional Fees and Services	6,000	6,000
Consumable Supplies	2,500	2,500
Utilities	950	950
Travel	17,000	17,000
Rent - Building	65,672	2,510
Rent - Machine and Other	2,648	2,648
Other Operating Expense	31,090	30,770
Grants	2,962,597	2,933,887
Total, Object-of-Expense Informational Listing	$ 3,347,222	$ 3,255,350
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 13,440	$ 13,709
Group Insurance	30,825	33,067
Social Security	17,902	18,260
Subtotal, Employee Benefits	$ 62,167	$ 65,036
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 62,167	$ 65,036

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Cancer Council. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Cancer Council. In order to achieve the objectives and service standards established by this Act, the Cancer Council shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: CANCER SERVICES		
A.1.1. Strategy: COORD. CANCER GRANTS & SERV		
Output (Volume):		
Number of People Served by Council-funded Cancer Prevention and Control Activities	1,100,000	1,100,000
Number of Health Care and/or Education Professionals Who Receive Council-funded Training or Materials	700,000	700,000
Number of Private and Public Grants Pursued by the Cancer Council and Local Contractors in an Effort to Increase Funding	200	200
Number of Clock Hours Donated to Local Contractors and the Council for Public Awareness, Professional Education, Early Detection Activities, and Other Activities Implementing the Texas Cancer Plan	200,000	200,000
Efficiencies:		
Average Cost Per Health Care and/or Education Professional Trained	.9	.9
Explanatory:		
Annual Age-adjusted Cancer Mortality Rate	187	185.1

2. **Unexpended Balances Within the Biennium.** Any unexpended balances remaining as of August 31, 2006 in the appropriations made above are hereby appropriated for the fiscal year beginning September 1, 2006.

3. **Appropriation of All License Plates Unexpended Balances and Receipts.** Included in amounts appropriated above in Strategy A.1.1, Coordinate Cancer Grants and Services, are all estimated balances collected prior to the effective date of this Act (estimated to be $28,710 and included in fiscal year 2006) and revenue collected on or after September 1, 2005 (estimated to be $12,000 each fiscal year) from the sale of license plates as provided by the Transportation Code Section 504.620 and deposited to the credit of the General Revenue Dedicated Texans Conquer Cancer License Plates Account No. 5090. In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, 2005 and all revenue generated on or after September 1, 2005 are hereby appropriated for the same purpose.

   Any unexpended balances remaining as of August 31, 2006 in the appropriation made herein are hereby appropriated for the fiscal year beginning September 1, 2006.

COMPTROLLER OF PUBLIC ACCOUNTS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 190,698,354	$ 190,698,356
Other Funds		
Appropriated Receipts	110,131	110,131
Interagency Contracts	175,000	175,000
Subtotal, Other Funds	$ 285,131	$ 285,131
Total, Method of Financing	$ 190,983,485	$ 190,983,487
This bill pattern represents an estimated 15.7% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	2,888.8	2,888.8
Schedule of Exempt Positions:		
Comptroller of Public Accounts, Group 6	$125,000	$125,000

Items of Appropriation:		
A. Goal: COMPLIANCE WITH TAX LAWS		
To Improve Voluntary Compliance with Tax Laws.		
A.1.1. Strategy: ONGOING AUDIT ACTIVITIES Perform Audits to Improve Taxpayer Compliance and Generate Revenue.	$ 51,397,684	$ 51,397,684
A.2.1. Strategy: TAX LAWS COMPLIANCE Improve Compliance with Tax Laws through Contact & Collection Program.	$ 32,648,207	$ 32,648,207
A.3.1. Strategy: TAXPAYER INFORMATION Provide Information to Taxpayers, Government Officials and the Public.	$ 16,839,231	$ 16,839,231
A.4.1. Strategy: TAX HEARINGS Provide Tax Hearings/Represent the Agency/Provide Legal Counsel.	$ 8,955,671	$ 8,955,671
Total, Goal A: COMPLIANCE WITH TAX LAWS	$ 109,840,793	$ 109,840,793
B. Goal: MANAGE FISCAL AFFAIRS		
To Efficiently Manage the State's Fiscal Affairs.		
B.1.1. Strategy: ACCOUNTING/REPORTING Proj Receipts/Disbursements; Complete Accounting/Reporting Resps.	$ 13,122,458	$ 13,122,458
B.1.2. Strategy: CLAIMS AND PAYMENTS Audit/Process Claims; Issue Payments; Provide Assistance & Training.	$ 11,479,970	$ 11,479,970
B.2.1. Strategy: PROPERTY TAX PROGRAM Conduct Property Value Study; Provide Assistance; Review Methods.	$ 8,016,743	$ 8,016,743
B.3.1. Strategy: FISCAL RESEARCH & STUDIES Provide Information & Analysis to the Public & Private Sectors.	$ 7,174,470	$ 7,174,472
B.4.1. Strategy: TREASURY OPERATIONS Ensure State's Assets, Cash Receipts, and Warrants are Prop Secured.	$ 6,027,833	$ 6,027,833
Total, Goal B: MANAGE FISCAL AFFAIRS	$ 45,821,474	$ 45,821,476
C. Goal: TAX AND FINANCIAL INFO TECHNOLOGY		
Manage the Receipt and Disbursement of State Tax Revenue.		
C.1.1. Strategy: REVENUE & TAX PROCESSING Improve Tax/Voucher Data Processing, Tax Collection & Disbursements.	$ 35,321,218	$ 35,321,218
Grand Total, COMPTROLLER OF PUBLIC ACCOUNTS	$ 190,983,485	$ 190,983,487
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 138,238,701	$ 138,238,703
Other Personnel Costs	2,994,453	2,994,453
Professional Fees and Services	8,150,218	8,150,218
Fuels and Lubricants	6,900	6,900
Consumable Supplies	1,452,768	1,452,768
Utilities	3,233,637	3,233,637
Travel	4,645,469	4,645,469
Rent - Building	2,629,033	2,629,033
Rent - Machine and Other	7,104,252	7,104,252
Other Operating Expense	22,528,054	22,528,054
Total, Object-of-Expense Informational Listing	$ 190,983,485	$ 190,983,487
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 7,886,064	$ 8,043,785
Group Insurance	18,604,771	20,102,406
Social Security	10,613,876	10,826,154
Benefits Replacement	1,646,420	1,564,099
Subtotal, Employee Benefits	$ 38,751,131	$ 40,536,444

Debt Service		
Lease Payments	$ 649,763	$ 659,792
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 39,400,894	$ 41,196,236

1. Performance Measure Targets. The following is a listing of the key performance target levels for the Comptroller of Public Accounts. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Comptroller of Public Accounts. In order to achieve the objectives and service standards established by this Act, the Comptroller of Public Accounts shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: COMPLIANCE WITH TAX LAWS		
Outcome (Results/Impact):		
Percent Accuracy Rate of Reported Amounts on Original Audits	98%	98%
Average Monthly Delinquent Account Closure Rate per Enforcement Collector	355	355
Percentage of Proposed Decisions Issued by Administrative Law Judges within 40 Days of the Record Closing	98%	98%
A.1.1. Strategy: ONGOING AUDIT ACTIVITIES		
Output (Volume):		
Number of Audits and Verifications Conducted	18,500	18,500
Efficiencies:		
Average Dollars Assessed to Dollar Cost	29.35	29.35
A.2.1. Strategy: TAX LAWS COMPLIANCE		
Efficiencies:		
Delinquent Taxes Collected Per Collection-related Dollar Expended	84	84
A.3.1. Strategy: TAXPAYER INFORMATION		
Output (Volume):		
Total Number of Written Responses Issued by the Tax Policy Sections and the Project Implementation and Planning Sections	19,000	21,000
Efficiencies:		
Percent of Written Responses Issued by the Tax Policy Sections and the Project Implementation Section within 7 Working Days	85%	85%
A.4.1. Strategy: TAX HEARINGS		
Output (Volume):		
Number of Final Decisions Rendered by Administrative Law Judges	1,300	1,300
Efficiencies:		
Average Length of Time (Work Days) Taken to Issue a Proposed Decision Following Record Closing	10	10
B. Goal: MANAGE FISCAL AFFAIRS		
Outcome (Results/Impact):		
Percent of Fund Accounting Customers Who Return an Overall Customer Service Rating of Good or Excellent on Surveys	98%	98%
Percentage of Target Independent School Districts in which PTD Met the Target Margin of Error	95%	95%
Increased Interest Earned through Minimization of Float (Banking) (Millions)	1,600,000	1,600,000
B.1.1. Strategy: ACCOUNTING/REPORTING		
Efficiencies:		
Number of Staff Hours Required to Produce the Comprehensive Annual Financial Report	7,250	7,250
B.2.1. Strategy: PROPERTY TAX PROGRAM		
Output (Volume):		
Number of Properties Included in the Property Value Study	133,241	133,241
B.3.1. Strategy: FISCAL RESEARCH & STUDIES		
Output (Volume):		
Number of Local Government Management Reviews Conducted	40	40

C. Goal: TAX AND FINANCIAL INFO TECHNOLOGY		
Outcome (Results/Impact):		
Time Taken to Return Tax Allocation to Local Jurisdictions (Days)	21	21
C.1.1. Strategy: REVENUE & TAX PROCESSING		
Output (Volume):		
Number of Tax Returns Processed	3,950,000	3,950,000
Efficiencies:		
Average Number of Hours to Deposit Priority Receipts	4.2	4.2

2. Capital Budget. Funds appropriated above may be expended for capital budget items listed below. The amounts identified for each item may be adjusted or expended on other capital expenditures, subject to the aggregate dollar restrictions on capital budget expenditures provided in the general provisions of this Act.

	2006	2007
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Daily Operations - Capital	$ 7,230,020	$ 7,230,020
(2) Data Center Operations	$ 1,037,453	$ 1,037,453
Total, Acquisition of Information Resource Technologies	$ 8,267,473	$ 8,267,473
Total, Capital Budget	$ 8,267,473	$ 8,267,473

3. Appropriation of Receipts. The Comptroller is hereby authorized to transfer appropriated funds and cash from the state agencies' funds and accounts to the Comptroller's Office to reimburse for the cost of mailing warrants and consolidating payments across agency and fund lines, making electronic transfers and data transmissions to financial institutions, vendors and associated activities. These, and all sums received in refund of postage, insurance, and shipping costs for the cigarette stamp program, are hereby appropriated to the Comptroller's Office.

4. Support to the Board of Tax Professional Examiners. It is the intent of the Legislature that the Comptroller of Public Accounts provide administrative support to the Board of Tax Professional Examiners, under interagency contract; such support to consist of the same levels of service and approximate costs as was provided to the Board of Tax Professional Examiners by the State Comptroller during the 2004-05 biennium.

5. Employee Incentive Rider. In addition to the existing authority and amounts related to employee compensation and benefits, the Comptroller of Public Accounts may expend amounts necessary from funds appropriated for the 2006-07 biennium for the purposes of enhancing compensation, providing incentives, or paying associated expenses for high performing employees within the Comptroller's Office.

6. Capital Expenditures Authorized. Notwithstanding the limitations placed on the expenditure of funds for capital budget items contained in this Act, the Comptroller of Public Accounts is hereby authorized to expend funds appropriated to the Comptroller of Public Accounts for the acquisition of capital budget items.

7. Transfer Authority. Notwithstanding limitations on appropriation transfers contained in the General Provisions of this Act, the Comptroller of Public Accounts is hereby authorized to direct agency resources, and transfer such amounts appropriated above between appropriation line items.

8. Unexpended Balances Carried Forward Between Biennia. All unexpended balances appropriated and/or allocated to the Comptroller of Public Accounts from the 2004-05 biennium due to efficiencies or other cost savings of the Comptroller are hereby appropriated for the 2006-07 biennium. The appropriations herein are for ensuring the continuation of high priority programs within the Comptroller's Office.

9. Appropriation for Statutory Obligations. The Comptroller of Public Accounts is hereby appropriated from Unclaimed Property Receipts all sums necessary to perform statutory obligations under §§ 74.201, 74.203, 74.601, and 74.602 of the Texas Property Code and to respond to public inquiries generated by the advertising program including, but not limited to,

the hiring of temporary employees. Such amounts shall not exceed the amount of money credited to Unclaimed Property Receipts from unclaimed property proceeds.

10. **Uniform Statewide Accounting and Payroll Services and Technology.** There is hereby appropriated to the Comptroller of Public Accounts all revenues received as a result of cost sharing arrangements with other state agencies, other governmental units, or non-government entities for software, technology, licensing arrangements, royalty receipts, or other charges or receipts from the sharing of technological or other information, expertise, services, or cooperative agreements of any kind. Such revenues shall be available to the Comptroller for the use of further enhancement of automation and technology services, computer services, and time.

11. **Unexpended Balances Between Fiscal Years Within the Biennium.** Any unexpended balances as of August 31, 2006, in the appropriations made herein to the Comptroller of Public Accounts are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2006.

12. **Comptroller Fiscal Oversight Responsibilities.** In order to clearly differentiate between core Comptroller functions and those functions which are for fiscal oversight or primary benefit to units of government, it is the intent of the Legislature that the Legislative Budget Board and the Governor shall work cooperatively with the Comptroller to determine appropriate activities which should be recorded under Fiscal Programs - Comptroller of Public Accounts for budget and spending purposes. Specific activities include contract activities where outside vendors perform services for the benefit of units of local government. Examples of such programs include reviews of cities, counties, special purpose districts, or other entities where work is directed at reducing the cost of government. All such appropriate costs for the 2006-07 biennium shall be recorded under Fiscal Programs - Comptroller of Public Accounts.

    Expenditures for salaries, equipment, or other operating costs for core comptroller functions are not intended to be moved to the Fiscal Programs - Comptroller of Public Accounts through this process. The Legislative Budget Board and the Governor shall have the final determination on the most appropriate budget and method of recording such expenditures and shall prepare the next biennial budget recommendations accordingly.

13. **Texas Information Technology Academy.** A person while enrolled for training in the Texas Information Technology Academy or a similar program operated under the direction of the Comptroller (an "academy student") shall not be counted toward the limit on the number of full-time-equivalent positions (FTEs) allowed to the Comptroller during the period of their training and for one year following completion of the training.

    A state agency that pays a salary to the student while the student is enrolled in the academy or that otherwise sponsors the student in the academy (the "sponsoring agency") shall include the number of students enrolled in the academy on all reports concerning FTE limits; however, they shall not count the student toward the limit on the number of full-time-equivalent positions allowed to the agency during the period of their training and for one year following completion of the training.

    The Comptroller and/or the State Auditor shall include the number of students enrolled in the academy in all reports concerning FTE limits; however, the Comptroller and/or the State Auditor shall report the number of students enrolled in the academy and for one year following completion of the training as a separate total from FTEs.

14. **Reimbursement for Treasury Operations.** In accordance with § 404.071, Government Code, the Comptroller of Public Accounts shall determine the costs incurred in receiving, paying, accounting for, and investing money in funds and accounts which are entitled to receive temporary interest. An amount equal to these costs shall be deducted from the interest earned on such funds and accounts and is hereby appropriated for deposit into the General Revenue Fund.

15. **Cash Flow Transfer.** As required by Government Code, Section 403.092, for the state fiscal biennium beginning September 1, 2005, the Comptroller of Public Accounts is appropriated from the General Revenue Fund the amount needed:

    a. to return any available cash that was transferred to the General Revenue Fund from a fund outside the state treasury; and

    b. to maintain the equity of the fund from which the transfer was made.

16. **Index of Statutorily Required Reports.** The Comptroller of Public Accounts shall assist the Texas State Library and Archive Commission in assuming responsibility for the index of statutorily required reports previously published by the Comptroller.

17. **Recovery Audit.** The Comptroller of Public Accounts shall contract with a consultant or consultants during the 2006-07 biennium for the purpose of auditing expenditures for overpayments or lost discounts and to recieve recommendations for improved accounting operations. Any reports submitted to the Comptroller of Public Accounts in connection with such a contract shall be submitted to the Legislative Budget Board, State Auditor's Office, and the Governor no later than seven days after receipt of the report by the Comptroller.

18. **Revenue Generation.** Included in amounts appropriated above, is $5,000,000 for the fiscal year beginning September 1, 2005 and $5,000,000 for the fiscal year beginning September 1, 2006 out of the General Revenue Fund for agency operations and other initiatives, including a limited amnesty program.

    It is the intent of the Legislature that the Comptroller of Public Accounts establish, for a limited duration, a tax amnesty program under the authority of the Tax Code, Section 111.103, designed to encourage voluntary reporting by delinquent taxpayers who do not hold a permit, or are otherwise not registered for a tax administered by the Comptroller, or those permitted taxpayers that may have underreported or owe tax. Such a program should provide for the waiver of penalty or interest, or both, but shall not apply to an established tax liability or taxpayers currently under audit review. The amnesty would include tax due from purchases as defined under current state tax statutes.

    The appropriation is contingent upon the Comptroller's certification that increased tax collections would provide a net gain estimated to be $254.6 million in the General Revenue Fund.

FISCAL PROGRAMS - COMPTROLLER OF PUBLIC ACCOUNTS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 200,147,295	$ 198,811,295
General Revenue Fund - Dedicated		
Law Enforcement Officer Standards and Education Account No. 116	6,000,000	6,000,000
Compensation to Victims of Crime Auxiliary Account No. 494	30,000	0
Oil Overcharge Account No. 5005	62,029,856	10,695,018
Subtotal, General Revenue Fund - Dedicated	$ 68,059,856	$ 16,695,018
Federal Funds	829,808	829,808
Total, Method of Financing	$ 269,036,959	$ 216,336,121
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	25.0	25.0
Items of Appropriation:		
A. Goal: CPA - FISCAL PROGRAMS		
Comptroller of Public Accounts - Fiscal Programs.		
A.1.1. Strategy: VOTER REGISTRATION Payments to Counties for Voter Registration Activity. Estimated.	$ 5,000,000	$ 1,000,000
A.1.2. Strategy: MISCELLANEOUS CLAIMS Pay misc claims/wrongful imprisonment, Gov't Code 403.074. Estimated.	$ 2,170,000	$ 1,770,000

A.1.3. Strategy: REIMBURSEMENT- COMMITMENT HEARINGS Reimburse-Commitment Hearings Ch. 591-596, Health & Safety Code, VTCA.	$ 2,000	$ UB
A.1.4. Strategy: REIMBURSE - BEVERAGE TAX Reimburse mix bev tax per Tax Code 183.051 at 10.7143%. Estimated.	$ 89,991,000	$ 91,957,000
A.1.5. Strategy: JUDGMENTS AND SETTLEMENTS Payment of Ch. 101, 104 CPR Code, Ch. 59 Educ Code. Fed Court Claims.	$ 2,500,000	$ UB
A.1.6. Strategy: COUNTY TAXES - UNIVERSITY LANDS Payment of County Taxes on University Lands. Estimated.	$ 1,600,000	$ 1,300,000
A.1.7. Strategy: LATERAL ROAD FUND DISTRICTS Lateral Road Fund Distribution.	$ 7,300,000	$ 7,300,000
A.1.8. Strategy: UNCLAIMED PROPERTY To Pay Legitimate Claims for Unclaimed Prop Held by State. Estimated.	$ 78,400,000	$ 82,300,000
A.1.9. Strategy: UNDERAGE TOBACCO PROGRAM Allocate Underage Tobacco Enforcement Program Grants.	$ 2,000,000	$ 2,000,000
A.1.10. Strategy: RANGER PENSIONS	$ 2,320	$ 2,320
A.1.11. Strategy: LOCAL CONTINUING EDUCATION GRANTS Allocate Local Continuing Education Grants.	$ 6,000,000	$ 6,000,000
A.1.12. Strategy: ADVANCED TAX COMPLIANCE	$ 10,659,775	$ 10,659,775
A.1.13. Strategy: SUBSEQUENT CVC CLAIMS Subsequent Crime Victim Compensation Claims.	$ 30,000	$ 0
Total, Goal A: CPA - FISCAL PROGRAMS	$ 205,655,095	$ 204,289,095
B. Goal: ENERGY OFFICE Develop & Administer Programs That Promote Energy Efficiency.		
B.1.1. Strategy: ENERGY OFFICE Promote and Manage Energy Programs.	$ 1,911,670	$ 1,911,670
B.1.2. Strategy: OIL OVERCHARGE SETTLEMENT FUNDS Allocate Grants and Loans to Promote Energy Efficiency.	$ 61,470,194	$ 10,135,356
Total, Goal B: ENERGY OFFICE	$ 63,381,864	$ 12,047,026
Grand Total, FISCAL PROGRAMS - COMPTROLLER OF PUBLIC ACCOUNTS	$ 269,036,959	$ 216,336,121
Supplemental Appropriations Made in Riders:	$ 2,000,000	$ 0
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,229,375	$ 1,229,375
Other Personnel Costs	70,213	70,213
Professional Fees and Services	8,510,859	8,510,859
Consumable Supplies	1,300	1,300
Utilities	485,363	485,363
Travel	39,017	39,017
Rent - Building	370	370
Rent - Machine and Other	13,847	13,847
Other Operating Expense	86,853,373	85,821,373
Client Services	219,728	219,728
Grants	173,613,514	119,944,676
Total, Object-of-Expense Informational Listing	$ 271,036,959	$ 216,336,121

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits		
Retirement	$ 61,771	$ 63,006
Group Insurance	108,354	115,963
Social Security	85,723	87,438
Benefits Replacement	12,455	11,833
Subtotal, Employee Benefits	$ 268,303	$ 278,240
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 268,303	$ 278,240

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Fiscal Programs - Comptroller of Public Accounts. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Fiscal Programs - Comptroller of Public Accounts. In order to achieve the objectives and service standards established by this Act, the Fiscal Programs - Comptroller of Public Accounts shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
B. Goal: ENERGY OFFICE		
Outcome (Results/Impact):		
State Agency Energy Cost Savings as a Percentage of Energy Expenditures	23	23
Energy Dollars Saved by LoanSTAR Projects (in Millions)	15,000,000	15,000,000

2. **Appropriation from the Compensation to Victims of Crime Auxiliary Fund.** Included in amounts appropriated above in Strategy A.1.13, Subsequent CVC Claims, are estimated balances on hand and revenues received by the Comptroller from departments under Government Code § 76.013 (estimated to be $30,000 for the biennium), for crime victims who have not made a claim for restitution during the prescribed five year period and who make a subsequent claim. In addition to amounts identified herein and included above, all revenue collected on or after September 1, 2005 is hereby appropriated for the same purpose. The Comptroller shall pay a victim making such claim the amount of the original payment, less the collection fee, from the Compensation to Victims of Crime Auxiliary Fund No. 494 pursuant to Government Code § 76.013(d).

3. **Appropriation, Payment of Miscellaneous Claims.** In addition to amounts appropriated above in Strategy A.1.2, Miscellaneous Claims, the Comptroller of Public Accounts is hereby appropriated out of other special funds and accounts as appropriate, amounts necessary to pay small miscellaneous claims.

4. **Appropriation, Payment of Judgments and Settlements.** Except for claims under Chapter 59, Education Code, in addition to amounts appropriated above in Strategy A.1.5, Judgments and Settlements, the Comptroller of Public Accounts is hereby appropriated out of other special funds and accounts as appropriate, amounts necessary to pay claims, judgments, and settlements.

5. **Limitation, Payment of Judgments and Settlements.** The expenditures authorized in Strategy A.1.5, Judgements and Settlements for payment of settlements and judgments for claims against state agencies payable under Chapter 101 and 104, Civil Practice and Remedies Code, including indemnification for criminal prosecution and Federal Court judgments and settlements, are hereby limited to those claims where the settlement or judgement amount exceeds the amount authorized by Article IX, Judgements, of this Act to be paid out of appropriations made to the involved agency elsewhere in this Act. These judgments and settlements shall be paid from special or local funds of the agency or institution to the extent available, and then from General Revenue. The Comptroller shall require reimbursement from agencies and institutions as special or local funds become available. This limitation shall not apply in those cases where the judgement order of the trial court was entered, or a settlement agreement was executed, prior to September 1, 1995 or to the payment of eligible medical malpractice claims under Chapter 59, Education Code. All claims shall be prepared, verified and signed by the Office of the Attorney General.

6. **International Fuel Tax Agreement.** Out of amounts collected as a result of the administration of Chapter 153, Tax Code, the Comptroller shall determine the amounts due other jurisdictions as reflected by motor fuels reports and other information available pursuant to an International Fuel Tax Agreement or otherwise subject to refund. Such amounts are hereby appropriated and may be segregated as necessary for remittance to other jurisdictions and for refunds as provided by law. Fees and costs associated with an International Fuel Tax Agreement may be paid from the interest earnings on amounts due other jurisdictions or subject to refund. The Comptroller may estimate the amounts due other jurisdictions or subject to refund out of amounts collected as a result of the administration of Chapter 153, Tax Code, and may segregate such funds as necessary for administration of the agreement.

7. **Appropriation of Tax and Revenue Anticipation Note Fund.** There is hereby appropriated to the Comptroller of Public Accounts all money deposited in the tax and revenue anticipation note fund for the purposes of paying principal of, premium (if any), interest on, and costs of issuance relating to tax and revenue anticipation notes issued during the biennium. To the extent that money deposited into the tax and revenue anticipation note fund is insufficient to pay the principal of, premium (if any), interest on, and costs of issuance relating to notes, there is hereby appropriated to the Comptroller of Public Accounts from the General Revenue Fund amounts necessary for the full repayment of all principal of, premium (if any) and interest on any notes issued during the biennium.

8. **Advanced Tax Compliance and Debt Collections.** To the extent that the Comptroller contracts with persons or entities to provide information, services, or technology or expands and/or enhances the technology to aid in the advanced collections of debts, taxes, or other property due to or belonging to the State of Texas pursuant to Government Code, §§ 403.019, 403.0195 or Tax Code § 111.0035 or § 111.0036, all sums necessary to pay contract, maintenance, and other expenses connected with the collections, including any administrative costs of the Comptroller directly associated with the collections program are hereby appropriated to the Comptroller from collection proceeds. The balance of collection proceeds shall be transferred to the General Revenue Fund or to any dedicated or special funds or accounts to which the collection proceeds may belong.

   Consistent with the Comptroller's role as the chief fiscal officer and tax collector for the state, it is the intent of the Legislature that all resulting collections and associated expenses be accounted for through the fiscal agency operations of the Comptroller's Office in a manner which reflects both the amounts of enhanced collections as well as the amount of expenses related to the increased deposits.

9. **Investment Fund Management.** Consistent with the Comptroller's responsibility for investing Tobacco Settlement funds and the Higher Education Fund, as much of the investment earnings as necessary up to a maximum of 50 basis points of the average fund balance for funds managed by external fund managers and 20 basis points for internally managed funds are hereby appropriated each year of the biennium to the fiscal agency operation of the Comptroller's Office to pay the expenditures related to these investment activities. The total appropriated amount shall not exceed $10 million per fiscal year of the biennium. The Comptroller shall prepare an annual report detailing the expenditures made in connection with each fund for investment activities.

10. **Oil Overcharge Settlement Funds.** Included in funds appropriated above to Strategy B.1.2, Oil Overcharge Settlement Funds, out of Oil Overcharge Account Number 5005, are funds allocated to the State of Texas through consent decrees, court decrees and administrative orders involving violation of the mandatory petroleum pricing and allocation regulations, including the interest earned on those used by the State Energy Conservation Office (SECO) for the biennium beginning September 1, 2005 (estimated to be $20,270,712). Any unexpended balances as of August 31, 2005, of Oil Overcharge Funds are included in Strategy B.1.2, and are to be used by SECO for the biennium beginning September 1, 2005 (estimated to be $51,334,838). In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, 2005 and all revenue generated on or after September 1, 2005 are hereby appropriated for the same purpose.

    Out of these estimated balances and revenues, the State Energy Conservation Office shall allocate an estimated total of $1,549,992 over the biennium based on the designations listed below. SECO is granted the discretion to prorate Oil Overcharge funds based on these

designations in the event that the total amount estimated by this allocation is not realized. The amounts below are hereby designated for the biennium beginning September 1, 2005, for the following purposes:
State Energy Conservation Office Programs:

	2006	2007
Schools/Local Government Program	$ 129,166 & UB	$ 129,166 & UB
State Agencies/Higher Education Program	$ 129,166 & UB	$ 129,166 & UB
Renewable Energy Program	$ 129,166 & UB	$ 129,166 & UB
Housing Partnership	$ 129,166 & UB	$ 129,166 & UB
Transportation Energy Program	$ 129,166 & UB	$ 129,166 & UB
Alternative Fuels Program	$ 129,166 & UB	$ 129,166 & UB

Funds de-obligated from contracts within the above programs shall remain within the program. State Energy Program Administration funds are appropriated in Strategy B.1.1, Energy Office.

Pursuant to Texas Government Code § 2305.032 (f), funds available to the Loan STAR Revolving Loan Program shall equal or exceed $95,000,000 at all times. All unexpended LoanSTAR balances (estimated to be $41,528,847 of total balances noted above) and all revenues, except depository interest earned on LoanSTAR balances, generated by funds in the LoanSTAR Program (estimated to be $18,720,720 of total revenues noted above), shall remain in the program. It is the intent of the Legislature that if a state agency or institution of higher education is a recipient of a loan under the statewide retrofit demonstration and revolving loan program, the agency or institution shall repay the loan from agency funds budgeted for the energy costs of the agency or institution.

11. Department of Energy (DOE) Federal Funds. In addition to funds appropriated above for administration of the State Energy Conservation Office, all funds allocated to the State of Texas by the US Department of Energy to fund Pantex and State energy programs are detailed below for the biennium beginning September 1, 2005.

The SECO shall allocate funds based upon the designations listed below:

	FY 2006	FY 2007
Federal Funds: Pantex Programs		
Agreement in Principle (Remedial Clean Up Action)	$1,380,000 & UB	$1,380,000 & UB
Waste Isolation Pilot Plant	$375,000 & UB	$375,000 & UB
Federal Funds: State Energy Program		
State Energy Program (SEP) Grant	$2,611,000 & UB	$2,611,000 & UB

12. Appropriation of Tax Refunds. As much of the respective taxes, fees, and charges, including penalties or other financial transactions administered or collected by the Comptroller as may be necessary is hereby appropriated and set aside to pay refunds, interest, and any costs and attorney fees awarded in court cases, as provided by law, subject to the following limitations and conditions:

a. Unless another law, or section of this Act, provides a period within which a particular refund claim must be made, funds appropriated herein may not be used to pay a refund claim made under this section after four years from the latest date on which the amount collected or received by the State was due, if the amount was required to be paid on or before a particular date. If the amount was not required to be paid on or before a particular date, a refund claim may not be made after four years from the date the amount was collected or received. A person who fails to make a refund claim within the period provided by law, or this provision, shall not be eligible to receive payment of a refund under this provision.

b. As a specific limitation to the amount of refunds paid from funds appropriated in this Act during the 2006-07 biennium, the Comptroller shall not approve claims or issue warrants for refunds in excess of the amount of revenue estimated to be available from the tax, fee, or other revenue source during the biennium according to the Biennial Revenue Estimate of the Comptroller of Public Accounts used for certification of this Act. Any claim or portion of a claim which is in excess of the limitation established by this subsection "b" shall be presented to the next legislature for a specific appropriation in order for payment to be made. The limitation established by this subsection "b" shall not apply to any taxes or fees paid under protest.

13. Appropriation of Hotel/Motel Taxes. In addition to amounts appropriated above, the Comptroller of Public Accounts is hereby appropriated out of hotel taxes collected under Chapter 156, Tax Code, amounts necessary to pay percentages to eligible coastal municipalities as calculated pursuant to §156.2511 and § 156.2512, Tax Code.

14. Collection of Motor Fuel Tax. The Comptroller of Public Accounts shall calculate the amount of General Revenue utilized for the collection of motor fuels taxes and shall allocate any unexpended portion of the 1 percent of motor fuel taxes deposited to the General Revenue Fund pursuant to Tax Code 162.501 as modified by Act of May 30, 2003, 78th Leg., R.S., ch. 1296, §2, 2003 Tex. Gen. Laws 4705.

15. Tax Systems Development. Included in amounts appropriated above in Strategy A.1.12, Advanced Tax Compliance, is $3,000,000 for the fiscal year beginning September 1, 2005 and $3,000,000 for the fiscal year beginning September 1, 2006 out of the General Revenue Fund for development and improvement of tax systems.

The appropriation is contingent upon the Comptroller's certification that increased tax collections would provide a net gain estimated to be $40.0 million in the General Revenue Fund.

16. Contingency Appropriation for House Bill 2201 ("FutureGen" project). Contingent upon enactment of House Bill 2201 or similar legislation authorizing grants for development in Texas of the coal-based integrated sequestration and hydrogen research project to be built in partnership with the United States Department of Energy (commonly referred to as the FutureGen project), $2 million out of the General Revenue Fund shall be appropriated to the State Energy Conservation Office in fiscal year 2006 for the purpose of financing a state response to a Request for Proposals to be issued by the U.S. Department of Energy regarding the FutureGen project.

INFORMATIONAL LISTING OF FUNDS APPROPRIATED TO THE COMPTROLLER FOR SOCIAL SECURITY AND BRP

1. Informational Listing of Appropriated Funds. The appropriations made in this and other articles of this Act to the Comptroller of Public Accounts - Social Security/Benefit Replacement Pay are subject to the following provisions. The following amounts shall be used for the purposes indicated.

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue, estimated	$432,078,973	$441,590,241
General Revenue-Dedicated, estimated	61,443,718	62,983,710
State Highway Fund No. 6, estimated	75,632,727	76,380,693

Federal Funds, estimated	82,597,244	81,118,582
Other Special State Funds, estimated	10,285,872	10,525,488
Total, Method of Financing	$662,038,534	$672,598,714
A.Goal: Social Security/Benefit Replacement		
Comptroller - Social Security		
A.1.1. Strategy: State Match - Employer		
State Match - Employer. Estimated.	$602,240,600	$615,790,678
A.1.2. Strategy: Benefit Replacement Pay		
Benefit Replacement Pay. Estimated.	59,797,934	56,808,036
Total, Goal A: Social Security/Benefit Replacement	$662,038,534	$672,598,714

2. **Transfer of Social Security Contributions and Benefit Replacement Pay.** Appropriations made in this and other articles of this Act for Social Security and Benefit Replacement Pay shall be transferred by each agency from the Comptroller of Public Accounts to the agency based on estimated amounts by funding source for each fiscal year. Transfers should be made no later than September 15th of the year in which the payments are to be made. Adjustments and return of excess appropriation authority to the Comptroller's Office shall be completed by October 30th of the subsequent fiscal year.

COMMISSION ON STATE EMERGENCY COMMUNICATIONS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund - Dedicated		
Advisory Commission on Emergency Communications Account No. 5007	$ 18,297,416	$ 18,055,967
911 Service Fees Account No. 5050	44,527,773	42,504,674
Subtotal, General Revenue Fund - Dedicated	$ 62,825,189	$ 60,560,641
Appropriated Receipts	240,000	240,000
Total, Method of Financing	$ 63,065,189	$ 60,800,641
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	25.0	25.0
Schedule of Exempt Positions:		
Executive Director, Group 2	$75,000	$75,000
Per Diem of Commission Members	4,300	4,300
Items of Appropriation:		
A. Goal: STATEWIDE 9-1-1 SERVICES		
Planning & Development, Provision & Enhancement of 9-1-1 Service.		
A.1.1. Strategy: 9-1-1 NETWORK OPERATIONS	$ 41,906,179	$ 41,831,929
A.1.2. Strategy: 9-1-1 EQUIPMENT REPLACEMENT	$ 7,926,484	$ 7,920,152
A.1.3. Strategy: WIRELESS PHASE II IMPLEMENTATION	$ 2,871,975	$ 1,544,803
A.1.4. Strategy: CSEC 9-1-1 PROGRAM ADMINISTRATION	$ 1,890,322	$ 1,890,322
Total, Goal A: STATEWIDE 9-1-1 SERVICES	$ 54,594,960	$ 53,187,206
B. Goal: POISON CONTROL NETWORK		
Maintain a High Quality Poison Control Network in Texas.		
B.1.1. Strategy: POISON CALL CENTER OPERATIONS	$ 6,131,992	$ 6,131,992
B.1.2. Strategy: STATEWIDE POISON NETWORK OPERATIONS	$ 2,013,268	$ 1,156,477

B.1.3. Strategy: CSEC POISON PROGRAM MANAGEMENT	$ 142,176	$ 142,176
Total, Goal B: POISON CONTROL NETWORK	$ 8,287,436	$ 7,430,645
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMINISTRATION	$ 182,793	$ 182,790
Grand Total, COMMISSION ON STATE EMERGENCY COMMUNICATIONS	$ 63,065,189	$ 60,800,641
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,188,016	$ 1,187,016
Other Personnel Costs	36,529	37,529
Professional Fees and Services	254,496	254,496
Consumable Supplies	6,311	6,311
Utilities	949,081	949,081
Travel	49,607	49,607
Rent - Building	3,375	3,375
Rent - Machine and Other	7,461	7,461
Other Operating Expense	915,458	915,455
Grants	59,643,421	57,378,876
Capital Expenditures	11,434	11,434
Total, Object-of-Expense Informational Listing	$ 63,065,189	$ 60,800,641
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 73,696	$ 75,170
Group Insurance	137,548	146,488
Social Security	92,509	94,360
Benefits Replacement	7,182	6,823
Subtotal, Employee Benefits	$ 310,935	$ 322,841
Debt Service		
Lease Payments	$ 64,872	$ 69,493
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 375,807	$ 392,334

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Commission on State Emergency Communications. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Commission on State Emergency Communications. In order to achieve the objectives and service standards established by this Act, the Commission on State Emergency Communications shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: STATEWIDE 9-1-1 SERVICES		
Outcome (Results/Impact):		
Percentage of Time Wireline ALI System is Operational	100%	100%
A.1.1. Strategy: 9-1-1 NETWORK OPERATIONS		
Output (Volume):		
Number of Public Safety Answering Points with Wireless Automatic Number Identification (ANI)	350	350
B. Goal: POISON CONTROL NETWORK		
Outcome (Results/Impact):		
Percentage of Time the Texas Poison Control Network is Operational	100%	100%
B.1.1. Strategy: POISON CALL CENTER OPERATIONS		
Output (Volume):		
Total Number of Poison Control Calls Processed Statewide	325,000	330,000

2. **Equipment Replacement.** None of the funds appropriated above to Strategy A.1.2, 9-1-1 Equipment Replacement, may be used to replace or fund a reserve for future replacement of

9-1-1 equipment. The Commission on State Emergency Communications shall develop and submit a 10-year equipment replacement schedule to the Legislative Budget Board and the Governor's Office not later than November 1, 2005. The Commission on State Emergency Communications may modify the schedule as necessary during the biennium, due to changing conditions resulting in equipment failure that affects public safety, and shall notify the Legislative Budget Board and the Governor's Office of such modifications.

3. **Regional Planning Commissions.** Included in amounts appropriated above in Strategies A.1.1, 9-1-1 Network Operations; A.1.2, 9-1-1 Equipment Replacement; and A.1.3, Wireless Phase II Implementation is $15,000,000 for the biennium to be distributed to the Regional Planning Commissions for administration of the statewide 9-1-1 program. It is the intent of the Legislature that during the 2006-07 biennium no more than $15,000,000 be allocated to the Regional Planning Commissions for administration of the statewide 9-1-1 program. Each Regional Planning Commission shall submit a Historically Underutilized Business (HUB) plan, pursuant to Chapter 2161 of the Government Code, with its application.

4. **Contingent Revenue: General Revenue-Dedicated Advisory Commission on Emergency Communications Account No. 5007.** Contingent on the collection of fees in the General Revenue-Dedicated Advisory Commission on Emergency Communications Account No. 5007 in excess of $25,510,000 (Object Code 3563), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007, the following amounts are included above for the Commission on State Emergency Communications:

   a. in Strategy A.1.1, 9-1-1 Network Operations, the amount of $2,536,582 in fiscal year 2006 and the amount of $2,295,133 in fiscal year 2007 for Increased Network Reliability;

   b. in Strategy A.1.2, 9-1-1, Equipment Replacement, the amount of $1,465,179 in fiscal year 2006 and the amount of $3,481,943 in fiscal year 2007 for equipment purchases for Public Safety Answering Points;

   c. in Strategy A.1.3, Wireless Phase II Implementation, the amount of $2,022,696 in fiscal year 2006 and the amount of $862,723 in fiscal year 2007 for Wireless Phase II Implementation grants;

   d. in Strategy B.1.1, Poison Call Center Operations, the amount of $151,834 in fiscal year 2006 and the amount of $151,834 in fiscal year 2007 for Call Taker Salaries; and

   e. in Strategy B.1.2, Statewide Poison Network Operations, the amount of $856,791 in fiscal year 2006 for Poison Control Call Taker Equipment Upgrades.

   It is the intent of the Legislature that $303,668 of the excess be applied toward Call Taker Salaries in Strategy B.1.1, Poison Call Center Operations before applying any excess collections toward Poison Control Call Taker Equipment Upgrades in Strategy B.1.2, Statewide Poison Network Operations. Additionally, it is the intent of the Legislature that $856,791 of the next available excess collections be applied toward Poison Control Call Taker Equipment Upgrades in Strategy B.1.2, Statewide Poison Network Operations prior to expenditure of excess amounts on amounts appropriated herein for increased network reliability, equipment for public safety answering points, and Wireless Phase II implementation. Such expenditures shall be in accordance with Chapter 771, Health and Safety Code.

   If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

5. **Contingent Revenue: General Revenue-Dedicated 911 Service Fee Account No. 5050.** Contingent on the collection of fees in the General Revenue-Dedicated 911 Service Fee Account No. 5050 in excess of $94,264,000 (Object Code 3647), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007, the following amounts are included above for the Commission on State Emergency Communications:

   a. in Strategy A.1.1, 9-1-1 Network Operations, the amount of $2,137,500 in fiscal year 2006 and the amount of $2,137,500 in fiscal year 2007 for Subscriber Growth; and

b. in Strategy A.1.2, 9-1-1, Equipment Replacement, the amount of $4,068,596 in fiscal year 2006 and the amount of $2,045,500 in fiscal year 2007 for equipment purchases for Public Safety Answering Points.

If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

6. **Appropriation: Reimbursement of Wireless Carriers.** Out of amounts appropriated above, the Commission on State Emergency Communications may expend the amounts necessary to meet the statutory requirements for wireless carrier reimbursement of Phase I and Phase II deployment cost within Health and Safety Code, Chapter 771.0711(g), except in cases where wireless carriers have a self-recovery mechanism in place.

7. **Unexpended Balances Within the Biennium.** Any unexpended balances as of August 31, 2006, in the appropriations made herein to the Commission on State Emergency Communications are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2006.

EMPLOYEES RETIREMENT SYSTEM

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund, estimated	$ 6,931,297	$ 6,984,668
Total, Method of Financing	$ 6,931,297	$ 6,984,668
This bill pattern represents an estimated 2.2% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	299.0	299.0
Items of Appropriation:		
A. Goal: ADMINISTER RETIREMENT PROGRAM To Administer Comprehensive and Actuarially Sound Retirement Programs.		
A.1.1. Strategy: RETIREE DEATH BENEFITS Provide Lump-sum Retiree Death Benefits. Estimated.	$ 6,931,297	$ 6,984,668
Grand Total, EMPLOYEES RETIREMENT SYSTEM	$ 6,931,297	$ 6,984,668
Object-of-Expense Informational Listing:		
Client Services	$ 6,931,297	$ 6,984,668
Total, Object-of-Expense Informational Listing	$ 6,931,297	$ 6,984,668

1. **Information Listing of Appropriated Funds.** The appropriations made in this and other articles of this Act to the Employees Retirement System are subject to the following provisions. The following amounts shall be used for the purposes indicated.

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund, estimated	$ 801,558,501	$ 841,061,147
General Revenue-Dedicated Accounts, estimated	62,581,081	66,090,315
Federal Funds, estimated	243,751,861	257,366,267
Other Funds		
State Highway Fund No. 006, estimated	244,429,080	260,377,292

Other Special State Funds, estimated	8,027,657	8,383,799
Subtotal, Other Funds	252,456,737	268,761,091
Total, Method of Financing	$ 1,360,348,180	$1,433,278,820
Number of Full-Time-Equivalents (FTE):	299.0	299.0
Schedule of Exempt Positions:		
Executive Director	$ 180,000	$ 180,000
A. Goal: ADMINISTER RETIREMENT PROGRAM To Administer Comprehensive and Actuarially Sound Retirement Programs.		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS Retirement Contributions. Estimated.	$ 309,567,866	$ 312,887,732
A.1.2. Strategy: JUDICIAL RETIREMENT SYSTEM - PLAN 2 Judicial Retirement System - Plan 2. Estimated.	$ 8,924,368	$ 9,051,094
A.1.3. Strategy: JUDICIAL RETIREMENT SYSTEM - PLAN 1 Judicial Retirement System - Plan 1. Estimated.	$ 23,042,156	$ 23,807,156
A.1.4. Strategy: PUBLIC SAFETY BENEFITS Public Safety Benefits. Estimated.	$ 5,479,901	$ 5,479,902
A.1.5. Strategy: RETIREE DEATH BENEFITS Retiree Death Benefits. Estimated	$ 6,931,297	$ 6,984,668
Total, Goal A: ADMINISTER RETIREMENT PROGRAM	$ 353,945,588	$ 358,210,552
B. Goal: PROVIDE HEALTH PROGRAM Provide Employees and Retirees with a Quality Health Program.		
B.1.1. Strategy: GROUP INSURANCE Group Insurance. Estimated.	$ 996,386,090	$1,064,481,357
B.1.2. Strategy: STATE KIDS INSURANCE PROGRAM State Kids Insurance Program (SKIP). Estimated.	$ 10,016,502	$ 10,586,911
Total, Goal B: PROVIDE HEALTH PROGRAM	$ 1,006,402,592	$1,075,068,268
Grand Total, EMPLOYEES RETIREMENT SYSTEM	$ 1,360,348,180	$1,433,278,820
Performance Measure Targets		
A. Goal: ADMINISTER RETIREMENT PROGRAM		
Outcome (Results/Impact):		
Percent of ERS Retirees Expressing Satisfaction with Benefit Services	97%	97%
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS		
Output (Volume):		
Number of ERS Accounts Maintained	188,830	188,830
Efficiencies:		
Average Number of Days to Provide ERS Retirement Packets	3	3
B. Goal: PROVIDE HEALTH PROGRAM		
Outcome (Results/Impact):		
Percent of HealthSelect Participants Satisfied with Network Services	85%	85%
B.1.1. Strategy: GROUP INSURANCE		
Efficiencies:		
Percent of Claims Processed within Thirty Days	99%	99%

Total Cost Paid per HealthSelect Member for Administration and Claims Processing	$ 23.30	$ 23.30

2. **Updated Actuarial Valuation.** The Employees Retirement System shall contract with an actuary to perform a limited actuarial valuation of the assets and liabilities of the Employees Retirement System as of February 28 in those years when the Legislature meets in regular session. The purpose of the valuation shall be to determine the effect of investment, salary, and payroll experience on the unfunded liability, the amortization period, and the state contribution rate which results in a 30-year amortization period of the Retirement System.

3. **State Contribution to Employees Retirement Program.** The amount specified above in A.1.1, Retirement Contributions, is based on a state contribution of 6.45 percent of payroll, including annual membership fees of $3 for contributing members for each fiscal year.

4. **State Contribution to Judicial Retirement Program (JRS-2).** The amount specified above in A.1.2, Judicial Retirement System - Plan 2, is based on a state contribution of 16.83 percent of payroll for contributing members for each fiscal year.

5. **State Contribution to Group Insurance for General State Employees.** Funds identified above for group insurance are intended to fund:

   a. the total cost of the basic life and health coverage for all active and retired employees;

   b. fifty percent of the total cost of health coverage for the spouses and dependent children of all active and retired employees who enroll in coverage categories which include a spouse and/or dependent children; and

   c. the additional cost of providing a premium structure comparable to the Children's Health Insurance Program (CHIP) for dependent children of state employees enrolled in the State Kids Insurance Program (SKIP).

   In no event shall the total amount of state contributions allocated to fund coverage in an optional health plan exceed the actuarially determined total amount of state contributions that would be required to fund basic health coverage for those active employees and retirees who have elected to participate in that optional health plan.

   During each fiscal year, the state's monthly contribution shall be determined by multiplying (1) the per capita monthly contribution as certified herein by (2) the total number of full-time active and retired employees enrolled for coverage during that month.

   Each year, upon adoption of group insurance rates by the Board of Trustees, Employees Retirement System must notify the Comptroller, the Legislative Budget Board, and the Governor of the per capita monthly contribution required in accordance with this rider for each full-time active and retired employee enrolled for coverage during the fiscal year.

   It is the intent of the Legislature that the Employees Retirement System control the cost of the group insurance program by not providing rate increases to health care providers participating in HealthSelect during the 2006-07 biennium.

6. **Administrative Cost Provision.** Funds identified above in A.1.3, Judicial Retirement System - Plan 1, include $120,000 in each fiscal year to reimburse the Employees Retirement System for the cost of administering the Judicial Retirement Plan 1.

7. **Administrative Cost Provision.** Funds identified above in A.1.4, Public Safety Benefits, include $28,000 in each fiscal year to reimburse the Employees Retirement System for the cost of administering the death benefits program for public safety personnel.

8. **Excess Benefit Arrangement Account.** There is hereby appropriated to the Employees Retirement System all funds transferred or deposited into the Excess Benefit Arrangement Account established in the General Revenue Fund for the purpose of paying benefits as authorized by Government Code § 815.5072.

9. **Transfer of Retirement Contributions and Group Insurance.** Appropriations made in this and other articles of this Act for Retirement and Group Insurance contributions shall be transferred by each agency from the Employees Retirement System to the agency based on

estimated amounts by funding source for each fiscal year. Transfers should be made no later than September 15 of the year in which the payments are to be made. Adjustments and return of excess appropriation authority to the Employees Retirement System shall be completed by October 30 of the subsequent fiscal year.

10. Appropriation for State Kids Insurance Program (SKIP). Pursuant to 1551.159, Insurance Code, VTCA, relating to the state's contribution for dependent children of certain state employees, funds identified above in Strategy B.1.2, State Kids Insurance Program, for group insurance are to be used for the costs of the State Kids Insurance Program (SKIP).

11. Federal Funds for Medicare Part D Prescription Drug Program. The Employees Retirement System (ERS) is hereby authorized to receive employer reimbursements of all federal funds applicable to Medicare Part D prescription drug reimbursement relating to benefits administered by ERS. Any federal funds received by ERS shall be deposited to the Employees Life, Accident and Health insurance and Benefits Fund No. 973 to pay health claims.

TEXAS ETHICS COMMISSION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 1,689,083	$ 1,689,085
Appropriated Receipts	25,000	25,000
Total, Method of Financing	$ 1,714,083	$ 1,714,085
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	35.0	35.0
Schedule of Exempt Positions:		
Executive Director, Group 3	$97,000	$97,000
General Counsel	88,000	88,000
Items of Appropriation:		
A. Goal: INFORMATION ON GOVERNMENT		
Increase Information to Public about Government/Ethics Laws.		
A.1.1. Strategy: INFORMATION FILING Serve as the Repository for Statutorily Required Information.	$ 435,476	$ 435,476
A.1.2. Strategy: ADVISORY OPINIONS Provide Advisory Opinions.	$ 181,564	$ 181,564
A.1.3. Strategy: ENFORCEMENT Respond to Complaints and Enforce Applicable Statutes.	$ 359,573	$ 359,574
A.2.1. Strategy: ETHICS EDUCATION PROGRAM Provide Ethics Education.	$ 40,744	$ 40,745
Total, Goal A: INFORMATION ON GOVERNMENT	$ 1,017,357	$ 1,017,359
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: INDIRECT ADMINISTRATION	$ 696,726	$ 696,726
Grand Total, TEXAS ETHICS COMMISSION	$ 1,714,083	$ 1,714,085
Supplemental Appropriations Made in Riders:	$ 87,000	$ 87,000
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,531,697	$ 1,531,697
Other Personnel Costs	24,980	24,980
Consumable Supplies	11,950	11,950
Utilities	31,850	31,850
Travel	10,000	10,000
Rent - Building	5,500	5,500

Rent - Machine and Other	30,000	30,000
Other Operating Expense	155,106	155,108
Total, Object-of-Expense Informational Listing	$ 1,801,083	$ 1,801,085
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 90,275	$ 92,081
Group Insurance	178,133	190,458
Social Security	113,854	116,131
Benefits Replacement	18,414	17,493
Subtotal, Employee Benefits	$ 400,676	$ 416,163
Debt Service		
Lease Payments	$ 130,081	$ 169,500
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 530,757	$ 585,663

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Ethics Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas Ethics Commission. In order to achieve the objectives and service standards established by this Act, the Texas Ethics Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INFORMATION ON GOVERNMENT		
Outcome (Results/Impact):		
Percent of Advisory Opinion Requests Answered by Commission within 60 Working Days of Receipt	98%	98%
A.1.1. Strategy: INFORMATION FILING		
Output (Volume):		
Number of Reports Logged within Two Working Days of Receipt	24,000	24,000
A.1.2. Strategy: ADVISORY OPINIONS		
Efficiencies:		
Average Time (Working Days) to Answer Advisory Opinion Requests	48	48
A.1.3. Strategy: ENFORCEMENT		
Output (Volume):		
Number of Sworn Complaints Processed	150	130
Efficiencies:		
Average Time (Working Days) to Respond to Sworn Complaints	3	3

2. **Lobbyist Registration Fees.** Contingent on enactment of Senate Bill 1863 or similar legislation, enacted by the Seventy-ninth Legislature, relating to the continuation of the increased lobbyist registration fees and amending the use of the funds, there is hereby appropriated $87,000 in General Revenue for fiscal year 2006 and $87,000 in General Revenue for fiscal year 2007 for the purposes of information technology and customer support.

PUBLIC FINANCE AUTHORITY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 479,826	$ 479,826
Appropriated Receipts	310,517	309,324
Total, Method of Financing	$ 790,343	$ 789,150

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	15.0	15.0
Schedule of Exempt Positions:		
Executive Director, Group 4	$110,000	$110,000
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
Finance Capital Projects Cost Effectively and Efficiently and Monitor.		
A.1.1. Strategy: ANALYZE FINANCINGS AND ISSUE DEBT	$ 393,590	$ 392,997 & UB
Analyze Agency Financing Applications and Issue Debt Cost Effectively.		
A.2.1. Strategy: MANAGE BOND PROCEEDS	$ 396,753	$ 396,153 & UB
Manage Bond Proceeds and Monitor Covenants to Ensure Compliance.		
A.2.2. Strategy: BOND DEBT SERVICE PAYMENTS	$	$
Make GO Bond Debt Service Payments.		
Total, Goal A: FINANCE CAPITAL PROJECTS	$ 790,343	$ 789,150
Grand Total, PUBLIC FINANCE AUTHORITY	$ 790,343	$ 789,150
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 705,000	$ 705,000
Other Personnel Costs	14,790	15,750
Professional Fees and Services	10,002	2,252
Consumable Supplies	3,340	3,940
Utilities	130	230
Travel	24,200	22,700
Rent - Building	250	250
Rent - Machine and Other	3,800	3,800
Other Operating Expense	28,831	35,228
Total, Object-of-Expense Informational Listing	$ 790,343	$ 789,150
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 37,211	$ 37,956
Group Insurance	65,408	70,196
Social Security	51,837	52,874
Benefits Replacement	6,200	5,890
Subtotal, Employee Benefits	$ 160,656	$ 166,916
Debt Service		
Lease Payments	$ 63,234	$ 63,177
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 223,890	$ 230,093

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Public Finance Authority. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Public Finance Authority. In order to achieve the objectives and service standards established by this Act, the Public Finance Authority shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: ANALYZE FINANCINGS AND ISSUE DEBT		
Output (Volume):		
Number of Requests for Financing Approved	12	5
A.2.1. Strategy: MANAGE BOND PROCEEDS		
Output (Volume):		
Number of Financial Transactions Including Debt Service Payments	4,000	4,000

2. **Information Listing of Appropriated Funds.** The appropriations made in this and other Articles of this Act to the Texas Public Finance Authority for General Obligation Bond Debt Service are subject to the following provision. The following amounts shall be used for the purpose indicated.

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue	$ 300,248,419	$ 312,633,569
General Revenue-Dedicated	24,114,456	24,646,179
Federal Funds	2,362,984	2,361,154
Other Funds		
Current Fund Balance	4,302,928	4,351,788
MH Patient Collections No. 8031	112,122	112,122
MH Appropriated Receipts No. 8033	15,828	15,828
MH Medicare Receipts No. 8034	169,322	169,322
MR Patient Collections No. 8095	120,063	120,063
MR Appropriated Receipts No. 8096	16,949	16,949
MR Medicare Receipts No. 8097	19,686	19,686
Subtotal, Other Funds	4,756,898	4,805,758
Total, Method of Financing		
Bond Debt Service	$ 331,482,757	$ 344,446,660 & UB
Strategy A.2.2. Bond Debt Service	$ 331,482,757	$ 344,446,660 & UB

3. **Appropriation and Transfer Authority of Interest and Sinking Funds for General Obligation Bond Debt Service Payments.** Prior to the expenditure of funds appropriated out of the General Revenue Fund to pay debt service on general obligation bonds, the Public Finance Authority shall utilize any balances available in interest and sinking funds for said purpose. The Authority is hereby appropriated all amounts available in interest and sinking funds, including any unexpended balances in these funds for the purpose of paying debt service on general obligation bonds.

   In compliance with the bond resolutions and funds management agreements between the Texas Public Finance Authority and the Comptroller of Public Accounts, the Texas Public Finance Authority is hereby authorized to transfer funds, appropriated for bond debt service, into the appropriate interest and sinking funds in amounts as necessary for the payment of principal and interest due on general obligation bonds. Such transfers shall be made no sooner than the day that bond debt service is required to be delivered in accordance with the bond resolutions and funds management agreements. The Texas Public Finance Authority is also authorized to transfer funds appropriated for general obligation bond debt service to the interest and sinking fund(s) to pay ongoing costs associated with the General Obligation Commercial Paper Program.

4. **Appropriation and Transfer Authority for Revenue Bond Lease Payments.** Balances in and revenues accruing to the State Lease Fund Account and the Texas Public Finance Authority

revenue bond interest and sinking fund(s) are hereby appropriated to the Texas Public Finance Authority for bond servicing costs on revenue bonds. Bond servicing costs shall include such costs as debt service payments, insurance premiums, paying agent fees, and other costs associated with the outstanding bonds.

The Texas Public Finance Authority is hereby authorized to transfer such amounts as necessary for the payment of bond servicing costs from the State Lease Fund Account to the Texas Public Finance Authority interest and sinking fund(s) or other debt service funds.

5. **Appropriation and Transfer Authority for Master Lease Purchase Program Payments and Administrative Fees.** The Texas Public Finance Authority is hereby appropriated balances held in and revenues accruing to the State Lease Fund Account and Texas Public Finance Authority Master Lease Purchase Program interest and sinking fund(s) for the purpose of making debt service and other payments in accordance with applicable laws, rules and covenants pertaining to the Master Lease Purchase Program. Unexpended balances in and revenues accruing to the Texas Public Finance Authority Master Lease Purchase Program funds and cost of issuance fund(s) in excess of those appropriated in the Method of Financing are hereby appropriated to the Texas Public Finance Authority for administrative costs in operating the Master Lease Purchase Program.

   The Texas Public Finance Authority is hereby authorized to transfer each agency's share of administrative fees and lease payments pursuant to the Master Lease Purchase Program from each agency's appropriations made elsewhere in this Act to the Texas Public Finance Authority Master Lease Purchase Program cost of issuance fund(s) and the State Lease Fund Account, respectively. Transfers for administrative fees and lease payments shall not be made earlier than fifteen days prior to the date that the debt service payment is required. The Texas Public Finance Authority may transfer funds necessary for Master Lease Purchase Program debt service payments from the State Lease Fund Account to the Texas Public Finance Authority Master Lease Purchase Program interest and sinking fund(s).

6. **Appropriation and Transfer Authority for Unexpended Balances in Bond Related Funds.** The Texas Public Finance Authority is hereby authorized to transfer all unexpended bond fund balances forward to the following fiscal year. Balances in and revenues accruing in these bond related funds are hereby appropriated to the Texas Public Finance Authority and may be transferred to the current fiscal year or prior fiscal years in order to make bond related payments and transfers in accordance with bond resolutions. Bond funds include but are not limited to: construction (project) funds; acquisition funds; cost of issuance funds; rebate funds; capitalized interest funds; and restoration funds.

7. **Appropriation and Transfer Authority.** Appropriations to all agencies on whose behalf the Texas Public Finance Authority has, or will issue bonds, notes or other obligations are hereby authorized to be transferred to the Texas Public Finance Authority to the funds prescribed by the bond documents for payment of debt service. The monies so transferred are hereby appropriated to the Texas Public Finance Authority for payment of principal and interest on the bonds, notes or other obligations.

8. **Contingency Funding for Agency Operations: Additional Bond Issues.** In the event that the performance measure set forth above, Number of Requests for Financing Approved, is exceeded by 30 percent in either fiscal year 2006 or 2007, the Texas Public Finance Authority is hereby appropriated an additional amount not to exceed 20 percent of that year's appropriation made above to recover costs related to bond issuance for each fiscal year. Any additional appropriations made herein shall be applied equally to Strategy A.1.1, Analyze Financings and Issue Debt, and Strategy A.2.1, Manage Bond Proceeds. All appropriations made herein shall be out of the administrative fees collected from the participants in the Master Lease Purchase Program or reimbursements from state agencies; comply with the provisions of Chapters 1232 and 401 of the Texas Government Code, and any applicable bond covenants; and comply with any restrictions on reimbursements or expenditures contained in Article IX of this Act.

9. **Travel Cap Exemption for Bond Sale Travel.** Travel expenses incurred by the staff and board members related to the issuance of debt and paid from bond proceeds are exempt from the requirements of Article IX, relating to Limitation on Travel Expenditures, and the limitations on such expenditures set forth therein.

FIRE FIGHTERS' PENSION COMMISSIONER

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 1,176,876	$ 1,215,985
Appropriated Receipts	32,588	32,588
Total, Method of Financing	$ 1,209,464	$ 1,248,573
This bill pattern represents an estimated 1.8% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	8.5	8.5
Schedule of Exempt Positions:		
Commissioner, Group 1	$59,280	$59,280
Items of Appropriation:		
A. Goal: SOUND PENSION FUNDS		
Ensure Actuarially Sound Pension Funds for Emergency Servs Personnel.		
A.1.1. Strategy: ADMINISTER PENSION FUND	$ 1,070,205	$ 1,109,313
Administer a Pension Fund for Emergency Services Personnel.		
A.2.1. Strategy: ASSISTANCE & EDUCATION	$ 139,259	$ 139,260
Assist and Educate Local Firefighter Pension Fund Boards.		
Total, Goal A: SOUND PENSION FUNDS	$ 1,209,464	$ 1,248,573
Grand Total, FIRE FIGHTERS' PENSION COMMISSIONER	$ 1,209,464	$ 1,248,573
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 343,093	$ 350,188
Other Personnel Costs	8,880	9,010
Professional Fees and Services	114,470	114,470
Consumable Supplies	4,661	4,661
Travel	7,894	7,894
Rent - Machine and Other	26,193	26,193
Other Operating Expense	704,273	736,157
Total, Object-of-Expense Informational Listing	$ 1,209,464	$ 1,248,573
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 16,513	$ 16,843
Group Insurance	49,227	53,377
Social Security	25,913	26,431
Benefits Replacement	3,883	3,689
Subtotal, Employee Benefits	$ 95,536	$ 100,340
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 95,536	$ 100,340

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Fire Fighters' Pension Commissioner. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Fire Fighters' Pension Commissioner. In order to achieve the objectives and service standards established by this Act, the Fire Fighters' Pension Commissioner shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: SOUND PENSION FUNDS		
A.1.1. Strategy: ADMINISTER PENSION FUND		
Output (Volume):		
Number of Retirement Payments Distributed	28,078	28,921
Efficiencies:		
Average Annual Administrative Cost Per Pension Plan Member	75	75
A.2.1. Strategy: ASSISTANCE & EDUCATION		
Output (Volume):		
Number of Benefit Determinations for Local Funds	270	270
Number of Continuing Education Units Issued	1,000	1,000

OFFICE OF THE GOVERNOR

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 8,803,586	$ 7,646,581
Other Funds		
Appropriated Receipts	13,000	13,000
Interagency Contracts	399,102	399,102
Subtotal, Other Funds	$ 412,102	$ 412,102
Total, Method of Financing	$ 9,215,688	$ 8,058,683
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	137.4	137.4
Schedule of Exempt Positions:		
Governor, Group 5	$115,345	$115,345
Items of Appropriation:		
A. Goal: GOVERN THE STATE		
Formulation of Balanced State Policies.		
A.1.1. Strategy: SUPPORT GOVERNOR & STATE Provide Support to Governor and State Agencies.	$ 5,479,326	$ 4,434,378
A.1.2. Strategy: APPOINTMENTS Develop and Maintain System of Recruiting, Screening, and Training.	$ 812,447	$ 800,385
A.1.3. Strategy: COMMUNICATIONS Maintain Open, Active, and Comprehensive Functions.	$ 2,579,768	$ 2,479,773
A.1.4. Strategy: GOVERNOR'S MANSION Maintain and Preserve Governor's Mansion.	$ 344,147	$ 344,147
Total, Goal A: GOVERN THE STATE	$ 9,215,688	$ 8,058,683
Grand Total, OFFICE OF THE GOVERNOR	$ 9,215,688	$ 8,058,683
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 7,431,965	$ 7,065,959
Other Personnel Costs	99,165	99,165
Professional Fees and Services	166,680	161,680
Consumable Supplies	75,812	70,812
Utilities	36,330	36,330
Travel	76,720	66,720
Rent - Building	32,400	32,400
Rent - Machine and Other	76,240	72,242
Other Operating Expense	1,220,376	453,375
Total, Object-of-Expense Informational Listing	$ 9,215,688	$ 8,058,683
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 405,804	$ 413,920
Group Insurance	995,873	1,084,722

Social Security	571,080	582,501
Benefits Replacement	43,815	41,625
Subtotal, Employee Benefits	$ 2,016,572	$ 2,122,768
Debt Service		
Lease Payments	$ 40,177	$ 40,087
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,056,749	$ 2,162,855

1. **Unexpended Balances Within the Biennium.** Any unexpended balances as of August 31, 2006, in the appropriations made herein to the Office of the Governor are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2006.

2. **Designation of Exempt Positions.** Pursuant to the provisions of this Act and other state and federal legislation, and notwithstanding restrictions in this Act relative to the authority of the Governor to exempt positions from the Position Classification Act of 1961, the Governor may designate the title and compensation rate of exempt positions to be used by the Office of the Governor.

3. **Governor's Salary.** The salary provided by this Act for the Governor is an annual salary and is not reduced during the Governor's absence from the state.

4. **Transfer Authority.** Notwithstanding limitations on appropriation transfers contained in the General Provisions of this Act, the Office of the Governor is hereby authorized to direct agency resources, and transfer such amounts appropriated above between appropriation items. The Governor may transfer appropriations and FTEs within the Office of the Governor and for Trusteed Programs, and may assign appropriations and the corresponding FTEs for Trusteed Programs to other agencies.

5. **Unexpended Balances Between Biennia.** Included in amounts appropriated above are unexpended balances as of August 31, 2005 in appropriations made to the Office of the Governor (estimated to be $752,000) for the same purpose for the biennium beginning September 1, 2005.

6. **Capital Expenditures Authorized.** Notwithstanding the limitations placed on the expenditure of funds for capital budget items contained in this Act, the Office of the Governor is hereby authorized to expend funds appropriated to the Office of the Governor, and the Trusteed Programs within the Office of the Governor for the acquisition of capital budget items.

TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 170,106,654	$ 5,982,542
GR - Hotel Occupancy Tax Deposits Account No. 5003	18,353,494	18,353,494
Earned Federal Funds	926,250	926,250
Subtotal, General Revenue Fund	$ 189,386,398	$ 25,262,286
General Revenue Fund - Dedicated		
Crime Stoppers Assistance Account No. 5012	1,212,414	475,000
Tourism Account No. 5053	113,504	35,000
Economic Development Bank Account No. 5106	5,963,439	4,266,774

TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR
(Continued)

Texas Music Foundation Plates Account No. 5113	14,000	5,000
Daughters of the Republic of Texas Plates Account No. 5115	66,520	34,000
Criminal Justice Planning Account No. 421	25,691,837	25,691,838
Subtotal, General Revenue Fund - Dedicated	$ 33,061,714	$ 30,507,612
Federal Funds		
Federal Funds	83,257,195	64,438,601
Governor's Office Federal Projects Fund No. 224	7,417,000	0
Subtotal, Federal Funds	$ 90,674,195	$ 64,438,601
Appropriated Receipts	394,773	394,773
Total, Method of Financing	$ 313,517,080	$ 120,603,272
This bill pattern represents an estimated 88.3% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	136.1	136.1
Items of Appropriation:		
A. Goal: PROGRAMS ASSIGNED		
Administer Programs Assigned to the Governor.		
A.1.1. Strategy: AGENCY GRANT ASSISTANCE Provide Emergency and Deficiency Grants to State Agencies.	$ 6,879,264	$ UB
A.1.2. Strategy: DISASTER FUNDS Provide Disaster Funding.	$ 15,455,311	$ UB
A.1.3. Strategy: CRIMINAL JUSTICE Provide Money and Research and Promote Programs for Criminal Justice.	$ 119,673,115	$ 92,302,611
A.1.4. Strategy: FILM AND MUSIC MARKETING Market Texas as a Film Location and Promote the Texas Music Industry.	$ 843,104	$ 798,399
A.1.5. Strategy: DISABILITY ISSUES Inform Organizations and the General Public of Disability Issues.	$ 364,516	$ 313,891
A.1.6. Strategy: WOMEN'S GROUPS Network Statewide Women's Groups in Texas.	$ 94,194	$ 79,117
A.1.7. Strategy: COUNTY ESSENTIAL SERVICE GRANTS Provide Financial Assistance to Counties for Essential Public Services.	$ 965,623	$ 475,000
A.1.8. Strategy: TEXAS ENTERPRISE FUND Provide Financial Incentives to Entities for Economic Development.	$ 140,750,000	$ UB
A.1.9. Strategy: ECONOMIC DEVELOPMENT AND TOURISM Enhance the Economic Growth of Texas.	$ 27,801,795	$ 25,944,096
A.1.10. Strategy: MILITARY PREPAREDNESS Advise the Governor and Legislature on Military Issues.	$ 228,758	$ 228,758
A.1.11. Strategy: HOMELAND SECURITY Direct and Coordinate Homeland Security Activities in Texas.	$ 461,400	$ 461,400
Total, Goal A: PROGRAMS ASSIGNED	$ 313,517,080	$ 120,603,272
Grand Total, TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR	$ 313,517,080	$ 120,603,272
Supplemental Appropriations Made in Riders:	$ 0	$ 130,000,000

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 6,559,175	$ 6,559,175
Other Personnel Costs	286,257	286,257
Professional Fees and Services	5,958,743	5,958,743
Consumable Supplies	42,445	42,445
Utilities	71,772	71,772
Travel	217,200	217,200
Rent - Building	54,862	54,862
Rent - Machine and Other	57,244	57,244
Other Operating Expense	40,469,197	15,810,549
Client Services	1,478,035	1,478,035
Grants	258,322,150	220,066,990
Total, Object-of-Expense Informational Listing	$ 313,517,080	$ 250,603,272
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 413,233	$ 421,498
Group Insurance	778,403	835,545
Social Security	526,896	537,434
Benefits Replacement	53,636	50,953
Subtotal, Employee Benefits	$ 1,772,168	$ 1,845,430
Debt Service		
Bond Debt Service	$ 24,114,456	$ 24,646,179
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 25,886,624	$ 26,491,609

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Trusteed Programs Within the Office of the Governor. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Trusteed Programs Within the Office of the Governor. In order to achieve the objectives and service standards established by this Act, the Trusteed Programs Within the Office of the Governor shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: PROGRAMS ASSIGNED		
Outcome (Results/Impact):		
Percentage of CJD Grants Complying with CJD Guidelines	98%	98%
Estimated Production Budgets of Films and Television Projects Made in Texas (in Millions)	213.5	218.5
Number of Unduplicated Jobs Announced by Companies Receiving Grants from the Texas Enterprise Fund	11,000	11,000
Number of New Jobs Announced by Businesses Receiving Recruitment and Expansion Assistance	18,455	18,580
Number of Domestic Leisure Travelers to Texas (Millions)	142.2	146.5
Number of Defense Dependent Communities Receiving Economic Development Assistance	25	30
A.1.3. Strategy: CRIMINAL JUSTICE		
Output (Volume):		
Number of Grants Currently Operating	925	900
A.1.4. Strategy: FILM AND MUSIC MARKETING		
Output (Volume):		
Number of Individuals and Companies Assisted by Texas Music Office	19,142	21,057
A.1.5. Strategy: DISABILITY ISSUES		
Output (Volume):		
Number of Local Volunteer Committees on People with Disabilities and Communities Supported	54	54

A.1.9. Strategy: ECONOMIC DEVELOPMENT AND TOURISM		
Output (Volume):		
Number of Businesses Developed as Recruitment Prospects	255	255
Efficiencies:		
Return on Investment from State Funding for Tourism Promotion	16	16

2. **Emergency and Deficiency and Disaster Grants.** Included in amounts appropriated above, any unexpended balances as of August 31, 2005, in appropriations for Strategy A.1.1, Agency Grant Assistance (estimated to be $0) and Strategy A.1.2, Disaster Funds (estimated to be $15,455,311) for emergency and deficiency and disaster grants made in House Bill 1, Seventy-eighth Legislature, Regular Session, are hereby appropriated for the biennium beginning September 1, 2005. The purposes of these appropriations are for payments of claims arising prior to the convening of the next legislature by the Governor in accordance with § 403.075, Government Code, for emergency use in accordance with §§ 401.061-401.065, Government Code, grants-in-aid in case of disasters, and for other purposes needed in the operations of state departments and agencies, including legal defense of officials and employees. Upon certification by the Governor that an emergency exists within the scope of the above-cited provisions in an agency funded out of special funds, there are hereby appropriated amounts necessary from special funds to meet the deficiency, emergency or disaster. The Comptroller of Public Accounts shall transfer from the special fund to the necessary appropriation account the amount certified as necessary to meet the deficiency, emergency or disaster. Transfers made under this provision shall be made only when sufficient balances over appropriated amounts exist in the special fund. The Governor may, according to the terms of the deficiency, emergency or disaster award, require the agency to repay all or part of the award. The repayment may be accomplished by purchase voucher, journal entry, or other procedures established by the Governor's Office with the concurrence of the Comptroller of Public Accounts.

3. **Appropriation of Earned Federal Funds.** Included in the amounts appropriated above in Strategy A.1.3, Criminal Justice, are any unexpended balances remaining as of August 31, 2005, (estimated to be $0) per fiscal year, plus any revenues received during the biennium beginning September 1, 2005 identified as earned federal funds (estimated to be $926,250 per fiscal year) for use in the operations of the Office of the Governor. In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, 2005 and all revenue generated on or after September 1, 2005 are hereby appropriated for the same purpose.

4. **Transfer Authority for Deficiency and Emergency Grants and Disaster Funds.** In accordance with applicable statutes and to facilitate current accounting and reporting procedures, the Governor may transfer funds and/or budget authority via journal voucher or other similar means as may be prescribed by the Comptroller of Public Accounts from Strategy A.1.1, Agency Grant Assistance and Strategy A.1.2, Disaster Funds to recipient agencies.

5. **Unexpended Balances Within the Biennium.** Any unexpended balances as of August 31, 2006 in appropriations made to the Trusteed Programs Within the Office of the Governor are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2006.

6. **Federal Grants.** Funds received from the federal government for grants to the Trusteed Programs Within the Office of the Governor that are directed to earn interest for the 2006-07 biennium will be deposited to General Revenue-Dedicated Account No. 224, Governor's Office Federal Projects, and are to be expended as directed by the grant. Any unexpended balances (estimated to be $7,417,000) as of August 31, 2005 in the Governor's Office Federal Projects Account No. 0224 are included above for the same purpose for the biennium beginning September 1, 2005.

CRIMINAL JUSTICE

7. **Reporting Requirements: Criminal Justice Division.** To ensure that Criminal Justice Planning Funds are spent in accordance with state and federal requirements, the Criminal Justice Division (CJD) shall require grant recipients to report data and documentation, not later than October 1 of each fiscal year, demonstrating compliance with contractual agreements for

Criminal Justice Planning grants. At a minimum, reports submitted by grant recipients shall provide data to support all expenditures made with Criminal Justice Planning Funds; provide an inventory of all equipment and capital items purchased with such funds; and provide all information necessary for scheduled and periodic reviews by the CJD.

In addition, the CJD shall establish and consistently adhere to internal guidelines for reviewing and evaluating grant requests, as well as requests for payments and reimbursements submitted by grantees. Not later than December 15 of each year, the CJD shall submit to the Legislative Budget Board and the State Auditor's Office a report detailing its findings regarding compliance by grantees.

8. Criminal Justice Planning Funds. Out of amounts appropriated above in Strategy A.1.3, Criminal Justice, the Criminal Justice Division shall transfer $3,898,843 in fiscal year 2006 and $3,878,407 in fiscal year 2007 funds from General Revenue-Dedicated Criminal Justice Planning Account No. 421 to the Texas Department of Criminal Justice (TDCJ). The amounts transferred by this provision do not require a grant application and are not restricted to project specific purposes. CJD may require a periodic accounting from TDCJ regarding its expenditures from these funds.

9. Treatment Alternative to Incarceration Program. Out of funds appropriated above to provide emergency and deficiency grants to state agencies, $3,250,000 in fiscal year 2006 and $3,250,000 in fiscal year 2007 is allocated to the Texas Department of Criminal Justice for the Treatment Alternative to Incarceration Program.

10. Drug Court Grants. Out of the amounts appropriated above in Strategy, A.1.3, Criminal Justice, $750,000 each fiscal year out of the General Revenue Fund may be used to provide grants to drug courts. It is the intent of the Legislature that the presiding judge of a drug court must be an active judge holding elective office or a master. It is the intent of the Legislature that persons eligible for appointment may not be a former or retired judicial officer.

11. Unexpended Balances Between Biennia. Included in amounts appropriated above, are any unexpended balances remaining in appropriations out of the following accounts and strategies as of August 31, 2005, to the Trusteed Programs Within the Office of the Governor for the same purposes for the biennium beginning September 1, 2005:

a. any unexpended balances (estimated to be $0) out of the General Revenue-Dedicated Criminal Justice Planning Account No. 421 to Strategy A.1.3, Criminal Justice;

b. any unexpended balances (estimated to be $737,414) out of the General Revenue-Dedicated Crime Stoppers Assistance Account No. 5012 to Strategy A.1.3, Criminal Justice;

c. any unexpended balances (estimated to be $397,497) out of the General Revenue Fund to Strategy A.1.3, Criminal Justice;

d. any unexpended balances (estimated to be $35,706) out of the General Revenue Fund and Appropriated Receipts to Strategy A.1.4, Film and Music Marketing;

e. any unexpended balances (estimated to be $50,625) out of the General Revenue Fund to Strategy A.1.5, Disability Issues;

f. any unexpended balances (estimated to be $15,077) out of the General Revenue Fund to Strategy A.1.6, Women's Groups;

g. any unexpended balances (estimated to be $490,623) out of the General Revenue Fund to Strategy A.1.7, County Essential Service Grants;

h. any unexpended balances (estimated to be $50,000) out of General Revenue-related funds to Strategy A.1.9, Economic Development and Tourism;

i. any unexpended balances (estimated to be $0) out of the General Revenue Fund to Strategy A.1.10, Military Preparedness; and

j. any unexpended balances (estimated to be $0) out of Federal Funds to Strategy A.1.11, Homeland Security.

ECONOMIC DEVELOPMENT

12. Texas Enterprise Fund. Included in amounts appropriated above in Strategy A.1.8, Texas Enterprise Fund, is $140,750,000 out of the General Revenue Fund in fiscal year 2006 to be transferred to the General Revenue-Dedicated Texas Enterprise Fund Account No. 5107, and is hereby appropriated out of the General Revenue-Dedicated Texas Enterprise Fund Account No. 5107 for the biennium beginning September 1, 2005 for the purposes of economic development initiatives in accordance with Government Code § 481.078.

In addition to amounts appropriated above are any unexpended balances as of August 31, 2005 remaining in appropriations out of the General Revenue-Dedicated Texas Enterprise Fund Account No. 5107 in Strategy A.1.8, Texas Enterprise Fund (estimated to be $0) for the biennium beginning September 1, 2005 for the purposes of economic development initiatives in accordance with Government Code § 481.078.

13. Appropriation: Texas Small Business Industrial Development Corporation. The Office of the Governor, Economic Development and Tourism shall review the financial statements of the Texas Small Business Industrial Development Corporation to determine the net earnings of the Corporation, and shall make such determination no later than January 1, 2006, and January 1, 2007. The Office of the Governor, Economic Development and Tourism shall ensure that the net earnings, of an amount not to exceed $75,000, shall be transferred to the Economic Development Bank Account No. 5106 during each fiscal year of the 2006-07 biennium to be used to finance activities of Strategy A.1.9, Economic Development and Tourism. Seventy-five percent of any net earnings in excess of $150,000 for the 2006-07 biennium shall be deposited into the General Revenue Fund and 25 percent of any net earnings over $150,000 is appropriated to Strategy A.1.9, Economic Development and Tourism, for administration of small and minority business finance programs.

14. Defense Infrastructure Support. It is the intent of the Legislature that the Office of the Governor prepare an annual Master Plan of how the Office of the Governor shall support the defense infrastructure of the Texas economy. The plan shall contain at a minimum, information detailing the Office of the Governor's proactive strategy for providing support to the Texas defense industry, how the strategy will be implemented, what results shall be achieved and how the results will be measured and evaluated. The plan shall be made available to the Legislature at the beginning of each fiscal year. In addition, the Office of the Governor shall prepare a quarterly statement detailing the economic impact of the defense industry (military and civilian) on the Texas economy.

15. Transfer: Promotion of Historical Sites. From the amounts appropriated above, the Office of the Governor, Economic Development and Tourism, pursuant to Government Code § 481.172, shall transfer $300,000 during the biennium beginning September 1, 2005, to the Texas Historical Commission to encourage travel to the state's historical attractions.

16. Administration: Foreign Offices.

a. It is the intent of the Legislature that the Office of the Governor, Economic Development and Tourism provide services to develop trade investment and tourism in strategic world markets with specific emphasis to benefit small businesses in the State of Texas. Offices may be operated in Mexico and in other foreign markets including Canada, Europe, the Pacific Rim, and Latin America coinciding with market opportunities for Texas business. The services shall be available to other state agencies through interagency contracts. Foreign office trade investment and tourism development efforts, as well as location of the offices, shall be based on analysis of the current world market opportunities. The Office of

the Governor shall expend funds for the Mexico offices out of any funds available, but shall not expend any funds appropriated under this Act for any office or staff at any other foreign offices established by the Office of the Governor. The Office of the Governor may seek and use alternative funding sources other than funds appropriated under this Act for offices in locations other than Mexico City.

b. The Office of the Governor shall maintain a tracking system that documents the direct benefits that result from the operation of each foreign office. The Office of the Governor shall utilize the tracking system to file a quarterly report with the Legislative Budget Board regarding the activities of each office. The report shall contain, at a minimum, information detailing the number of contacts with foreign and domestic businesses, the name of each business, the nature of the contact, the results of each contact, and expenditures by each office. The report shall also contain the name of each Texas community assisted, and information regarding the nature and results of the assistance. Each report shall be submitted within 60 days of the end of each quarter, and must be accompanied by supporting documentation as specified by the Legislative Budget Board.

17. **Cash Flow Contingency.** Contingent upon the receipt of Hotel Occupancy Tax collections by the Comptroller of Public Accounts, the Office of the Governor, Economic Development and Tourism may temporarily utilize additional Hotel Occupancy Tax allocations from the General Revenue Fund into the General Revenue Hotel Occupancy Tax Deposits Account No. 5003 in an amount not to exceed $2 million per fiscal year. These funds shall be utilized only for the purpose of temporary cash flow needs when expenditures for tourism marketing exceed monthly Hotel Occupancy Tax revenue received. The transfer and reimbursement of funds shall be made under procedures established by the Comptroller of Public Accounts to ensure all borrowed funds are reimbursed by the Office of the Governor, Economic Development and Tourism to the General Revenue Fund from Hotel Occupancy Tax revenues collected on or before August 31 of each fiscal year and deposited before September 30 of the following fiscal year.

18. **Limitation on Expenditures: General Revenue Hotel Occupancy Tax Deposits Account No. 5003.** Of the amounts appropriated above out of the General Revenue Hotel Occupancy Tax Deposits Account No. 5003, the Office of the Governor, Economic Development and Tourism shall use not more than $5,255,016 in fiscal year 2006 and $5,276,541 in fiscal year 2007 for expenditures other than Advertising Services (Object Code 7281).

19. **Community Development Grants.** Out of funds appropriated above to the Trusteed Programs Within the Office of the Governor, from General Revenue-Dedicated Texas Economic Development Bank Fund Account No. 5106, the Trusteed Programs Within the Office of the Governor shall expend $250,000 per fiscal year on grants to eligible community development financial institutions for the purpose of making grants or loans in distressed areas of the state.

20. **Unexpended Balances for the Texas Military Value Revolving Loan Program.** Any unexpended balances remaining in the Texas Military Value Revolving Loan Account No. 5114 as of August 31, 2005, are hereby appropriated for the same purposes for the 2006-07 biennium in accordance with the Texas Constitution, Article III, § 49-n and Government Code, Chapter 436, Subchapter D.

In addition, proceeds of bonds or other obligations authorized by Texas Constitution, Article III, § 49-n, that have not either been issued or expended by August 31, 2005, are hereby appropriated for the same purposes for the 2006-07 biennium.

Further, there is appropriated elsewhere in this Act to the Texas Public Finance Authority, an amount not to exceed $24,114,456 for fiscal year 2006 and $24,646,179 for fiscal year 2007 to pay debt service on general obligation bonds or other obligations issued pursuant to the Texas Constitution, Article III, § 49-n and Government Code, Chapter 436, Subchapter D provided that anticipated loan payments and interest earnings on loan payments deposited to the Texas Military Value Revolving Loan Account No. 5114 are sufficient to repay the General Revenue Fund by August 31, 2007.

21. Appropriation of License Plate Unexpended Balances and Receipts. Included in the amounts appropriated above are all estimated unexpended balances collected prior to the effective date of this Act and all revenue collected on or after September 1, 2005 for the license plates contained herein.

a. Texas Music License Plates - Included in Strategy A.1.4, Film and Music Marketing, an estimated $9,000 in unexpended balances and $5,000 each fiscal year out of the General Revenue-Dedicated Texas Music Foundation Plates Account No. 5113 in collected revenue to be spent in accordance with Transportation Code § 504.639;

b. Daughters of the Republic of Texas License Plates - Included in Strategy A.1.9, Economic Development and Tourism, an estimated $32,520 in unexpended balances and $34,000 each fiscal year out of the General Revenue-Dedicated Daughters of the Republic of Texas Plates Account No. 5115 in collected revenue to be spent in accordance with Transportation Code § 504.637;

c. Space Shuttle Columbia License Plates - Included in Strategy A.1.9, Economic Development and Tourism, an estimated $0 in unexpended balances and $11,000 each fiscal year out of the General Revenue Fund in collected revenue to be spent in accordance with Transportation Code § 504.640;

d. Texas Aerospace Commission License Plates - Included in Strategy A.1.9, Economic Development and Tourism, an estimated $0 in unexpended balances and $13,000 each fiscal year out of the General Revenue Fund in collected revenue to be spent in accordance with Transportation Code § 504.610; and

e. Texas. It's Like a Whole Other Country License Plates - Included in Strategy A.1.9, Economic Development and Tourism, an estimated $78,504 in unexpended balances and $35,000 each fiscal year out of the General Revenue-Dedicated Tourism Account No. 5053 in collected revenue to be spent in accordance with Transportation Code § 504.617.

In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, 2005 and all revenue generated on or after September 1, 2005 are hereby appropriated for the same purposes.

Any unexpended balances as of August 31, 2006, out of the appropriations made herein are hereby appropriated to the Trusteed Programs Within the Office of the Governor for the fiscal year beginning September 1, 2006 for the same purposes.

22. Appropriations Limited to Revenue Collections. Fees collected from the sale of Texas Aerospace Commission and Space Shuttle Columbia license plates as authorized by Transportation Code §504.610 and §504.640, and generated by the agency, cover $24,000 per fiscal year of the cost of the General Revenue appropriations made above for Strategy A.1.9, Economic Development and Tourism. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available. Texas Aerospace Commission and Space Shuttle Columbia license plate fees deposited in excess of $24,000 per fiscal year are hereby appropriated for the 2006-07 biennium for the economic development of the aerospace industry consistent with the provision of Government Code § 481.0066.

23. Texas Economic Development Bank. Included in amounts appropriated above in Strategy A.1.9, Economic Development and Tourism, the Trusteed Programs Within the Office of the Governor is hereby appropriated all revenue, fees and investment earnings that the Texas Economic Development Bank is authorized to collect for the implementation and administration of the Texas Economic Development Bank to be spent in accordance with Government Code, Chapter 489.

Included in amounts appropriated above in Strategy A.1.9, Economic Development and Tourism is $1,696,665 in estimated unexpended balances, remaining as of August 31, 2005, out of the General Revenue-Dedicated Economic Development Bank Account No. 5106 to be spent in accordance with Government Code, Chapter 489.

24. Contingency Appropriation for Senate Bill 1096. Contingent upon the enactment of Senate Bill 1096, or similar legislation by the Seventy-ninth Legislature, Regular Session, 2005, all amounts transferred from the Employment and Training Investment Holding Fund to the General Revenue-Dedicated Texas Enterprise Fund Account No. 5107, not to exceed $130,000,000, are hereby appropriated out of the General Revenue-Dedicated Texas Enterprise Fund Account No. 5107 to the Trusteed Programs Within the Office of the Governor Strategy A.1.8, Texas Enterprise Fund for the purposes of economic development initiatives in accordance with Government Code § 481.078.

25. Appropriation for Grants for Fuel Ethanol and Biodiesel Production. All funds deposited in the fuel ethanol and biodiesel production account are appropriated to the Texas Economic Development and Tourism Office for the purpose of making grants as provided under Chapter 16, Agriculture Code.

26. Capital Access Program. Out of funds appropriated above to the Trusteed Programs Within the Office of the Governor, from General Revenue-Dedicated Texas Economic Development Bank Fund Account No. 5106, the Trusteed Programs Within the Office of the Governor shall expend $435,000 per fiscal year on small business assistance programs offered through the Capital Access Program.

27. Contingency Appropriation for Senate Bill 1100. Contingent upon the enactment of Senate Bill 1100, or similar legislation, related to the promotion of tourism relating to the musical heritage of this state, it is the intent of the Legislature that $10 million in federal Transportation Enhancement Program funds administered by the Texas Department of Transportation be made available during the biennium for whichever entity is designated as the official Texas museum of music history by the Trusteed Programs Within the Office of the Governor, provided that such entity meets federal grant requirements of the federal Transportation Enhancement Program as defined by federal regulation of the U.S. Department of Transportation, Federal Highway Administration, under Title 23 of the United States Code. The Texas Department of Transportation will review the designated Texas museum of music history project to determine if the project meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. It is the intent of the Legislature that funds appropriated above would cover allowed costs of administering the Texas museum of music history project approved for federal Transportation Enhancement Program funds.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Texas museum of music history under the Transportation Enhancement Program to other available projects should the project fail to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

HISTORICAL COMMISSION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 5,184,074	$ 4,090,115
GR Dedicated - Texas Preservation Trust Fund Account No. 664	450,775	450,775
Federal Funds	937,404	863,851

Other Funds		
Appropriated Receipts	358,549	341,257
Interagency Contracts	1,726,192	1,614,295
Subtotal, Other Funds	$ 2,084,741	$ 1,955,552
Total, Method of Financing	$ 8,656,994	$ 7,360,293
This bill pattern represents an estimated 56% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	106.5	106.5
Schedule of Exempt Positions:		
Executive Director, Group 3	$88,500	$88,500
Items of Appropriation:		
A. Goal: HISTORICAL PRESERVATION		
Preserve the State's Historic Landmarks and Artifacts.		
A.1.1. Strategy: ARCHITECTURAL ASSISTANCE Property Rehabilitation/Preservation Technical Assistance.	$ 538,422	$ 538,422
A.1.2. Strategy: PRESERVATION TRUST FUND Provide Financial Assistance through the Preservation Trust Fund.	$ 950,775	$ 450,775
A.1.3. Strategy: ARCHEOLOGICAL HERITAGE PROTECTION Archeological Protection through Reviews, Outreach & Other Programs.	$ 1,298,837	$ 1,213,337
A.1.4. Strategy: EVALUATE/INTERPRET RESOURCES Programs & Services for Historic Resources Evaluation & Interpretation.	$ 1,238,042	$ 1,238,041
A.1.5. Strategy: COURTHOUSE PRESERVATION Courthouse Preservation Assistance.	$ 887,600	$ 287,600
A.2.1. Strategy: DEVELOPMENT ASSISTANCE Technical Assistance for Heritage Development/Economic Revitalization.	$ 2,608,013	$ 2,496,813
Total, Goal A: HISTORICAL PRESERVATION	$ 7,521,689	$ 6,224,988
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: CENTRAL ADMINISTRATION	$ 1,135,305	$ 1,135,305
Grand Total, HISTORICAL COMMISSION	$ 8,656,994	$ 7,360,293
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 4,129,120	$ 4,129,120
Other Personnel Costs	79,100	79,100
Professional Fees and Services	83,000	83,000
Fuels and Lubricants	15,200	15,200
Consumable Supplies	77,700	77,700
Utilities	39,550	39,550
Travel	373,486	378,766
Rent - Building	5,450	5,450
Rent - Machine and Other	34,609	34,609
Other Operating Expense	1,728,646	1,611,790
Grants	1,997,775	897,775
Capital Expenditures	93,358	8,233
Total, Object-of-Expense Informational Listing	$ 8,656,994	$ 7,360,293

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits		
Retirement	$ 219,474	$ 223,863
Group Insurance	505,858	542,654
Social Security	286,359	292,086
Benefits Replacement	24,071	22,868
Subtotal, Employee Benefits	$ 1,035,762	$ 1,081,471
Debt Service		
Bond Debt Service	$ 4,225,287	$ 4,327,169
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 5,261,049	$ 5,408,640

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Historical Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Historical Commission. In order to achieve the objectives and service standards established by this Act, the Historical Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: HISTORICAL PRESERVATION		
Outcome (Results/Impact):		
Number of Properties Protected Through Designations Annually	2,400	2,400
A.1.1. Strategy: ARCHITECTURAL ASSISTANCE		
Output (Volume):		
Number of Historic Properties Provided Technical Assistance, Monitoring, and Mandated State and/or Federal Architectural Reviews in Order to Encourage Preservation	2,550	2,550
A.1.2. Strategy: PRESERVATION TRUST FUND		
Output (Volume):		
Number of Preservation Trust Fund Grants Awarded	35	35
A.1.3. Strategy: ARCHEOLOGICAL HERITAGE PROTECTION		
Output (Volume):		
Number of Construction Projects Reviewed for Archeological Impact	7,000	7,000
Number of Outreach and Technical Materials Distributed Through Print or Electronic Media	210,000	210,000
A.1.4. Strategy: EVALUATE/INTERPRET RESOURCES		
Output (Volume):		
Number of Public Presentations and Workshops Given	75	75
Number of Sites, Properties, and Other Historical Resources Evaluated	7,000	7,000
A.2.1. Strategy: DEVELOPMENT ASSISTANCE		
Output (Volume):		
Number of Properties and Sites Assisted	2,350	2,350

2. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2006	2007
a. Acquisition of Information Resource Technologies		
(1) Personal Computers and Servers	$ 27,029	$ 27,029
b. Transportation Items		
(1) Purchase of Replacement Underwater Archeology Boat	$ 85,500	$ 0
c. Other Lease Payments to the Master Lease Purchase Program (MLPP)		
(1) Lease Payments, 2006-07	$ 7,858	$ 8,233
Total, Capital Budget	$ 120,387	$ 35,262
Method of Financing (Capital Budget):		
General Revenue Fund	$ 34,887	$ 35,262
Federal Funds	72,000	0
Appropriated Receipts	13,500	0
Total, Method of Financing	$ 120,387	$ 35,262

3. **Cost Recovery of Historical Markers.** It is the intent of the Legislature that the Historical Commission recover the full costs of historical markers, estimated to be $200,000 in Appropriated Receipts for each fiscal year of the biennium and included above in Strategy A.1.4, Evaluate/Interpret Resources.

4. **Promotional Materials.** The Texas Historical Commission is hereby authorized to purchase promotional educational materials for resale or donation purposes during the biennium beginning September 1, 2005. All receipts received from the sale of these materials are hereby appropriated to the Commission for the administration and operation of agency programs. Any unexpended balances on hand as of August 31, 2006, from the sale of these materials are appropriated for the fiscal year beginning September 1, 2006.

5. **Registration of Historic Cemeteries.** The Texas Historical Commission is hereby authorized to collect funds for the registration of historic cemeteries. All fees collected pursuant to registration of historic cemeteries (estimated at $1,900 in Appropriated Receipts in each fiscal year and included above in Strategy A.1.4, Evaluate/Interpret Resources) are appropriated to the Texas Historical Commission for the purpose of administering the Historic Cemetery Program for the biennium beginning September 1, 2005. In addition to amounts identified herein and included above, all receipts collected on or after September 1, 2005 are hereby appropriated for the same purpose.

6. **Preservation Trust Fund.** Out of the amounts appropriated above in Strategy A.1.2, Preservation Trust Fund, $500,000 in General Revenue funds may be transferred to the General Revenue-Dedicated Preservation Trust Fund Account No. 664 and are hereby appropriated to the General Revenue-Dedicated Preservation Trust Fund Account No. 664. Also included in the amounts appropriated above in Strategy A.1.2, Preservation Trust Fund, from the General Revenue-Dedicated Preservation Trust Fund account are amounts not to exceed $450,775 in fiscal year 2006 and $450,775 in fiscal year 2007 in interest earnings. In addition, any gifts and donations deposited in the General Revenue-Dedicated Preservation Trust Fund account on or after September 1, 2005, are hereby appropriated to Strategy A.1.2, Preservation Trust Fund.

   Any unexpended balances as of August 31, 2006, out of the appropriations made herein are hereby appropriated to the Historical Commission for the fiscal year beginning September 1, 2006.

7. **Tourism: Promotion of Historical Sites.** Out of amounts included above in Strategy A.2.1, Development Assistance, the Texas Historical Commission, pursuant to Government Code,

Chapter 481.172 and Chapter 442.005(s), shall expend $300,000 during the biennium beginning September 1, 2005, transferred from the Office of the Governor, Economic Development and Tourism, and $1 million during the biennium beginning September 1, 2005, transferred from the Texas Department of Transportation through interagency contract, to showcase historical sites in order to promote tourism and to encourage travel to the state's historical attractions.

8. **Cultural Diversity Scholarships.** Gifts and donations received by the Historical Commission, not to exceed $5,000 in each fiscal year of the biennium, may be expended for scholarships of up to $500 per recipient for travel expenses, including meals and lodging, in order to encourage diversity among participants at agency sponsored conferences, seminars, and workshops.

9. **Military Sites Program.** Included in amounts appropriated above in Strategy A.1.4, Evaluate/Interpret Resources, is $22,500 in General Revenue funds in each fiscal year of the biennium for the purpose of continuing and further developing a military sites program and restoring Texas military monuments in and outside the state. Appropriation of these amounts is contingent upon receipt by the Historical Commission, or by the Friends of the Texas Historical Commission, of private contributions, gifts, and donations, for the same purpose, in the amount of $45,000 over the biennium. In the event that private contributions, gifts, and donations received total less than $45,000 over the biennium, the appropriation is reduced to an amount which equals the total contributions, gifts, and donations received. Any unexpended balances of these funds remaining as of August 31, 2006, are hereby appropriated to the Historical Commission for the fiscal year beginning September 1, 2006, for the same purpose.

10. **La Salle Artifacts.**

    a. Included in amounts appropriated above in Strategy A.1.3, Archeological Heritage Protection, is $250,000 in General Revenue funds for the biennium for the conservation, analysis, interpretation, and display of artifacts from the Belle Shipwreck, Fort St. Louis archeological site, and other La Salle sites. Of this amount, $125,000 is contingent upon receipt of additional matching funds by the Historical Commission in private contributions, gifts, and donations, for the same purpose. In the event that private contributions, gifts, and donations received by the Historical Commission total less than $125,000 over the biennium, the matching General Revenue appropriation is reduced to an amount which equals the total private contributions, gifts, and donations received.

    b. Any unexpended balances of these funds remaining as of August 31, 2006, are hereby appropriated to the Historical Commission for the fiscal year beginning September 1, 2006, for the same purpose.

    c. In the event any additional Federal Funds are available for the purposes of this rider, the Commission is hereby appropriated the amounts necessary of the $125,000 contingency appropriation identified in Subsection (a) to obtain the additional Federal Funds. Any reference to additional Federal Funds in this subsection means Federal Funds received by the Commission that are not anticipated at the time of passage of this Act and are not appropriated above.

    d. In the event that the agency receives funding not identified in this rider to be used for the same purpose, the Commission may expend these funds for that purpose only with the approval of the Governor and the Legislative Budget Board.

11. **Appropriation of Receipts.** All fees that the Texas Historical Commission is authorized by statute to collect are hereby appropriated for the specific purpose named in the statute for the biennium beginning September 1, 2005.

12. **Unexpended Balances: Acquisition of Historical Artifacts.** Included in the amounts appropriated above to the Historical Commission are any unexpended balances remaining as of August 31, 2005, from the appropriation made by the Seventy-eighth Legislature for the acquisition of historic artifacts, (estimated to be $0) for the biennium beginning September 1, 2005, for the same purpose. The Historical Commission shall develop a plan and process for the

purchase and acquisition of documents, records, and/or other historical artifacts relating to Texas history prior to the purchase or acquisition of any such items, and shall coordinate with the State Preservation Board and the Texas State Library and Archives Commission. In addition, the commission shall coordinate the purchase or acquisition of the historical artifacts with institutions involved in historic preservation programs reflective of racial, ethnic, and cultural diversity throughout the state. The Historical Commission must also report on the status of acquisitions to the Governor and the Legislative Budget Board within 30 days of such acquisition.

13. **Advertisements in Agency Publications.** The Texas Historical Commission is hereby authorized to accept advertisements at prescribed rates in selected agency newsletters and publications (both print and electronic) to offset production costs. All amounts collected by the Historical Commission pursuant to acceptance of advertisements are hereby appropriated to the Historical Commission for the purpose of offsetting costs associated with production of agency newsletters and publications.

14. **Unexpended Balances: Courthouse Preservation Program.** Included in the amounts appropriated above in Strategy A.1.5, Courthouse Preservation are any unobligated and unexpended balances remaining as of August 31, 2005, from the appropriation made to Strategy A.1.5, Courthouse Preservation, (estimated to be $600,000) for the biennium beginning September 1, 2005, for the same purpose. In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, 2005 are hereby appropriated for the same purpose. Any unexpended balances of these funds remaining as of August 31, 2006, are hereby appropriated to the Historical Commission for the fiscal year beginning September 1, 2006, for the same purpose.

15. **Historical Preservation Program.** Out of funds appropriated above the Historical Commission shall develop a program to assist schools and community colleges with historical preservation. It is the intent of the Legislature that the commission evaluate and award grants based on merit. Grants awarded by the Historical Commission for the proposing school or community college are contingent upon receipt of a matching amount of funds by the school or community college.

16. **Texas Emancipation Juneteenth Cultural and Historical Commission.** It is the intent of the Legislature that $602,645 in federal Transportation Enhancement Program funds administered by the Texas Department of Transportation be made available during the biennium for the Juneteenth Memorial Monument project if the Juneteenth Memorial Monument project meets federal funding requirements of the Transportation Enhancement Program as defined by federal Department of Transportation, Federal Highway Administration federal regulations in Title 23 of the United States Code. The Texas Emancipation Juneteenth Cultural and Historical Commission in conjunction with the Texas Department of Transportation will review the Juneteenth Memorial Monument project to determine if the Juneteenth Memorial Monument project meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. It is the intent of the Legislature that funds appropriated above would cover the administration costs of the Juneteenth Memorial Monument project approved for federal Transportation Enhancement Program funds.

    In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Juneteenth Memorial Monument project under the Transportation Enhancement Program to other available projects should the Juneteenth Memorial Monument project fail to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

    It is the intent of the Legislature that the funds awarded are to complete the construction of the Juneteenth Memorial Monument project by the end of the 2006-07 biennium, and that no appropriations be made to the Commission in future biennia.

17. **Contingency for House Concurrent Resolution 94.** Contingent on passage of House Concurrent Resolution 94**,** or similar legislation approving the use of public funding from

appropriations to complete the construction of a statue, monument, or exhibit on the Capitol grounds honoring contributions of Tejanos, by the Seventy-ninth Legislature, Regular Session, it is the intent of the Legislature that $602,645 in federal Transportation Enhancement Program funds administered by the Texas Department of Transportation be made available during the biennium for the Tejano Monument project if the Tejano Monument project meets federal funding requirements of the Transportation Enhancement Program as defined by federal Department of Transportation, Federal Highway Administration federal regulations in Title 23 of the United States Code. The Texas Historical Commission in conjunction with the Texas Department of Transportation will review the Tejano Monument project to determine if the Tejano Monument project meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. It is the intent of the Legislature that funds appropriated above would cover the administration costs of the Tejano Monument project approved for federal Transportation Enhancement Program funds.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Tejano Monument project under the Transportation Enhancement Program to other available projects should the Tejano Monument project fail to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

18. **Courthouse Preservation Program Grants.** It is the intent of the Legislature that $80 million in federal Transportation Enhancement Program funds administered by the Texas Department of Transportation be made available during the biennium for courthouse preservation projects whenever such projects are approved by the Texas Historical Commission's Courthouse Preservation Program and meet federal funding requirements of the Transportation Enhancement Program as defined by federal Department of Transportation, Federal Highway Administration federal regulations in Title 23 of the United States Code. The Texas Historical Commission in conjunction with the Texas Department of Transportation will review courthouse preservation projects to determine if courthouse projects meet the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. It is the intent of the Legislature that funds appropriated above would cover the costs of administering courthouse projects approved for federal Transportation Enhancement Program funds.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for courthouse preservation under the Transportation Enhancement Program to other available projects should such courthouse projects fail to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

19. **El Camino Heritage Trail.** From funds appropriated above, the Texas Historical Commission shall include the El Camino Real de los Tejas in travel brochures, Internet website, and other materials, as are provided by the agency for the Texas Heritage Trails Program.

DEPARTMENT OF INFORMATION RESOURCES

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 2,126,801	$ 1,822,707
Federal Funds	184,682	184,682
Other Funds		
Appropriated Receipts	10,662,280	10,661,488
Interagency Contracts	53,240,429	53,044,714
Subtotal, Other Funds	$ 63,902,709	$ 63,706,202
Total, Method of Financing	$ 66,214,192	$ 65,713,591

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE):	222.5	222.5
Schedule of Exempt Positions:		
Executive Director, Group 5	$135,000	$135,000
Items of Appropriation:		
A. Goal: PROMOTE EFFICIENT IR SYSTEMS		
Promote Statewide Innovative/Productive/Efficient Information Systems.		
A.1.1. Strategy: STATEWIDE PLANNING	$ 538,195	$ 538,197
Produce Statewide IR Strategic Plan/Part in Interagency Task Forces.		
A.1.2. Strategy: TEXAS ONLINE	$ 732,062	$ 732,062
A.1.3. Strategy: STATEWIDE SECURITY	$ 643,687	$ 643,684
Provide Statewide Security for IR Assets.		
A.2.1. Strategy: STANDARDS AND EDUCATION	$ 486,961	$ 486,961
Develop Standards, Rules, Guidelines and Reports & Educ Progs.		
Total, Goal A: PROMOTE EFFICIENT IR SYSTEMS	$ 2,400,905	$ 2,400,904
B. Goal: COST EFFECTIVE IR ACQUISITION		
Assist Govt Entities in Cost-effective Acquisition of Info Resources.		
B.1.1. Strategy: CONTRACT ADMINISTRATION	$ 2,180,882	$ 2,190,882
Assist Governmental Entities in Contract Administration.		
C. Goal: TELECOMMUNICATIONS		
C.1.1. Strategy: CAPITOL COMPLEX TELEPHONE	$ 4,327,666	$ 4,308,245
Maintain and Increase the Capabilities of the CCTS.		
C.2.1. Strategy: TEX-AN NETWORK SERVICES	$ 54,961,954	$ 54,453,775
Maintain TEX-AN Network Services.		
Total, Goal C: TELECOMMUNICATIONS	$ 59,289,620	$ 58,762,020
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: CENTRAL ADMINISTRATION	$ 1,132,869	$ 1,132,869
D.1.2. Strategy: INFORMATION RESOURCES	$ 807,910	$ 824,910
D.1.3. Strategy: OTHER SUPPORT SERVICES	$ 402,006	$ 402,006
Total, Goal D: INDIRECT ADMINISTRATION	$ 2,342,785	$ 2,359,785
Grand Total, DEPARTMENT OF INFORMATION RESOURCES	$ 66,214,192	$ 65,713,591
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 10,589,861	$ 10,589,861
Other Personnel Costs	118,883	118,883
Professional Fees and Services	912,573	912,572
Fuels and Lubricants	4,400	4,400
Consumable Supplies	34,420	34,419
Utilities	71,619	71,619
Travel	142,299	142,299

Rent - Building	28,585	28,585
Other Operating Expense	53,469,952	53,469,953
Capital Expenditures	841,600	341,000
Total, Object-of-Expense Informational Listing	$ 66,214,192	$ 65,713,591
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 604,848	$ 616,945
Group Insurance	1,084,846	1,161,985
Social Security	745,289	760,195
Benefits Replacement	75,040	71,288
Subtotal, Employee Benefits	$ 2,510,023	$ 2,610,413
Debt Service		
Lease Payments	$ 513,520	$ 533,548
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 3,023,543	$ 3,143,961

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Information Resources. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Department of Information Resources. In order to achieve the objectives and service standards established by this Act, the Department of Information Resources shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: PROMOTE EFFICIENT IR SYSTEMS		
A.1.1. Strategy: STATEWIDE PLANNING		
Output (Volume):		
Number of Project Briefs/Issue Papers Produced	5	5
A.2.1. Strategy: STANDARDS AND EDUCATION		
Output (Volume):		
Number of IR Industry Standards and Guidelines Reviewed	165	167
Efficiencies:		
Average Cost Per Rule, Guideline and Standard Produced	105	105
B. Goal: COST EFFECTIVE IR ACQUISITION		
Outcome (Results/Impact):		
Cooperative Services Dollar Saved/Avoided Per Dollar of Program Operating Cost	33	35
B.1.1. Strategy: CONTRACT ADMINISTRATION		
Output (Volume):		
Total Savings and Cost Avoidance through Utilization of Cooperative Services	53,000,000	55,000,000
C. Goal: TELECOMMUNICATIONS		
Outcome (Results/Impact):		
Percent Customer Satisfaction with CCTS Attained	99%	99%
Percent of Customer Satisfaction with TEX-AN Services Attained	96%	96%
C.2.1. Strategy: TEX-AN NETWORK SERVICES		
Efficiencies:		
Average Price Per Intrastate Minute on TEX-AN	.05	.05
Average Price Per Toll-free Minute on TEX-AN	.05	.05

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2006	2007
a. Acquisition of Information Resource Technologies		
(1) Daily Operations	$ 29,000	$ 46,000
(2) Telecommunications Hardware/Software -infrastructure repairs & maintenance	$ 812,600	$ 285,000
Total, Acquisition of Information Resource Technologies	$ 841,600	$ 331,000
Total, Capital Budget	$ 841,600	$ 331,000
Method of Financing (Capital Budget):		
General Revenue Fund	$ 3,915	$ 6,210
Other Funds		
Appropriated Receipts	130,280	52,984
Interagency Contracts	707,405	271,806
Subtotal, Other Funds	$ 837,685	$ 324,790
Total, Method of Financing	$ 841,600	$ 331,000

3. DIR Clearing Fund Account. The Comptroller shall establish in the state treasury the Department of Information Resources clearing account for the administration of cost recovery activities pursuant to authority granted under Chapters 771, 791, 2054, 2055, and 2177 Government Code. The account shall be used:

a. As a depository for funds received as payments from state agencies and units of local government for services provided;

b. As a source of funds for the department to purchase, lease, or acquire in any other manner services, supplies, software products, and equipment necessary for carrying out the department's duties relating to services provided to state agencies and units of local government for which the department receives payment from state agencies and local governmental units; and

c. To pay salaries, wages, and other costs directly attributable to the services provided to state agencies and units of local government for which the department receives payment from those agencies and governmental units. However, the maximum amount of Indirect Cost Allocation for administrative costs to be applied to state agency receipts and local government receipts shall not exceed 2.0 percent per receipt. The Department of Information Resources shall report the amount of administrative costs allocated to each agency and unit of local government annually to the Legislative Budget Board.

The balance of the account shall not exceed more than 10 percent of the total revenue processed through the account. All balances as of August 31, 2005, and revenues accruing during the 2006-07 biennium to the Department of Information Resources clearing fund account are hereby appropriated for the 2006-07 biennium. As part of its Comprehensive Annual Financial Report showing the use of appropriated funds, the Department of Information Resources shall include

information showing the costs avoided and/or savings obtained through its cooperative activities and a list of the agencies or units of local government for which the clearing fund account was used.

4. **Capital Purchases on Behalf of Other Government Entities.** Any capital items related to information resources and telecommunications technologies purchased by the Department of Information Resources for use by other state agencies and governmental entities for which the department is reimbursed do not apply to the department for the purpose of the capital budget rider limitations specified in Article IX, Limitation on Expenditures - Capital Budget, of the General Provisions of this Act.

5. **Cash Flow Contingency.** Contingent upon receipt of reimbursements from state agencies, other governmental entities, and vendors for direct services provided and procurements of goods or services made through Cooperative Contracts and Telecommunications Services programs, the department may temporarily utilize additional general revenue funds in an amount not to exceed 10 percent of projected annual sales or $4.0 million, whichever is greater. These funds shall be utilized only for the purpose of temporary cash flow needs. The transfer and reimbursement of funds shall be made under procedures established by the Comptroller of Public Accounts to ensure all borrowed funds are reimbursed to the Treasury on or before August 31, 2007.

6. **TexasOnline Project.** Included in the amounts appropriated above in Strategy A.1.2, TexasOnline, is $500,000 out of Appropriated Receipts generated by the TexasOnline Project for the 2006-07 biennium for the continued operation and expansion of the TexasOnline Project.

7. **Development of a Statewide Licensing Agreement.** Out of funds appropriated above, the Department of Information Resources shall plan, develop request for information and proposals, and contract negotiations for statewide licensing agreements, as required, for off-the-shelf licensing software. The Department of Information Resources shall assist agencies in the procurement and implementation of the licensing software.

8. **Telecommunications Capital Budget Purchases.** The Department of Information Resources is hereby authorized to expend funds appropriated elsewhere in this Act to acquire equipment that may be necessary to facilitate cost savings or technical advancements associated with the Capital Complex Telephone System (CCTS) or TEX-AN Statewide Telecommunications System. The Department of Information Resources shall coordinate any equipment acquisitions associated with the TEX-AN Statewide Telecommunications System with the Telecommunications Planning and Oversight Council. The Department of Information Resources shall notify the Legislative Budget Board and the Governor prior to such acquisition.

9. **Telecommunications Revolving Account.** Out of the funds appropriated above in Strategies C.1.1, Capitol Complex Telephone, and C.2.1, TEX-AN Network Services, is approximately $59,289,620 in 2006 and $58,762,020 in 2007 in Appropriated Receipts and Interagency Contracts for the purpose of planning, development of requests for information and proposals, and contract negotiations, and any other purpose set out in Chapter 2170, Government Code.

10. **TexasOnline Authority.** Included in the amounts appropriated above in Strategy A.1.2, Texas Online, is $482,062 in 2006 and $482,062 in 2007 out of General Revenue Funds ($964,124 for the biennium) for the TexasOnline Authority to implement and administer electronic services.

11. **State Revenue Share for the TexasOnline Project.** It is the intent of the Legislature that the Department of Information Resources with the advice of the Legislative Budget Board and the State Auditor's Office negotiate a contract for the TexasOnline Project as authorized by Sec. 2054.252(d), Government Code. It is the intent of the Legislature that any new contract for the TexasOnline Project increase the state's share of revenue to no less than 20 percent of gross receipts from all applicable revenue sources beginning in fiscal year 2007. It is the intent of the Legislature that before the Department of Information Resources executes a new contract or approves the extension of the current contract for the TexasOnline Project, the Legislative

Budget Board and the State Auditor's Office must report to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor regarding the financial details of the contract.

LIBRARY & ARCHIVES COMMISSION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 13,038,922	$ 13,069,923
Earned Federal Funds	110,630	110,630
Subtotal, General Revenue Fund	$ 13,149,552	$ 13,180,553
General Revenue Fund - Dedicated		
Texas Reads Plate Account No. 5042	28,000	5,000
Telecommunications Infrastructure Fund No. 345	2,880,875	2,880,875
Subtotal, General Revenue Fund - Dedicated	$ 2,908,875	$ 2,885,875
Federal Funds		
Federal Public Library Service Fund No. 118	10,388,201	10,555,201
Federal Funds	3,000	3,000
Subtotal, Federal Funds	$ 10,391,201	$ 10,558,201
Other Funds		
Appropriated Receipts	161,800	165,300
Interagency Contracts	1,349,744	1,500,604
Subtotal, Other Funds	$ 1,511,544	$ 1,665,904
Total, Method of Financing	$ 27,961,172	$ 28,290,533
This bill pattern represents an estimated 94.6% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	206.3	206.3
Schedule of Exempt Positions:		
Director-Librarian, Group 3	$88,500	$88,500
Per Diem of Library and Archives Commissioners	1,080	1,080
Items of Appropriation:		
A. Goal: DELIVERY OF SERVICES		
Improve the Availability of Library and Information Services.		
A.1.1. Strategy: LIBRARY RESOURCE SHARING SERVICES Share Library Resources Among Libraries Statewide.	$ 8,904,131	$ 9,087,131
A.1.2. Strategy: AID TO LOCAL LIBRARIES Aid in the Development of Local Libraries.	$ 11,900,617	$ 11,892,617
A.2.1. Strategy: DISABLED SERVICES Provide Direct Library Services by Mail to Texans with Disabilities.	$ 1,657,023	$ 1,662,023
Total, Goal A: DELIVERY OF SERVICES	$ 22,461,771	$ 22,641,771

B. Goal: PUBLIC ACCESS TO GOV'T INFORMATION		
Public Access to Government Information.		
B.1.1. Strategy: PROVIDE ACCESS TO INFO & ARCHIVES Provide Access to Information and Archives.	$ 1,365,721	$ 1,364,221
C. Goal: MANAGE STATE/LOCAL RECORDS		
Cost-effective State/Local Records Management.		
C.1.1. Strategy: MANAGE STATE/LOCAL RECORDS Records Management Services for State/Local Government Officials.	$ 2,129,018	$ 2,279,144
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: INDIRECT ADMINISTRATION	$ 2,004,662	$ 2,005,397
Grand Total, LIBRARY & ARCHIVES COMMISSION	$ 27,961,172	$ 28,290,533
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 6,353,353	$ 6,353,353
Other Personnel Costs	145,490	149,070
Professional Fees and Services	278,898	279,398
Fuels and Lubricants	7,750	7,750
Consumable Supplies	159,051	159,051
Utilities	82,076	82,276
Travel	85,240	84,340
Rent - Building	10,180	10,180
Rent - Machine and Other	32,050	32,050
Other Operating Expense	7,402,459	7,564,311
Grants	13,160,572	13,301,776
Capital Expenditures	244,053	266,978
Total, Object-of-Expense Informational Listing	$ 27,961,172	$ 28,290,533
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 366,018	$ 373,339
Group Insurance	1,129,439	1,220,512
Social Security	489,693	499,486
Benefits Replacement	73,054	69,401
Subtotal, Employee Benefits	$ 2,058,204	$ 2,162,738
Debt Service		
Lease Payments	$ 741,826	$ 741,153
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,800,030	$ 2,903,891

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Library & Archives Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Library & Archives Commission. In order to achieve the objectives and service standards established by this Act, the Library & Archives Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: DELIVERY OF SERVICES		
Outcome (Results/Impact):		
Percent of the Population Living Outside of the Service Areas of Public Libraries	7.2%	7.2%

Percent of Eligible Population Registered for Talking Book Program Services	7.8%	7.8%
A.1.1. Strategy: LIBRARY RESOURCE SHARING SERVICES		
Output (Volume):		
Number of Persons Provided Project-sponsored Services by Shared Resources	23,100,000	25,500,000
A.1.2. Strategy: AID TO LOCAL LIBRARIES		
Output (Volume):		
Number of Persons Provided Local Library Project-sponsored Services	3,260,000	3,309,000
A.2.1. Strategy: DISABLED SERVICES		
Output (Volume):		
Number of Persons Served	21,000	21,000
B. Goal: PUBLIC ACCESS TO GOV'T INFORMATION		
Outcome (Results/Impact):		
Percent of Customers Satisfied with State Library Reference and Information Services	95%	95%
B.1.1. Strategy: PROVIDE ACCESS TO INFO & ARCHIVES		
Output (Volume):		
Number of Assists with Information Resources	155,000	155,000
C. Goal: MANAGE STATE/LOCAL RECORDS		
C.1.1. Strategy: MANAGE STATE/LOCAL RECORDS		
Output (Volume):		
Number of Cubic Feet Stored/Maintained	371,000	378,000

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2006	2007
a. Acquisition of Information Resource Technologies		
(1) Acquisition of New or Replacement Computer Resources for Desktop Workstations and Maintenance of the Agency Network	$ 82,078	$ 80,778
b. Transportation Items		
(1) Acquisition of Mission-Critical Delivery Vehicles for the State Records Management Program	$ 0	$ 18,000
c. Acquisition of Capital Equipment and Items		
(1) Acquisition of Microfilm or Imaging Equipment for the State and Local Records Management Division	70,000	71,225
(2) Library Collection Materials and Public Access Information Resources (including Content Databases)	$ 5,381,321	$ 5,384,874
Total, Acquisition of Capital Equipment and Items	$ 5,451,321	$ 5,456,099
Total, Capital Budget	$ 5,533,399	$ 5,554,877

Method of Financing (Capital Budget):		
General Revenue Fund	$ 1,475,507	$ 1,475,507
GR Dedicated - Telecommunications Infrastructure Fund No. 345	2,880,875	2,880,875
Federal Public Library Service Fund No. 118	986,370	986,370
Other Funds		
Appropriated Receipts	82,947	86,500
Interagency Contracts	107,700	125,625
Subtotal, Other Funds	$ 190,647	$ 212,125
Total, Method of Financing	$ 5,533,399	$ 5,554,877

3. **Disbursement of Library Development Funds.** The Texas State Library and Archives Commission is hereby authorized to disburse to public libraries, major resource systems, and regional library systems those General Revenue funds appropriated in Strategy A.1.2, Aid to Local Libraries, in a manner consistent with Government Code § 441.138 in order to satisfy the requirements of the federal maintenance of effort provisions in the Museum and Library Services Act of 1996, and federal regulations developed pursuant to that Act. The Commission is also authorized to promulgate rules necessary to administer these disbursements.

4. **Unexpended Balances: Imaging and Storage Fees.** Any unexpended balances on hand as of August 31, 2006, from fees collected by the Texas State Library and Archives Commission for the purpose of cost recovery of imaging state and local government records on film and/or electronic storage media, and from state agencies for the storage of state records, as authorized by Government Code § 441.182, are hereby appropriated to the Texas State Library and Archives Commission for the fiscal year beginning September 1, 2006.

5. **Appropriation of Receipts and Unexpended Balances of TexShare Membership Fees and Reimbursements.** The Library and Archives Commission is hereby authorized to collect fees from the members of the TexShare Library Resource Sharing consortium (estimated to be $30,000 each fiscal year and included above in Strategy A.1.1, Library Resource Sharing Services) from revenue generated from the fiscal year beginning September 1, 2005, as authorized by Government Code § 441.224 for costs associated with the TexShare program.

   Any unexpended balances as of August 31, 2005 (estimated to be $0) in amounts collected from TexShare members for TexShare services or programs are hereby appropriated for the same purpose for the biennium beginning September 1, 2005. Any unexpended balances as of August 31, 2006 are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2006.

6. **Cash Flow Contingency.** Contingent upon reimbursements from state agencies and other governmental and private entities for imaging and records storage services, the agency may temporarily utilize General Revenue funds, not to exceed $200,000. These funds shall be utilized only for the purpose of temporary cash flow needs. The transfer and reimbursements of funds shall be made under procedures established by the Comptroller of Public Accounts to ensure all borrowed funds are reimbursed to the Treasury on or before August 31, 2007.

7. **Texas Reads License Plates: Appropriation of All License Plate Unexpended Balances and Receipts.** Included in the amounts appropriated above in Strategy A.1.2, Aid to Local Libraries are all estimated balances collected prior to the effective date of this Act (estimated to be $23,000 and included in fiscal year 2006) and revenue collected on or after September 1, 2005, (estimated to be $5,000 in fiscal year 2006 and $5,000 in fiscal year 2007) from the sale of license plates as provided by Transportation Code § 504.616 and deposited to the credit of the General Revenue-Dedicated Texas Reads Plate Account No. 5042. In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, 2005, and all revenue collected on or after September 1, 2005 are hereby appropriated for the same purpose.

Any unexpended balances as of August 31, 2006, out of the appropriations made herein are hereby appropriated to the State Library and Archives Commission for the fiscal year beginning September 1, 2006.

8. Report of Reports. No later than June 1, 2007, the Texas State Library and Archives Commission, with the assistance of the Comptroller of Public Accounts, shall use funds appropriated above to prepare a complete and detailed written report indexing all statutorily required reports and providing detail about the preparing agency, title of report, legal authority, due date, recipient, and a brief description. The report shall provide indexes by (1) preparing agency, (2) title of report, and (3) report recipient, and the detail section shall be arranged by preparing agency. This report shall include an assessment from each receiving agency for each statutorily required report affirming or denying its continued usefulness to that agency. This report shall be provided to the Governor and the Legislative Budget Board and be made available to the public.

PENSION REVIEW BOARD

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 450,446	$ 441,321
Total, Method of Financing	$ 450,446	$ 441,321
This bill pattern represents an estimated 92.8% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	8.0	8.0
Schedule of Exempt Positions:		
Executive Director, Group 1	$60,000	$60,000
Per Diem of Board Members	1,400	2,520
Items of Appropriation:		
A. Goal: SOUND RETIREMENT SYSTEMS		
Ensure Actuarially Sound Retirement Systems.		
A.1.1. Strategy: RETIREMENT SYSTEM REVIEWS	$ 264,808	$ 229,676
Conduct Reviews of Texas Public Retirement Systems.		
A.2.1. Strategy: TECHNICAL ASSISTANCE AND EDUCATION	$ 185,638	$ 211,645
Provide Technical Assistance; Issue Impact Statements; Educate.		
Total, Goal A: SOUND RETIREMENT SYSTEMS	$ 450,446	$ 441,321
Grand Total, PENSION REVIEW BOARD	$ 450,446	$ 441,321
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 335,398	$ 335,398
Other Personnel Costs	8,320	9,540
Professional Fees and Services	52,000	60,001
Consumable Supplies	5,715	3,500
Utilities	4,210	250
Travel	11,000	8,000
Rent - Building	500	500

Rent - Machine and Other	5,000	5,000
Other Operating Expense	28,303	19,132
Total, Object-of-Expense Informational Listing	$ 450,446	$ 441,321
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 10,303	$ 10,509
Group Insurance	43,369	47,501
Social Security	17,169	17,513
Benefits Replacement	2,725	2,588
Subtotal, Employee Benefits	$ 73,566	$ 78,111
Debt Service		
Lease Payments	$ 33,230	$ 33,201
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 106,796	$ 111,312

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Pension Review Board. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Pension Review Board. In order to achieve the objectives and service standards established by this Act, the Pension Review Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: SOUND RETIREMENT SYSTEMS		
Outcome (Results/Impact):		
Percent of Texas Public Retirement Systems That Are Actuarially or Financially Sound	98%	98%
Percent of Plan Administrators Satisfied with PRB Educational Services	98%	98%
A.1.1. Strategy: RETIREMENT SYSTEM REVIEWS		
Output (Volume):		
Number of Reviews Completed	400	550
A.2.1. Strategy: TECHNICAL ASSISTANCE AND EDUCATION		
Output (Volume):		
Number of Technical Assistance Reports Provided by Staff	200	200

2. **Appropriation for Early Warning System.** It is the intent of the Legislature that out of the amounts appropriated above out of the General Revenue Fund for Strategy A.1.1, Retirement System Reviews ($93,349 in fiscal year 2006 and $50,034 in fiscal year 2007), that the Pension Review Board will develop an early warning system that will analyze, for all actuarially funded public pension plans, the following: (1) the market value of assets at the beginning and end of the quarter; (2) the payments of benefits from the fund during the quarter; (3) the contributions to the fund during the quarter; (4) the number of new retirees during the quarter; (5) the number of active members at the end of the quarter; and (6) any benefit changes to the fund implemented or considered during the quarter.

PRESERVATION BOARD

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 11,247,219	$ 11,184,354
Other Funds		
Appropriated Receipts	25,000	25,000
Interagency Contracts	6,745	6,745
Subtotal, Other Funds	$ 31,745	$ 31,745
Total, Method of Financing	$ 11,278,964	$ 11,216,099
This bill pattern represents an estimated 41% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	98.0	98.0
Schedule of Exempt Positions:		
Executive Director, Group 4	$115,000	$115,000
Items of Appropriation:		
A. Goal: MANAGE CAPITOL AND OTHER BUILDINGS		
Manage Capitol and Other Buildings/Grounds and Promote Texas History.		
A.1.1. Strategy: PRESERVE BUILDINGS AND CONTENTS Preserve State Capitol and Other Designated Buildings and Grounds.	$ 454,222	$ 454,222
A.1.2. Strategy: BUILDING MAINTENANCE Maintain State Capitol and Other Designated Buildings and Grounds.	$ 2,963,733	$ 2,963,733
A.2.1. Strategy: MANAGE EDUCATIONAL PROGRAM Manage Educational Program for State Capitol and Visitors Center.	$ 587,711	$ 587,711
A.2.2. Strategy: MANAGE STATE HISTORY MUSEUM Manage and Operate the Bob Bullock Texas State History Museum.	$ 6,471,858	$ 6,408,993
A.3.1. Strategy: MANAGE ENTERPRISES Manage Events, Exhibits, Activities and Operate Profitable Gift Shops.	$ 31,940	$ 31,940
Total, Goal A: MANAGE CAPITOL AND OTHER BUILDINGS	$ 10,509,464	$ 10,446,599
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: INDIRECT ADMINISTRATION	$ 769,500	$ 769,500
Grand Total, PRESERVATION BOARD	$ 11,278,964	$ 11,216,099
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 3,051,254	$ 3,051,254
Other Personnel Costs	61,400	61,400
Professional Fees and Services	45,500	45,500
Fuels and Lubricants	4,500	4,500
Consumable Supplies	125,500	125,500
Utilities	21,500	21,500
Travel	3,075	3,075
Rent - Building	2,050	2,050
Rent - Machine and Other	26,000	26,000
Debt Service	6,421,858	6,358,993

Other Operating Expense	1,511,327	1,511,327
Capital Expenditures	5,000	5,000
Total, Object-of-Expense Informational Listing	$ 11,278,964	$ 11,216,099
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 336,403	$ 343,131
Group Insurance	774,489	827,377
Social Security	434,774	443,469
Benefits Replacement	28,771	27,332
Subtotal, Employee Benefits	$ 1,574,437	$ 1,641,309
Debt Service		
Lease Payments	$ 128,071	$ 166,880
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,702,508	$ 1,808,189

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Preservation Board. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Preservation Board. In order to achieve the objectives and service standards established by this Act, the Preservation Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: MANAGE CAPITOL AND OTHER BUILDINGS		
Outcome (Results/Impact):		
Percent of Maintenance Tasks Completed Correctly	100%	100%
A.1.1. Strategy: PRESERVE BUILDINGS AND CONTENTS		
Output (Volume):		
Number of Repairs and Restorations of Historical Items Completed	155	465
A.1.2. Strategy: BUILDING MAINTENANCE		
Efficiencies:		
Cost Per Building Square Foot of Custodial Care	2	2
A.2.1. Strategy: MANAGE EDUCATIONAL PROGRAM		
Output (Volume):		
Number of School-age Tours Conducted at the Visitors Center	875	875
A.2.2. Strategy: MANAGE STATE HISTORY MUSEUM		
Explanatory:		
Number of Visitors to the Museum	506,000	531,000
A.3.1. Strategy: MANAGE ENTERPRISES		
Explanatory:		
Income from Parking Meters	600,000	600,000
Number of Capitol Gift Shop Sales Transactions	90,000	110,000

2. **Capitol Fund.** Any funds deposited, including fees and revenue collected or earned, during the biennium beginning September 1, 2005, and any balances remaining as of August 31, 2005, in the Capitol Fund, a fund held outside the Treasury, are to be used for the benefit of the Capitol and associated programs of the agency in accordance with the intentions of the donors and the Legislature.

3. **Maintaining Paved Surfaces of Capitol Grounds.** It is the intent of the Legislature that the Texas Department of Transportation shall maintain paved surfaces on the State Capitol Grounds according to the Historic Capitol Grounds Master Plan adopted by the State Preservation Board.

4. **Unexpended Balances: Between Fiscal Years.** Any unexpended balances as of August 31, 2006, from the appropriations made above are hereby appropriated to the State Preservation Board for the same purpose for the fiscal year beginning September 1, 2006.

5. **Appropriation: Debt Service for Construction of State History Museum.** Included in the amounts appropriated above out of the General Revenue Fund for Strategy A.2.2, Manage State History Museum, the amounts of $6,421,858 for fiscal year 2006 and $6,358,993 for fiscal year 2007 are to be used for lease payments to the Texas Public Finance Authority for debt service payments on the revenue bonds or other revenue obligations issued to construct the State History Museum, and the amounts of $50,000 each fiscal year of the 2006-07 biennium are to be used for insurance payments as required by the Texas Public Finance Authority.

STATE OFFICE OF RISK MANAGEMENT

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 3,619,466	$ 3,620,665
Interagency Contracts	4,354,930	4,354,930
Total, Method of Financing	$ 7,974,396	$ 7,975,595
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	124.0	124.0
Schedule of Exempt Positions:		
Executive Director, Group 3	$95,000	$95,000
Items of Appropriation:		
A. Goal: MANAGE RISK AND ADMINISTER CLAIMS		
Manage Workers' Compensation Costs.		
A.1.1. Strategy: RISK MANAGEMENT PROGRAM Assist/Review/Monitor Agencies' Risk Management Programs.	$ 1,888,930	$ 1,888,930
A.2.1. Strategy: PAY WORKERS' COMPENSATION Review Claims, Determine Liability and Pay Eligible Claims.	$ 6,085,466	$ 6,086,665
Total, Goal A: MANAGE RISK AND ADMINISTER CLAIMS	$ 7,974,396	$ 7,975,595
Grand Total, STATE OFFICE OF RISK MANAGEMENT	$ 7,974,396	$ 7,975,595
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 4,372,576	$ 4,372,576
Other Personnel Costs	130,545	130,545
Professional Fees and Services	2,473,335	2,473,335
Consumable Supplies	41,952	41,952
Utilities	16,331	16,332
Travel	112,225	112,225
Rent - Building	8,817	8,817
Rent - Machine and Other	17,932	17,931
Other Operating Expense	741,883	789,882
Capital Expenditures	58,800	12,000
Total, Object-of-Expense Informational Listing	$ 7,974,396	$ 7,975,595

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits		
Retirement	$ 249,986	$ 254,985
Group Insurance	597,257	638,877
Social Security	354,638	361,731
Benefits Replacement	30,207	28,696
Subtotal, Employee Benefits	$ 1,232,088	$ 1,284,289
Debt Service		
Lease Payments	$ 270,107	$ 269,863
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,502,195	$ 1,554,152

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the State Office of Risk Management. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the State Office of Risk Management. In order to achieve the objectives and service standards established by this Act, the State Office of Risk Management shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: MANAGE RISK AND ADMINISTER CLAIMS		
Outcome (Results/Impact):		
Incident Rate of Injuries and Illnesses Per 100 Covered Full-time State Employees	4%	4%
Cost of Workers' Compensation Per Covered State Employee	380.62	394.45
A.1.1. Strategy: RISK MANAGEMENT PROGRAM		
Output (Volume):		
Number of Written Risk Management Program Reviews Conducted	32	32
Number of On-site Consultations Conducted	250	250
A.2.1. Strategy: PAY WORKERS' COMPENSATION		
Output (Volume):		
Number of Medical Bills Processed	198,000	198,000
Number of Indemnity Bills Paid	57,000	57,000
Efficiencies:		
Average Cost to Administer Claim	489	510

2. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes.

	2006	2007
Out of the Interagency Contracts:		
a. Acquisition of Information Resource Technologies		
(1) Upgrade Personal Computers	$ 93,000	$ 93,000
Total, Capital Budget	$ 93,000	$ 93,000

3. **Risk Management Guide for State Agencies.** The State Office of Risk Management shall maintain a risk management guide for all state agencies.

4. **Appropriation of Unexpended Balances for Cost Containment.** Any unexpended balances remaining as of August 31, 2006, out of appropriations made to Strategy A.2.1, Pay Workers' Compensation, are hereby appropriated to the State Office of Risk Management for the fiscal year beginning September 1, 2006 to be applied toward assessments charged to state agencies for the medical cost containment vendor contract for fiscal year 2007.

WORKERS' COMPENSATION PAYMENTS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
Other Funds		
Subrogation Receipts	$ 550,000	$ 550,000
Interagency Contracts	59,770,000	62,182,800
Subtotal, Other Funds	$ 60,320,000	$ 62,732,800
Total, Method of Financing	$ 60,320,000	$ 62,732,800
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: WORKERS' COMPENSATION PAYMENTS		
A.1.1. Strategy: WORKERS' COMPENSATION PAYMENTS	$ 60,320,000	$ 62,732,800 & UB
Grand Total, WORKERS' COMPENSATION PAYMENTS	$ 60,320,000	$ 62,732,800
Object-of-Expense Informational Listing:		
Other Operating Expense	$ 60,320,000	$ 62,732,800
Total, Object-of-Expense Informational Listing	$ 60,320,000	$ 62,732,800

1. **Appropriation - Subrogation Receipts.** All sums of money recovered by the State Office of Risk Management from third parties by way of subrogation are hereby appropriated to the State Office of Risk Management during the biennium of receipt to be used for the payment of workers' compensation benefits to state employees.

2. **Cost Containment.** The State Office of Risk Management shall submit a report detailing the effectiveness of various cost containment measures undertaken and proposing additional measures to reduce workers' compensation costs. This report shall be submitted to the legislative and executive budget offices, in the form those offices require, within 45 days after the close of each fiscal year.

3. **Reporting of Workers' Compensation Claims.** For the purpose of reporting expenditures to the Uniform Statewide Accounting System (USAS), it is the intent of the Legislature that the State Office of Risk Management (SORM) account for payments of workers' compensation claims based on the date on which the bill for services is presented for payment to SORM.

   In addition, not later than November 1 of each year, the State Office of Risk Management shall submit a report to the Comptroller of Public Accounts, the Governor's Office, and the Legislative Budget Board which accounts for workers' compensation expenditures for the preceding appropriation year based on the date on which the injury occurred and the medical or related service was performed.

SECRETARY OF STATE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 21,480,993	$ 9,055,739
Federal Funds	1,274,840	1,414,291
Appropriated Receipts	4,170,434	4,087,920
Total, Method of Financing	$ 26,926,267	$ 14,557,950
This bill pattern represents an estimated 99.7% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	244.5	244.5
Schedule of Exempt Positions:		
Secretary of State, Group 4	$117,516	$117,516
Items of Appropriation:		
A. Goal: INFORMATION MANAGEMENT		
Provide and Process Information Efficiently; Enforce Laws/Rules.		
A.1.1. Strategy: DOCUMENT FILING	$ 7,950,407	$ 7,956,321
File/Reject Statutory Filings.		
A.2.1. Strategy: DOCUMENT PUBLISHING	$ 1,091,083	$ 886,316 & UB
Publish the Texas Register, Texas Administrative Code and Session Laws.		
Total, Goal A: INFORMATION MANAGEMENT	$ 9,041,490	$ 8,842,637
B. Goal: ADMINISTER ELECTION LAWS		
Maintain Uniformity & Integrity of Elections; Oversee Election Process.		
B.1.1. Strategy: ELECTIONS ADMINISTRATION	$ 2,816,657	$ 2,805,985
Provide Statewide Elections Administration.		
B.1.2. Strategy: ELECTION/VOTER REGISTRATION FUNDS	$ 11,751,318	$ 500,993 & UB
Manage Primary Election Funds; Reimburse Voter Registration Postage.		
B.1.3. Strategy: CONSTITUTIONAL AMENDMENTS	$ 1,092,667	$ 44,645 & UB
Publish and Interpret Constitutional Amendments.		
B.1.4. Strategy: ELECTIONS IMPROVEMENT	$ 1,274,840	$ 1,414,291
Administer the Federal Help America Vote Act (HAVA).		
Total, Goal B: ADMINISTER ELECTION LAWS	$ 16,935,482	$ 4,765,914
C. Goal: INTERNATIONAL PROTOCOL		
C.1.1. Strategy: PROTOCOL/BORDER AFFAIRS	$ 393,277	$ 393,320
Provide Protocol Services and Representation on Border Issues.		
C.1.2. Strategy: COLONIAS INITIATIVES	$ 556,018	$ 556,079
Improve Physical Living Conditions in Colonias.		
Total, Goal C: INTERNATIONAL PROTOCOL	$ 949,295	$ 949,399
Grand Total, SECRETARY OF STATE	$ 26,926,267	$ 14,557,950
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 9,447,927	$ 9,546,406
Other Personnel Costs	318,101	330,494
Professional Fees and Services	122,321	122,321

Fuels and Lubricants	204	211
Consumable Supplies	173,156	175,537
Utilities	13,605	13,730
Travel	197,782	228,165
Rent - Building	26,017	26,595
Rent - Machine and Other	68,631	69,327
Other Operating Expense	4,690,422	2,913,977
Grants	10,737,311	0
Capital Expenditures	1,130,790	1,131,187
Total, Object-of-Expense Informational Listing	$ 26,926,267	$ 14,557,950
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 529,791	$ 540,387
Group Insurance	1,352,935	1,456,151
Social Security	726,790	741,326
Benefits Replacement	117,774	111,885
Subtotal, Employee Benefits	$ 2,727,290	$ 2,849,749
Debt Service		
Lease Payments	$ 883,117	$ 882,947
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 3,610,407	$ 3,732,696

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Secretary of State. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Secretary of State. In order to achieve the objectives and service standards established by this Act, the Secretary of State shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INFORMATION MANAGEMENT		
Outcome (Results/Impact):		
Percent of Business, Commercial, and Public Filings and Information Requests Completed in Three Days	96%	96%
A.1.1. Strategy: DOCUMENT FILING		
Output (Volume):		
Number of Business, Commercial, and Public Filings Transactions Processed	1,560,000	1,560,000
Number of Processed Requests for Information on Business, Commercial, and Public Filings	3,000,000	3,000,000
Efficiencies:		
Average Cost Per Business, Commercial, and Public Filings Transaction and Public Information Request	1.83	1.83
A.2.1. Strategy: DOCUMENT PUBLISHING		
Efficiencies:		
Average Cost per Texas Register and Administrative Code Published	18,153	17,495
B. Goal: ADMINISTER ELECTION LAWS		
B.1.1. Strategy: ELECTIONS ADMINISTRATION		
Output (Volume):		
Number of Election Officials Assisted or Advised	75,966	47,479
Efficiencies:		
Average Cost per Election Authority Assisted or Advised	22.24	35.45

B.1.3. Strategy: CONSTITUTIONAL AMENDMENTS		
Output (Volume):		
Number of Constitutional Amendment Translations Mailed	1,900,000	0
C. Goal: INTERNATIONAL PROTOCOL		
C.1.2. Strategy: COLONIAS INITIATIVES		
Output (Volume):		
Count of Collaborative Meetings Coordinated	150	150

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2006	2007
a. Acquisition of Information Resource Technologies		
(1) Statewide Voter Registration System	$ 722,546	$ 722,546
(2) Acquisition of Information Resource Technologies	$ 390,000	$ 390,000
Total, Acquisition of Information Resource Technologies	$ 1,112,546	$ 1,112,546
Total, Capital Budget	$ 1,112,546	$ 1,112,546
Method of Financing (Capital Budget):		
Federal Funds	$ 731,213	$ 731,213
Appropriated Receipts	381,333	381,333
Total, Method of Financing	$ 1,112,546	$ 1,112,546

3. Contingency Appropriation for Constitutional Amendments. The amounts appropriated above in Strategy B.1.3, Constitutional Amendments, are intended to cover the costs of fulfilling the requirements of Election Code, Chapter 274, Subchapter B, and Article 17 § 1 of the Texas Constitution for 20 proposed constitutional amendments or referendum items. In the event that the number of proposed constitutional amendments or referendum items exceeds 20, or if the actual costs exceed the amounts appropriated herein, the Secretary of State is hereby appropriated from General Revenue the additional funds necessary to fulfill the aforementioned requirements.

4. Travel Expenditures. The Secretary of State is hereby authorized to expend funds from the above appropriations to reimburse state inspectors for travel expenses pursuant to Election Code, § 34.003.

5. Limitation, Primary Finance. Of the funds appropriated in Strategy B.1.2, Election/Voter Registration Funds, not more than $250,000 may be distributed to the executive committees of the state parties for the operation of the primary and runoff elections. Funds distributed to the executive committees shall be distributed to the respective parties in the ratio of the total number of primary and runoff voters in the 2006 elections.

6. Distribution of Session Laws. None of the funds appropriated above may be expended for the printing or distribution of session laws except for the following: (1) one copy to the Governor, (2) one copy to the Lieutenant Governor, (3) one copy to the Speaker of the House, (4) one copy to each Court of Appeals, (5) one copy to each County Law Library, (6) 10 copies to the Texas

Legislative Council, (7) 15 copies to the Legislative Reference Library, (8) 30 copies to the State Law Library, (9) 60 copies to the Texas State Library, (10) one copy to each member of the Legislature upon request, and (11) one copy to the Legislative Budget Board.

7. **Use of Excess Registration Fees Authorization.** Any registration fee collected by the Office of the Secretary of State to pay the expenses of a conference, seminar, or meeting in excess of the actual costs of such conference, seminar, or meeting may be used to pay the expenses of any other conference, seminar, or meeting for which no registration fees were collected or for which registration fees collected were insufficient to cover the total expenses.

8. **Unexpended Balances Between Biennia: General Revenue-Dedicated Election Improvement Fund.** In addition to amounts appropriated above, there is hereby appropriated to Strategy B.1.4, Elections Improvement, all balances remaining in the General Revenue-Dedicated Election Improvement Fund No. 5095 as of August 31, 2005, (estimated to be $0) for the biennium beginning September 1, 2005, to carry out provisions of HAVA as implemented in House Bill 1549, Seventy-eighth Legislature, Regular Session.

9. **Travel Cap Exemption for the Secretary of State and the Secretary of State's Staff.** Travel expenses incurred by the Secretary of State or the Secretary of State's staff to carry out the duties of the Secretary of State are exempt from the requirements of Article IX, Sec. 5.08, Limitation on Travel Expenditures and the limitations on such expenditures as set forth therein.

OFFICE OF STATE-FEDERAL RELATIONS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 863,081	$ 863,080
Other Funds		
Appropriated Receipts	35,700	36,400
Interagency Contracts	264,000	264,000
Subtotal, Other Funds	$ 299,700	$ 300,400
Total, Method of Financing	$ 1,162,781	$ 1,163,480
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	7.0	7.0
Schedule of Exempt Positions:		
Executive Director, Group 3	$98,625	$98,625
Items of Appropriation:		
A. Goal: INFLUENCE FEDERAL ACTION		
Increase Influence over Federal Action.		
A.1.1. Strategy: ACTION PLANS Monitor Issues and Recommend Action, Implement Action Plans.	$ 533,068	$ 534,301
A.1.2. Strategy: REGULAR REPORTS Distribute Timely Information and Regular Reports.	$ 417,383	$ 418,644
Total, Goal A: INFLUENCE FEDERAL ACTION	$ 950,451	$ 952,945

B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: INDIRECT ADMINISTRATION	$ 212,330	$ 210,535
Grand Total, OFFICE OF STATE-FEDERAL RELATIONS	$ 1,162,781	$ 1,163,480
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 451,824	$ 451,824
Other Personnel Costs	3,840	3,840
Professional Fees and Services	360,000	360,000
Consumable Supplies	4,800	4,800
Utilities	18,000	18,000
Travel	12,000	12,000
Rent - Building	214,660	219,660
Rent - Machine and Other	7,500	7,500
Other Operating Expense	90,157	85,856
Total, Object-of-Expense Informational Listing	$ 1,162,781	$ 1,163,480
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 27,551	$ 28,102
Group Insurance	45,148	48,558
Social Security	35,035	35,735
Benefits Replacement	1,853	1,761
Subtotal, Employee Benefits	$ 109,587	$ 114,156
Debt Service		
Lease Payments	$ 1,007	$ 1,005
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 110,594	$ 115,161

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Office of State-Federal Relations. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Office of State-Federal Relations. In order to achieve the objectives and service standards established by this Act, the Office of State-Federal Relations shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INFLUENCE FEDERAL ACTION		
Outcome (Results/Impact):		
Texas' Proportionate Share of Federal Funding	6.81%	6.83%
Percent of Customers Satisfied with OSFR Services	100%	100%
A.1.2. Strategy: REGULAR REPORTS		
Efficiencies:		
Percentage of Responses within Two Business Days	98%	98%

2. **Cost of Living Salary Supplement.** The Office of State-Federal Relations (OSFR) is hereby authorized to pay a salary supplement, not to exceed $1,200 per month, to each OSFR employee whose duty station is located in Washington, DC. This salary supplement shall be in addition to the salary rate authorized for that position by this Act.

   Any state agency or any institution which assigns an employee to work in the Washington, DC office of the OSFR on a permanent basis and which also designates that employee's duty station

as Washington, DC, is hereby authorized to pay such an employee a salary supplement not to exceed $1,200 per month. This salary supplement shall be in addition to the salary rate authorized by this Act.

In the event that an employee so assigned works on a less than full-time basis, the maximum salary supplement shall be set in a proportionate basis.

3. **Information and Assistance Requirements.** It is the intent of the Legislature that funds appropriated above be expended in a manner which provides information and assistance to both the legislative and executive branches of Texas State Government and that the funds be used to operate the office in a manner which is politically non-partisan.

4. **Reports on Increasing Federal Funds.** It is the intent of the Legislature that the Office of State-Federal Relations work with state agencies to identify and report to the Legislature on possible changes in state laws which could increase the amount of federal funds received by the state, and on changes to federal laws which could impact state funding of federal programs, or the state's receipt of federal funds.

5. **Interagency Contracts.** Consistent with the method of financing for the Office of State-Federal Relations (OSFR), state agencies and institutions of higher education that are represented by their employees in the Washington, DC office of the OSFR shall be charged for their portion of operating expenses, rent, and administrative staff costs, not to exceed $1,000 per month, per agency.

6. **Unexpended Balances: Between Fiscal Years Within The Biennium.** Any unexpended balances as of August 31, 2006, in the appropriations made herein to the Office of State-Federal Relations are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2006.

VETERANS COMMISSION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 3,733,929	$ 3,733,929
Total, Method of Financing	$ 3,733,929	$ 3,733,929
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	97.0	97.0
Schedule of Exempt Positions:		
Executive Director, Group 3	$90,000	$90,000
Per Diem of Commission Members	3,000	3,000
Items of Appropriation:		
A. Goal: ASSIST IN VETERANS' CLAIMS		
Ensure Veterans, Their Dependents & Survivors Receive All Due Benefits.		
A.1.1. Strategy: CLAIMS ASSISTANCE Claims Assistance to Veterans, Their Dependents, and Their Survivors.	$ 3,306,450	$ 3,306,450
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: CENTRAL ADMINISTRATION	$ 427,479	$ 427,479
Grand Total, VETERANS COMMISSION	$ 3,733,929	$ 3,733,929

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 3,150,198	$ 3,150,198
Other Personnel Costs	86,860	86,860
Professional Fees and Services	23,009	23,009
Consumable Supplies	23,100	23,100
Utilities	4,800	4,800
Travel	155,615	155,615
Rent - Building	7,500	7,500
Rent - Machine and Other	9,499	9,499
Other Operating Expense	273,348	273,348
Total, Object-of-Expense Informational Listing	$ 3,733,929	$ 3,733,929
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 177,961	$ 181,520
Group Insurance	639,659	693,588
Social Security	230,635	235,248
Benefits Replacement	38,552	36,624
Subtotal, Employee Benefits	$ 1,086,807	$ 1,146,980
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,086,807	$ 1,146,980

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Veterans Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Veterans Commission. In order to achieve the objectives and service standards established by this Act, the Veterans Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: ASSIST IN VETERANS' CLAIMS		
Outcome (Results/Impact):		
Amount of VA Monetary Awards (in Millions of Dollars) Paid Because of Commission Advocacy in Claims Representation of Veterans with Service-connected Disabilities	910	935
Amount of VA Monetary Awards (in Millions of Dollars) Paid Because of Commission Advocacy in Claims Representation for Widows or Orphans of Veterans	192	193
A.1.1. Strategy: CLAIMS ASSISTANCE		
Output (Volume):		
Number of Claims for Veterans Benefits Filed and Developed on Behalf of Veterans with Service-connected Disabilities	58,000	59,000
Number of Active Veterans Benefits Cases for Veterans, Their Widows, or Their Orphans Represented by the Texas Veterans Commission	128,500	130,500
Number of Appeals of Unfavorable Veterans Affairs Decisions Filed on Behalf of Veterans, Their Widows, or Their Orphans	11,000	11,000

2. **Appropriation of All License Plate Unexpended Balances and Receipts.** In addition to the amounts above in Strategy A.1.1, Claims Assistance, are all estimated balances collected prior to the effective date of this Act (estimated to be $0) and revenue collected on or after September 1, 2005, (estimated to be $0) from the sale of license plates as provided by Transportation Code §§ 504.413 and 504.630 and deposited to the credit of the General Revenue-Dedicated American Legion, Department of Texas account and the General Revenue-Dedicated Air Force

Association of Texas account for the purpose of making grants to each organization, respectively. In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, 2005, and all revenue collected on or after September 1, 2005 are hereby appropriated for the same purpose.

Any unexpended balances remaining as of August 31, 2006, in the appropriation made herein are hereby appropriated for the fiscal year beginning September 1, 2006.

3. **Visitation Program to Wounded and Disabled Veterans.** It is the intent of the Legislature that, within the scope of its statutory authority and out of the funds appropriated above in Strategy A.1.1, Claims Assistance, in the amount of $52,000 each fiscal year, the Veterans Commission shall implement a program providing visitation of wounded and disabled veterans who are returning from Operation Iraqi Freedom and other war zone areas that Texas veterans have served.

RETIREMENT AND GROUP INSURANCE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund, estimated	$ 59,271,072	$ 62,377,778
General Revenue Dedicated Accounts, estimated	1,036,704	1,087,809
Federal Funds, estimated	16,518,369	17,497,751
Other Funds		
State Highway Fund No. 006, estimated	566,547	593,531
Other Special State Funds, estimated	1,143,231	1,198,975
Subtotal, Other Funds	$ 1,709,778	$ 1,792,506
Total, Method of Financing	$ 78,535,923	$ 82,755,844
Items of Appropriation:		
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS Retirement Contributions. Estimated.	$ 23,906,986	$ 24,385,126
A.1.2. Strategy: GROUP INSURANCE Group Insurance. Estimated.	$ 54,628,937	$ 58,370,718
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	$ 78,535,923	$ 82,755,844
Grand Total, RETIREMENT AND GROUP INSURANCE	$ 78,535,923	$ 82,755,844

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund, estimated	$ 26,714,090	$ 27,033,885
General Revenue Dedicated Accounts, estimated	499,150	505,490
Federal Funds, estimated	5,604,797	5,656,295
Other Funds		
State Highway Fund No. 006, estimated	306,115	310,364
Other Special State Funds, estimated	470,145	476,965
Subtotal, Other Funds	$ 776,260	$ 787,329
Total, Method of Financing	$ 33,594,297	$ 33,982,999

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY
(Continued)

Items of Appropriation:		
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT		
Comptroller - Social Security.		
A.1.1. Strategy: STATE MATCH – EMPLOYER	$ 29,548,836	$ 30,139,812
State Match – Employer. Estimated.		
A.1.2. Strategy: BENEFIT REPLACEMENT PAY	$ 4,045,461	$ 3,843,187
Benefit Replacement Pay. Estimated.		
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	$ 33,594,297	$ 33,982,999
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	$ 33,594,297	$ 33,982,999

BOND DEBT SERVICE PAYMENTS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 5,673,989	$ 8,725,346
GR Dedicated - Texas Military Revolving Loan Account No. 5114	24,114,456	24,646,179
Total, Method of Financing	$ 29,788,445	$ 33,371,525
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: BOND DEBT SERVICE	$ 29,788,445	$ 33,371,525 & UB
To Texas Public Finance Authority for Payment of Bond Debt Service.		
Grand Total, BOND DEBT SERVICE PAYMENTS	$ 29,788,445	$ 33,371,525

LEASE PAYMENTS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 9,871,129	$ 10,004,594
Total, Method of Financing	$ 9,871,129	$ 10,004,594
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: LEASE PAYMENTS	$ 9,871,129	$ 10,004,594 & UB
To TBPC for Payment to TPFA.		
Grand Total, LEASE PAYMENTS	$ 9,871,129	$ 10,004,594

RECAPITULATION - ARTICLE I
GENERAL GOVERNMENT
(General Revenue)

	For the Years Ending August 31, 2006	August 31, 2007
Commission on the Arts	$ 2,678,379	$ 2,570,566
Office of the Attorney General	121,598,060	119,468,811
Contingency Appropriations	5,056,246	5,105,837
Total	126,654,306	124,574,648
Bond Review Board	503,343	503,344
Building and Procurement Commission	31,530,176	31,530,175
Comptroller of Public Accounts	190,698,354	190,698,356
Fiscal Programs - Comptroller of Public Accounts	200,147,295	198,811,295
Contingency Appropriations	2,000,000	0
Total	202,147,295	198,811,295
Employees Retirement System	6,931,297	6,984,668
Texas Ethics Commission	1,689,083	1,689,085
Contingency Appropriations	87,000	87,000
Total	1,776,083	1,776,085
Public Finance Authority	479,826	479,826
Fire Fighters' Pension Commissioner	1,176,876	1,215,985
Office of the Governor	8,803,586	7,646,581
Trusteed Programs Within the Office of the Governor	189,386,398	25,262,286
Historical Commission	5,184,074	4,090,115
Department of Information Resources	2,126,801	1,822,707
Library & Archives Commission	13,149,552	13,180,553
Pension Review Board	450,446	441,321
Preservation Board	11,247,219	11,184,354
State Office of Risk Management	3,619,466	3,620,665
Secretary of State	21,480,993	9,055,739
Office of State-Federal Relations	863,081	863,080
Veterans Commission	3,733,929	3,733,929
Subtotal, General Government	$ 824,621,480	$ 640,046,278
Retirement and Group Insurance	59,271,072	62,377,778
Social Security and Benefit Replacement Pay	26,714,090	27,033,885
Subtotal, Employee Benefits	$ 85,985,162	$ 89,411,663
Bond Debt Service Payments	5,673,989	8,725,346
Lease Payments	9,871,129	10,004,594
Subtotal, Debt Service	$ 15,545,118	$ 18,729,940
TOTAL, ARTICLE I - GENERAL GOVERNMENT	$ 926,151,760	$ 748,187,881

RECAPITULATION - ARTICLE I
GENERAL GOVERNMENT
(General Revenue - Dedicated)

	For the Years Ending August 31, 2006	August 31, 2007
Commission on the Arts	$ 609,040	$ 593,745
Office of the Attorney General	99,807,650	106,071,539
Building and Procurement Commission	2,202,960	2,202,960
Cancer Council	3,347,222	3,255,350
Fiscal Programs - Comptroller of Public Accounts	68,059,856	16,695,018
Commission on State Emergency Communications	62,825,189	60,560,641
Trusteed Programs Within the Office of the Governor	33,061,714	30,507,612
Contingency Appropriations	0	130,000,000
Total	33,061,714	160,507,612
Historical Commission	450,775	450,775
Library & Archives Commission	2,908,875	2,885,875
Subtotal, General Government	$ 273,273,281	$ 353,223,515
Retirement and Group Insurance	1,036,704	1,087,809
Social Security and Benefit Replacement Pay	499,150	505,490
Subtotal, Employee Benefits	$ 1,535,854	$ 1,593,299
Bond Debt Service Payments	24,114,456	24,646,179
Subtotal, Debt Service	$ 24,114,456	$ 24,646,179
TOTAL, ARTICLE I - GENERAL GOVERNMENT	$ 298,923,591	$ 379,462,993

RECAPITULATION - ARTICLE I
GENERAL GOVERNMENT
(Federal Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Commission on the Arts	$ 791,200	$ 791,200
Office of the Attorney General	218,182,740	216,699,867
Contingency Appropriations	1,912,293	1,912,293
Total	220,095,033	218,612,160
Fiscal Programs - Comptroller of Public Accounts	829,808	829,808
Trusteed Programs Within the Office of the Governor	90,674,195	64,438,601
Historical Commission	937,404	863,851
Department of Information Resources	184,682	184,682
Library & Archives Commission	10,391,201	10,558,201
Secretary of State	1,274,840	1,414,291
Subtotal, General Government	$ 325,178,363	$ 297,692,794
Retirement and Group Insurance	16,518,369	17,497,751
Social Security and Benefit Replacement Pay	5,604,797	5,656,295
Subtotal, Employee Benefits	$ 22,123,166	$ 23,154,046
TOTAL, ARTICLE I - GENERAL GOVERNMENT	$ 347,301,529	$ 320,846,840

RECAPITULATION - ARTICLE I
GENERAL GOVERNMENT
(Other Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Commission on the Arts	$ 1,301,905	$ 1,301,905
Office of the Attorney General	18,672,432	18,648,451
Building and Procurement Commission	44,119,668	14,977,667
Comptroller of Public Accounts	285,131	285,131
Commission on State Emergency Communications	240,000	240,000
Texas Ethics Commission	25,000	25,000
Public Finance Authority	310,517	309,324
Fire Fighters' Pension Commissioner	32,588	32,588
Office of the Governor	412,102	412,102
Trusteed Programs Within the Office of the Governor	394,773	394,773
Historical Commission	2,084,741	1,955,552
Department of Information Resources	63,902,709	63,706,202
Library & Archives Commission	1,511,544	1,665,904
Preservation Board	31,745	31,745
State Office of Risk Management	4,354,930	4,354,930
Workers' Compensation Payments	60,320,000	62,732,800
Secretary of State	4,170,434	4,087,920
Office of State-Federal Relations	299,700	300,400
Subtotal, General Government	$ 202,469,919	$ 175,462,394
Retirement and Group Insurance	1,709,778	1,792,506
Social Security and Benefit Replacement Pay	776,260	787,329
Subtotal, Employee Benefits	$ 2,486,038	$ 2,579,835
Less Interagency Contracts	$ 139,827,825	$ 142,083,873
TOTAL, ARTICLE I - GENERAL GOVERNMENT	$ 65,128,132	$ 35,958,356

RECAPITULATION - ARTICLE I
GENERAL GOVERNMENT
(All Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Commission on the Arts	$ 5,380,524	$ 5,257,416
Office of the Attorney General	458,260,882	460,888,668
Contingency Appropriations	6,968,539	7,018,130
Total	465,229,421	467,906,798
Bond Review Board	503,343	503,344
Building and Procurement Commission	77,852,804	48,710,802
Cancer Council	3,347,222	3,255,350
Comptroller of Public Accounts	190,983,485	190,983,487
Fiscal Programs - Comptroller of Public Accounts	269,036,959	216,336,121
Contingency Appropriations	2,000,000	0
Total	271,036,959	216,336,121
Commission on State Emergency Communications	63,065,189	60,800,641
Employees Retirement System	6,931,297	6,984,668
Texas Ethics Commission	1,714,083	1,714,085
Contingency Appropriations	87,000	87,000
Total	1,801,083	1,801,085
Public Finance Authority	790,343	789,150
Fire Fighters' Pension Commissioner	1,209,464	1,248,573
Office of the Governor	9,215,688	8,058,683
Trusteed Programs Within the Office of the Governor	313,517,080	120,603,272
Contingency Appropriations	0	130,000,000
Total	313,517,080	250,603,272
Historical Commission	8,656,994	7,360,293
Department of Information Resources	66,214,192	65,713,591
Library & Archives Commission	27,961,172	28,290,533
Pension Review Board	450,446	441,321
Preservation Board	11,278,964	11,216,099
State Office of Risk Management	7,974,396	7,975,595
Workers' Compensation Payments	60,320,000	62,732,800
Secretary of State	26,926,267	14,557,950
Office of State-Federal Relations	1,162,781	1,163,480
Veterans Commission	3,733,929	3,733,929
Subtotal, General Government	$ 1,625,543,043	$ 1,466,424,981
Retirement and Group Insurance	78,535,923	82,755,844
Social Security and Benefit Replacement Pay	33,594,297	33,982,999
Subtotal, Employee Benefits	$ 112,130,220	$ 116,738,843
Bond Debt Service Payments	29,788,445	33,371,525
Lease Payments	9,871,129	10,004,594
Subtotal, Debt Service	$ 39,659,574	$ 43,376,119
Less Interagency Contracts	$ 139,827,825	$ 142,083,873
TOTAL, ARTICLE I - GENERAL GOVERNMENT	$ 1,637,505,012	$ 1,484,456,070
Number of Full-Time-Equivalents (FTE)	9,448.6	9,461.6

ARTICLE II

HEALTH AND HUMAN SERVICES

Sec. 1. The several sums of money herein specified, or so much thereby as may be necessary, are appropriated out of any funds in the State Treasury not otherwise appropriated, or out of special funds as indicated, for the support, maintenance, or improvement of the designated health and human services agencies.

DEPARTMENT OF AGING AND DISABILITY SERVICES

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 138,524,505	$ 142,581,098
Earned Federal Funds	25,000	25,000
GR Match for Federal Funds (Older Americans Act)	3,701,265	3,694,199
GR Certified as Match for Medicaid	118,437,212	119,397,516
EFF - Match for Medicaid	10,921,013	12,211,757
GR Match for Medicaid	1,722,594,792	1,628,120,200
Subtotal, General Revenue Fund	$ 1,994,203,787	$ 1,906,029,770
General Revenue Fund - Dedicated		
Home Health Services Account No. 5018	2,318,433	2,318,434
Texas Special Olympic License Plates Account No. 5055	2,244	2,244
Quality Assurance Account No. 5080	53,697,687	53,757,352
Texas Capital Trust Fund Account No. 543	139,802	139,803
Waiver Program Quality Assurance Fee Account, estimated	24,291,171	26,082,966
Nursing Home Quality Assurance Fee Account, estimated	211,971,567	226,636,598
Subtotal, General Revenue Fund - Dedicated	$ 292,420,904	$ 308,937,397
Federal Funds	3,493,280,630	3,365,719,558
Other Funds		
Appropriated Receipts	1,479,189	1,478,784
MR Collections for Patient Support and Maintenance	17,083,747	17,093,624
MR Appropriated Receipts	855,107	855,338
MR Medicare Receipts	973,323	973,884
MR Revolving Fund Receipts	3,022,167	3,022,167
Interagency Contracts	21,073,861	21,077,138
Bond Proceeds - General Obligation Bonds	8,111,500	19,564,500
Subtotal, Other Funds	$ 52,598,894	$ 64,065,435
Total, Method of Financing	$ 5,832,504,215	$ 5,644,752,160
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 500,812	$ 490,863
This bill pattern represents an estimated 99.9% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	14,607.4	14,653.5
Schedule of Exempt Positions:		
Commissioner, Group 6	$141,000	$141,000
Items of Appropriation:		
A. Goal: LONG-TERM CARE CONTINUUM		
A.1.1. Strategy: INTAKE AND ACCESS Intake and Access to Services and Support.	$ 38,804,433	$ 38,928,775
A.1.2. Strategy: LTC FUNCTIONAL ELIGIBILITY Long Term Care Functional Eligibility.	$ 65,251,081	$ 65,251,081
A.2.1. Strategy: PRIMARY HOME CARE	$ 533,324,657	$ 589,969,366
A.2.2. Strategy: COMMUNITY ATTENDANT SERVICES Community Attendant Services (Formerly Frail Elderly).	$ 372,475,886	$ 410,860,003
A.2.3. Strategy: DAY ACTIVITY & HEALTH SERVICES	$ 109,459,711	$ 117,636,198

Day Activity and Health Services (DAHS).		
A.3.1. Strategy: COMMUNITY-BASED ALTERNATIVES	$ 454,026,989	$ 503,106,651
Community-based Alternatives (CBA).		
A.3.2. Strategy: HOME AND COMMUNITY-BASED SERVICES	$ 413,386,000	$ 471,256,202
Home and Community-based Services (HCS).		
A.3.3. Strategy: COMMUNITY LIVING ASSISTANCE (CLASS)	$ 79,964,580	$ 98,654,722
Community Living Assistance and Support Services (CLASS).		
A.3.4. Strategy: DEAF-BLIND MULTIPLE DISABILITIES	$ 6,680,603	$ 7,352,976
Deaf-Blind Multiple Disabilities (DBMD).		
A.3.5. Strategy: MEDICALLY DEPENDENT CHILDREN PGM	$ 22,057,753	$ 32,583,755
Medically Dependent Children Program (MDCP).		
A.3.6. Strategy: CONSOLIDATED WAIVER PROGRAM	$ 3,804,701	$ 3,910,130
A.3.7. Strategy: TEXAS HOME LIVING WAIVER	$ 20,136,474	$ 20,391,206
A.4.1. Strategy: NON-MEDICAID SERVICES-TITLE XX	$ 74,406,589	$ 76,814,078
Non-Medicaid Services - Title XX.		
A.4.2. Strategy: NON-MEDICAID SERVICES - GR	$ 2,522,163	$ 2,522,163
Non-Medicaid Services - General Revenue.		
A.4.3. Strategy: MR COMMUNITY SERVICES	$ 96,341,513	$ 96,341,749
Mental Retardation Community Services.		
A.4.4. Strategy: MR COMMUNITY SERVICES RESIDENTIAL	$ 4,595,599	$ 4,595,600
Mental Retardation Community Services Residential.		
A.4.5. Strategy: PROMOTING INDEPENDENCE PLAN	$ 1,300,000	$ 1,300,000
Promoting Independence through Outreach, Awareness, and Relocation.		
A.4.6. Strategy: NUTRITION SERVICES	$ 35,919,438	$ 35,919,438
A.4.7. Strategy: SERVICES-ASSIST INDEPENDENT LIVING	$ 20,141,450	$ 20,141,450
Services to Assist Independent Living.		
A.4.8. Strategy: IN-HOME AND FAMILY SUPPORT	$ 4,168,527	$ 4,168,527
A.4.9. Strategy: MENTAL RETARDATION IN-HOME SERVICES	$ 5,000,000	$ 5,000,000
A.5.1. Strategy: ALL-INCLUSIVE CARE - ELDERLY (PACE)	$ 24,563,542	$ 24,563,542
Program of All-inclusive Care for the Elderly (PACE).		
A.6.1. Strategy: NURSING FACILITY PAYMENTS	$ 2,211,772,971	$ 1,736,927,239
A.6.2. Strategy: MEDICARE SKILLED NURSING FACILITY	$ 126,368,782	$ 139,470,472
A.6.3. Strategy: HOSPICE	$ 142,728,895	$ 152,537,585
A.6.4. Strategy: PROMOTING INDEPENDENCE SERVICES	$ 65,538,125	$ 78,684,029
Promote Independence by Providing Community-based Client Services.		
A.7.1. Strategy: INTERMEDIATE CARE FACILITIES - MR	$ 387,914,772	$ 387,914,775
Intermediate Care Facilities - Mental Retardation (ICF/MR).		
A.8.1. Strategy: MR STATE SCHOOLS SERVICES	$ 390,704,961	$ 392,703,892
A.9.1. Strategy: CAPITAL REPAIRS AND RENOVATIONS	$ 8,251,302	$ 19,704,303 & UB
Total, Goal A: LONG-TERM CARE CONTINUUM	$ 5,721,611,497	$ 5,539,209,907
B. Goal: LICENSING, CERTIFICATION & OUTREACH		
Licensing, Certification, and Outreach.		
B.1.1. Strategy: LTC FACILITY REGULATION	$ 50,721,023	$ 50,721,023
Long-Term Care Facility Regulation.		
B.1.2. Strategy: LTC CREDENTIALING	$ 985,719	$ 985,719
Long-Term Care Credentialing.		
B.1.3. Strategy: LTC QUALITY OUTREACH	$ 4,784,511	$ 4,784,511
Long-Term Care Quality Outreach.		
Total, Goal B: LICENSING, CERTIFICATION & OUTREACH	$ 56,491,253	$ 56,491,253
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: CENTRAL ADMINISTRATION	$ 26,433,394	$ 26,285,539
C.1.2. Strategy: IT PROGRAM SUPPORT	$ 18,816,374	$ 13,613,762

Information Technology Program Support.		
C.1.3. Strategy: OTHER SUPPORT SERVICES	$ 9,151,697	$ 9,151,699
Total, Goal C: INDIRECT ADMINISTRATION	$ 54,401,465	$ 49,051,000
Grand Total, DEPARTMENT OF AGING AND DISABILITY SERVICES	$ 5,832,504,215	$ 5,644,752,160
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 372,214,951	$ 373,080,420
Other Personnel Costs	17,801,287	17,831,364
Professional Fees and Services	12,623,862	14,986,918
Fuels and Lubricants	607,639	607,645
Consumable Supplies	10,358,438	10,676,644
Utilities	14,207,641	13,782,112
Travel	6,077,945	6,077,955
Rent - Building	8,177,286	8,196,836
Rent - Machine and Other	4,342,182	5,754,214
Other Operating Expense	115,188,923	118,626,905
Client Services	5,053,098,208	4,855,702,613
Food for Persons - Wards of State	7,543,224	7,568,224
Grants	186,113,870	186,156,697
Capital Expenditures	24,148,759	25,703,613
Total, Object-of-Expense Informational Listing	$ 5,832,504,215	$ 5,644,752,160
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 25,910,538	$ 26,428,748
Group Insurance	99,176,681	108,598,258
Social Security	34,792,235	35,488,079
Benefits Replacement	6,171,212	6,068,215
Subtotal, Employee Benefits	$ 166,050,666	$ 176,583,300
Debt Service		
Bond Debt Service	$ 13,225,564	$ 13,859,045
Lease Payments	419,929	477,587
Subtotal, Debt Service	$ 13,645,493	$ 14,336,632
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 179,696,159	$ 190,919,932

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Aging and Disability Services. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Department of Aging and Disability Services. In order to achieve the objectives and service standards established by this Act, the Department of Aging and Disability Services shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: LONG-TERM CARE CONTINUUM		
Outcome (Results/Impact):		
Percent of Long-term Care Clients Served in Community Settings	73.2%	74.4%
Average Number of Clients Served Per Month: Medicaid Non-waiver Community Care	137,047	147,874
Average Number of Clients Served Per Month: Total Non-Medicaid Community Care	29,222	29,222
Average Number of Days Mental Retardation (MR) Campus Residents Recommended for Community Placement Wait for Placement	120	120
Number of Consumers with Mental Retardation (MR) Who Moved from Campus to Community	84	84
A.1.1. Strategy: INTAKE AND ACCESS		
Output (Volume):		
Average Monthly Number of Consumers with Mental Retardation (MR) Receiving Assessment and Service Coordination	11,490	11,490

A.1.2. Strategy: LTC FUNCTIONAL ELIGIBILITY		
Output (Volume):		
Average Number of Persons Eligible Per Month: Community Care	188,218	202,744
A.2.1. Strategy: PRIMARY HOME CARE		
Output (Volume):		
Average Number of Clients Served Per Month: Primary Home Care	68,904	74,749
Efficiencies:		
Average Monthly Cost Per Client Served: Primary Home Care	642.07	649.06
A.2.2. Strategy: COMMUNITY ATTENDANT SERVICES		
Output (Volume):		
Average Number of Clients Served Per Month: Community Attendant Services	49,206	53,156
Efficiencies:		
Average Monthly Cost Per Client Served: Community Attendant Services	627.41	634.25
A.2.3. Strategy: DAY ACTIVITY & HEALTH SERVICES		
Output (Volume):		
Average Number of Clients Served Per Month: Day Activity and Health Services	18,937	19,969
Efficiencies:		
Average Monthly Cost Per Client Served: Day Activity and Health Services	481.92	491.61
A.3.1. Strategy: COMMUNITY-BASED ALTERNATIVES		
Output (Volume):		
Average Number of Clients Served Per Month: Medicaid Community-based Alternatives (CBA) Waiver	26,867	28,401
Efficiencies:		
Average Monthly Cost Per Client Served: Medicaid Community-based Alternatives (CBA) Waiver	1,387.04	1,430.82
A.3.2. Strategy: HOME AND COMMUNITY-BASED SERVICES		
Output (Volume):		
Average Number of Clients Served Per Month: Home and Community Based Services (HCS)	9,744	11,194
Efficiencies:		
Average Monthly Cost Per Client Served: Home and Community Based Services (HCS)	3,500.77	3,501.5
A.3.3. Strategy: COMMUNITY LIVING ASSISTANCE (CLASS)		
Output (Volume):		
Average Number of Clients Served Per Month: Medicaid Related Conditions Waiver (CLASS)	2,228	3,049
Efficiencies:		
Average Monthly Cost Per Client Served: Medicaid Related Conditions Waiver (CLASS)	3,293.61	3,394.47
A.3.4. Strategy: DEAF-BLIND MULTIPLE DISABILITIES		
Output (Volume):		
Average Number of Clients Served Per Month: Medicaid Deaf-blind with Multiple Disabilities Waiver	148	156
Efficiencies:		
Average Monthly Cost Per Client Served: Medicaid Deaf-blind with Multiple Disabilities Waiver	3,671.62	3,671.62
A.3.5. Strategy: MEDICALLY DEPENDENT CHILDREN PGM		
Output (Volume):		
Average Number of Clients Served Per Month: Medically Dependent Children Program	1,320	1,993
Efficiencies:		
Average Monthly Cost Per Client Served: Medically Dependent Children Program	1,419.96	1,419.96
A.3.7. Strategy: TEXAS HOME LIVING WAIVER		
Output (Volume):		
Average Number of Clients Served Per Month: Texas Home Living Waiver	2,811	2,823
Efficiencies:		
Average Monthly Cost Per Client Served: Texas Home Living Waiver	586.62	586.62
A.4.1. Strategy: NON-MEDICAID SERVICES-TITLE XX		

Output (Volume):		
Average Number of Clients Served Per Month: Non-Medicaid Community Care (XX)	12,952	12,952
Efficiencies:		
Average Monthly Cost Per Client Served: Non-Medicaid Community Care (XX)	486.3	486.3
A.4.3. Strategy: MR COMMUNITY SERVICES		
Output (Volume):		
Average Monthly Number of Consumers with Mental Retardation (MR) Receiving Community Services	10,137	10,137
A.4.4. Strategy: MR COMMUNITY SERVICES RESIDENTIAL		
Output (Volume):		
Average Monthly Number of Non-Medicaid Consumers with Mental Retardation (MR) Receiving Community Residential Services	95	95
Efficiencies:		
Average Monthly Cost Per Non-Medicaid Customer with Mental Retardation (MR) Receiving Community Residential Services	3,431	3,431
A.4.6. Strategy: NUTRITION SERVICES		
Output (Volume):		
Number of Congregate Meals Served	3,963,660	3,941,792
Number of Home-delivered Meals Served	4,173,305	4,169,197
A.4.8. Strategy: IN-HOME AND FAMILY SUPPORT		
Output (Volume):		
Average Number of Clients Per Month Receiving In-home Family Support (IHFS)	3,364	3,364
Efficiencies:		
Average Monthly Cost of In-home Family Support Per Client	102.19	102.19
A.4.9. Strategy: MENTAL RETARDATION IN-HOME SERVICES		
Output (Volume):		
Number of Consumers with Mental Retardation (MR) Receiving In-Home and Family Support Per Year	2,674	2,674
Efficiencies:		
Average Annual Grant Per Consumer with Mental Retardation (MR) Receiving In-home and Family Support Per Year	1,690.19	1,690.19
A.5.1. Strategy: ALL-INCLUSIVE CARE - ELDERLY (PACE)		
Output (Volume):		
Average Number of Recipients Per Month: Program for All Inclusive Care (PACE)	877	877
Efficiencies:		
Average Monthly Cost Per Recipient: Program for All Inclusive Care (PACE)	2,334.05	2,334.05
A.6.1. Strategy: NURSING FACILITY PAYMENTS		
Output (Volume):		
Average Number of Clients Receiving Medicaid - Funded Nursing Facility Services per Month	59,764	60,172
Efficiencies:		
Net Nursing Facility Cost Per Medicaid Resident Per Month	2,869.01	2,869.68
A.6.2. Strategy: MEDICARE SKILLED NURSING FACILITY		
Output (Volume):		
Average Number of Clients Receiving Copaid Medicaid/Medicare Nursing Facility Services Per Month	6,486	6,831
Efficiencies:		
Net Payment Per Client for Copaid Medicaid/Medicare Nursing Facility Services Per Month	1,623.61	1,701.44
A.6.3. Strategy: HOSPICE		
Output (Volume):		
Average Number of Clients Receiving Hospice Services Per Month	4,916	5,203
Efficiencies:		
Average Net Payment Per Client Per Month for Hospice	2,419.45	2,443.11
A.6.4. Strategy: PROMOTING INDEPENDENCE SERVICES		
Output (Volume):		
Average Number of Promoting Independence Clients Served Per Month	4,098	4,756
Efficiencies:		
Average Monthly Cost Per Client Served: Promoting Independence	1,387.04	1,430.82

A.7.1. Strategy: INTERMEDIATE CARE FACILITIES - MR		
Output (Volume):		
Average Number of Persons in ICF/MR Medicaid Beds Per Month	7,308	7,308
Efficiencies:		
Monthly Cost Per ICF/MR Medicaid Eligible Consumer	4,384.91	4,384.91
A.8.1. Strategy: MR STATE SCHOOLS SERVICES		
Output (Volume):		
Average Monthly Number of Mental Retardation (MR) Campus Residents	5,007	5,011
Efficiencies:		
Average Monthly Cost Per Mental Retardation (MR) Campus Resident	6,502.65	6,530.7
B. Goal: LICENSING, CERTIFICATION & OUTREACH		
Outcome (Results/Impact):		
Percent of Facilities Complying with Standards at Time of Inspection for Licensure and/or Medicare/Medicaid Certification	74.92%	74.92%
B.1.1. Strategy: LTC FACILITY REGULATION		
Output (Volume):		
Total Dollar Amount Collected from Fines	3,681,452.48	3,681,452.48
B.1.2. Strategy: LTC CREDENTIALING		
Output (Volume):		
Number of Licenses Issued or Renewed Per Year: Nursing Facility Administrators	980	1,220

2. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2006	2007
a. Repair or Rehabilitation of Buildings and Facilities		
(1) Repairs of State Owned Bond Homes and State Schools	$ 8,251,302	$ 19,704,303 & UB
b. Acquisition of Information Resource Technologies		
(1) Replacement of Information Resource Technologies	633,626	633,626
(2) Computers / Telecommunications Items (MLPP)	3,300,000	UB
(3) TILES to RUGS	6,600,000	UB
Total, Acquisition of Information Resource Technologies	$ 10,533,626	$ 633,626
c. Transportation Items		
(1) Replacement of Transportation Items (MLPP)	800,000	UB
d. Acquisition of Capital Equipment and Items		
(1) Replacement of Furniture and Equipment (MLPP)	2,400,000	UB
e. Other Lease Payments to the Master Lease Purchase Program (MLPP)		
(1) Payments to Master Lease Purchase Program (Utility Savings)	1,367,754	2,383,822
Total, Capital Budget	$ 23,352,682	$ 22,721,751

Method of Financing (Capital Budget):

General Revenue Fund		
General Revenue Fund	$ 8,157,334	$ 2,673,402
GR Match for Medicaid	67,000	67,000
Subtotal, General Revenue Fund	$ 8,224,334	$ 2,740,402
General Revenue Fund - Dedicated		
Texas Capital Trust Fund Account No. 543	139,802	139,803
Quality Assurance Account No. 5080	3,300,000	0
Subtotal, General Revenue Fund - Dedicated	$ 3,439,802	$ 139,803
Federal Funds	3,577,046	277,046
Bond Proceeds - General Obligation Bonds	8,111,500	19,564,500
Total, Method of Financing	$ 23,352,682	$ 22,721,751

3. Medical Assistance Payments. General revenue funds appropriated herein above for all Medicaid services shall be made available to the agency by the Comptroller of Public Accounts in equal monthly installments on the first day of each calendar month; provided, however, that any balances on hand in such funds may be carried over from month to month during each fiscal year and from fiscal year 2006 to fiscal year 2007, and such funds are appropriated to the department for the 2006-07 biennium.

4. Appropriation of Local Funds. All funds received by the department from counties, cities, and from any other local source and all balances from such sources as of August 31, 2005, are hereby appropriated for the biennium ending August 31, 2007, for the purpose of carrying out the provisions of this Act.

5. Nursing Home Program Provisions.

a. Nursing Home Income Eligibility Cap. It is the intent of the Legislature that the income eligibility cap for nursing home care shall be maintained at the federal maximum level of 300 percent of Supplemental Security Income (SSI).

b. Limitation of Per Day Cost of Alternate Care.

(1) Subject to the exception in (2), no funds shall be expended by the Department of Aging and Disability Services for alternate care where the cost per patient per day exceeds the average Medicaid Nursing or ICF-MR Facility rate or the patient's nursing or ICF-MR facility rate, whichever is greater, except for cases individually exempted by the Commissioner of the Department of Aging and Disability Services.

(2) The department may not disallow or jeopardize community services for individuals currently receiving services under Medicaid waivers if those services are required for that individual to live in the most integrated setting, the reimbursement rate paid for needed services does not exceed 133.3 percent of the reimbursement rate that would have been paid for that same individual to receive comparable services in an institution over a twelve month period, and the department continues to comply with cost-effectiveness requirements from the Centers for Medicare and Medicaid Service.

(3) The department shall "grandfather" on September 1, 2003 those individuals receiving services in a medical assistance waiver program, under authority granted in the Department of Human Services's budget rider 7 in the 2004-05 General Appropriations Act, Seventy-eighth Legislature, when continuation of these services is necessary for the individual to live in the most integrated setting appropriate to his/her needs and the department continues to comply with the cost-effectiveness requirements from the Centers for Medicare and Medicaid Service.

c. Establishment of a Swing-bed Program. Out of the funds appropriated above for nursing home vendor payments, the department shall maintain a "swing-bed" program, in accordance with federal regulations, to provide reimbursement for skilled nursing patients who are served in hospital settings in counties with a population of 100,000 or less. If the swing beds are used for more than one 30-day length of stay per year per patient, the hospital must comply with the regulations and standards required for nursing home facilities.

d. Nursing Home Bed Capacity Planning. It is the intent of the Legislature that the department

shall establish by rule procedures for controlling the number of Medicaid beds and for the decertification of unused Medicaid beds and for reallocating some or all of the decertified Medicaid beds. The procedures shall take into account a facility's occupancy rate.

e. Nursing Facility Competition. It is the intent of the Legislature that the department encourage competition among contracted nursing facilities.

6. Appropriation of Receipts: Civil Monetary Damages and Penalties. Included in the General Revenue Funds appropriated above is $2,660,000 for the biennium from funds collected as civil monetary damages and penalties under Human Resources Code § 32.021. Any amounts above $2,660,000 are hereby appropriated to the department in amounts equal to the costs of the investigation and collection proceedings conducted under that section, and any amounts collected as reimbursement for claims paid by the department.

7. Appropriations Limited to Revenue Collections. It is the intent of the Legislature that fees, fines, and other miscellaneous revenues as authorized and generated by the agency cover, at a minimum, the cost of the appropriations made above for the Nursing Facility Administrator program in Strategy B.1.2, Long Term Care Credentialing, and the Home Health and Community Support Services Agencies program in Strategy B.1.1, Long Term Care Facility Regulation, as well as the "other direct and indirect costs" associated with this program, appropriated elsewhere in this Act. Direct costs for the Nursing Facility Administrator program are estimated to be $234,393 for fiscal year 2006 and $234,393 for fiscal year 2007. Direct costs for the Home and Community Support Services Agencies program are estimated to be $2,065,119 for fiscal year 2006 and $2,065,120 for fiscal year 2007. "Other direct and indirect costs" for the Nursing Facility Administrator program are estimated to be $72,266 for fiscal year 2006 and $70,821 for fiscal year 2007. "Other direct and indirect costs" for the Home and Community Support Services Agencies program are estimated to be $428,546 for fiscal year 2006 and $420,042 for fiscal year 2007. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

8. Accounting of Support Costs. The State Comptroller shall establish separate accounts from which certain support costs shall be paid. The Department of Aging and Disability Services is hereby authorized to make transfers into these separate accounts from line item strategies in order to pay for these expenses in an efficient and effective manner. Only costs not directly attributable to a single program may be budgeted in or paid from these accounts. Items to be budgeted in and paid from these accounts include, but are not limited to: postage, occupancy costs, equipment repair, telephones, office printing costs, supplies, freight and transport costs, telephone system costs, and salary and travel costs of staff whose function supports several programs. The department shall be responsible for quarterly allocations of these costs to the original strategies.

9. Fund Transfers for Funds Consolidation. For the purpose of funds consolidation, federal and other funds may be transferred into the General Revenue Fund from the Department of Aging and Disability Services Fund No. 117. The initial deposit of federal funds shall be made into Fund No. 117 and no direct expenditures shall be made from this fund.

10. Pediatric Care in Nursing Facilities. In determining the appropriate placement for children who currently receive care in nursing facilities, the department shall, within the requirements of federal law, consider the requests of parents concerning either a continued stay in a nursing facility providing skilled pediatric care or an alternate placement.

11. Limitation: Medicaid Transfer Authority. Notwithstanding the transfer provisions in the general provisions (general transfer provisions) of this Act, none of the funds appropriated by this Act to the Department of Aging and Disability Services for the following Medicaid Strategies:

a. A.1.1. Intake and Access to Services and Support
b. A.1.2. Long Term Care Functional Eligibility;
c. A.2.1. Primary Home Care;
d. A.2.2. Community Attendant Services (formerly Frail Elderly);
e. A.2.3. Day Activity and Health Services (DAHS);
f. A.3.1. Community-based Alternatives (CBA);
g. A.3.2. Home and Community-based Services (HCS);
h. A.3.3. Community Living Assistance and Support Services (CLASS);

i. A.3.4. Deaf-Blind Multiple Disabilities (DBMD)
j. A.3.5. Medically Dependent Children Program (MDCP);
k. A.3.6. Consolidated Waiver Program;
l. A.3.7. Texas Home Living Waiver;
m. A.5.1. Program of All-inclusive Care for the Elderly (PACE);
n. A.6.1. Nursing Facility Payments;
o. A.6.2. Medicare Skilled Nursing Facility;
p. A.6.3. Hospice;
q. A.6.4. Promoting Independence Services;
r. A.7.1. Intermediate Care Facilities - Mental Retardation (ICF/MR); and
s. B.1.1. Long-Term Care Facility Regulation

may be transferred to any other item of appropriation or expended for any purpose other than the specific purpose for which the funds are appropriated without the prior written approval of the Legislative Budget Board and the Governor. However, transfers may be made between Medicaid Strategies in accordance with other provisions in this Act, including the general transfer provisions.

12. Other Reporting Requirements.

a. **Federal Reports.** The Department of Aging and Disability Services shall submit the following information to the Legislative Budget Board and the Governor no later than the date the respective report is submitted to the federal government:

(1) Notification of proposed State Plan amendments or waivers for strategies in Goal A. Long-term Care Continuum and any other federal grant requiring a state plan. State Plan amendments and waiver submission shall also be provided to the Senate Health and Human Services, House Human Services, and House Public Health committees.

(2) A copy of each report or petition submitted to the federal government relating to Goal A. Long-term Care Continuum.

b. **Federal Issues.** The Department of Aging and Disability Services shall notify the Legislative Budget Board and the Governor on a timely basis about emerging issues that could result in the loss of more than $1 million in federal revenue assumed in the appropriations act.

c. **Monthly Financial Reports.** The Department of Aging and Disability Services shall submit the following information to the Legislative Budget Board and the Governor on a monthly basis:

(1) Information on appropriated, budgeted, expended, and projected funds, by strategy and method of finance.

(2) Narrative explanations of significant budget adjustments, ongoing budget issues, and other items as appropriate.

(3) Any other information requested by the Legislative Budget Board or the Governor.

The monthly financial reports shall be prepared in a format specified by the Legislative Budget Board.

13. Earned Federal Funds.

a. The Department of Aging and Disability Services shall submit a monthly report to the Legislative Budget Board and the Governor which details revenues, expenditures, and balances for earned federal funds as of the last day of the prior month. The report shall be prepared in a format approved by the Legislative Budget Board.

b. The method of financing item, Earned Federal Funds, for appropriations made above includes unexpended balances of earned federal funds remaining as of August 31, 2005 (estimated to be $2,235,255), and receipts earned in fiscal years 2006 and 2007.

14. Revolving Account for the Consolidated Health and Human Services Print Shop. It is the intent of the Legislature that the Department of Aging and Disability Services establish and maintain the "Revolving Account for the Consolidated Health and Human Services Print Shop" to account for the expenditures, revenues, and balances of managing a full-cost recovery

Consolidated Print Shop. The expenditures, revenues, and balances included above for this operation shall be maintained separately by the Department of Aging and Disability Services within its accounting system. Any unobligated balances as of August 31, 2006, are appropriated for the same use during fiscal year 2007. For the purpose of meeting cash flow needs, the Department of Aging and Disability Services may temporarily transfer funds from Strategy C.1.3, Other Support Services, to the revolving account. Transfers must be returned by the end of the fiscal year.

15. Appropriation Transfer Between Fiscal Years. In addition to the transfer authority provided elsewhere in this Act, the Department of Aging and Disability Services may transfer appropriations made for fiscal year ending August 31, 2007 to fiscal year ending August 31, 2006, subject to the following conditions provided by this section:

a. Transfers under this section may be made only:

(1) If costs associated with providing Long Term Care Medicaid services exceed the funds appropriated for these services for fiscal year 2006, or

(2) for any other emergency expenditure requirements, including expenditures necessitated by public calamity.

(3) if appropriated receipts generated through the MR related programs required to fund appropriations contained in this Act for fiscal year 2006 are less than those contained in the method of finance for the department for fiscal year 2006.

b. Transfers may not exceed $50,000,000 in general revenue.

c. A transfer authorized by this section must receive the prior approval of the Governor and the Legislative Budget Board.

d. The Comptroller of Public Accounts shall cooperate as necessary to assist the completion of a transfer and spending made under this section.

16. Reimbursement of Advisory Committees. Pursuant to Government Code § 2110.004, reimbursement of expenses for advisory committee members, out of funds appropriated above, not to exceed $8,000 per fiscal year is limited to the following advisory committee:

Nursing Facility Administrators Advisory Committee

To the maximum extent possible, the department shall encourage the use of videoconferencing and teleconferencing and shall schedule meetings and locations to facilitate the travel of participants so that they may return the same day and reduce the need to reimburse members for overnight stays.

17. Survey of Nursing Facility Residents. Out of funds appropriated above, the Department of Aging and Disability Services is allocated

a. Up to $360,000 in All Funds, of which up to $180,000 is General Revenue Funds, in fiscal year 2006 to conduct surveys of nursing facility residents and individuals receiving other long-term services and supports. The surveys shall assess how satisfied individuals are with their quality of care and quality of life. Not later than January 15, 2007, the department shall submit a written report on the survey to the Legislature, Governor, and Health and Human Services Commissioner; and

b. Up to $1,000,000 in All Funds, of which up to $500,000 is General Revenue Funds, to perform on-site case reviews of the care of nursing home residents and individuals receiving other long-term care services and supports. These reviews will identify preventable occurrences of adverse outcomes. The result of these reviews will be included in the report to the Legislature, Governor and Health and Human Services Commissioner described in (a) above.

18. Promoting Independence-Client Services. It is the intent of the Legislature that as clients relocate from nursing facilities to community care services, funds will be transferred from Nursing Facilities to Community Care Services to cover the cost of the shift in services.

19. Nursing Facility Beds for Medicaid Eligible Veterans. Contingent upon a request from the

Texas Veterans Land Board, it is the intent of the Legislature that the Department of Aging and Disability Services maintain a program for Medicaid-eligible veterans that will enable those individuals to be placed in State Veterans Homes. It is further the intent of the Legislature that the department amend its nursing facility bed allocation rules to create sufficient certified beds to accommodate the requirements of such a program.

20. Centers of Excellence. It is the intent of the Legislature that out of amounts appropriated above to Strategy B.1.1, Long-Term Care Facility Regulation, and funds obtained through a grant from a national foundation, the Department of Aging and Disability Services shall allocate funds for a Centers for Excellence program. The department shall partner with an institution of higher education to promote positive outcomes for the residents of Long Term Care facilities, identify best practices and improve service delivery. Not later than January 15, 2007, the department shall submit to the Legislature and the Governor a report which identifies progress made towards achieving these goals.

21. Payment of August 2007 Payments for MR Community Services. Funds appropriated above include a reduction of $5,300,000 in General Revenue Funds to Strategy A.4.3, Mental Retardation Community Services, and $200,000 in General Revenue Funds to Strategy A.4.4, Mental Retardation Community Services Residential, for fiscal year 2007. The Department of Aging and Disability Services is authorized to defer the August 2007 payments to MR community centers until September of 2007.

22. Community Care Services. It is the intent of the Legislature that the Department of Aging and Disability Services shall maintain a community care assessment tool that focuses primarily on a client's ability to perform functional tasks.

23. Maximization of Community Care Services. The Department of Aging and Disability Services shall maximize services utilizing the most efficient and effective combination of functional needs score and hours of service to best meet the needs of community care clients. It is the intent of the Legislature that the department utilize all available flexibility to ensure the maximization of community care resources.

24. Limitation on MR State School Strategy Transfers. The transfer of appropriations from Strategy A.8.1, MR State Schools Services, to any other strategy is limited to 5 percent without the prior approval of the Legislative Budget Board and the Governor.

25. State School Medicaid Revenues. Pursuant to Article IX, Sec 6.11, Salaries to Be Proportionate By Funds, payment for salaries, wages, and benefits for ICF/MR state school employees shall be proportional to the source of funds. The department shall develop a plan for the 2006-07 biennium which identifies the appropriate portion of state and federal funds for salaries, wages, and benefits for ICF/MR state school employees. This plan is subject to review by the Comptroller of Public Accounts and the Legislative Budget Board and shall be certified by the CFO of the department by October 1, 2005 prior to submission to the Legislative Budget Board.

The Department of Aging and Disability Services shall report quarterly to the Legislative Budget Board and the Governor on the distribution of ICF/MR state school revenues to other state agencies. This report shall be submitted no later than 25 days after the close of each quarter. The format and content of the report shall be prescribed by the Legislative Budget Board.

26. Home and Community-Based Services (HCS) Waiver Program. The department shall ensure the cost-effectiveness of the HCS program by limiting the average annual HCS expenditure per client to 80 percent of the average annual per client ICF-MR expenditure. Expenditures for individual clients may exceed this cap as long as the overall average expenditure for HCS clients remains below 80 percent of the ICF-MR annual average. Furthermore, it is the intent of the Legislature that, in order to increase the number of clients served, the overall average monthly expenditure per client may not exceed $3,508 per month in fiscal years 2006 and 2007. The Department of Aging and Disability Services and the Health

and Human Services Commission shall report to the Legislative Budget Board and Governor by October 1 of each year of the biennium, on the measures taken to decrease the average cost per person and to increase the number of clients served in the HCS program.

27. **MR Residential Services Funded by General Revenue.** The Department of Aging and Disability Services shall refinance, with Medicaid funding, mental retardation residential services to Medicaid-eligible clients that are currently funded with general revenue. This refinancing effort shall include both public and private general revenue-funded programs. The department shall accomplish this refinancing through the use of Medicaid waiver programs, or, if necessary, the Intermediate Care Facility for the Mentally Retarded program. The department shall submit a report by October 1 of each year of the biennium to the Legislative Budget Board and the Governor that documents the number of persons and residential sites converted to Medicaid funding. The format of this report shall be prescribed by the Legislative Budget Board.

28. **State School Funding.** It is the intent of the Legislature that the department implement a single funding methodology for state schools which funds all state schools equitably and at a level which is adequate to maintain compliance with applicable federal standards. The methodology should be based on the number of residents in each school and the needs of those residents.

29. **Use of Timber Receipts for Capital Projects.** The Department of Aging and Disability Servicesis hereby authorized to sell timber located on department land. Revenues generated from the sale of timber, estimated at zero for the biennium, shall be deposited into the Texas Capital Trust Fund Account No. 543.

30. **State School Funding and Staffing Levels.** It is the intent of the Legislature that funding for state schools shall be based on the number of residents in each state school at the beginning of the fiscal year and the needs of those residents. Staffing patterns at state schools shall not reflect a census decline until a campus has realized a decline in census.

31. **Disposition of Construction Appropriation Related to Mental Retardation.** Construction appropriations may be used to pay salaries and travel expenses of department engineers and architects and administrative expenses of construction projects (but shall not exceed $300,000 in a fiscal year that are paid out of G.O. Bonds); architect's and engineer's fees; and the actual travel expenses incurred by them or their representatives in making trips of inspection at the discretion of the department during construction, renovation, or repair of buildings and systems or the installation of fixed equipment. Job titles and rates of pay for such salaried positions of department personnel paid from construction appropriations shall conform with the Position Classification Plan and Classification Salary Schedule.

32. **Mexia State School Medicaid-decertified Beds.** It is the intent of the Legislature that all funds appropriated in Strategy A.8.1, MR State Schools Services, to fund beds at Mexia State School that have been decertified from Medicaid and related costs shall be distributed to Mexia State School.

33. **Unexpended Construction Balances.** Any unexpended construction, repair, or renovation balances from previous appropriations, estimated to be $1,590,000 from fiscal year 2005 to fiscal year 2006 and included in the method of finance above as General Obligation Bond proceeds and in Strategy A.9.1, Capital Repairs and Renovations, are hereby appropriated to the Department of Aging and Disability Services for the same purposes. At least 45 days prior to budgeting such appropriated funds, the Department of Aging and Disability Services shall report on the appropriated fund sources, amounts and year of appropriation and on the proposed use of these funds to the Legislative Budget Board and the Governor.

34. **Unexpended Balances: ICF/MR Standards.** Except as otherwise provided, unexpended and unobligated balances, not to exceed $5 million in General Revenue, remaining from appropriations for the first year of the biennium to the Department of Aging and Disability Services are appropriated to the department for the purpose of complying with Intermediate Care Facilities for the Mentally Retarded (ICF-MR) standards dealing with residential, non-residential, and community based mental retardation services. This paragraph does not apply to those unexpended and unobligated balances remaining from appropriations for the first year of the biennium that the department is authorized by this Act to retain for specific purposes in the second year of the biennium. The department shall notify the Legislative Budget Board and the Governor as to when the appropriation originated, why it is not needed, and how it will be used prior to budgeting and expending these balances.

35. **Revolving Fund Services: Canteen Services and Sheltered Workshops.**

a. Canteen Services. Each of the mental retardation facilities under control and management of the Department of Aging and Disability Services, except the State Office, may establish, maintain and operate a canteen for the convenience of its residents. Any balances remaining in each canteen operation fund are appropriated for the biennium beginning with the effective date of this Act in an amount estimated to be $150,000 from balances on hand on August 31, 2005 and included above in Strategy A.8.1, MR State Schools Services. Any unobligated balances as of August 31, 2006, are appropriated for the same use during fiscal year 2007. All receipts deposited to its credit, estimated to be $2,052,559 in fiscal year 2006 and $2,052,559 in fiscal year 2007 and included above in Strategy A.8.1, MR State Schools Services, are appropriated for all costs necessary for the operation of a canteen for the next fiscal year. Funds appropriated for canteen services are reflected in the method of finance above as MR Revolving Fund Receipts. Each of the mental retardation facilities under control and management of the department that contracts with the Department of Assistive and Rehabilitative Services for the operation of its canteen shall deposit the amount of monies originally appropriated for its Canteen Operation Fund into the General Revenue Fund. The balance remaining in the facility's Canteen Operation Fund, after the amount originally appropriated is deposited to the General Revenue Fund, shall be deposited to the Benefit Fund created at the facility under the provisions of Health and Safety Code § 551.004.

The department shall provide information on related revenues, balances, contracts and profits to the Legislative Budget Board, Governor and Comptroller of Public Accounts. These revenues, expenditures and balances shall be reported and included in agency Operating Budgets, Legislative Appropriation Requests, and Annual Financial Reports. The timetable, format and content for additional monthly reports related to Canteen operations shall be prescribed by the Legislative Budget Board.

b. Sheltered Workshops. The Department of Aging and Disability Services may maintain a revolving fund for its management responsibilities related to sheltered workshops. Any balances remaining in the sheltered workshop funds are appropriated for the biennium beginning with the effective date of this Act in an amount estimated to be $992,286 from balances on hand remaining on August 31, 2005 and included above in Strategy A.8.1, MR State Schools Services. Any unobligated balances as of August 31, 2006, are appropriated for the same use during fiscal year 2007. All receipts deposited to the credit of the sheltered workshops, estimated to be $1,144,018 in fiscal year 2006 and $1,144,018 in fiscal year 2007 and included above in Strategy A.8.1, MR State Schools Services, are appropriated for all costs necessary for the operation of sheltered workshops. Funds appropriated for sheltered workshops are reflected in the method of finance above as MR Revolving Fund Receipts.

The department shall provide information on related revenues, expenditures, balances, contracts and profits to the Legislative Budget Board, Governor and Comptroller of Public Accounts. These revenues, expenditures and balances shall be reported and included in agency Operating Budgets, Legislative Appropriations Requests, and Annual Financial Reports. The timetable, format, and content for additional monthly reports related to the Sheltered Workshop Revolving Fund shall be prescribed by the Legislative Budget Board.

36. MR Residential Placement Options. Pursuant to § 533.038 of the Health and Safety Code, an individual with mental retardation or an individual's legally authorized representative seeking residential services shall receive a clear explanation of programs and services for which the individual is determined to be eligible, including state schools, community ICFs-MR, 1915(c) waiver services or other services, in order to ensure consumer choice. The programs and services that are explained shall be documented in the individual's record and acknowledged in writing by the individual or the individual's legally authorized representative. If the chosen programs or services are not available, the individual or the individual's legally authorized representative shall be given assistance in gaining access to alternative services and the selected waiting lists.

The department shall keep a central list of the number of openings available for each type of residential service. The department shall honor the program and services preferences of the person or the person's legally authorized representative to the maximum extent openings are available in a residential program or service for which the individual meets program criteria.

37. Appropriation and Unexpended Balances of Funds Recouped from Local Authorities. Notwithstanding other provisions of this Act, any state funds appropriated for fiscal year 2006 recouped by the Department of Aging and Disability Services from a local mental retardation authority for failing to fulfill its performance contract with the State, are hereby reappropriated

to the department to reallocate to other local mental retardation authorities to use for a related purpose in fiscal year 2007. In conjunction with the reallocation of funds, the department shall provide a report to the Legislative Budget Board and the Governor on the amount of funds, the reasons for the recoupment, the local authorities involved, any performance contract requirements that were not met, and the purposes of the reallocation.

38. Expenditures on Bond Homes. It is the intent of the Legislature that expenditures made for the provision of client services in bond homes operated by the Department of Aging and Disability Services shall not exceed the approved reimbursement rates.

39. Data on RSVP Matching Funds Required. It is the intent of the Legislature that the Department of Aging and Disability Services maintain data on the amount of matching funds required for federal grants to local retired senior volunteer programs. By October 1 of each fiscal year, the department shall submit to the Legislative Budget Board and the Governor a report in such detail as the two offices may require.

40. Unit Cost Reporting Required. It is the intent of the Legislature that the Department of Aging and Disability Services maintain a reporting system that clearly and accurately identifies the unit cost of each service provided by each Area Agency on Aging and that the results of this unit cost reporting be provided to the Legislative Budget Board and the Governor semi-annually and in a form that the two offices may require.

41. Appropriation and Unexpended Balances: Affordable Housing for the Elderly. Funds appropriated above include fees collected pursuant to § 394.902, Local Government Code, and § 101.022, Human Resources Code, as amended, for the purpose of promoting affordable housing for the elderly ($840,000 for the biennium). The Department of Aging and Disability Services shall submit a report to the Legislative Budget Board and the Governor by October 1 of each year. The report shall identify for the prior fiscal year the amount of fees collected and deposited into the General Revenue Fund, the dollar value of grants issued with such funds, the number of persons or entities receiving grants, and the specific purposes for which grants were issued.

Any unexpended balances in fees collected to promote affordable housing for the elderly for the fiscal year ending August 31, 2006, may be carried forward into fiscal year 2007, and such balances are hereby appropriated.

In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

42. Reimbursement of Advisory Council Members. Pursuant to Human Resources Code § 161.027, reimbursement of travel expenses for Aging and Disability Services Council members, out of funds appropriated above, is hereby authorized such that the sum total of all reimbursements for members of the council shall not exceed $10,825 per fiscal year, at the rates specified in the general provisions of this Act.

43. Appropriation: GR-Dedicated Account No. 5055 License Plate Revenue. Included in funds appropriated above in Strategy A.4.3, MR Community Services, is $4,488 for the biennium in revenue generated from the sale of specialized "Special Olympics Texas" license plates and collected in GR-Dedicated Account No. 5055. Any additional revenues generated by the sale of specialized "Special Olympics Texas" plates above $4,488 is hereby appropriated to the agency (estimated to be $0) for the 2006-07 biennium. It is the intent of the Legislature that these funds be expended for costs associated with training and with area and regional competitions of the Special Olympics Texas.

44. Cost Comparison Report. The department shall develop a report for the Legislature analyzing state and federally funded residential and nonresidential services in HCS, Texas Home Living, and ICF/MR for people with mental retardation.

a. The report shall include:

(1) the monthly average cost to the state per person for individuals residing in state-operated and non-state operated Intermediate Care Facilities for individuals with Mental Retardation (ICF/MR) by rate class;

(2) the combined average monthly cost to the state per person participating in the HCS and Texas Home Living Waivers; and

(3) a comparison of severity across settings by level of need (LON).

b. With respect to the cost to the state per person residing in a state operated ICF/MR facility, the department shall include all costs, such as SWICAP, DICAP, maintenance and construction costs, employee benefit costs and other federally allowable administrative, medical and overhead costs. With respect to the cost to the state per person in state-operated ICF/MR facilities, non-state operated ICF/MR facilities and the HCS and Texas Home Living waivers, the department shall include all Medicaid costs that are not included in the waiver rate for those programs and all costs to administer and license those programs.

c. Costs for waiver recipients will cover the time a person is enrolled in the waiver through the time they are terminated from waiver services. The cost for ICF/MR services will cover the time a person is admitted to the facility to the time of discharge unless the person is admitted to an ICF/MR or waiver within 60 days of discharge. In that case the Medicaid costs incurred during discharge will be counted towarad the ICF/MR costs.

45. Additional Program of All-Inclusive Care for the Elderly (PACE) Sites. Out of funds appropriated above and notwithstanding any other provisions of this Act, the Commissioner of the Department of Aging and Disability Services may transfer funds to Strategy A.5.1, Program of All-inclusive Care Elderly (PACE), to create two (2) additional PACE sites. Each of these two new PACE sites will not exceed 150 recipients by August 31, 2007.

46. Promoting Community Services for Children. It is the intent of the Legislature, to provide opportunities for children (under the age of 22) residing in community intermediate care facilities for the mentally retarded to transition to families during the 2006-07 biennium. To facilitate such transitions when requested by parent/guardian, funding for up to 50 children residing in community intermediate care facilities for the mentally retarded may be transferred from the ICF/MR strategy to Community Care Services Strategies to cover the cost of the shift in services. The Executive Commissioner may develop rules that would allow decertification of the ICF/MR beds upon such transition to prevent additional costs being incurred.

47. Contingency Appropriation for Senate Bill 6-Transfer of Guardianship Contracts. Contingent upon passage of Senate Bill 6 or similar legislation related to the transfer of the guardianship program to the Department of Aging and Disability Services:

a. All contracts of the Department of Family and Protective Services (DFPS) with a local guardianship program for the provision of guardianship services shall become a contract between the Department of Aging and Disability Services (DADS) and that same local guardianship program. All powers, duties, funds, and obligations under that contract that were the powers, duties, funds, and obligations of DFPS shall become the powers, duties, funds, and obligations of DADS. For fiscal year 2006, DADS may continue any existing contracts for guardianship services transferred under this section and may enter into new contracts with the same or different entities without the use of competitive procurement unless so directed by the Executive Commissioner of the Health and Human Services Commission.

b. Out of the funds appropriated above, the Department of Aging and Disability Services shall pay guardianship program caseworkers, supervisors and directors an amount not to exceed $50 per month for work-related use of the personal cellular telephones.

48. Payment of August 2007 Payments. Funds included above for the Department of Aging and

Disability Services include a reduction of $359,953,852 in All Funds including $140,000,000 in General Revenue Related Funds, for the August 2007 payments of the following strategies:

A.2.1, Primary Home Care
A.2.2, Community Attendant Services
A.2.3, Day Activity and Health Services
A.3.1, Community-Based Alternatives
A.3.2, Home and Community-Based Services
A.3.3, Community Living Assistance (CLASS)
A.6.1, Nursing Facility Payments
A.6.2, Medicare Skilled Nursing Facility
A.6.3, Hospice
A.6.4, Promoting Independence Services
A.7.1, Intermediate Care Facilities - MR

The Department of Aging and Disability Services is authorized to defer payment of the August 2007 payments until September 2007. These deferred payments will be paid from fiscal year 2008 appropriations. The department may allocate the deferral/savings as appropriate among the strategies indicated above.

49. Contingency Appropriation out of the Quality Assurance Account. Amounts appropriated above out of the Quality Assurance Account No. 5080 in strategies A.7.1, Intermediate Care Facilities-MR, and A.8.1, MR State Schools Services, totaling $50,416,140 in fiscal year 2006 and $50,455,727 in fiscal year 2007, are contingent upon the enactment of legislation by the Seventy-ninth Legislature, Regular Session, relating to the continuation of the Quality Assurance Fee on Intermediate Care Facilities for Persons with Mental Retardation.

50. Pilot Project for Persons with Developmental Disabilities. The Department of Aging and Disability Services (DADS) is required to continue a project in Midland County which identified and served 16 individuals who have required long-term care services in the past and are still in need of and eligible for services in a § 1915(c) Medicaid waiver program. For purposes of continuing this project, DADS shall expend, out of funds appropriated, for fiscal years 2006 and 2007, an amount sufficient to continue DADS waiver program services to individuals participating in this project as long as those individuals meet programmatic eligibility criteria. The project must meet all current department rules and federal Medicaid requirements, including ensuring choice of provider and choice of service option. DADS will evaluate the effectiveness of the project with regard to meeting personal outcomes as identified by project participants as well as costs associated with the project.

51. Contingent Appropriations for Nursing Facilities and Hospice Payments. Appropriations made above from nursing facility quality assurance fee (QAF) revenues are contingent upon the enactment of authorizing legislation and federal approval of necessary waiver requests and state plan amendments required to comply with federal regulations under 42 C.F.R. Section 433.68(e). It is the intent of the Legislature that appropriations from this source be used to enhance the quality of care provided to nursing home residents, improve payment rates to providers and finance the transition to a more effective reimbursement methodology. Appropriations made above include the amounts necessary to fund the following specific purposes: 1) the Medicaid rate increase required to reimburse providers for the QAF associated with Medicaid units of service ($132,346,268 GR-Dedicated, Estimated and $207,700,669 in Federal Funds); 2) increased costs resulting from increased resident acuity ($14,733,470 GR-Dedicated, Estimated and $23,310,378 in Federal Funds); 3) restoration of rates to FY 2003 levels ($30,764,589 GR-Dedicated, Estimated and 48,280,878 in Federal Funds); 4) provider rate payments ($166,100,000 GR-Dedicated, Estimated and $260,671,752 in Federal Funds); and 5) costs associated with a rate reimbursement methodology for Nursing Facilities based upon a Resource Utilization Groups Resident Classification System - RUGS III ($3,300,000 GR-Dedicated, Estimated and $3,300,000 in Federal Funds).

52. Contingent Appropriations for Home and Community-based (HCS) Waiver Services Program, Community Living Assistance and Support Services (CLASS) Waiver Services Program. Appropriations made above from HCS and CLASS Waiver Services Program quality assurance fee (QAF) revenues are contingent upon enactment of authorizing legislation and federal approval of necessary waiver requests and state plan amendments required to comply with federal regulations under 42 C.F.R. Section 433.68(e). It is the intent of the Legislature that appropriations from this source be used to enhance the quality of care provided to HCS and CLASS waiver services program residents and improve payment rates to providers. Appropriations made above include the amounts necessary to fund the following specific

purposes: 1) the Medicaid rate increase required to reimburse HCS and CLASS providers for the QAF associated with Medicaid units of service ($20,308,533 GR-Dedicated, Estimated and $31,871,665 in Federal Funds); 2) restoration of HCS, CLASS, and Community ICF-MR rates to FY 2003 levels ($8,444,965 GR-Dedicated, Estimated and $13,253,297 in Federal Funds); 3) HCS, CLASS, and Community ICF-MR provider rate increases ($17,747,880 GR-Dedicated, Estimated and $27,853,035 in Federal Funds); and 4) restore rates above the base related to Demographic Growth and 10% Waiting List Exceptional Items ($3,872,759 GR-Dedicated, Estimated and $6,138,811 in Federal Funds).

53. Waiting List Reduction. Notwithstanding any other provision in this Act, the Department of Aging and Disability Services is directed to consider factors such as length of time on the interest/waiting list, size of waiting list, demographics, average cost, and crisis stabilization in providing services to waiting list clients on a program-specific basis.

54. CPS Reform Plan. Out of funds appropriated above in Strategy A.3.2, Home and Community-Based Services, $1,182,270 in General Revenue Funds, and the associated federal funds, are set aside each fiscal year for children aging out of Foster Care.

55. Non-Medicaid Services-Title XX and In-Home and Family Support Transfers. Out of funds appropriated above, the Department of Aging and Disability Services shall expend $1,200,000 in General Revenue Funds in Strategy A.4.1, Non-Medicaid Services - Title XX, and $800,000 in General Revenue Funds in Strategy A.4.8, In-Home and Family Support, to provide services to clients on waiting lists. The department is authorized to make transfers between strategies for this purpose. The department shall notify the Legislative Budget Board and the Governor at least 45 days prior to transferring funds of the amounts to be transferred and the affected strategies.

DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 7,136,437	$ 7,193,917
GR Match for Medicaid	1,658,086	1,658,086
Earned Federal Funds	2,889,266	2,889,266
GR Certified as Match for Medicaid	18,000,000	18,000,000
GR for Vocational Rehabilitation	40,767,251	41,273,842
General Revenue for ECI	10,241,318	10,241,319
Subtotal, General Revenue Fund	$ 80,692,358	$ 81,256,430
General Revenue Fund - Dedicated		
Business Enterprise Program Trust Fund, estimated	515,350	515,350
I Love Texas License Plate Acct. No. 5086, estimated	19,091	19,091
Comprehensive Rehabilitation Account No. 107	10,506,145	10,506,146
Business Enterprise Program Account No. 492	1,491,074	1,491,074
Subtotal, General Revenue Fund - Dedicated	$ 12,531,660	$ 12,531,661
Federal Funds	360,034,487	367,847,133
Other Funds		
Appropriated Receipts	99,000	99,000
Interagency Contracts	854,837	854,837
Blind Endowment Fund No. 493, estimated	0	0
Universal Services Fund Reimbursements	644,336	657,664
Subrogation Receipts, estimated	500,000	500,000
Interagency Contracts for VR	499,248	499,248

Appropriated Receipts for VR	200,000	210,000
Interagency Contracts - Transfer from Foundation School Fund No. 193	16,498,102	16,498,102
Subtotal, Other Funds	$ 19,295,523	$ 19,318,851
Total, Method of Financing	$ 472,554,028	$ 480,954,075
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 24,461	$ 24,047
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	3,125.8	3,125.8
Schedule of Exempt Positions:		
Commissioner, Group 5	$125,000	$125,000
Items of Appropriation:		
A. Goal: CHILDREN WITH DISABILITIES		
Ensure Children and Their Families Reach Their Developmental Goals.		
A.1.1. Strategy: ECI ELIGIBILITY AWARENESS Ensure Eligible Children Are Identified.	$ 430,264	$ 430,264
A.1.2. Strategy: ELIGIBILITY DETERMINATION Eligibility Determination Services.	$ 33,784,817	$ 35,861,019
A.1.3. Strategy: COMPREHENSIVE SERVICES Administer System of Comprehensive Services.	$ 96,914,629	$ 100,745,461
A.1.4. Strategy: RESPITE SERVICES	$ 400,000	$ 400,000
A.1.5. Strategy: ENSURE QUALITY SERVICES Ensure Quality ECI Services by Training, Evaluation and Assistance.	$ 1,127,188	$ 1,127,188
A.2.1. Strategy: HABILITATIVE SERVICES FOR CHILDREN Habilitative Services for Blind and Visually Impaired Children.	$ 2,519,108	$ 2,516,809
Total, Goal A: CHILDREN WITH DISABILITIES	$ 135,176,006	$ 141,080,741
B. Goal: PERSONS WITH DISABILITIES		
Rehabilitation Services for Persons with Disabilities.		
B.1.1. Strategy: INDEPENDENT LIVING SERVICES - BLIND	$ 2,114,636	$ 2,114,637
B.1.2. Strategy: BLINDNESS EDUCATION Blindness Education, Screening and Treatment Program.	$ 518,845	$ 518,845
B.1.3. Strategy: VOCATIONAL REHABILITATION - BLIND Voc Rehab Services for Persons Who are Blind or Visually Impaired.	$ 36,248,777	$ 36,675,158
B.1.4. Strategy: BUSINESS ENTERPRISES OF TEXAS	$ 2,184,820	$ 2,184,820
B.1.5. Strategy: BUSN ENTERPRISES OF TEX TRUST FUND Business Enterprises of Texas Retirement Trust Fund.	$ 515,350	$ 515,350
B.2.1. Strategy: CONTRACT SERVICES Contract For Services for Persons Who Are Deaf or Hard of Hearing.	$ 1,187,613	$ 1,187,614
B.2.2. Strategy: CONSUMER AND INTERPRETER EDUCATION Ensure the Quality of Programs through Training & Educational Programs.	$ 505,195	$ 505,196
B.2.3. Strategy: INTERPRETERS CERTIFICATION Certify and Regulate Interpreters.	$ 206,233	$ 206,234
B.2.4. Strategy: TELEPHONE ACCESS ASSISTANCE Telecommunications Access Assistance.	$ 644,336	$ 657,664
B.3.1. Strategy: VOCATIONAL REHABILITATION - GENERAL Rehabilitate & Place People w/Disabilities in Competitive Employment.	$ 171,455,983	$ 173,454,106
B.3.2. Strategy: INDEPENDENT LIVING CENTERS Work w/Independent Living Centers & State	$ 1,439,283	$ 1,439,283

Independent Living Council.		
B.3.3. Strategy: INDEPENDENT LIVING SERVICE - GEN	$ 3,044,461	$ 3,074,309
Provide Consumer-driven Independent Living Services.		
B.3.4. Strategy: COMPREHENSIVE REHABILITATION	$ 12,775,732	$ 12,803,360
Provide Services to People with Spinal Cord/Traumatic Brain Injuries.		
Total, Goal B: PERSONS WITH DISABILITIES	$ 232,841,264	$ 235,336,576
C. Goal: DISABILITY DETERMINATION		
Provide Disability Determination Services within SSA Guidelines.		
C.1.1. Strategy: DISABILITY DETERMINATION SVCS (DDS)	$ 82,584,022	$ 82,584,022
Disability Determination Services (DDS).		
D. Goal: PROGRAM SUPPORT		
D.1.1. Strategy: CENTRAL PROGRAM SUPPORT	$ 9,455,822	$ 9,455,822
D.1.2. Strategy: REGIONAL PROGRAM SUPPORT	$ 1,534,968	$ 1,534,969
D.1.3. Strategy: OTHER PROGRAM SUPPORT	$ 4,963,210	$ 4,963,208
D.1.4. Strategy: IT PROGRAM SUPPORT	$ 5,998,736	$ 5,998,737
Information Technology Program Support.		
Total, Goal D: PROGRAM SUPPORT	$ 21,952,736	$ 21,952,736
Grand Total, DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES	$ 472,554,028	$ 480,954,075
Supplemental Appropriations Made in Riders:	$ 7,783,401	$ 15,341,367
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 113,622,442	$ 113,622,442
Other Personnel Costs	4,021,073	4,022,393
Professional Fees and Services	10,272,748	10,020,748
Fuels and Lubricants	24,455	24,495
Consumable Supplies	1,515,511	1,516,511
Utilities	4,503,065	5,088,465
Travel	2,280,572	2,283,773
Rent - Building	6,459,309	6,459,309
Rent - Machine and Other	3,896,786	3,896,986
Other Operating Expense	16,897,007	17,560,316
Client Services	194,475,064	204,235,601
Grants	119,624,873	124,867,013
Capital Expenditures	2,744,524	2,697,390
Total, Object-of-Expense Informational Listing	$ 480,337,429	$ 496,295,442
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 5,696,643	$ 5,810,576
Group Insurance	21,804,802	23,876,213
Social Security	7,649,357	7,802,344
Benefits Replacement	1,356,791	1,334,147
Subtotal, Employee Benefits	$ 36,507,593	$ 38,823,280
Debt Service		
Lease Payments	$ 2,659,248	$ 2,675,570
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 39,166,841	$ 41,498,850

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Assistive and Rehabilitative Services. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Department of Assistive and Rehabilitative Services. In order to achieve the objectives and service standards established by this Act, the Department of Assistive and Rehabilitative Services shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: CHILDREN WITH DISABILITIES		
Outcome (Results/Impact):		
Percent of Population under Age Three Served	3.77%	3.98%
Percent Growth in Number of Children Enrolled in Comprehensive Services	6%	5.8%
A.1.2. Strategy: ELIGIBILITY DETERMINATION		
Output (Volume):		
Number of Children Receiving Follow Along Services	7,438	7,939
Number of Children Receiving Eligibility Services	42,350	44,837
A.1.3. Strategy: COMPREHENSIVE SERVICES		
Output (Volume):		
Number of Children Served in Comprehensive Services	47,175	48,978
Efficiencies:		
Average Cost Per Child: Comprehensive Services State and Federal Funds	2,023	2,027
A.1.4. Strategy: RESPITE SERVICES		
Output (Volume):		
Number of Children Receiving Respite Services	1,000	1,000
A.1.5. Strategy: ENSURE QUALITY SERVICES		
Output (Volume):		
Number of Training and Technical Assistance Events Provided	206	206
A.2.1. Strategy: HABILITATIVE SERVICES FOR CHILDREN		
Output (Volume):		
Number of Children Receiving Habilitative Services	2,909	2,906
Efficiencies:		
Average Cost Per Child Served	866	866
B. Goal: PERSONS WITH DISABILITIES		
Outcome (Results/Impact):		
Percent of VR-Blind Consumers Who Achieve Employment Outcomes	72%	72%
Percent Increase in the Number of Individuals Who Are Deaf or Hard of Hearing Receiving Communication Access Services	2.4%	0%
Percent of VR-General Consumers Who Achieve Employment Outcomes	55.8%	60%
Percent of Employed Rehabilitants (VR-General) Earning at Least Minimum Wage	97.3%	97.3%
B.1.1. Strategy: INDEPENDENT LIVING SERVICES - BLIND		
Output (Volume):		
Number of Consumers Served	5,367	5,367
Efficiencies:		
Average Cost Per Consumer Served	394	394
B.1.2. Strategy: BLINDNESS EDUCATION		
Output (Volume):		
Number of Individuals Receiving Screening and Treatment Services in the BEST Program	7,861	7,861
Efficiencies:		
Average Cost Per Individual Receiving Screening and Treatment Services in the BEST Program	66	66
B.1.3. Strategy: VOCATIONAL REHABILITATION - BLIND		
Output (Volume):		
Number of Consumers Served	10,069	10,188
Efficiencies:		
Average Cost Per Consumer Served	3,600	3,600
B.1.4. Strategy: BUSINESS ENTERPRISES OF TEXAS		
Output (Volume):		
Number of Consumers Employed	129	129
Efficiencies:		
Average Cost Per Consumer	17,000	17,000
B.2.1. Strategy: CONTRACT SERVICES		
Output (Volume):		
Number of Contact Hours of Communication Access Services Provided	24,237	24,237

B.2.2. Strategy: CONSUMER AND INTERPRETER EDUCATION		
Output (Volume):		
Number of Consumers Educated and Interpreters Trained	6,000	6,000
Efficiencies:		
Average Cost Per Camper	238	238
B.2.3. Strategy: INTERPRETERS CERTIFICATION		
Output (Volume):		
Number of Interpreter Certificates Issued	1,650	1,677
Efficiencies:		
Average Time for Ethics Complaint Resolution (Certified Interpreter): Days	90	90
B.2.4. Strategy: TELEPHONE ACCESS ASSISTANCE		
Output (Volume):		
Number of Equipment/Service Vouchers Issued	14,500	14,500
B.3.1. Strategy: VOCATIONAL REHABILITATION - GENERAL		
Output (Volume):		
Number of Consumers Served	109,837	111,117
Number of Consumers Who Achieved Employment Outcomes	18,500	17,000
Efficiencies:		
Cost Per Consumer Served	1,561	1,561
B.3.2. Strategy: INDEPENDENT LIVING CENTERS		
Output (Volume):		
Number of People Receiving Services from Independent Living Centers	3,822	3,822
B.3.3. Strategy: INDEPENDENT LIVING SERVICE - GEN		
Output (Volume):		
Number of People Receiving DRS Supported Independent Living Services	2,613	2,639
B.3.4. Strategy: COMPREHENSIVE REHABILITATION		
Output (Volume):		
People Receiving Comprehensive Rehabilitation Services	639	640
Efficiencies:		
Cost Per CRS Consumer	20,000	20,000
C. Goal: DISABILITY DETERMINATION		
Outcome (Results/Impact):		
Percent of Case Decisions That Are Accurate	90.6%	90.6%
C.1.1. Strategy: DISABILITY DETERMINATION SVCS (DDS)		
Output (Volume):		
Number of Disability Cases Determined	270,000	270,000
Efficiencies:		
Cost Per Disability Case Determination	306	306

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended for the purposes shown and are not available for expenditures for other purposes. Amount appropriated above have been identified in this provision as appropriations either for "Lease Payments to Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2006	2007
Out of the Federal Funds:		
a. Acquisition of Information Resource Technologies		
(1) SSA Redesign Refresh & Reconfiguration of State DDS	$ 1,181,002	$ 1,181,002
(2) Seat Management Services	2,661,067	2,661,067
(3) Infrastructure and Development Platform Refresh	840,722	840,720
(4) Consumer Case Management System	$ 1,669,000	$ 767,400
Total, Acquisition of Information Resource Technologies	$ 6,351,791	$ 5,450,189
b. Transportation Items		
(1) Vehicles	$ 46,500	$ 47,500

c. Acquisition of Capital Equipment and Items		
(1) Establish and Refurbish Food Service Facilities	$ 340,000	$ 340,000
Total, Capital Budget	$ 6,738,291	$ 5,837,689

3. Reimbursement of Advisory Committee Members. Pursuant to Government Code § 2110.004, reimbursement of expenses for advisory committee members, out of funds appropriated above, not to exceed the amounts stated below per fiscal year, is limited to the following advisory committees:

Early Childhood Intervention Advisory Council	$16,650
Elected Committee of Managers	$10,540
Board for Evaluation of Interpreters	$4,500
Rehabilitation Council of Texas	$76,845

To the maximum extent possible, the department shall encourage the use of videoconferencing and teleconferencing and shall schedule meetings and locations to facilitate the travel of participants so that they may return the same day and reduce the need to reimburse members for overnight stays.

4. Reimbursment of Advisory Council Members. Pursuant to Human Resources Code §117.027, reimbursement of expenses for Assistive and Rehabilitative Services Council members, out of funds appropriated above, is hereby authorized such that the sum total of all reimbursements for members of the Council shall not exceed $33,182 per fiscal year.

5. Notification of Federal Funds Distribution.

a. Redirection of General Revenue Funds. The Department of Assistive and Rehabilitative Services (DARS) shall notify the Legislative Budget Board and the Governor by letter of its intent to redirect General Revenue funds to obtain additional federal funds for the Vocational Rehabilitation program. The notification shall include the original purpose and item of appropriation for which the General Revenue Funds were appropriated, and the effect on measures and/or full-time equivalent positions for all affected strategies. The notification shall be made at least 30 days prior to requesting additional federal funding for the Vocational Rehabilitation program. Furthermore, it is the intent of the Legislature that no federal funds be drawn and expended by utilizing as matching funds any General Revenue Funds appropriated for the subsequent state fiscal year.

b. Budgeting of Additional Federal Dollars. DARS shall notify the Legislative Budget Board and the Governor by letter at least 14 days prior to the budgeting of more than $179,051,932 in fiscal year 2006 and $186,908,757 in fiscal year 2007 in federal Vocational Rehabilitation funds (CFDA 84.126) included in the "Method of Financing" above. Amounts noted above include any amounts expended in fiscal year 2006 or 2007 that were carried forward from the previous year's allotments.

6. Other Reporting Requirements.

a. Federal Reports. The Department of Assistive and Rehabilitative Services shall submit the following information to the Legislative Budget Board and the Governor no later than the date the respective report is submitted to the federal government:

(1) Notification of proposed State Plan amendments or waivers for Vocational Rehabilitation (CFDA 84.126), and Early Childhood Intervention Services [Special Education Grants for Infants and Families with Disabilities (CFDA 84.181) and Developmental Rehabilitation Services (Medicaid)] and any other federal grant requiring a state plan. State Plan amendments and waiver submissions shall also be provided to the Senate Health and Human Services, House Human Services, and House Public Health committees.

(2) A copy of each report or petition submitted to the federal government relating to Vocational Rehabilitation (CFDA 84.126), and Early Childhood Intervention Services [Special Education Grants for Infants and Families with Disabilities (CFDA 84.181) and Developmental Rehabilitation Services (Medicaid)].

(3) Any other federal reports requested by the Legislative Budget Board or the

Governor.

b. **Federal Issues.** The Department of Assistive and Rehabilitative Services shall notify the Legislative Budget Board and the Governor on a timely basis about emerging issues that could result in the loss of more than $1 million in federal revenue assumed in the Appropriations Act.

c. **Monthly Financial Reports**. The Department of Assistive and Rehabilitative Services shall submit the following information to the Legislative Budget Board and the Governor on a monthly basis:

(1) Information on appropriated, budgeted, expended, and projected funds, by strategy and method of finance.

(2) Narrative explanations of significant budget adjustments, ongoing issues, and other items as appropriate.

(3) Any other information requested by the Legislative Budget Board or the Governor.

The monthly reports shall be prepared in a format specified by the Legislative Budget Board and the Governor.

7. **Maintenance of Effort (MOE) and Matching Funds Reporting Requirement.** The Department of Assistive and Rehabilitative Services (DARS) shall report quarterly to the Legislative Budget Board and the Governor on state funds used for match and maintenance of effort (MOE) for federal Vocational Rehabilitation (CFDA 84.126) funds and state funds used for MOE for federal Special Education Grants for Infants and Families with Disabilities (CFDA 84.181) funds. Each report shall detail funds for the current fiscal year and at least the two previous fiscal years. The reports shall specify:

a. State funds within and outside the Department's budget used for match and MOE.

b. Federal Funds within and outside the Department's budget matched by state funds identified in the previous section.

The reports shall be prepared in a format specified by the Legislative Budget Board.

8. **Earned Federal Funds**. The Department of Assistive and Rehabilitative Services shall submit a monthly report to the Legislative Budget Board and the Governor which details revenues, expenditures, and balances for earned federal funds as of the last day of the prior month. The report shall be prepared in a format approved by the Legislative Budget Board.

9. **Reporting on Early Childhood Intervention.** The Department of Assistive and Rehabilitative Services shall submit quarterly reports to the Legislative Budget Board, the Governor, and the Health and Human Services Commission, that provide information about the number of children served in Strategies A.1.1, A.1.2, A.1.3 and A.1.5, Early Childhood Intervention Awareness and Services, and funded services.

The reports should include, but are not limited to:

a. a copy of the CMS64 Medicaid report. Such reports shall be submitted to the Legislative Budget Board and the Governor no later than the date the report is submitted to the federal government,

b. a report that details types of services provided and cost of provision by method of finance. Other data available through the Texas Kids Intervention Data System (T-KIDS) shall be included upon request. Such reports shall be submitted to the Legislative Budget Board and the Governor no later than the date the agency Performance Measures are due in ABEST.

c. the amounts for all early intervention services, by Medicaid source including Developmental Rehabilitation Services, projected, claimed and collected either by the agency or local contractors.

d. any other information requested by the Legislative Budget Board or the Governor.

The quarterly reports shall be prepared in a format specified by the Legislative Budget Board.

10. Funding for Early Childhood Intervention (ECI) Services at the Department of Assistive and Rehabilitative Services.

a. Within the biennium, if it becomes necessary in order to qualify for federal funds, the Commissioner of the Department of Assistive and Rehabilitative Services (DARS) shall certify, by February 1 of each fiscal year of the biennium, to the Executive Commissioner of Health and Human Services that revenues needed to continue to serve all eligible children in Strategies A.1.1, A.1.2, A.1.3, and A.1.5, Early Childhood Intervention Awareness and Services, will exceed available revenue. The Executive Commissioner of Health and Human Services shall evaluate the projected need and make a determination within 30 days as to whether a transfer of funds will be necessary. DARS shall supply the following information to the Legislative Budget Board, the Governor, and the Executive Commissioner of Health and Human Services at the time of any authorization of additional need:

(1) Caseload and average cost projections showing the additional need;
(2) An evaluation of other possible available funding sources that DARS has considered, including federal education funding at the Texas Education Agency, other federal funding sources, and any other possible source;
(3) An evaluation of the availability and continuation of local funding sources to address the funding need; and
(4) Documentation of the agency's efforts to seek additional funding based on:

i. Cost-sharing by clients;
ii. Cost control measures;
iii. Maximizing coverage under Medicaid and the Children's Health Insurance Program;
iv. Third party recovery;
v. Examining the developmental delay criteria; and
vi. Maximizing local commitments.

All transfers made shall be subject to the prior approval of the Governor and Legislative Budget Board.

b. The Department of Assistive and Rehabilitative Services, in coordination with the Health and Human Services Commission, shall maintain procedures and monitor contractors for compliance to ensure that third-party resources and Medicaid are billed for eligible services provided in Strategies A.1.1, A.1.2, A.1.3, and A.1.5, Early Childhood Intervention Awareness and Services.

c. It is the intent of the Legislature that the Department of Assistive and Rehabilitative Services maintain procedures for the selection of providers and renewal of provider contracts based on "best value" practices that maximize the use of federal, private, and local funding.

11. Respite Care for Families. It is the intent of the Legislature that any General Revenue Funds appropriated for the biennium for the purpose of providing respite care for families shall not be included in the State's maintenance of effort (MOE) for the federal Individuals with Disabilities Education Act (IDEA), Part C grant.

12. Education Funding. Included in the Method of Financing in Other Funds above is $16,498,102 in fiscal year 2006 and $16,498,102 in fiscal year 2007 set aside from the Special Education Allotment and transferred to the Department of Assistive and Rehabilitative Services. Prior to expenditure of Other Funds received through interagency contract with the Texas Education Agency, the agency shall report in writing to the Governor and the Legislative Budget Board the amount of funds the agency intends to allocate to each local provider, the number of children each local provider is expected to serve, and details of the amount of funds that will be allocated for each of the following: eligibility determination services, comprehensive services and transition services.

The Department of Assistive and Rehabilitative Services is hereby required to enter into a Memorandum of Understanding (MOU) with the Texas Education Agency for the purpose of providing funds to ECI contractors for eligibility determination services, including the initial determination of eligibility and subsequent eligibility assessments occurring after the initial individualized family service plan, comprehensive services and transition services, as specified. The MOU may include other provisions the agencies deem necessary. DARS shall provide a signed copy of the Memorandum of Understanding to the Legislative Budget Board and the Governor, no later than October 1, 2005 and October 1, 2006.

13. Medicaid Billing of Developmental Rehabilitation Services. The Department of Assistive and Rehabilitative Services (DARS) shall, in coordination with the Health and Human Services Commission, maintain procedures and monitor contractors for compliance to ensure that local providers bill Medicaid for Developmental Rehabilitation Services (DRS) provided by Early Childhood Intervention (ECI) Specialists prior to use of state appropriations and resources and federal Individuals with Disabilities Education Act (IDEA) Part C funds. DARS shall maintain procedures for reducing allocations to local providers based on projected Medicaid reimbursements of all ECI services that are Medicaid reimbursable including DRS.

To ensure that all DRS services provided by local programs are approved for Medicaid reimbursement, DARS shall maintain agency policy and procedures requiring that local program staff, including certified teachers, that deliver DRS are certified in the ECI competency demonstration system.

14. Medical Assistance Payments. General revenue funds appropriated hereinabove for Medicaid services (GR Match for Medicaid and GR Certified as Match for Medicaid) may be carried over from fiscal year 2006 to fiscal year 2007 and used for the same purpose.

15. Limitation: Transfer Authority for Early Childhood Intervention (ECI) Strategies. Notwithstanding the transfer provisions in the general provisions (general transfer provisions) of this Act, none of the funds appropriated by this Act to the Department of Assistive and Rehabilitative Services (DARS) for the following ECI strategies, ECI Awareness and Services:

a. A.1.1, ECI Eligibility Awareness;
b. A.1.2, Eligibility Determination;
c. A.1.3, Comprehensive Services;
d. A.1.4, Respite Services; and
e. A.1.5, Ensure Quality Services

may be transferred to any other item of appropriation or expended for any other purpose other than the specific purpose for which the funds are appropriated without the prior written approval of the Legislative Budget Board and the Governor; however funds may be transferred between ECI strategies in accordance with other provisions of this Act, including the general transfer provisions.

16. Appropriation: Unexpended Balances in Interagency Contracts for Administrative Fees. Unexpended and unobligated balances remaining as of August 31, 2005, in the appropriation of Interagency Contracts for Administrative Fees made to the Department of Assistive and Rehabilitative Services (DARS) by House Bill 1, Seventy-eighth Legislature, for the purpose of specialized projects for individuals who are hard of hearing, are hereby appropriated to DARS and included in amounts above in Strategy B.2.2, Consumer and Interpreter Education, for the biennium beginning September 1, 2005, and any unexpended balances remaining as of August 31, 2006 are appropriated for the same purpose for the fiscal year beginning September 1, 2006 (estimated to be $0).

17. Appropriation: Unexpended Balances in Summer Camp Program. Any unexpended and unobligated balances remaining as of August 31, 2005, in the appropriation made to the Department of Assistive and Rehabilitative Services (DARS) by House Bill 1, Seventy-eighth Legislature, Regular Session, Article IX, General Provisions, Acceptance of Gifts of Money, are hereby appropriated to DARS, and included in amounts above in Strategy B.2.2, Consumer and Interpreter Education, for the biennium beginning September 1, 2005, for the purpose of expenses related to the Summer Camp Program (estimated to be $0). Unexpended and unobligated balances remaining as of August 31, 2006, in the Summer Camp program are hereby appropriated to DARS for fiscal year 2007, and included in amounts above in Strategy B.2.2, Consumer and Interpreter Education, for use in the Summer Camp Program (estimated to be $0).

18. Unexpended Balances for the Board of Evaluation of Interpreters (BEI) Program. Unexpended and unobligated balances remaining as of August 31, 2006, in certification fees for

Strategy B.2.3, Interpreters Certification, made to the Department of Assistive and Rehabilitative Services (DARS), are hereby appropriated to DARS, for the fiscal year beginning September 1, 2006, for the purpose of developing evaluation materials, validating interpreter evaluation materials, and expenses related to the Department's Certification Program (estimated to be $0).

19. BEI Test License and Marketing. The Department of Assistive and Rehabilitative Services (DARS) is authorized to license any tests that it develops in its Board of Evaluation of Interpreters Program and may sell these tests. Any revenue generated from these sales is hereby appropriated to DARS (estimated to be $0).

20. Appropriations Limited to Revenue Collections. It is the intent of the Legislature that fees, fines, and other miscellaneous revenues as authorized and generated by the Department of Assistive and Rehabilitative Services cover, at a minimum, $130,000 in General Revenue in each year of the biennium to support Strategy B.2.3, Interpreters Certification, as well as the "other direct and indirect costs" associated with these programs, appropriated elsewhere in this Act. "Other direct and indirect costs" for the certification of interpreters are estimated to be $24,461 in fiscal year 2006 and $24,047 in fiscal year 2007. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

21. Appropriation: GR-Dedicated Account No. 5086 License Plate Revenue. Included in funds appropriated above in Strategy B.2.2, Consumer and Interpreter Education, is $38,182 for the biennium in revenue generated from the sale of specialized "I Love Texas" license plates and collected in GR-Dedicated Account No. 5086. Any additional revenues generated by the sale of specialized "I Love Texas" license plates above $38,182 is hereby appropriated to the agency (estimated to be $0) for the 2006-07 biennium. It is the intent of the Legislature that these funds be expended for direct services programs, training, and education for the deaf and hard of hearing.

22. Cash Flow Contingency for the Specialized Telecommunications Assistance Program. Contingent upon the receipt of Universal Services Funds reimbursements, the Department of Assistive and Rehabilitative Services may temporarily utilize additional General Revenue Funds in an amount not to exceed the anticipated Universal Services Funds reimbursement. The General Revenue Funds accessed under this provision must be repaid within the biennium they are used upon receipt of Universal Services Funds and shall be utilized only for the purpose of temporary cash flow needs. These transfers and repayments shall be credited to the fiscal year being reimbursed and shall be made in accordance with accounting procedures established by the Comptroller of Public Accounts.

23. Employee Work Assignments. Employees assigned to the Criss Cole Rehabilitation Center or to special project facilities operated by the agency may, to the extent required for the effective direct provision of services to clients, be excepted from usual state policies regarding working hours, working days, and holidays. Insofar as possible, the work days and work hours of such employees shall be determined according to a system comparable to that used by other state-operated special schools, hospitals, institutions or other facilities providing residential services to eligible individuals.

24. Reimbursement of Services. In order to reimburse equitably the appropriation items hereinabove made from which expenditures are made for services to employees and guests of the Criss Cole Rehabilitation Center or other residential facilities operated by the Department of Assistive and Rehabilitative Services, DARS shall establish such reimbursement rates and rules as might be necessary to assure reimbursement at rates not less than the rates of reimbursement required by institutions, agencies or offices under the jurisdiction of the Department of State Health Services, the Department of Aging and Disability Services and the Texas Youth Commission.

25. Appropriation of Federal Medicaid Receipts. The Department of Assistive and Rehabilitative Services (DARS) shall certify and/or transfer appropriated state funds to the Texas Medicaid Single State Agency so that federal financial participation can be claimed for

Medicaid services. Such federal receipts are hereby appropriated to DARS to provide rehabilitative services to blind and visually impaired children in Strategy A.2.1, Habilitative Services for Children.

26. Appropriation of Donations: Blindness Education Screening and Treatment. Included in the amounts above in Strategy B.1.2 is $518,845 in fiscal year 2006 and $518,845 in fiscal year 2007 for the Blindness Education, Screening, and Treatment (BEST) Program, contingent upon the generation of funds through donations. Revenues received from donations made in fiscal year 2006 and fiscal year 2007, in amounts not to exceed $1,037,690 as provided by § 521.421 (f) or § 521.422 (b), Transportation Code, are appropriated to the Department of Assistive and Rehabilitative Services (DARS) for purposes related to the BEST Program. Any unexpended balances remaining as of August 31, 2006 are hereby appropriated to DARS for the same purpose for the fiscal year beginning September 1, 2006. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

27. Appropriation: GR-Dedicated Account No. 5043 Business Enterprises of Texas Trust Fund. Amounts above in Strategy B.1.5, Business Enterprises of Texas Trust Fund, are appropriated to the Department of Assistive and Rehabilitative Services (DARS) for the purpose of establishing and maintaining a retirement and benefits plan for blind or visually impaired vendors as defined in the federal Randolph-Sheppard Act (20 USC, § 107). Any amounts in addition to the amount identified in Strategy B.1.5, Business Enterprises of Texas Trust Fund, necessary to make retirement and benefits payments in conformity with the Randolph-Sheppard Act (20 USC, § 107) and Human Resource Code, § 94.016, are hereby appropriated to DARS. None of the funds appropriated in Strategy B.1.5, Business Enterprises of Texas Trust Fund, or through this rider may be transferred to any other strategy. DARS shall report quarterly on deposits into and expenditures out of the Business Enterprises of Texas Trust Fund, GR-Dedicated Account No. 5043, including identification of the purpose for the expenditure, to the Legislative Budget Board, the Governor, and the Comptroller of Public Accounts.

In addition, DARS shall submit a written report quarterly to the Legislative Budget Board and Governor on the management of the BET Trust Fund. DARS shall report deposits to the fund, the recommendations of the fund manager regarding investments, performance of investments, and an actuarial analysis of projected disbursements.

28. GR-Dedicated Account No. 492 Business Enterprises of Texas. Included in amounts above in the Method of Finance "Business Enterprises of Texas Account No. 492" is $ 2,982,148 for the biennium from revenue deposited into the account in object codes 3747 and 3802.

29. Appropriation: Subrogation Receipts. Included in amounts appropriated above in Strategy B.3.1, Vocational Rehabilitation - General, and Strategy B.3.4, Comprehensive Rehabilitation, are subrogation collections received during the 2006-07 biennium. Appropriations included in Strategy B.3.1. above, $450,000 in each fiscal year of the biennium, are from subrogation receipt collections from Vocational Rehabilitation cases. Appropriations included in Strategy B.3.4 above, $50,000 in each fiscal year of the biennium, are from subrogation receipt collections from Comprehensive Rehabilitation cases. Subrogation receipts collected above the amounts appropriated in each strategy in each year are hereby appropriated to the agency for client services in the program from which the subrogation collections were generated (estimated to be $0).

30. GR-Dedicated Account No. 107 Comprehensive Rehabilitation Fund. The method of financing noted above, GR-Dedicated Comprehensive Rehabilitation Account No. 107, includes unexpended and unobligated balances of Comprehensive Rehabilitation funds remaining as of August 31, 2005, and receipts earned in fiscal year 2006 and fiscal year 2007, not to exceed $21,012,291 for the biennium. Revenues deposited into GR-Dedicated Account No. 107 are statutorily dedicated for comprehensive rehabilitation services and may not be used for any other purpose. It is the intent of the Legislature that funds from the Comprehensive Rehabilitation account be used only for direct services in Strategy B.3.4, Comprehensive Rehabilitation (Provide Services to People with Spinal Cord/Traumatic Brain Injuries). The Department of Assistive and Rehabilitative Services is hereby appropriated any additional

revenue generated in Revenue Object Code 3713 during the 2006-07 biennium and deposited in the General Revenue Fund under General Revenue Dedicated Account No. 107 above the Comptroller of Public Accounts' Biennial Revenue Estimate, for the purpose of providing comprehensive rehabilitation services.

31. Contingency for House Bill 2. Contingent upon enactment of House Bill 2 or similar legislation relating to public education and public school finance matters, by the Seventy-ninth Legislature, Regular Session, $1,657,877 in fiscal year 2006 and $3,267,736 in fiscal year 2007 shall be set aside from the special education allotment out of funds appropriated to the Texas Education Agency, and transferred to the Department of Assistive and Rehabilitative Services via interagency contract for the purpose of providing transition services to students with disabilities through the Vocational Rehabilitation program. These funds shall be classified as Interagency Contracts - Transfer from Foundation School Fund No. 193. The matching Vocational Rehabilitation Federal Funds are estimated to be $6,125,524 in fiscal year 2006 and $12,073,631 in fiscal year 2007.

Funds shall be transferred by October 1 of each fiscal year. In addition to the TEA special education funds, it is the intent of the legislature that VR federal funds be used to fund this program in the amount of $1,657,877 in fiscal year 2006 and $3,267,736 in fiscal year 2007.

Prior to expenditure of other funds received through interagency contract with the Texas Education Agency DARS shall report in writing to the Legislative Budget Board and the Governor the amount of state and federal funds the agency will allocate to transition services in Strategies B.1.3 and B.3.1 in each fiscal year of the biennium. The report shall include the number of students with disabilities expected to be served, services to be provided with the funds, and any other details of the transition services requested by the Legislative Budget Board or the Governor.

Contingent upon enactment of House Bill 2 or similar legislation, DARS is required to enter into a Memorandum of Understanding (MOU) with the Texas Education Agency for the purpose of providing transition services to students with disabilities through the Vocational Rehabilitation program. The MOU may include provisions the agencies deem necessary. DARS shall provide a signed copy of the MOU to the Legislative Budget Board and the Governor, no later than September 1, 2005 and September 1, 2006.

DARS shall submit quarterly reports to the Legislative Budget Board and the Governor that provide information about the number of students with disabilities served in Strategies B.1.3 and B.3.1 and details of funded services. The format of the reports and details of information included shall be specified by the Legislative Budget Board.

Performance measure targets will be adjusted upon enactment of House Bill 2 for Strategy B.1.3 (Number of Consumers Served) and Strategy B.3.1 (Number of Consumers Served) to reflect the contingency appropriation.

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 244,784,591	$ 270,571,632
GR Match for Medicaid	7,196,595	7,392,262
GR MOE for Temporary Assistance for Needy Families	7,574,004	7,574,003
Earned Federal Funds	1,100,000	1,100,000
GR Match for Title IV-E Foster Care/Adoption Payments	106,255,534	110,960,658
Subtotal, General Revenue Fund	$ 366,910,724	$ 397,598,555

General Revenue Fund - Dedicated		
Child Abuse and Neglect Prevention Operating Account No. 5084	3,012,139	3,012,139
Subtotal, General Revenue Fund - Dedicated	$ 3,012,139	$ 3,012,139
Federal Funds	656,849,982	654,270,756
Other Funds		
DFPS Appropriated Receipts - Child Support Collections, estimated	1,120,384	1,120,384
Appropriated Receipts	4,117,539	4,117,539
Interagency Contracts	132,633	132,633
Subtotal, Other Funds	$ 5,370,556	$ 5,370,556
Total, Method of Financing	$ 1,032,143,401	$ 1,060,252,006
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	8,443.2	9,532.2
Schedule of Exempt Positions:		
Commissioner, Group 6	$160,000	$160,000
Items of Appropriation:		
A. Goal: PROTECTIVE SERVICES		
Protect Clients by Developing and Managing a Service Delivery System.		
A.1.1. Strategy: STATEWIDE INTAKE SERVICES	$ 11,585,316	$ 11,530,585
Provide System to Receive/Assign Reports of Abuse/Neglect/Exploitation.		
A.2.1. Strategy: CPS DIRECT DELIVERY STAFF	$ 207,406,442	$ 207,406,443
Provide Direct Delivery Staff for Child Protective Services.		
A.2.2. Strategy: CPS PROGRAM SUPPORT	$ 28,203,302	$ 28,203,302
Provide Program Support for Child Protective Services.		
A.2.3. Strategy: TWC FOSTER DAY CARE	$ 5,353,356	$ 5,353,355
TWC Foster Day Care Purchased Services.		
A.2.4. Strategy: TWC PROTECTIVE DAY CARE	$ 8,362,207	$ 8,362,206
TWC Protective Day Care Purchased Services.		
A.2.5. Strategy: ADOPTION PURCHASED SERVICES	$ 4,202,506	$ 4,202,505
A.2.6. Strategy: POST-ADOPTION PURCHASED SERVICES	$ 3,735,006	$ 3,735,005
A.2.7. Strategy: PAL PURCHASED SERVICES	$ 6,426,415	$ 6,426,414
Preparation for Adult Living Purchased Services.		
A.2.8. Strategy: SUBSTANCE ABUSE PURCHASED SERVICES	$ 2,607,992	$ 2,607,992
A.2.9. Strategy: OTHER CPS PURCHASED SERVICES	$ 23,083,423	$ 23,083,423
Other Purchased Child Protective Services.		
A.2.10. Strategy: FOSTER CARE PAYMENTS	$ 376,800,097	$ 355,467,301
A.2.11. Strategy: ADOPTION SUBSIDY PAYMENTS	$ 110,737,952	$ 116,828,441
A.2.12. Strategy: STAR PROGRAM	$ 21,030,805	$ 20,970,915
Services to At-Risk Youth (STAR) Program.		
A.2.13. Strategy: CYD PROGRAM	$ 7,897,598	$ 7,897,598
Community Youth Development (CYD) Program.		
A.2.14. Strategy: TEXAS FAMILIES PROGRAM	$ 4,168,441	$ 4,168,441
Texas Families: Together and Safe Program.		
A.2.15. Strategy: CHILD ABUSE PREVENTION GRANTS	$ 1,792,387	$ 1,792,387
A.2.16. Strategy: OTHER AT-RISK PREVENTION PROGRAMS	$ 4,672,801	$ 4,687,763
A.2.17. Strategy: AT-RISK PREVENTION PROGRAM SUPPORT	$ 2,441,576	$ 2,441,576
At-Risk Prevention Services Program Support.		
A.3.1. Strategy: APS DIRECT DELIVERY STAFF	$ 33,701,358	$ 34,832,690
Provide Direct Delivery Staff for Adult Protective Services.		

A.3.2. Strategy: APS PROGRAM SUPPORT Provide Program Support for Adult Protective Services.	$ 4,613,335	$ 4,683,688
A.3.3. Strategy: MH and MR INVESTIGATIONS	$ 5,032,241	$ 5,152,853
A.4.1. Strategy: CHILD CARE REGULATION	$ 20,741,074	$ 20,705,096
Total, Goal A: PROTECTIVE SERVICES	$ 894,595,630	$ 880,539,979
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: CENTRAL ADMINISTRATION	$ 9,405,639	$ 9,383,140
B.1.2. Strategy: OTHER SUPPORT SERVICES	$ 157,208	$ 157,209
B.1.3. Strategy: REGIONAL ADMINISTRATION	$ 1,834,542	$ 1,328,622
B.1.4. Strategy: IT PROGRAM SUPPORT	$ 9,116,663	$ 8,011,367
B.1.5. Strategy: AGENCY-WIDE AUTOMATED SYSTEMS	$ 16,528,973	$ 13,235,886
Total, Goal B: INDIRECT ADMINISTRATION	$ 37,043,025	$ 32,116,224
C. Goal: CPS REFORM		
C.1.1. Strategy: CPS REFORM	$ 100,504,746	$ 147,595,803
Grand Total, DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES	$ 1,032,143,401	$ 1,060,252,006
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 280,149,877	$ 315,636,827
Other Personnel Costs	7,204,742	7,204,743
Professional Fees and Services	23,768,486	19,460,324
Fuels and Lubricants	10,608	10,608
Consumable Supplies	4,856,380	6,274,820
Utilities	6,739,137	7,403,567
Travel	20,467,655	23,902,063
Rent - Building	20,570,545	20,570,545
Rent - Machine and Other	2,213,852	1,422,918
Other Operating Expense	45,953,524	48,645,010
Client Services	613,082,782	602,393,697
Capital Expenditures	7,125,813	7,326,884
Total, Object-of-Expense Informational Listing	$ 1,032,143,401	$ 1,060,252,006
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 12,459,110	$ 12,708,292
Group Insurance	47,689,213	52,219,588
Social Security	16,729,883	17,064,481
Benefits Replacement	2,967,434	2,917,908
Subtotal, Employee Benefits	$ 79,845,640	$ 84,910,269
Debt Service		
Lease Payments	$ 623,769	$ 686,839
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 80,469,409	$ 85,597,108

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Family and Protective Services. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Department of Family and Protective Services. In order to achieve the objectives and service standards established by this Act, the Department of Family and Protective Services shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: PROTECTIVE SERVICES		
Outcome (Results/Impact):		
Average Hold Time (in Minutes) for Statewide Intake Phone Calls in the English Queue	5	5

Percent of Children in FPS Conservatorship for Whom Legal Resolution Was Achieved within 12 Months	61.7%	61.7%
Percent of Children in FPS Conservatorship for Whom Permanency Was Achieved within 18 Months	87%	87%
Percent of Adoptions Consummated within 18 Months of Termination of Parental Rights	74%	74%
Child Protective Services Caseworker Turnover Rate	23%	23%
Percent of CYD Youth Not Referred to Juvenile Probation	97.7%	97.7%
Percent of Elderly Persons and Persons with Disabilities Found to Be in a State of Abuse/Neglect/Exploitation Who Receive Protective Services	86%	86%
Incidence of Abuse/Neglect/Exploitation per 1,000 Persons Receiving Services in Mental Health and Mental Retardation Settings	3.4	3.4
Percent of Validated Occurrences Where Children Are Placed at Serious Risk	36.1%	36.1%
A.1.1. Strategy: STATEWIDE INTAKE SERVICES		
Output (Volume):		
Number of CPS Reports of Child Abuse/Neglect	215,637	234,902
A.2.1. Strategy: CPS DIRECT DELIVERY STAFF		
Output (Volume):		
Number of Completed CPS Investigations	174,666	192,619
Number of Confirmed CPS Cases of Child Abuse/Neglect	43,666	48,155
Average Number of Open CPS Investigations Per Month	37,010	40,814
Number of Children in FPS Conservatorship Who Are Adopted	2,774	2,830
Efficiencies:		
Average Monthly Cost Per Open CPS Investigation	144.19	157.49
CPS Workload Equivalency Measure (WEM)	27.3	26
A.2.3. Strategy: TWC FOSTER DAY CARE		
Output (Volume):		
Average Number of Days of TWC Foster Day Care Paid Per Month	20,807	20,807
A.2.4. Strategy: TWC PROTECTIVE DAY CARE		
Output (Volume):		
Average Number of Days of TWC Protective Day Care Paid Per Month	47,928	47,928
A.2.10. Strategy: FOSTER CARE PAYMENTS		
Output (Volume):		
Average Number of Days Per Month of Foster Care for All Levels of Care	563,381	585,725
Average Number of Children (FTE) Served in Paid Foster Care Per Month	18,522	19,257
Efficiencies:		
Average Expenditures for Foster Care Per Month for All Levels of Care	30,197,742	31,207,648
Average Monthly Payment Per Child (FTE) in Paid Foster Care	1,630.36	1,620.61
A.2.11. Strategy: ADOPTION SUBSIDY PAYMENTS		
Output (Volume):		
Average Number of Children Provided Adoption Subsidy Per Month	19,639	21,159
Efficiencies:		
Average Monthly Payment Per Adoption Subsidy	460.39	451.3
A.2.12. Strategy: STAR PROGRAM		
Output (Volume):		
Average Number of STAR Youth Served Per Month	6,218	6,218
A.2.13. Strategy: CYD PROGRAM		
Output (Volume):		
Average Number of CYD Youth Served Per Month	8,937	8,937
A.3.1. Strategy: APS DIRECT DELIVERY STAFF		
Output (Volume):		
Number of Completed APS Investigations	65,477	67,025
Number of Confirmed APS Investigations	47,452	48,574
Efficiencies:		
Average Monthly Cost Per APS Investigation	154.72	156.87
APS Workload Equivalency Measure (WEM)	30.2	29.1
A.3.3. Strategy: MH and MR INVESTIGATIONS		
Output (Volume):		
Number of Completed Investigations in Mental Health and Mental Retardation Settings	8,570	8,928
Efficiencies:		
Average Monthly Cost Per Investigation in Mental Health and Mental Retardation Settings	586.86	576.88

A.4.1. Strategy: CHILD CARE REGULATION		
Output (Volume):		
Number of New Licenses, Certifications, Registrations and Listings Issued	4,200	4,224
Efficiencies:		
Average Cost Per Issuance	757.2	880.11

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2006	2007
a. Acquisition of Information Resource Technologies		
(1) Desktop Services Lease for Computer Hardware and Software	$ 4,454,901	$ 4,700,191
(2) IMPACT Operational Enhancement	2,466,900	600,000
(3) Infrastructure Upgrades (MLPP)	1,037,991	300,430
(4) IMPACT Enhancements - APS Reform	237,600	0
(5) APS/MHMR Mobile Caseworker	1,046,312	1,092,398
(6) APS Telemedicine Automation	51,000	0
(7) IMPACT Enhancements - CPS Reform	2,199,050	2,199,050
(8) Mobile Caseworker System - CPS Reform	7,394,965	4,236,955
(9) Telemedicine - CPS Reform	85,000	804,100
(10) IMPACT Hardware - CPS Reform	799,244	624,000
(11) Statewide Intake Technology (MLPP)	237,346	182,615
(12) Desktop Services Lease for Computer Hardware and Software - CPS Reform	$ 759,705	$ 1,001,883
Total, Acquisition of Information Resource Technologies	$ 20,770,014	$ 15,741,622
Total, Capital Budget	$ 20,770,014	$ 15,741,622
Method of Financing (Capital Budget):		
General Revenue Fund		
General Revenue Fund	$ 13,463,214	$ 9,608,599
GR Match for Medicaid	365,652	299,438
Subtotal, General Revenue Fund	$ 13,828,866	$ 9,908,037
Federal Funds	6,941,148	5,833,585
Total, Method of Financing	$ 20,770,014	$ 15,741,622

3. Limitation on Expenditures for Conservatorship Suits. To the extent allowed by federal regulation, federal funds may be used by the department in conjunction with funds provided by counties with which the department has child welfare contracts, to pay for legal representation for children or their parents in suits in which the department is seeking to be named conservator. No general revenue funds appropriated to the department may be used to make such payments.

4. Appropriation of Funds from Counties, Cities, and Other Local Sources. All funds received by the department from counties, cities, and other local sources and all balances from such sources as of August 31, 2005, are hereby appropriated for the biennium ending August 31, 2007, for the purpose of carrying out the provisions of this Act. (Estimated to be $0)

5. Accounting of Support Costs. The State Comptroller shall establish separate accounts from which certain support costs shall be paid. The Department of Family and Protective Services is hereby authorized to make transfers into separate accounts from line item strategies in order to pay for these expenses in an efficient and effective manner. Only costs not directly attributable to a single program may be budgeted in or paid from these accounts. Items to be budgeted in and paid from these accounts include but are not limited to: postage, occupancy costs, equipment

repair, telephones, office printing costs, supplies, freight and transport costs, telephone system costs, and salary and travel costs of staff whose function supports several programs. The department shall be responsible for monthly allocations of these costs to the original strategies.

6. Tertiary Prevention of Child Abuse Programs. From the amounts appropriated above, the Department of Family and Protective Services shall allocate up to $120,000 each fiscal year of the biennium for continuation of a statewide network of community-based, volunteer-driven programs for prevention, intervention, and aftercare services of abused children.

7. Foster Care Rates.

a. It is the intent of the Legislature that the Department of Family and Protective Services reimburse foster families at least $17.12 per day for children under 12 years old and $17.50 per day for children age 12 and older during the 2006-07 biennium. The department may transfer funds into Strategy A.2.10, Foster Care Payments, for the purpose of maintaining these rates. The department may not transfer funds out of Strategy A.2.10, Foster Care Payments, without the prior written approval of the Legislative Budget Board and the Governor.

b. The department may also use funds in Strategy A.2.10, Foster Care Payments, to recommend alternate service provision intake and investigation that will consider expansion of contract services, regional planning, service outcomes, and appropriate funding mechanisms to be tested in pilot projects. Such pilot approaches to innovative service delivery shall be designed in conjunction with providers, approved by the Health and Human Services Commission, and funded at no increased cost to the State. The department may include a modification of rates for new pilot approaches implemented in this manner.

c. The department may utilize up to $15,582,241 from funds appropriated above in Strategy A.2.10, Foster Care Payments, for statewide expansion of the relative placement reimbursement pilot program. The department shall conduct an evaluation of the program.

8. Fund Transfers for Funds Consolidation. For the purpose of funds consolidation, federal and other funds may be transferred into the General Revenue Fund from Department of Family and Protective Services Fund 37. The initial deposit of federal funds shall be made into Fund 37 and no direct expenditures shall be made from this fund.

9. Reimbursement of Advisory Committees. Pursuant to Government Code § 2110.004, reimbursement of expenses for advisory committee members, out of funds appropriated above not to exceed $8,500 per year, is limited to the Texas Multidisciplinary Task Force on Children's Justice.

To the maximum extent possible, the department shall encourage the use of videoconferencing and teleconferencing and shall schedule meetings and locations to facilitate the travel of participants so that they may return the same day and reduce the need to reimburse members for overnight stays.

10. Appropriation and Reporting of Earned Federal Funds.

a. The Department of Family and Protective Services shall submit a monthly report to the Legislative Budget Board and the Governor which details revenues, expenditures, and balances for earned federal funds as of the last day of the prior month. The report shall be prepared in a format approved by the Legislative Budget Board.

b. The authority to receive and expend earned federal funds in excess of those appropriated above is subject to the following limitations:

(1) At least 45 days prior to budgeting or expending earned federal funds above levels indicated in the appropriation above, the department shall report the earned federal funds received and provide documentation of the proposed use of these funds to the Legislative Budget Board, Governor, and Health and Human Services Commission.

(2) Notifications shall include information regarding the need which will be served with the additional revenue. In the event program expansions are under consideration, information shall be forwarded regarding the population to be served; criteria for eligibility; and impact upon existing programs.

(3) Notifications shall also identify the impact on established performance targets, measures, and full-time equivalent positions.

c. The method of financing item, Earned Federal Funds, for appropriations made above includes unexpended and unobligated balances of earned federal funds remaining as of August 31, 2005 (estimated to be $405,533), and receipts earned in fiscal years 2006 and 2007.

11. Substitute Care Permanency Goal. In order to comply with 45 CFR 1356.21, it is the intent of the Legislature that the Department of Family and Protective Services actively seek permanent homes for the children who are in the department's substitute care program for long periods. To this end, the department shall seek to limit the number of children under the department's responsibility who are in substitute care for a period longer than 24 months. The department shall strive to assure that no more than 45 percent of the children in paid placements are in substitute care for more than 24 months for fiscal years 2006 and 2007.

Further, it is the intent of the Legislature that whenever possible, the department shall utilize state and/or federal funds currently being expended for substitute care to cover the cost of assuring permanent homes where appropriate for foster children.

12. Other Reporting Requirements.

a. **Federal Reports.** The Department of Family and Protective Services shall submit the following information to the Legislative Budget Board and the Governor no later than the date the respective report is submitted to the federal government:

(1) Notification of proposed State Plan amendments or waivers for the Medicaid program, the Foster Care and Adoption Assistance program, the Temporary Assistance for Needy Families program, the Child Welfare Services program, and any other federal grant requiring a state plan. State plan amendments and waiver submissions shall also be provided to the Senate Health and Human Services, House Human Services, and House Public Health committees.

(2) A copy of each report or petition submitted to the federal government relating to the Medicaid program, the Foster Care and Adoption Assistance program, the Temporary Assistance for Needy Families program, the Child Welfare Services program, and any other federal grant requiring a state plan, including expenditure reports and cost allocation revisions.

b. **Federal Issues.** The Department of Family and Protective Services shall notify the Legislative Budget Board and the Governor on a timely basis about emerging issues that could result in the loss of more than $1 million in federal revenue assumed in the appropriations act.

c. **Monthly Financial Reports.** The Department of Family and Protective Services shall submit the following information to the Legislative Budget Board and the Governor on a monthly basis:

(1) Information on appropriated, budgeted, expended, and projected funds, by strategy and method of finance.

(2) Narrative explanations of significant budget adjustments, ongoing budget issues, and other items as appropriate.

(3) Any other information requested by the Legislative Budget Board or the Governor.

The monthly financial reports shall be prepared in a format specified by the Legislative Budget Board.

13. Appropriation Transfer Between Fiscal Years. In addition to the transfer authority provided elsewhere in this Act, the Department of Family and Protective Services may transfer appropriations made above for Strategy A.2.10, Foster Care Payments and Strategy A.2.11, Adoption Subsidy Payments, for fiscal year 2007 to fiscal year 2006, subject to the following conditions provided by this section:

a. Transfers under this section may be made only if costs associated with providing foster care or adoption subsidy payments exceed the funds appropriated for these payments for fiscal year 2006;

b. A transfer authorized by this section must receive the prior approval of the Legislative Budget Board and the Governor; and

c. The Comptroller of Public Accounts shall cooperate as necessary to assist the completion of a transfer and spending made under this section.

14. Limitation on Expenditures for Administrative Overhead. Funds appropriated above in Strategy A.2.3, TWC Foster Day Care, and Strategy A.2.4, TWC Protective Day Care, may be used only to purchase child day care services through the Texas Workforce Commission.

The Department of Family and Protective Services' expenditures for administrative overhead payments to the Texas Workforce Commission and local workforce boards in connection with any agreement to provide child day care services out of funds appropriated above shall be limited to no more than 5 percent of all amounts paid for child day care services out of funds appropriated above.

15. Human Resources Management Plan. From funds appropriated above, the Texas Department of Family and Protective Services shall develop a Human Resources Management Plan designed to improve employee morale and retention. The plan must focus on reducing employee turnover through better management. The Texas Department of Family and Protective Services shall report semi-annually to the Senate Finance Committee, the House Committee on Appropriations, the Legislative Budget Board, and the Governor the employee turnover rate, by job category, at the agency during the preceding twelve months. The effectiveness of the agency's plan shall be measured by whether there is a reduction in employee turnover rates at the agency, specifically by the reduction in the turnover rates for caseworkers.

16. Use of Personal Cellular Telephones. Out of funds appropriated above, the Department of Family and Protective Services shall pay child and adult protective services program caseworkers, supervisors, directors and residential child-care licensing investigators, an amount not to exceed $50 per month for work-related use of their personal cellular telephones.

17. Provision of Direct Services. The Children's Trust Fund state plan for child abuse and neglect primary prevention programs shall emphasize funding for programs that provide direct services such as mentoring, parenting skills, early intervention and prevention, services for high-risk parents, and services to families in crisis.

18. Appropriation of Unexpended Balances. All unexpended balances appropriated above to Strategy A.2.12, STAR Program, Strategy A.2.13, CYD Program, Strategy A.2.14, Texas Families Program, Strategy A.2.15, Child Abuse Prevention Grants, Strategy A.2.16, Other At-Risk Prevention Programs, and Strategy A.2.17, At-Risk Prevention Program Support, for the fiscal year ending August 31, 2006, are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2006.

19. Adult Protective Services and Mental Health and Mental Retardation Investigations. Out of the funds appropriated above for Strategy A.3.1, APS Direct Delivery Staff, Strategy A.3.2, APS Program Support, and Strategy A.3.3, MH and MR Investigations, the Department of Family and Protective Services shall maximize the use of federal Medicaid funding.

20. Training for CPS Caseworkers. It is the intent of the Legislature that the training curriculum for CPS Caseworkers funded out of Strategy A.2.2, CPS Program Support, include instruction in the Fourth Amendment to the U.S. Constitution and parents' rights.

21. Faith-based Foster Family Recruitment and Training. From funds appropriated above, up to $500,000 in fiscal year 2006 and up to $706,000 in fiscal year 2007 shall be used for the purposes of developing and implementing a program to recruit and train foster families from faith-based communities.

22. Limitation on Transfers: CPS and APS Direct Delivery Staff.

Funding. Notwithstanding any other transfer provision in this Act, none of the funds appropriated by this Act to the Department of Family and Protective Services for Strategy A.2.1, CPS Direct Delivery Staff, and Strategy A.3.1, APS Direct Delivery Staff, may be transferred to any other item of appropriation or expended for any purpose other than the specific purpose for which the funds are appropriated without the prior written approval of the Legislative Budget Board and the Governor.

Full-time-equivalent (FTE) Positions. Out of the FTE positions appropriated above to the Department of Family and Protective Services, 4,675.2 positions for fiscal year 2006 and 4,675.2 positions for fiscal year 2007 are allocated to Strategy A.2.1, CPS Direct Delivery Staff, and 579.0 positions for fiscal year 2006 and 610.0 positions for fiscal year 2007 are allocated to Strategy A.3.1, APS Direct Delivery Staff.

Notwithstanding any other transfer provision in this Act, none of the FTEs allocated by this Act to the Department of Family and Protective Services for Strategy A.2.1, CPS Direct Delivery Staff, and Strategy A.3.1, APS Direct Delivery Staff, may be transferred to any other item of appropriation or utilized for any purpose other than the specific purpose for which the FTEs are allocated without the prior written approval of the Legislative Budget Board and the Governor.

23. Reimbursement of Advisory Council Members. Pursuant to Human Resources Code §117.027, reimbursement of expenses for Family and Protective Services Council members, out of funds appropriated above, is hereby authorized such that the sum total of all reimbursements for members of the Council shall not exceed $5,700 per fiscal year.

24. Caseload Per Worker Reporting Requirements. The Department of Family and Protective Services shall report to the Legislative Budget Board and the Governor, by October 1 of each year of the biennium, caseload per worker data for each protective services program for the previous fiscal year. The report shall be prepared in a format specified by the Legislative Budget Board.

25. Payment of August 2007 Foster Care Payments. Funds appropriated above include a reduction of $34,278,127 in All Funds, including $12,400,000 in General Revenue Funds, in Strategy A.2.10, Foster Care Payments, for the August 2007 foster care payment. The Department of Family and Protective Services is authorized to defer payment of the August 2007 payment until September of 2007.

26. Regional Funding Methodology. None of the funds appropriated above for Adult Protective Services to the Department of Family and Protective Services for fiscal years 2006 and 2007 shall be expended or distributed unless the department puts into effect, by September 1, 2005, a regional funding methodology that removes the use of closed abuse or neglect cases for distributional purposes. The department shall report the details of the new methodology to the Legislative Budget Board and the Governor as soon as possible after the effective date of this Act. The Legislative Budget Board and the Governor shall work with the department regarding appropriate performance measures regarding this new methodology.

27. Performance Measure Improvements. The Department of Family and Protective Services shall work with the Legislative Budget Board and the Governor to modify current Child Protective Services (CPS) performance measures which may have the effect of encouraging case closures. Examples of these would include "Number of Completed CPS Investigations" and "Average Number of Open CPS Investigations per Month." The department shall work on performance measures that more accurately reflect workload and reduce pressure to close cases prematurely. Examples might include "Number of Assigned Investigations per Month" and "Abuse Rates per 1,000 Population."

28. At-Risk Prevention Programs. The Department of Family and Protective Services may only use funds appropriated above in Strategy A.2.16, Other At-Risk Prevention Programs, for at-risk prevention services that are competitively procured.

29. Reporting Requirement on Minority Child Removals. The Department of Family and Protective Services shall report, by October 1 of each year of the biennium, to the House Appropriations Committee, the Senate Finance Committee, the Legislative Budget Board, and the Governor, the number of children removed from their homes by child protective services and the number of children investigated, by ethnic group, in the seven largest urban regions of the state during the preceding fiscal year. The Department may include the information in an existing report or a new report.

30. Funding Allocation Plan for CPS Reform Appropriations. Funds appropriated above in Strategy C.1.1, CPS Reform (or House Bill 10), include $200,039,844 in General Revenue Funds and $248,100,549 in All Funds, for the following purposes in amounts as estimated:

	2006	**FTEs**	**2007**	**FTEs**
Salary and Other Support Costs for Direct Delivery Staff	$28,745,567	822.0	$61,780,156	1,519.0
Regional Screeners	$ 2,016,635	41.0	$ 1,851,821	41.0
Case Records Compliance	$ 1,059,100	20.0	$ 644,380	20.0
Functional Units for All Stages of Service	$ 11,499,174	383.0	$26,664,296	758.0
Expanded Training	$ 3,560,542	33.0	$ 2,782,359	50.0
Technology (Mobile Caseworker)	$ 8,558,850		$ 5,692,426	
Forensic Medical Assessment and Telemedicine	$ 546,664		$ 3,804,916	
IMPACT Modifications	$ 2,199,050		$ 2,199,050	
Purchased Client Services	$21,660,111		$21,660,111	
Salary Package	$ 9,162,176		$ 9,331,987	
Child Safety Specialists	$ 1,155,564	20.0	$ 1,064,502	20.0
Diligent Search and Background Check Staff	$ 225,551	6.0	$ 189,286	6.0
CPS Management Structure	$ 6,530,927	116.0	$ 6,096,964	116.0
Agency Operations Support	$ 1,220,092	28.0	$ 1,059,472	28.0
Human Resources Contract Cost Increase	$ 364,743		$ 378,008	
Foster Care Residential Contract Management and SAO Audits	$ 500,000		$ 500,000	
Independent Administrator And Evaluation Costs	$ 1,000,000		$ 1,450,388	
Contract Oversight and Program Quality Assurance			$ 445,681	10.0

Transition of Agency Staff (One Region Beginning 4/1/07)				(45.0)
Foster Care Child Passport	$ 500,000			
Total CPS Reform	**$100,504,746**	**1,469.0**	**$147,595,803**	**2,523.0**
Method of Financing:				
General Revenue Funds	$81,478,439		$118,561,405	
Federal Funds	$19,026,307		$ 29,034,398	
Total, All Funds	**$100,504,746**		**$147,595,803**	

Funds appropriated above in Strategy C.1.1, CPS Reform (or House Bill 10) shall be expended in accordance with the following conditions:

a. The Department of Family and Protective Services shall submit to the Legislative Budget Board and the Governor, by September 1, 2005, an expenditure plan for fiscal year 2006 and fiscal year 2007, that includes quarterly goals relating to caseworker recruitment, retention, and workload; identifies the amounts expected to be expended (by purpose and method of finance); identifies the impact on full-time-equivalent positions; and recommends adjustments to key performance measure targets and the capital budget. Not later than 30 days following the close of each fiscal quarter, the Department shall update the expenditure plan and report on the progress and status of the CPS reform initiative.

b. The Department of Family and Protective Services shall notify the Legislative Budget Board and the Governor at least 30 days prior to making an expenditure for a purpose not listed above or for a purpose listed above in an amount which is more than 10 percent greater than the amount estimated. The notification shall be in writing and indicate the need for the expenditure; the amounts that will be expended (by purpose and method of finance); and the impact of these expenditures on quarterly goals, full-time-equivalent positions, key performance measure targets, and the capital budget.

DEPARTMENT OF STATE HEALTH SERVICES

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 429,243,806	$ 431,485,069
Earned Federal Funds	4,148,726	4,148,726
GR for Mental Health Block Grant	209,015,648	209,355,632
GR for Substance Abuse Prevention and Treatment Block Grant	23,972,036	24,049,928
GR for Maternal and Child Health Block Grant	41,277,654	41,277,655
GR for HIV Services	34,734,735	34,734,736
GR Match for Medicaid	6,606,247	6,605,609
GR Certified as Match for Medicaid	66,706,222	66,745,801
Vendor Drug Rebates–Public Health, estimated	1,722,113	1,293,665
Subtotal, General Revenue Fund	$ 817,427,187	$ 819,696,821
General Revenue Fund - Dedicated		
Perpetual Care Account No. 8076, estimated	143,000	143,000
Public Health Laboratory Financing Fees (formerly 3595)	2,894,786	2,874,519
WIC Rebates (formerly 3597), estimated	191,395,476	191,395,476
Permanent Fund for Health and Tobacco Education and Enforcement Account No. 5044, estimated	5,481,649	5,742,649
Permanent Fund Children & Public Health Account No. 5045, estimated	4,240,000	4,391,000
Permanent Fund for EMS & Trauma Care Account No. 5046, estimated	4,140,000	4,185,500
Permanent Hospital Fund for Capital Improvements and the Texas Center for Infectious Disease Account No. 5048, estimated	1,042,000	1,076,000
State Owned Multicategorical Teaching Hospital Account No. 5049	10,000,000	10,000,000
EMS, Trauma Facilities, Trauma Systems Account No. 5108	2,377,422	2,377,422
Trauma Facility/EMS Account No. 5111	31,792,507	31,792,507
Animal Friendly Account No. 5032	500,000	UB
Advisory Commission on Emergency Communications Account No. 5007	1,819,970	1,819,970
Children with Special Healthcare Needs Account No. 5009	6,664	6,664
Asbestos Removal Licensure Account No. 5017	2,024,577	2,024,577
Workplace Chemicals List Account No. 5020	594,943	594,943
Certificate of Mammography Systems Account No. 5021	358,576	358,576
Oyster Sales Account No. 5022	252,000	252,000
Food and Drug Registration Account No. 5024	3,572,997	3,572,997
Vital Statistics Account No. 019	2,505,090	2,505,090
Texas Department of Insurance Operating Fund Account No. 036	5,700,000	5,800,000
Hospital Licensing Account No. 129	955,453	955,453
Food and Drug Fee Account No. 341	1,501,002	1,501,002
Bureau of Emergency Management Account No. 512	859,591	859,591
Public Health Services Fee Account No. 524	6,511,384	7,997,602
Subtotal, General Revenue Fund - Dedicated	$ 280,669,087	$ 282,226,538
Federal Funds	1,140,859,123	1,140,563,709
Other Funds		
Appropriated Receipts	5,927,535	5,903,735
State Chest Hospital Fees and Receipts	2,050,000	2,050,000
DSHS Public Health Medicaid Reimbursements	9,563,871	11,572,783
MH Collections for Patient Support and Maintenance	6,690,898	6,690,898
MH Revolving Fund Receipts	795,500	795,500
MH Appropriated Receipts	5,633,405	5,633,406
MH Medicare Receipts	13,797,339	13,797,339

Interagency Contracts	51,543,953	51,671,050
Bond Proceeds - General Obligation Bonds	38,736,582	17,891,000
Subtotal, Other Funds	$ 134,739,083	$ 116,005,711
Total, Method of Financing	$ 2,373,694,480	$ 2,358,492,779
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 8,228,434	$ 8,117,752
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	11,807.2	11,807.2
Schedule of Exempt Positions:		
Commissioner, Group 6	$175,000	$175,000
Items of Appropriation:		
A. Goal: PREPAREDNESS AND PREVENTION		
Preparedness and Prevention Services.		
A.1.1. Strategy: COORDINATED PUBLIC HEALTH	$ 9,507,221	$ 9,507,221
Coordinated Public Health Services.		
A.1.2. Strategy: PUBLIC HEALTH PREPAREDNESS	$ 84,909,628	$ 84,876,295
Ensure Public Health Preparedness.		
A.1.3. Strategy: MAINTAIN VITAL RECORDS	$ 5,659,569	$ 5,659,569
A.1.4. Strategy: SPECIAL HEALTH INITIATIVES	$ 1,799,271	$ 1,799,271
Coordinate Special Health Initiatives.		
A.1.5. Strategy: REGISTRIES, INFORMATION, & ANALYSIS	$ 19,554,745	$ 19,679,745
Health Registries, Information, and Analysis.		
A.2.1. Strategy: IMMUNIZE CHILDREN & ADULTS IN TEXAS	$ 48,371,768	$ 48,680,497
Immunize Children and Adults in Texas.		
A.2.2. Strategy: HIV/STD AND HEPATITIS C PREVENTION	$ 146,090,418	$ 150,096,624
A.2.3. Strategy: TB, HANSEN'S & REFUGEE HEALTH	$ 18,860,474	$ 18,963,809
Tuberculosis, Hansen's Disease and Refugee Health.		
A.2.4. Strategy: ZOONOTIC DISEASES	$ 4,737,981	$ 4,237,981
Reduce the Incidence of Zoonotic Diseases.		
A.2.5. Strategy: INFECTIOUS DISEASE EPI/SURVEILLANCE	$ 1,759,563	$ 1,759,563
Infectious Disease Epidemiology and Surveillance.		
A.3.1. Strategy: CARDIOVASCULAR, DIABETES, & INJURY	$ 6,457,236	$ 6,457,236
Cardiovascular Disease, Diabetes, and Injury Prevention.		
A.3.2. Strategy: ABSTINENCE EDUCATION	$ 5,339,113	$ 5,339,113
A.3.3. Strategy: KIDNEY HEALTH CARE	$ 22,750,534	$ 22,750,322
A.3.4. Strategy: CHILDREN WITH SPECIAL NEEDS	$ 37,759,351	$ 38,143,198
Children with Special Health Care Needs.		
A.3.5. Strategy: EPILEPSY, HEMOPHILIA, & ALZHEIMER'S	$ 1,346,222	$ 1,346,222
Epilepsy, Hemophilia, and Alzheimer's Disease.		
A.4.1. Strategy: LABORATORY SERVICES	$ 29,346,627	$ 30,305,729
Total, Goal A: PREPAREDNESS AND PREVENTION	$ 444,249,721	$ 449,602,395

B. Goal: COMMUNITY HEALTH SERVICES		
B.1.1. Strategy: WIC/FARMER'S MARKET NUTRITION SVCS	$ 666,089,352	$ 668,789,370
Provide WIC Services: Benefits, Nutrition Education & Counseling.		
B.1.2. Strategy: WOMEN & CHILDREN'S HEALTH SERVICES	$ 66,536,650	$ 66,503,319
Women and Children's Health Services.		
B.1.3. Strategy: FAMILY PLANNING SERVICES	$ 54,908,126	$ 54,874,793
B.1.4. Strategy: COUNTY INDIGENT HEALTH CARE SVCS	$ 7,057,076	$ 7,060,175
County Indigent Health Care Services.		
B.1.5. Strategy: COMMUNITY PRIMARY CARE SERVICES	$ 13,130,113	$ 13,096,780
B.2.1. Strategy: MENTAL HEALTH SVCS-ADULTS	$ 293,028,651	$ 293,109,585
Mental Health Services for Adults.		
B.2.2. Strategy: MENTAL HEALTH SVCS-CHILDREN	$ 64,601,922	$ 64,581,346
Mental Health Services for Children.		
B.2.3. Strategy: NORTHSTAR BEHAV HLTH WAIVER	$ 97,846,812	$ 97,846,812
NorthSTAR Behavioral Health Waiver.		
B.2.4. Strategy: SUBSTANCE ABUSE PREVENTION	$ 44,509,994	$ 44,746,618
B.2.5. Strategy: SUBSTANCE ABUSE INTERVENTION	$ 16,529,915	$ 16,506,096
B.2.6. Strategy: SUBSTANCE ABUSE TREATMENT	$ 96,609,978	$ 95,748,106
B.2.7. Strategy: SUBSTANCE ABUSE GRANT MONITORING	$ 2,308,415	$ 2,141,746
B.2.8. Strategy: REDUCE USE OF TOBACCO PRODUCTS	$ 6,991,538	$ 7,032,882
Develop a Statewide Program to Reduce the Use of Tobacco Products.		
B.3.1. Strategy: EMS AND TRAUMA CARE SYSTEMS	$ 40,336,738	$ 40,336,738
B.3.2. Strategy: FQHC INFRASTRUCTURE GRANTS	$ 5,000,000	$ 5,000,000
B.3.3. Strategy: INDIGENT HEALTH CARE REIMBURSEMENT	$ 10,000,000	$ 10,000,000
Indigent Health Care Reimbursement (UTMB).		
Total, Goal B: COMMUNITY HEALTH SERVICES	$ 1,485,485,280	$ 1,487,374,366
C. Goal: HOSPITAL FACILITIES AND SERVICES		
Hospital Facilities Management and Services.		
C.1.1. Strategy: TX CENTER FOR INFECTIOUS DISEASE	$ 9,257,061	$ 9,257,061
Texas Center for Infectious Disease.		
C.1.2. Strategy: SOUTH TEXAS HEALTH CARE SYSTEM	$ 6,835,529	$ 6,835,529
C.1.3. Strategy: MENTAL HEALTH STATE HOSPITALS	$ 273,056,158	$ 273,056,160
C.2.1. Strategy: MENTAL HEALTH COMMUNITY HOSPITALS	$ 20,164,248	$ 20,164,248
Total, Goal C: HOSPITAL FACILITIES AND SERVICES	$ 309,312,996	$ 309,312,998
D. Goal: CONSUMER PROTECTION SERVICES		
D.1.1. Strategy: FOOD (MEAT) AND DRUG SAFETY	$ 17,594,098	$ 17,564,098
D.1.2. Strategy: ENVIRONMENTAL HEALTH	$ 6,567,250	$ 6,567,250
D.1.3. Strategy: RADIATION CONTROL	$ 7,722,589	$ 7,722,590
D.1.4. Strategy: HEALTH CARE PROFESSIONALS	$ 6,371,987	$ 6,371,987
D.1.5. Strategy: HEALTH CARE FACILITIES	$ 6,084,255	$ 6,197,255
Total, Goal D: CONSUMER PROTECTION SERVICES	$ 44,340,179	$ 44,423,180
E. Goal: INDIRECT ADMINISTRATION		
E.1.1. Strategy: CENTRAL ADMINISTRATION	$ 15,074,633	$ 15,074,634
E.1.2. Strategy: IT PROGRAM SUPPORT	$ 5,234,044	$ 5,234,044
Information Technology Program Support.		
E.1.3. Strategy: OTHER SUPPORT SERVICES	$ 10,350,104	$ 10,350,104
E.1.4. Strategy: REGIONAL ADMINISTRATION	$ 7,028,502	$ 7,028,500
Total, Goal E: INDIRECT ADMINISTRATION	$ 37,687,283	$ 37,687,282
F. Goal: CAPITAL ITEMS		

Total, Goal E: INDIRECT ADMINISTRATION	$ 37,687,283	$ 37,687,282
F. Goal: CAPITAL ITEMS		
F.1.1. Strategy: LABORATORY (AUSTIN) BOND DEBT	$ 2,894,786	$ 2,874,519
F.1.2. Strategy: CONSTRUCTION - HLTH CARE FACILITIES	$ 32,326,582	$ 960,000 & UB
Construction of Health Care Facilities.		
F.1.3. Strategy: CAPITAL REPAIR AND RENOVATION	$ 7,885,070	$ 19,023,092 & UB
Capital Repair and Renovation - Mental Health Facilities.		
F.2.1. Strategy: CAPITAL ITEMS - PUBLIC HEALTH	$ 9,512,583	$ 7,234,947
Total, Goal F: CAPITAL ITEMS	$ 52,619,021	$ 30,092,558
Grand Total, DEPARTMENT OF STATE HEALTH SERVICES	$ 2,373,694,480	$ 2,358,492,779
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 351,327,271	$ 351,416,480
Other Personnel Costs	13,527,174	13,527,174
Professional Fees and Services	57,606,310	62,568,755
Fuels and Lubricants	543,852	543,852
Consumable Supplies	10,399,132	10,396,733
Utilities	15,874,921	15,881,671
Travel	7,286,136	7,265,990
Rent - Building	6,542,978	6,542,978
Rent - Machine and Other	2,355,259	2,355,259
Debt Service	2,894,786	2,874,519
Other Operating Expense	202,407,587	213,163,912
Client Services	846,543,417	845,958,179
Food for Persons - Wards of State	3,125,929	3,125,929
Grants	804,773,595	805,399,115
Capital Expenditures	48,486,133	17,472,233
Total, Object-of-Expense Informational Listing	$ 2,373,694,480	$ 2,358,492,779
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 20,765,183	$ 21,180,486
Group Insurance	79,482,021	87,032,646
Social Security	27,883,139	28,440,801
Benefits Replacement	4,945,723	4,863,179
Subtotal, Employee Benefits	$ 133,076,066	$ 141,517,112
Debt Service		
Bond Debt Service	$ 13,453,309	$ 15,595,034
Lease Payments	2,211,102	2,299,535
Subtotal, Debt Service	$ 15,664,411	$ 17,894,569
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 148,740,477	$ 159,411,681

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of State Health Services. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Department of State Health Services. In order to achieve the objectives

and service standards established by this Act, the Department of State Health Services shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: PREPAREDNESS AND PREVENTION		
Outcome (Results/Impact):		
Vaccination Coverage Levels among Children Aged 19 to 35 Months	82%	82%
A.1.2. Strategy: PUBLIC HEALTH PREPAREDNESS		
Output (Volume):		
Number of Educational Hours Provided on Bioterrorism and Public Health Preparedness	37,290	41,000
A.1.3. Strategy: MAINTAIN VITAL RECORDS		
Efficiencies:		
Average Number of Days to Certify or Verify Records	15	15
A.1.5. Strategy: REGISTRIES, INFORMATION, & ANALYSIS		
Output (Volume):		
Number of Requests for Data and Information Completed	96,500	96,500
A.2.1. Strategy: IMMUNIZE CHILDREN & ADULTS IN TEXAS		
Output (Volume):		
Number of Doses Administered	12,172,394	12,458,043
Explanatory:		
Dollar Value (in Millions) of Vaccine Provided by the Federal Government	101	101
A.2.2. Strategy: HIV/STD AND HEPATITIS C PREVENTION		
Output (Volume):		
Number of Persons Served by the HIV Medication Program	14,851	15,148
A.2.5. Strategy: INFECTIOUS DISEASE EPI/SURVEILLANCE		
Output (Volume):		
Number of Disease Investigations Conducted	60,000	60,000
A.3.1. Strategy: CARDIOVASCULAR, DIABETES, & INJURY		
Output (Volume):		
Number of Diabetes-related Prevention Activities	200,000	200,000
A.3.2. Strategy: ABSTINENCE EDUCATION		
Output (Volume):		
Number of Persons Served in Abstinence Education Programs	298,705	308,902
A.3.3. Strategy: KIDNEY HEALTH CARE		
Output (Volume):		
Number of Kidney Health Clients Provided Services	19,725	20,415
Efficiencies:		
Average Cost Per Chronic Disease Service - Kidney Health Care	1,118	1,175
A.3.4. Strategy: CHILDREN WITH SPECIAL NEEDS		
Output (Volume):		
Number of CSHCN Clients Receiving Medical Services	2,232	2,293
Efficiencies:		
Average Cost Per CSHCN Client Receiving Medical Services	10,977	10,977
A.4.1. Strategy: LABORATORY SERVICES		
Output (Volume):		
Work Time Units Produced	19,102,000	19,354,000
B. Goal: COMMUNITY HEALTH SERVICES		
Outcome (Results/Impact):		
Percentage of Eligible WIC Population Served	80%	80%

Percent of Adults Receiving Community Mental Health Services Who Were Admitted to a Level of Care (Service Package) Following Assessment	80%	80%
Percent of Adults Receiving Community Mental Health Services Whose Functional Level Stabilized or Improved	87%	87%
Percent of Children Receiving Community Mental Health Services Who Were Admitted to a Level of Care (Service Package) Following Assessment	80%	80%
Percent of Children Receiving Community Mental Health Services Whose School Behavior Improved	50%	50%
B.1.1. Strategy: WIC/FARMER'S MARKET NUTRITION SVCS		
Output (Volume):		
Number of WIC Participants Provided Nutritious Food Supplements Per Month	924,605	924,605
Efficiencies:		
Average Food Costs Per Person Receiving Services	33.73	34.91
Explanatory:		
Incidence (Percent) of Low Birth Weight Babies Born to Women, Infants and Children (WIC) Nutrition Program Mothers	6.5	6.5
B.1.2. Strategy: WOMEN & CHILDREN'S HEALTH SERVICES		
Output (Volume):		
Number of Infants <1 and Children Age 1-20 Years Provided Services by the Maternal and Child Health Program	40,000	40,000
Number of Women Provided Services by the Maternal and Child Health Program	53,500	53,500
B.1.3. Strategy: FAMILY PLANNING SERVICES		
Output (Volume):		
Number of Adults and Adolescents Receiving Family Planning Services	273,986	273,986
Efficiencies:		
Average Annual Cost Per Family Planning Client	177.8	177.8
B.1.5. Strategy: COMMUNITY PRIMARY CARE SERVICES		
Output (Volume):		
Number of Primary Health Care Eligible Patients Provided Access to Primary Care Services	84,000	84,000
B.2.1. Strategy: MENTAL HEALTH SVCS-ADULTS		
Output (Volume):		
Average Monthly Number of Adults Receiving Community Mental Health Services	46,143	46,330
Average Monthly Number of Persons Receiving Community Mental Health New Generation Medications	17,333	17,331
Efficiencies:		
Average Monthly Cost Per Adult Receiving Community Mental Health Services	445	445
Average Monthly Cost of New Generation Medications Per Person Receiving Community Mental Health New Generation Medications	275	275
B.2.2. Strategy: MENTAL HEALTH SVCS-CHILDREN		
Output (Volume):		
Average Monthly Number of Children Receiving Community Mental Health Services	9,994	9,994
Efficiencies:		
Average Monthly Cost Per Child Receiving Community Mental Health Services	465	467
B.2.3. Strategy: NORTHSTAR BEHAV HLTH WAIVER		
Output (Volume):		
Average Monthly Number of Persons Covered by NorthSTAR Behavioral Health Services Waiver	1,270,815	1,270,815
B.2.4. Strategy: SUBSTANCE ABUSE PREVENTION		
Output (Volume):		
Number of Adults Served in Substance Abuse Prevention Programs	245,505	245,505
Number of Youth Served in Substance Abuse Prevention Programs	811,222	811,222

B.2.5. Strategy: SUBSTANCE ABUSE INTERVENTION		
Output (Volume):		
Number of Adults Served in Substance Abuse Intervention Programs	286,443	286,443
Number of Youth Served in Substance Abuse Intervention Programs	119,258	119,258
Efficiencies:		
Average Cost Per Adult for Substance Abuse Intervention Services	32	32
Average Cost Per Youth for Substance Abuse Intervention Services	39	39
B.2.6. Strategy: SUBSTANCE ABUSE TREATMENT		
Output (Volume):		
Number of Adults Served in Treatment Programs for Substance Abuse	53,756	53,756
Number of Youth Served in Treatment Programs for Substance Abuse	7,477	7,477
Number of Dual Diagnosis Clients Served for Substance Abuse	6,082	6,082
Efficiencies:		
Average Cost Per Adult Completing Treatment Programs for Substance Abuse	1,528	1,528
Average Cost Per Youth Completing Treatment Programs for Substance Abuse	4,098	4,098
B.3.1. Strategy: EMS AND TRAUMA CARE SYSTEMS		
Output (Volume):		
Number of Emergency Health Care Providers (EMS Firms, Hospitals, RACS) Assisted through EMS/Trauma System Funding Programs	2,425	2,425
C. Goal: HOSPITAL FACILITIES AND SERVICES		
C.1.1. Strategy: TX CENTER FOR INFECTIOUS DISEASE		
Output (Volume):		
Number of Inpatient Days, Texas Center for Infectious Disease	16,000	16,000
C.1.2. Strategy: SOUTH TEXAS HEALTH CARE SYSTEM		
Output (Volume):		
Number of Outpatient Visits, South Texas Health Care System	58,423	58,423
C.1.3. Strategy: MENTAL HEALTH STATE HOSPITALS		
Output (Volume):		
Average Daily Census of State Mental Health Facilities	2,319	2,319
Average Monthly Number of State Mental Health Facility Consumers Receiving New Generation Medication Services	2,821	2,821
Efficiencies:		
Average Daily Facility Cost Per Occupied State Mental Health Facility Bed	327	327
Average Monthly Cost of New Generation Medications Per State Mental Health Facility Consumer Receiving New Generation Medication Services	314	314
D. Goal: CONSUMER PROTECTION SERVICES		
D.1.1. Strategy: FOOD (MEAT) AND DRUG SAFETY		
Efficiencies:		
Average Cost Per Surveillance Activity	163	163
D.1.2. Strategy: ENVIRONMENTAL HEALTH		
Efficiencies:		
Average Cost Per Surveillance Activity	155	155
D.1.3. Strategy: RADIATION CONTROL		
Efficiencies:		
Average Cost Per Surveillance Activity	254	254
D.1.4. Strategy: HEALTH CARE PROFESSIONALS		
Output (Volume):		
Number of Health Care Professionals Licensed, Permitted, Certified, Registered, or Documented	83,195	65,646
Number of Licensed Chemical Dependency Counselors Licenses Renewed (Individuals)	2,300	2,300

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code, §1232.103.

	2006	2007
a. Construction of Buildings and Facilities		
(1) Laboratory - Bond Debt Service	$ 2,894,786	$ 2,874,519
(2) Hospital Construction	32,326,582	960,000 & UB
Total, Construction of Buildings and Facilities	$ 35,221,368	$ 3,834,519
b. Repair or Rehabilitation of Buildings and Facilities		
(1) Laboratory Renovations	280,000	400,000
(2) Construction of MH Facilities	6,410,000	16,931,000 & UB
(3) Energy Performance Contracting - MH	1,475,070	2,092,092
Total, Repair or Rehabilitation of Buildings and Facilities	$ 8,165,070	$ 19,423,092
c. Acquisition of Information Resource Technologies		
(1) Information Systems Improvement	997,718	5,002,343
(2) Surveillance Systems	112,000	0
(3) Lab Information Systems	1,198,800	1,187,920
(4) Clinical Management and Claims Processing for Behavioral Health	583,910	467,910
(5) WIC Clinic PC Replacement	1,849,583	1,936,027
(6) IT Infrastructure	3,606,189	2,673,171
(7) WIC EBT II (Pilot & Deployment Project)	2,758,000	111,000
(8) IT Infrastructure (Lease)	2,400,000	2,400,000
(9) Communications Equipment (MLPP)	550,000	550,000
(10) Vital Statistics System Improvement	500,000	0
Total, Acquisition of Information Resource Technologies	$ 14,556,200	$ 14,328,371
d. Transportation Items		
(1) Vehicles	103,860	72,860
(2) Vehicles (MLPP)	500,000	500,000
Total, Transportation Items	$ 603,860	$ 572,860
e. Acquisition of Capital Equipment and Items		
(1) Misc Lab Equipment	1,291,000	558,200
(2) Equipment, MH Facilities (MLPP)	550,000	550,000
Total, Acquisition of Capital Equipment and Items	$ 1,841,000	$ 1,108,200
Total, Capital Budget	$ 60,387,498	$ 39,267,042

Method of Financing (Capital Budget):

General Revenue Fund		
General Revenue Fund	$ 6,727,689	$ 7,302,233
GR Match for Medicaid	24,226	23,587
Subtotal, General Revenue Fund	$ 6,751,915	$ 7,325,820
General Revenue Fund - Dedicated		
Vital Statistics Account No. 019	500,000	0
Department of State Health Public Health Services Fee Account No. 524	2,894,786	2,874,519
Subtotal, General Revenue Fund - Dedicated	$ 3,394,786	$ 2,874,519
Federal Funds	10,104,415	10,424,703
Other Funds		
Appropriated Receipts	423,800	400,000
DSHS Public Health Medicaid Reimbursements	976,000	351,000
Bond Proceeds - General Obligation Bonds	38,736,582	17,891,000
Subtotal, Other Funds	$ 40,136,382	$ 18,642,000
Total, Method of Financing	$ 60,387,498	$ 39,267,042

3. Agreements With Native American Population Authorities. The Department of State Health Services may enter into agreements with Native American population authorities for the provision of substance abuse programs aimed at dealing with the prevention, intervention, and treatment of alcoholics and drug abusers among the Native American population.

4. Notification of Intent to Utilize Federal Grant Funds.

a. Use of Funds for Services Previously Funded From Other Sources.
The Department of State Health Services (DSHS) shall notify the Legislative Budget Board and the Governor of its intent to use additional Substance Abuse Prevention and Treatment grant funds in excess of the amounts specifically appropriated in the strategies above to fund services previously funded from other federal sources. This notification shall include the services to be provided, the original source of funding for the program or services, and the amount of the grant funds to be used. The notification shall be submitted at least 45 days prior to allocations made out of funds appropriated above.

b. Use of Additional Federal Funds.
In addition, DSHS shall notify the Legislative Budget Board and the Governor of its intent to use federal funds in excess of the amounts specified above. The notification shall identify the amount of the specific grant to be used, indicating if any portion represents a carry forward of federal authority; address the use of funds, indicating the impact on performance measures and FTE levels; and indicate if services and FTEs are temporary or on-going. Written notification shall be submitted at least 45 days prior to budgeting or expending funds in excess of the amounts identified above. Written notification is also required 45 days prior to any decision or action by any agency personnel to budget or expend funds in excess of the amounts identified above.

5. Criminal Justice/Substance Abuse Initiative. Out of funds appropriated above in Strategy B.2.6, Substance Abuse Treatment, the Department of State Health Services shall transfer $3,250,000 in each year of the biennium to the Treatment Alternative to Incarceration Program with the Texas Department of Criminal Justice for the provision of outpatient substance abuse treatment services for probationers. The agencies shall enter into an interagency contract to include data reporting provisions to address performance and other data requirements for state and federal reporting.

6. Client Services. It is the intent of the Legislature that the Department of State Health Services (DSHS) and the Department of Family and Protective Services (DFPS) enter into a Memorandum of Understanding for providing outpatient treatment services by DSHS to referred

DFPS clients. Out of Substance Abuse Prevention and Treatment Block Grant federal funding at DSHS a maximum of $2,070,114 for the biennium may be used for qualified services to DFPS clients.

7. Limitation of Specific Strategy Transfers. The transfer of appropriations from Strategy C.1.3, Mental Health State Hospitals, to any other strategy is limited to 17.5 percent without the prior approval of the Legislative Budget Board and the Governor. Transfers from Strategy C.1.3 may only be made to Strategy B.2.1, Mental Health Services for Adults; Strategy B.2.2, Mental Health Services for Children; or Strategy C.2.1, Mental Health Community Hospitals.

8. Other Reporting Requirements.

a. **Federal Reports**. The Department of State Health Services shall submit the following information to the Legislative Budget Board and the Governor no later than the date the respective report is submitted to the federal government:

(1) Notification of proposed State Plan amendments and waivers for the Maternal and Child Health Block Grant (Title V of the Social Security Act), the Special Supplemental Food Program for Women, Infants and Children Program (Child Nutrition Act of 1966), and the Substance Abuse, Prevention and Treatment Block Grant and any other federal grant requiring a state plan. State Plan amendments and waiver submissions shall also be provided to the Senate Health and Human Services, House Human Services, and House Public Health committee.

(2) A copy of each report or petition submitted to the federal government relating to the grants and programs noted above under section a (l).

b. **Federal Issues.** The Department of State Health Services shall notify the Legislative Budget Board and the Governor on a timely basis about emerging issues that could result in the loss of more than $1 million in federal revenue assumed in the appropriations act.

c. **Monthly Financial Reports.** The Department of State Health Services shall submit the following information to the Legislative Budget Board and the Governor on a monthly basis:

(1) Information on appropriated, budgeted, expended and projected funds, by strategy and method of finance.

(2) Narrative explanations of significant budget adjustments, ongoing budget issues, and other as appropriate.

(3) Any other information requested by the Legislative Budget Board or the Governor.

d. The monthly financial reports shall be prepared in a format specified by the Legislative Budget Board.

9. Reporting of Earned Federal Funds.

a. The Department of State Health Services shall submit a monthly report to the Legislative Budget Board and the Governor that details revenues, expenditures, and balances for earned federal funds as of the last day of the prior month. The report shall be prepared in a format approved by the Legislative Budget Board.

b. The method of financing item, Earned Federal Funds, for appropriations made above includes unexpended and unobligated balances of earned federal funds remaining as of August 31, 2005 (estimated to be $0), and receipts earned in fiscal years 2006 and 2007.

10. Mental Health Community Hospital Medicaid Services. The Harris County Psychiatric Center, Lubbock Community Hospital, and Galveston Community Hospital shall certify appropriated state funds to the Health and Human Services Commission or its designee for the state share of Medicaid reimbursement for the following services:

a. Inpatient psychiatric services for children.

b. Inpatient psychiatric services for age 65 and over (Institute for Mental Disease option).

The Department of State Health Services shall report monthly to the Legislative Budget Board and the Governor on the amounts certified by each mental health community hospital.

11. Performance Contracts. Funds in Strategy C.2.1, Mental Health Community Hospitals, shall be allocated through performance contracts with local mental health authorities.

12. Rusk State Hospital Timber Sales. The Department of State Health Services is authorized to sell timber located on department land at Rusk State Hospital. Revenues generated from the sale of timber, estimated at $0 for the biennium, shall be deposited into the Texas Capital Trust Fund Account No. 543.

13. Transfers of Appropriation - State Owned Hospitals. The Department of State Health Services shall transfer from non-Medicaid state appropriated funds the following amounts to the Health and Human Services Commission for the Disproportionate Share Hospital Reimbursement Program:

	2006	2007
State Mental Hospitals	$ 226,707,123	$ 226,707,124
Harris County Psychiatric Center	12,847,942	12,847,942
Texas Center for Infectious Disease	7,865,061	7,831,061
	$ 247,420,126	$ 247,386,127

The timing and form of such transfers shall be determined by the Comptroller of Public Accounts in consultation with the Health and Human Services Commission. The Legislative Budget Board is authorized to adjust the amounts of such transfers as necessary to match available federal funds. The department shall also transfer non-Medicaid state appropriated funds as necessary for other qualifying state-funded community hospitals including mental health community hospitals.

14. Disposition of Construction Appropriation. Construction appropriations may be used to pay salaries and travel expenses of department engineers and architects and administrative expenses of construction projects (but shall not exceed $500,000 in a fiscal year that are paid out of General Obligation Bonds); architect's and engineer's fees; and the actual travel expenses incurred by them or their representatives in making trips of inspection at the discretion of the department during construction, renovation, or repair of buildings and systems or the installation of fixed equipment. Job titles and rates of pay for such salaried positions of department personnel paid from construction appropriations shall conform with the Position Classification Plan and Classification Salary Schedule.

15. Community Hospital Funding for Galveston Community Hospital. Out of funds appropriated above, the Department of State Health Services shall allocate $400,000 in General Revenue for fiscal year 2006 and $400,000 in General Revenue for fiscal year 2007 for the Galveston Community Hospital, specifically for the purpose of providing outpatient medication services.

16. Appropriation of Local Funds. All funds received by the department from counties, cities, and any other local governmental entities and all balances from such sources as of August 31, 2005, are hereby appropriated for the biennium ending August 31, 2007, for the purpose of carrying out the provisions of this Act. (Estimated to be $0.)

17. Medical Assistance Payments and Unexpended Balances. General Revenue Funds appropriated above for all Medicaid services shall be made available to the agency by the Comptroller of Public Accounts in equal monthly installments on the first day of each calendar month, provided, however, that any balances on hand in such funds may be carried over from month to month during each fiscal year and from fiscal year 2006 to fiscal year 2007, and such funds are appropriated to the department for the 2006-07 biennium.

18. Unexpended Construction Balances: Mental Health Facilities. Any unexpended construction, repair, or renovation balances from previous appropriations, estimated to be $1,410,000 from fiscal year 2005 to fiscal year 2006 and included in the method of finance above as General Obligation Bond proceeds in Strategy F.1.3, Capital Repair and Renovation - Mental Health Facilities, are hereby appropriated to the Department of State Health Services (DSHS) for the same purposes, provided that the expenditure of such appropriated funds shall require the approval of the Commissioner of State Health Services. At least 45 days prior to expenditure of such funds, DSHS shall report on the appropriated fund sources, amounts and year of appropriation and on the proposed use of these funds to the Legislative Budget Board and the Governor.

19. Unexpended Balances: JCAHO. Except as otherwise provided, unexpended and unobligated balances, not to exceed $5 million, remaining from appropriations for the first year of the biennium to the Department of State Health Services are appropriated to the department for the purpose of complying with Joint Commission for the Accreditation of Healthcare Organizations (JCAHO) standards dealing with residential, non-residential, and community based mental health services. This paragraph does not apply to those unexpended and unobligated balances remaining from appropriations for the first year of the biennium that the department is authorized by this Act to retain for specific purposes in the second year of the biennium. The department shall notify the Legislative Budget Board and the Governor as to when the appropriation originated, why it is not needed, and how it will be used prior to budgeting and expending these balances.

20. Mental Health Appropriation Transfer Between Fiscal Years. In addition to the transfer authority provided elsewhere in this Act, the Department of State Health Services may transfer appropriations made for the fiscal year ending August 31, 2007, to the fiscal year ending August 31, 2006, subject to the following conditions provided by this section:

a. Transfers under this section may be made only:

(1) If appropriated receipts required to fund appropriations contained in this Act for fiscal year 2006 are less than those contained in the method of finance for the department for fiscal year 2006;

(2) For any emergency expenditure requirements, including expenditures necessitated to ensure the continuation of Medicaid client services to maintain fiscal year 2005 Medicaid caseloads.

b. Transfers may not exceed $15,000,000 in General Revenue.

c. A transfer authorized by this section must receive the prior approval of the Legislative Budget Board and the Governor.

d. The Comptroller of Public Accounts shall cooperate as necessary to assist the completion of a transfer and spending made under this section.

21. Revolving Fund Services: Canteen Services and Sheltered Workshops.

a. **Canteen Services**. Each of the facilities under control and management of the Department of State Health Services, except the Central Office, may establish, maintain and operate a canteen for the convenience of its patients. Any balances remaining in each canteen operation fund are appropriated for the biennium beginning with the effective date of this Act in an amount estimated to be $391,799 from balances on hand on August 31, 2005, and included above in Strategy C.1.3, Mental Health State Hospitals. Any unobligated balances as of August 31, 2006, are appropriated for the same use during fiscal year 2007. All receipts deposited to its credit, estimated to be $759,500 in fiscal year 2006 and $759,500 in fiscal year 2007 and included above in Strategy C.1.3, Mental Health State Hospitals, are appropriated for all costs necessary for the operation of a canteen for the next fiscal year. Funds appropriated for canteen services are reflected in the method of finance above as MH Revolving Fund Receipts. Each of the facilities under control and management of the department that contracts with the Department of Assistive and Rehabilitative Services for the operation of its canteen shall deposit the amount of monies originally appropriated for its Canteen Operation Fund into the General Revenue Fund. The balance remaining in the facility's Canteen Operation Fund, after the amount originally appropriated is deposited to the General Revenue Fund, shall be deposited to the Benefit Fund created at the facility under the provisions of Health and Safety Code, §551.004.

The department shall provide information on related revenues, balances, contracts, and profits to the Legislative Budget Board, Governor, and Comptroller of Public Accounts. These revenues, expenditures, and balances shall be reported and included in agency Operating Budgets, Legislative Appropriation Requests, and Annual Financial Reports. The timetable, format and content for additional monthly reports related to canteen operations shall be prescribed by the Legislative Budget Board.

b. **Sheltered Workshops**. The Department of State Health Services may maintain a revolving fund for its management responsibilities related to sheltered workshops. Any balances remaining in the sheltered workshop funds are appropriated for the biennium beginning with the effective date of this Act in an amount estimated to be $0 from balances on hand remaining on August 31, 2005, and included above in Strategy C.1.3, Mental Health State Hospitals. Any unobligated balances as of August 31, 2006, are appropriated for the same use during fiscal year 2007. All receipts deposited to the credit of the sheltered workshops, estimated to be $30,000 in fiscal year 2006 and $30,000 in fiscal year 2007 and included above in Strategy C.1.3, Mental Health State Hospitals, are appropriated for all costs necessary for the operation of sheltered workshops. Funds appropriated for sheltered workshops are reflected in the method of finance above as MH Revolving Fund Receipts. The department shall provide information on related revenues, expenditures, balances, contracts, and profits to the Legislative Budget Board, Governor, and Comptroller of Public Accounts. These revenues, expenditures, and balances shall be reported and included in agency Operating Budgets, Legislative Appropriations Requests, and Annual Financial Reports. The timetable, format, and content for additional monthly reports related to the Sheltered Workshop Revolving Fund shall be prescribed by the Legislative Budget Board.

22. New Generation Medications. Funds expended on New Generation Medications shall be spent in accordance with the practice guidelines developed through the Texas Implementation of Medication Algorithms (TIMA), Children's Medication Algorithm Project (CMAP) or a Department of State Health Services-approved variation or substitute of TIMA or CMAP guidelines.

23. Recoupment of Funds from Local Authorities. Notwithstanding other provisions of this Act, any state funds appropriated for fiscal year 2006 recouped by the Department of State Health Services (DSHS) from a local mental health authority for failing to fulfill its performance contract with the State, are hereby reappropriated to DSHS to reallocate to other local mental health authorities to use for a related purpose in fiscal year 2007. In conjunction with the reallocation of funds, DSHS shall provide a report to the Legislative Budget Board and the Governor on the amount of funds, the reasons for the recoupment, the local authorities involved,

any performance contract requirements that were not met, and the purposes of the reallocation.

24. Limitation: Medicaid Transfer Authority. Notwithstanding the transfer provisions in the general provisions (general transfer provisions) of this Act, none of the funds appropriated by this Act to the Department of State Health Services for the following Medicaid strategies:

a. B.2.1, Mental Health Services for Adults;
b. B.2.2, Mental Health Services for Children; and
c. C.1.3, Mental Health State Hospitals

may be transferred to any other item of appropriation or expended for any purpose other than the specific purpose for which the funds are appropriated without the prior written approval of the Legislative Budget Board and the Governor; however, funds may be transferred between Medicaid strategies in accordance with other provisions in this Act, including the general transfer provisions.

25. Transfer Authority. Notwithstanding Article IX, Section 6.08, Appropriation Transfers, and subject to the limitations contained in provisions No. 7, Limitation of Specific Strategy Transfers, and No. 63, Children with Special Health Care Needs, and notwithstanding any other provision, appropriations contained in this Act to the Department of State Health Services may be transferred from one appropriation item to another appropriation item in amounts not to exceed 25 percent of All Funds for the fiscal year, at the discretion of the Commissioner of State Health Services. Transfers from one appropriation item to another item that exceed the lesser of $250,000 or 10 percent in All Funds of the appropriation item from which the transfer is made are subject to the approval of the Executive Commissioner of Health and Human Services, the Commissioner of State Health Service, or the designee under statute or by rule, and are subject to the following reporting requirements.

a. At least 45 days prior to any transfer of funds between items of appropriation notification shall be made to the Governor and the Legislative Budget Board.

b. At least 45 days prior to any program expansion, notification shall be made to the Governor and the Legislative Budget Board. Program expansion is defined as any modification of current policy that would result in an increase in services delivered or clients served, including any increase in funds budgeted in the program.

c. Notifications shall include information regarding the source of funds to be transferred; any changes in Federal Funds related to the proposed transfer; the strategy from which the transfer is to be made and the strategy to which the transfer is to be made; the need which was to be served through the original appropriation and the basis for the decrease in need; the need to be served in the strategy receiving the funds and the basis for such selection and the amounts of funds to be spent on direct client services as opposed to both general and operating support costs. In the event program expansions are under consideration, information shall be forwarded regarding the population to be served; criteria for eligibility; source of funding; and impact on existing programs.

Transfers approved by the Commissioner of State Health Services will be reported to the Executive Commissioner of Health and Human Services, the Legislative Budget Board, and the Governor quarterly.

26. Use of Timber Receipts for Capital Projects. The Department of State Health Services is hereby authorized to sell timber located on department land. Revenues generated from the sale of timber, estimated at $0 for the biennium, shall be deposited into the Texas Capital Trust Fund Account No. 543.

27. Laboratory Funding.

a. All receipts generated by the Department of State Health Services (DSHS) from laboratory fees during the 2006-07 biennium are hereby appropriated to the DSHS for transfer to the Texas Public Finance Authority for the payment of debt services on the project revenue bonds.

b. Appropriations made out of the General Revenue Fund to DSHS in Goal E, Indirect Administration, may be transferred for bond debt service payments only if laboratory fees generated by the laboratory during the biennium are insufficient to support the bond debt service, subject to prior approval of the Governor and the Legislative Budget Board and if no funds appropriated to DSHS by this Act have been transferred into Goal E, Indirect Administration.

28. Appropriations Limited to Revenue Collections. The Department of State Health Services (DSHS) shall review all of the fee schedules within its authority on an annual basis. The DSHS shall provide a copy of the report summarizing this review to the Legislative Budget Board and the Governor no later than September 1 of each year in the biennium, with a copy of the final report to be submitted no later than January 1 of each year of the biennium. It is the intent of the Legislature that, to the extent feasible, fees, fines, and other miscellaneous revenues as authorized and generated by the department cover, at a minimum, the cost of the appropriations made for the programs listed in the table below, as well as the "other direct and indirect costs" associated with these programs, appropriated elsewhere in this Act. "Other direct and indirect costs" for these programs are estimated to be $8,228,434 for fiscal year 2006 and $8,117,752 for fiscal year 2007. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available. This rider shall apply to revenues generated in the following strategies and deposited under the following revenue codes or account numbers:

Strategy	**Revenue Code or Account**
D.1.1. Food (Meat) & Drug Safety	
	341 Food & Drug Retail Fee
	5022 Oyster Sales
	5024 Food & Drug Registration
	Fees deposited into 001 to support D.1.1, Food (Meat) and Drug Safety, including fees deposited under the following Revenue Codes: 3142 (Food Service Worker Training); 3180 (Health Regulation Fees for Body Piercing and Tattoo Studios, Tanning Facility Fees, and Narcotic Treatment Fees); 3400 (Business Fees-Agriculture, for Renderers Licenses and Milk Industry Products); 3414 (Agriculture Inspection Fees, for Meat Inspection); 3554 (Food and Drug Fees, for Medical Device Wholesalers, Food Drug and Cosmetic Sales, and Frozen Desserts).
D.1.2. Environmental Health	
	5017 Asbestos Removal Licensure
	5020 Workplace Chemical List
	Fees deposited into 001 to support D.1.2, Environmental Health, including fees deposited under the following Revenue Codes: 3123 (Glue and Paint Sales Permit); 3141 (Bedding Permit Fees); 3175 (Professional Fees, for

Code Enforcement Officers); 3180 (Lead-Based Paint Certification Program); 3555 (Hazardous Substance Manufacture); 3562 (Health Related Professions Fees, for Sanitarian Registration and Pesticide Use and Application Program); and 3573 (Health Licenses for Camps, for Migrant Camps and Youth Camps).

D.1.3. Radiation Control

5021 Certificate of Mammography Systems

Fees deposited into 001 to support D.1.3, Radiation Control, including fees deposited under the following Revenue Codes: 3589 (Radiation Control).

D.1.4. Health Care Professionals

Fees deposited into 001, Revenue Codes; 3175 (Professional Fees, for Health Services Providers, Athletic Trainers); 3560 (Medical Examination and Registration, for Perfusionists, Medical Radiologic Technicians; and Respiratory Therapists); 3562 (Health Related Profession Fees, for Medical Physicists, Hearing Aid Dispensers, Marriage and Family Therapists, Massage Therapists, Respiratory Care Practitioners, Professional Counselors, Dispensing Opticians, Speech Pathologists, Dieticians and Chemical Dependency Counselors); 3616 (Social Worker Regulation); and 3727 (Council on Sex Offender Treatment Providers).

D.1.5. Health Care Facilities

129 Hospital Licensing

Fees deposited into 001, Revenue Codes: 3180 (Health Regulation Fees, for Special Care Facilities); and 3557 (Health Care Facilities Fees, for Abortion Clinics, Ambulatory Surgical Centers, Birthing Centers, End Stage Renal Disease Facilities, Chemical Dependency Facilities, and Drug Abuse Treatment Facilities).

A.1.3. Maintain Vital Records

019 Vital Statistics

29. Funding for Abstinence Sexual Education. It is the intent of the Legislature that funds appropriated in Strategy A.3.2, Abstinence Education, be utilized for the purpose of implementing abstinence sexual education programs to reduce the need for future family planning services for unwed minors. Abstinence education means materials and instruction which:

a. Present abstinence from sexual activity as the preferred choice of behavior for unmarried persons; and

b. Emphasize that abstinence from sexual activity, used consistently and correctly, is the only method that is 100 percent effective in preventing pregnancy, sexually transmitted disease, and infection with human immunodeficiency virus or acquired immunodeficiency syndrome.

30. Prohibition on Abortions.

a. It is the intent of the Legislature that no funds shall be used to pay the direct or indirect costs (including overhead, rent, phones and utilities) of abortion procedures provided by contractors of the department.

b. It is also the intent of the legislature that no funds appropriated under Strategy B.1.3, Family Planning Services, shall be distributed to individuals or entities that perform elective abortion procedures or that contract with or provide funds to individuals or entities for the performance of elective abortion procedures.

c. The department shall include in its financial audit a review of the use of appropriated funds to ensure compliance with this section.

31. Family Planning. Of funds appropriated under Strategy B.1.3, Family Planning Services, no state funds may be used to dispense prescription drugs to minors without parental consent.

32. Medical Treatment. The Department of State Health Services may distribute funds for medical, dental, psychological, or surgical treatment provided to a minor only if consent to treatment is obtained pursuant to Chapter 32 of the Texas Family Code or other state law. In the event that compliance with this rider would result in the loss of Federal Funds to the state, the department may modify, or suspend this rider to the extent necessary to prevent such loss of funds, provided that 45 day prior notification is provided to the Governor and the Legislative Budget Board.

33. Reporting of Child Abuse. The Department of State Health Services may distribute or provide appropriated funds only to recipients which show good faith efforts to comply with all child abuse reporting guidelines and requirements set forth in Chapter 261 of the Texas Family Code.

34. Trauma Formula Distribution. It is the intent of the Legislature that the Department of State Health Services allocate monies from the emergency medical services and trauma care system fund in accordance with Health and Safety Code, §773.122(c). It is further the intent of the Legislature that the Department of State Health Services weight the statutory criteria in such fashion that, in so far as possible, 40 percent of the funds are allocated to urban counties and 60 percent of the funds are allocated rural and frontier counties.

35. Authorization to Receive, Administer, and Disburse Federal Funds. The appropriations made herein may be used to match Federal Funds granted to the state for the payment of personal services and other necessary expenses in connection with the administration and operation of a state program of health services. Notwithstanding the General Provisions of this Act, the Executive Commissioner of Health and Human Services, the Commissioner of State Health Services, or the designee under statute or by rule is hereby authorized to receive and disburse in accordance with plans acceptable to the responsible federal agency, all federal monies that are made available (including grants, allotments, and reimbursements) to the state and retain their character as Federal Funds for such purposes, and to receive, administer, and disburse Federal Funds for federal regional programs in accordance with plans agreed upon by the Department of State Health Services and the responsible federal agency, and such other activities as come under the authority of the Executive Commissioner of Health and Human Services, the Commissioner of State Health Services, or the designee under statute or by rule, and such monies are hereby appropriated to the specific purpose or purposes for which they are granted or otherwise made available. Earned Federal Funds are not considered to be Federal Funds for the purpose of this section.

36. Accounting of Support Costs. The Comptroller of Public Accounts shall establish separate accounts from which certain support costs shall be paid. The Department of State Health Services is hereby authorized to make transfers into these separate accounts from line item strategies in order to pay for these expenses in an efficient and effective manner. Only costs not directly attributable to a single program may be budgeted in or paid from these accounts. Items to be budgeted in and paid from these accounts include but are not limited to: postage, occupancy costs, equipment repair, telephones, office printing costs, supplies, freight and transport costs, telephone system costs and salary and travel costs of staff whose function

supports several programs. The department shall be responsible for monthly allocations of these costs to the original strategies.

37. WIC (Special Supplemental Nutrition Program for Women, Infants, and Children) Rebates. The Department of State Health Services (DSHS) is authorized to receive and expend WIC rebates and interest earnings associated with WIC rebates and such funds are appropriated to DSHS. The department shall only expend WIC rebates and interest earnings for the purposes of the WIC program.

38. State Health Care Facility Provisions. The State Health Care Facilities (formerly known as State Chest Hospitals) operated by the Department of State Health Services are the South Texas Health Care Center System (formerly known as the South Texas Hospital) and the Texas Center for Infectious Disease. The provisions applying to the State Health Care Facilities are as follows:

a. The Texas Center for Infectious Disease shall provide utilities and inpatient treatment and care services to the San Antonio State Hospital and the San Antonio State School without reimbursement.

b. Out of the funds appropriated above the South Texas Health Care System shall support medical education through the South Texas Family Practice Residency Program-McAllen with the cooperation of the University of Texas Health Science Center at San Antonio.

c. Third party collections (appropriated receipts) collected by the Department of State Health Services State Health Care Facilities are hereby appropriated to Strategy C.1.1, Texas Center for Infectious Disease, and Strategy C.1.2, South Texas Health Care System, for the provision of services.

39. Immunization of Employees. Monies appropriated above may be expended for any immunization which is required of employees at risk in the performance of their duties.

40. Reimbursement of Advisory Committee Members. Pursuant to Health and Safety Code, §1001.027, reimbursement of expenses for advisory committee members, out of funds appropriated above not to exceed $200,000 per fiscal year, is limited to the following advisory committees: Informational and Educational Subcommittee of the Family Planning Program, State Preventive Health Advisory Committee, Texas Radiation Advisory Board, Asbestos Advisory Committee, and Preparedness Coordinating Council.

Pursuant to Health and Safety Code, §1001.027, reimbursement of expenses for advisory committee members, out of funds appropriated above, is limited to any advisory committee member who represents either the general public or consumer on the following advisory committees: Texas HIV Medication Program Advisory Committee, Device Distributors and Manufacturers' Advisory Committee, Registered Sanitarian Advisory Committee, Code Enforcement Officer's Advisory Committee, Promotora Advisory Committee, Medical Radiological Technologist Advisory Committee, Respiratory Care Practitioner's Advisory Committee, Governor's Emergency Medical Services and Trauma Advisory Council, and Drug Demand Reduction Advisory Committee.

Pursuant to Health and Safety Code, §1001.027, reimbursement of expenses for advisory committee members, out of funds appropriated above not to exceed $18,978 per year, is limited to the Mental Health Planning and Advisory Committee.

To the maximum extent possible, the department shall encourage the use of videoconferencing and teleconferencing and shall schedule meetings and locations to facilitate the travel of participants so that they may return the same day and reduce the need to reimburse members for overnight stays.

41. Reimbursement of Advisory Council Members. Pursuant to Health and Safety Code, §1001.027, reimbursement of travel expenses for the State Health Services Advisory Council members, out of funds appropriated above, is hereby authorized such that the sum total of all reimbursements for members of the Council shall not exceed $15,000 per fiscal year, at the rate

specified in the general provisions of this Act.

42. Appropriation of Receipts: Civil Monetary Damages and Penalties. Out of funds appropriated above related to civil monetary damages and penalties under Health and Safety Code, §431.047, there are appropriated to the department amounts equal to the costs of the investigation and collection proceedings conducted under that section, and any amounts collected as reimbursement for claims paid by the department.

43. Unexpended Balances - Preparedness and Prevention, and Consumer Protection Services. Subject to the approval of the Commissioner of Health and Human Services, the Commissioner of State Health Services, or the designee under statute or by rule, all unexpended balances, including General Revenue and All Funds, not otherwise restricted from appropriations to Goal A: Preparedness and Prevention Services, and Goal D: Consumer Protection Services, at the close of the fiscal year ending August 31, 2006, are hereby appropriated for the fiscal year beginning September 1, 2006. The Department of State Health Services shall submit a report to the Legislative Budget Board and the Governor identifying any appropriations carried forward into fiscal year 2007 pursuant to this provision no later than 14 days after approval. The report shall be prepared in a format prescribed by the Legislative Budget Board.

44. Contingent Revenue, Food and Drug Retail Fees. The Department of State Health Services is hereby appropriated any additional revenues generated in General Revenue-Dedicated Account No. 341, Food and Drug Retail Fees, above the amounts identified in fiscal years 2006 and 2007 for Account No. 341 in the Comptroller of Public Accounts' Biennial Revenue Estimate, for the purpose of restaurant inspections. The dollar amounts identified above in the Method of Financing are contained in the Comptroller of Public Accounts' Biennial Revenue Estimate 2006-07 for Revenue Objects deposited into Account No. 341.

45. Laboratory Revenue. The Department of State Health Services is hereby appropriated any additional laboratory revenues, generated in General Revenue-Dedicated Account No. 524, above the amounts identified in fiscal years 2006 and 2007 for Account No. 524 in the Comptroller of Public Accounts' Biennial Revenue Estimate, for the purpose of laboratory operations. This appropriation does not include any amounts deposited into Revenue Object 3561. The dollar amounts above are contained in the Comptroller of Public Accounts' Biennial Revenue Estimate 2006-07 for Revenue Objects deposited into Account No. 524 and exclude amounts estimated for Revenue Object 3561. Laboratory revenues deposited into Revenue Object No. 3561 are statutorily dedicated for laboratory debt service and may not be used for any other purpose.

46. Asbestos Revenue. The Department of State Health Services is hereby appropriated any additional revenues generated in Revenue Object 3175 General Revenue-Dedicated, Account No. 5017, Asbestos Removal Licensure, above the amounts identified in fiscal year 2006 and fiscal year 2007 in the Comptroller's Biennial Revenue Estimate, for the purpose of asbestos inspections and regulatory activities.

47. Additional Appropriation for Quality Patient Care Regulation. The Department of State Health Services (DSHS) is hereby appropriated for the biennium any revenues above the Comptroller of Public Accounts' Biennial Revenue Estimate that are deposited in the General Revenue Fund by DSHS under Comptroller Objects 3616, 3560, and 3562 for the purpose of regulating social workers, health-related professionals (marriage and family therapists, dietitians, medical physicists, respiratory care practitioners, and massage therapists), and midwifery training. Funds appropriated in this item may be transferred to the appropriate strategies for the purpose of regulating social workers, health related professionals, and midwifery training.

48. State Health Programs Drug Manufacturer Rebates. The Department of State Health Services is authorized to receive and expend drug rebates and interest earnings associated with Kidney Health Care (KHC) drug rebates and Children with Special Health Care Needs (CSHCN) drug rebates. The department shall expend the drug rebates and interest earnings, appropriated above, only for the purpose of client services for the KHC and CSHCN programs. The department shall establish a preference, within these programs, for the purchase of pharmaceutical products from those manufacturers that participate in the State Health Programs Drug Manufacturer Rebate Program for the CSHCN program and the KHC program.

49. Childhood Lead Registry. Out of funds appropriated above in Strategy A.1.5, Health Registries, Information, and Analysis, a total of $80,700 in total funds and $65,000 in General Revenue funds each fiscal year of the 2006-07 biennium shall be used for the Childhood Lead Registry.

50. Performance of Licensing Entities. The Department of State Health Services (DSHS) shall provide performance information to the Legislative Budget Board and the Governor no later than December 1 of each year for each board or other entity that licenses, certifies, or registers health professionals attached to or within the purview of DSHS. For each board or other entity, the department shall provide the following for the previous fiscal year:

a. Number of Professionals Licensed/Certified/Placed on a Registry;
b. Number of New License/Certificate Applications Received;
c. Total Number of Complaints Received;
d. Total Number of Jurisdictional Complaints Resolved; and
e. Total Number and Type of Disciplinary Actions Taken.

51. Performance Reporting for Texas Center for Infectious Disease and South Texas Health Care Center System. The Department of State Health Services shall submit to the Legislative Budget Board and the Governor the following information on a quarterly basis regarding hospital performance: revenue collections at the hospital, by payor type; number of inpatient patients served on a monthly basis, by type of service provided; and number of outpatient patients served on a monthly basis, by type of service provided.

52. Notification of Regional Funds Distribution. The Department of State Health Services shall notify the Legislative Budget Board and the Governor of the allocation methodology or formula used to allocate funds and provide an impact analysis of any changes from the previous year's formula or percentage allocations, by public health region, at least 30 days prior to allocations made out of funds appropriated above in Strategy B.1.2, Women and Children's Health Services.

53. Transfer for Health Professions Council. Out of funds appropriated above in Strategy D.1.4, Health Care Professionals, an amount equal to $13,465 in fiscal year 2006 and $14,741 in fiscal year 2007 shall be used for transfer to, and expenditure by, the Health Professions Council as the pro-rated assessment of the Professional Licensing and Certification Unit of the Department of State Health Services.

54. Increase Immunization. The Department of State Health Services shall report to the Legislative Budget Board and the Governor no later than September 30 of each year of the biennium on plans to increase immunization rates in Texas, focusing on immunization of pre-school age children. It is the intent of the Legislature that this report be used by the department in managing state and federal resources to increase immunization rates. The report shall detail the following:

a. Methodology used to determine rates of immunization;

b. Current immunization rates by geographic region of the state, where available, focusing on areas in which pre-school children are immunized at rates less than the state average;

c. Specific approaches planned for the fiscal year of the report to address geographic areas of under-immunization, including:
   (1) Changes to agency procedures to more effectively reach under-immunized areas;

(2) Contracted services and contract provisions to focus on under-immunized areas;
(3) Performance measures, relating to increased immunization rates, which will be included in contract provisions;
(4) Estimated cost for each approach; and

d. Estimates of the impact that each approach will make individually, and that the approaches will make collectively, to increase immunization rates (for geographic areas when appropriate) and to change other appropriate performance measures.

55. Rabies Control. Out of amounts appropriated above, up to $4,737,981 in fiscal year 2006 and $4,237,981 in fiscal year 2007 is allocated above to Strategy A.2.4, Zoonotic Diseases, for rabies control.

56. Reducing the Incidence of Vibrio Vulnificus. Out of the funds appropriated in Strategy D.1.1, Food (Meat) and Drug Safety, the Department of State Health Services (DSHS) shall allocate up to $100,000 in fiscal year 2006 and $100,000 in fiscal year 2007 in the General Revenue Dedicated, Account No. 5022, Oyster Sales, for the purpose of reducing the incidence of Vibrio Vulnificus. Appropriation of these funds does not preclude the use of other funds (such as federal or other grants, donations, or awards) to carry out the activities by DSHS as provided for herein.

57. Expenditures Related to School Health. The Department of State Health Services (DSHS) shall expend up to $3,241,189 for the biennium in total funds, for the purpose of school health services. Further, the DSHS shall continue to award new contracts for school health services at the rate of at least two per contract award period of the biennium. Nothing in this provision is intended to require DSHS to contract with an applicant that does not meet the department's qualification criteria.

58. Use of Community Primary Care Services, FQHC, and Special Health Initiatives Funds.

a. It is the intent of the Legislature that up to $5,000,000 in fiscal year 2006 and $5,000,000 in fiscal year 2007 of the funds appropriated in Strategy B.3.2, FQHC Infrastructure Grants, be expended exclusively to sustain existing Federally Qualified Health Centers (FQHCs) and to aid FQHCs through grants to existing or new institutions seeking to become FQHCs for planning, grant writing, initial operating costs, and initial capital costs. Any unused funds after June 1 of each year shall be used solely for the provision of direct primary care services through the continuation of the Primary Healthcare Program for existing FQHCs and non-FQHCs in Strategy B.1.5, Community Primary Care Services.

b. It is the intent of the Legislature that a total of $302,100 for the 2006-07 biennium appropriated in Strategy B.1.5, Community Primary Care Services, be expended exclusively for the Parkland Senior Care Project. No more than $800,000 may be used each year in Strategy B.1.5, Community Primary Care Services, for administrative expenses to support the Community Primary Care and FQHC grant programs.

c. It is the intent of the Legislature that all grantees, except Parkland Senior Care Project, receiving funds appropriated in Strategy B.1.5, Community Primary Care Services, be required to coordinate their services with existing FQHCs located in their county or to examine seeking designation as an FQHC if no FQHC is currently available within their county.

d. It is the intent of the Legislature that $321,398 in fiscal year 2006 and $321,398 in fiscal year 2007 of the funds appropriated in Strategy A.1.4, Special Health Initiatives, be expended exclusively for the Office for the Elimination of Health Disparities.

59. State Owned Multi-categorical Teaching Hospital Account. Out of funds appropriated above in Strategy B.3.3, Indigent Health Care Reimbursement (UTMB), from the State Owned Multi-categorical Teaching Hospital Account No. 5049 ("Account"), and contingent upon $20,000,000 being collected and deposited in the Account for the 2006-07 biennium, the amount of $20,000,000 is allocated to the Department of State Health Services (DSHS) for reimbursement

to University of Texas Medical Branch at Galveston (UTMB) for the provision of health care services provided to indigent patients. All unexpended balances at the close of the fiscal year ending August 31, 2006, are hereby appropriated for the fiscal year beginning September 1, 2006.

Upon presentation of information supporting UTMB's claim, DSHS shall reimburse UTMB for the health care services provided to indigent patients from the Account established for this purpose. The reimbursement from the Account shall be based upon a rate equal to 90 percent of the Medicaid fee-for-service rate in effect at the time of service for UTMB. This reimbursement shall be made monthly upon the submission to DSHS of a statement of the care provided by UTMB to indigent patients. UTMB is authorized to charge patient co-payment amounts for providing health care services, however, UTMB is not entitled to reimbursement from the Account for these co-payment amounts. The Office of the State Auditor will periodically review the statements submitted to DSHS for reimbursement from the Account, as well as the disbursement therefrom, to verify compliance with the criteria established herein.

60. Appropriation of License Plate Revenue. Out of funds appropriated above, the Department of State Health Services shall allocate $500,000 from revenues deposited in the General Revenue-Dedicated Fund, Account No. 5032, Animal Friendly, under Health and Safety Code, §828.014 for fiscal year 2006 for the purpose of awarding grants for animal sterilization. Any unexpended balances as of August 31, 2006, from the amounts appropriated may be carried forward and expended in fiscal year 2007 for the same purposes.

61. Emergency Care Attendant (ECA) Training. Out of funds appropriated above, the Department of State Health Services (DSHS) shall allocate $50,000 in fiscal year 2006 and $50,000 in fiscal year 2007 for the purpose of providing training grants to local Emergency Medical Services (EMS) instructors to conduct Emergency Care Attendant courses in or near communities lacking local training resources. DSHS shall contract with certified EMS instructors to conduct the 40-hour Emergency Care Attendant courses.

62. End Stage Renal Disease. Out of funds appropriated above in Strategy D.1.5, Health Care Facilities, up to $368,600 in General Revenue per year is allocated for the purpose of regulating End Stage Renal Disease facilities.

63. Children with Special Health Care Needs.

a. The Department of State Health Services (DSHS) shall calculate and reserve from transfer the amount of General Revenue and Federal Funds needed to provide services to children who are enrolled in the Children's Health Insurance Program and who also are eligible through the Children with Special Health Care Needs (CSHCN) Program to receive health care benefits excluding family support services not provided in the CHIP benefits package.

b. Amounts appropriated above to DSHS in Strategy A.3.4, Children with Special Health Care Needs, may only be transferred to Strategy B.1.4, County Indigent Health Care Services, to the Health and Human Services Commission (HHSC) Strategy B.1.4, Children and Medically Needy. Transfers to HHSC from DSHS Strategy A.3.4 may only be made if General Revenue Funds are made available by CSHCN-eligible children becoming eligible for Medicaid. Any transfers pursuant to this provision are subject to prior notification of the Legislative Budget Board and the Governor that such a transfer is to take place. Funds may not be transferred from Strategy A.3.4 if such a transfer would result in a loss of, or reduction in, services or a loss of, or reduction in, persons otherwise eligible for CSHCN services. Notwithstanding any other provisions contained in this Act, no transfers shall be made out of Strategy B.1.2, Women and Children's Health Services. Further, the department shall make expenditures from Strategy A.3.4 from state funds in proportion to the source of funds budgeted for the strategy. The department shall report quarterly on

compliance with this provision to the Legislative Budget Board and the Governor. The Comptroller of Public Accounts shall monitor compliance with these provisions and establish additional procedures, if necessary.

c. DSHS shall evaluate actuarial projections and projected expenditures for the CSHCN program on a quarterly basis. If the department makes a finding of fact that projected expenditures are less than projected available appropriations for that fiscal year, the department shall first report this finding and related analysis to the Legislative Budget Board and Governor at least 15 days prior to adding clients from the waiting list to the program rolls. The department should add clients from the waiting list in order that projected expenditures equal projected available appropriations for the fiscal year.

d. DSHS is directed to:

(1) Maintain provider reimbursement rates for Title V providers that mirror reductions in provider reimbursement rates for Medicaid providers.

(2) Continue 6 month continuous eligibility limitations consistent with the 6 month continuous eligibility limitations in effect in the Medicaid program.

(3) Continue programmatic changes implemented to achieve cost effectiveness within the CSCHN program without reducing the quality of care provided to CSHCN clients and their families.

64. Informational Listing - Permanent Funds and Endowments. The following is an informational list of the amounts used to capitalize Permanent Funds and Endowments created by House Bill 1676, Seventy-sixth Legislature, and does not make appropriations.

Permanent Fund for Children and Public Health	$	100,000,000
Permanent Fund for Health and Tobacco Education and Enforcement	$	200,000,000
Permanent Fund for Emergency Medical Services and Trauma Care	$	100,000,000
Permanent Hospital Fund for Capital Improvements and the Texas Center for Infectious Disease	$	25,000,000

65. Estimated Appropriation and Unexpended Balance. The estimated amounts appropriated above out of the Permanent Fund for Health and Tobacco Education and Enforcement, the Permanent Fund for Children and Public Health, the Permanent Fund for Emergency Medical Services and Trauma Care, and the Permanent Hospital Fund for Capital Improvements and the Texas Center for Infectious Disease are out of the available earnings of the funds. Available earnings in excess of the amounts estimated above are appropriated to the Department of State Health Services. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, this Act may not be construed as appropriating funds to make up the difference. Any unexpended appropriations made above as of August 31, 2006, are hereby appropriated to the same agencies and institutions for the same purposes for fiscal year 2007.

66. Administration of Public Health Funds. Funds are appropriated above out of the Permanent Fund for Health and Tobacco Education and Enforcement, the Permanent Fund for Children and Public Health, the Permanent Fund for Emergency Medical Services and Trauma Care, and the Permanent Hospital Fund for Capital Improvements and the Texas Center for Infectious Disease for the purpose of implementing Government Code §§403.105, 403.1055, 403.106, and 403.1066. In no event may the administrative costs to implement the provisions of the bill exceed 3 percent. Grants and program costs must compose at least 97 percent of the expenditures to implement the provisions of the bill.

67. Tobacco Use Goals.

a. It is the intent of the Legislature that the Department of State Health Services (DSHS) or any other grantee or agency that receives funds for tobacco reduction or cessation in the State of Texas create the following goals;

(1) In areas where the state funds tobacco cessation programs at a level of $3.00 per capita, there should be a demonstrated reduction in underage use of cigarettes, snuff, and smokeless tobacco of 60 percent by the year 2010 by all Texans 22 years and younger; and

(2) In areas where the state funds tobacco prevention and cessation programs at a level of $3.00 per capita, the use of cigarettes, snuff, and smokeless tobacco by all Texans 22 years and younger should be eliminated by the year 2018.

b. The agency should focus on achieving these goals by creating and using programs permitted under Government Code, §403.105.

c. The agency, or any other grantee or agency receiving funds for tobacco reduction or cessation in the state, shall prepare a report by December 1, 2006, on the agency's progress in achieving the above goals. The report shall include an evaluation of the agency's progress and recommendations on how to improve the programs. The report shall be submitted to the Eightieth Legislature.

68. Automated External Defibrillator (AED) Placement in State Buildings. Out of funds appropriated above, the Department of State Health Services shall allocate $125,000 in fiscal year 2006 and $125,000 in fiscal year 2007 for the purchase and placement of AEDs in state-owned and leased buildings. These placements should occur in a manner consistent with the study authorized by Senate Bill 531, Seventy-seventh Legislature. The department shall establish criteria to identify up to 100 key locations for placement by December 31, 2005. Any unexpended balances remaining at the end of fiscal year 2006 may be expended in fiscal year 2007 to fulfill the purposes of the rider.

69. Funding for the Children's Outreach Heart Program. Out of funds appropriated above in Strategy A.3.1, Cardiovascular Disease, Diabetes, and Injury Prevention, $247,000 in General Revenue funds in each fiscal year of the 2006-07 biennium shall be used for the purposes of the Children's Outreach Heart Program.

70. County Indigent Health Care. The Department of State Health Services may not distribute more than 20 percent of the total funds appropriated for the County Indigent Health Care program strategy to any single county. If funds remain due to a lack of counties which meet the threshold for participation, the department may not retain unexpended balance.

71. Appropriation: HIV Medications Program. The Department of State Health Services is hereby appropriated any additional revenues generated from co-pays that are assessed by the HIV Medication program, are deposited in General Revenue-Dedicated Account 0524, and are above the amounts identified for fiscal years 2006 and 2007 in the Comptroller of Public Accounts' Biennial Revenue Estimate. The additional revenues are appropriated for the purchase of medications for the treatment of HIV disease. This appropriation does not include laboratory revenues deposited in General Revenue-Dedicated Account 0524 under Revenue Object 3595 or any amounts deposited into Revenue Object 3561, which are statutorily dedicated for laboratory debt service and may not be used for any other purpose.

72. Appropriation: J-1 Visa Waiver Program. The Department of State Health Services (DSHS) is hereby appropriated any additional revenues generated from administrative fees assessed by the J-1 Visa Waiver Program deposited in General Revenue-Dedicated Account 0524 and above the amounts identified for fiscal years 2006 and 2007 in the Comptroller of Public Accounts' Biennial Revenue Estimate. The additional revenues are appropriated for the purpose of administering the J-1 Visa Waiver Program for physicians serving in health professional shortage areas. This appropriation does not include laboratory revenue deposited in General

Revenue-Dedicated Account 524 under Revenue Object 3595, any amounts deposited into Revenue Object 3561, which are statutorily dedicated for laboratory debt service and may not be used for any other purpose, or any co-pays deposited for the purpose of the HIV Medication Program. It is the intent of the Legislature that applications submitted under this program be prioritized by DSHS to the areas of greatest need and that DSHS consider relative specialty need as well.

73. Nuisance Surveys for the Economically Disadvantaged Communities Program. The Commission on Environmental Quality (TCEQ) and the Water Development Board (WDB) shall reimburse the Department of State Health Services (DSHS) for costs incurred by the agency in conducting nuisance surveys for applicants for financial assistance through the Economically Disadvantaged Communities program administered by the Water Development Board. TCEQ and WDB shall each reimburse such costs through Interagency Contracts with DSHS in an amount not to exceed a total of $125,000 per agency for the biennium beginning on September 1, 2005.

74. Medically Fragile Children. It is the intent of the Legislature that the Department of State Health Services provide appropriate General Revenue funding in fiscal years 2006 and 2007 in Strategy A.3.4, Children with Special Health Care Needs, for programs specifically designed for medically fragile children, the most critical of the children with special health care needs. These programs should match state funds with private funds and follow the guidelines and criteria developed through the pilot program for medically fragile children established and funded by Rider 57 to the appropriations made to the Department of Health during the Seventy-seventh Legislature, Regular Session.

75. Additional Transfer Authority: State-funded Immunizations. Subject to the limitations on transfer authority prescribed by Rider 25, Transfer Authority, the Department of State Health Services may transfer appropriations from one or more other appropriation items to appropriation item A.2.1, Immunize Children and Adults in Texas, in the amounts the Commissioner of State Health Services considers necessary for the purpose of providing current and effective immunizations coverage for recipients of state-funded immunizations comparable to the immunizations coverage received by persons covered by the state Medicaid program or private insurance.

76. Construction of the Texas Center for Infectious Disease and South Texas Health Care System. The Department of State Health Services (DSHS) shall not expend funds or award a contract for construction of facilities in South Texas prior to awarding a contract for the construction of the Texas Center for Infectious Disease. Funds appropriated for the Texas Center for Infectious Disease may only be expended to construct a new facility. DSHS may expend funds for the design of facilities in South Texas prior to awarding a contract for construction of the Texas Center for Infectious Disease. Funds appropriated for either of these projects may only be expended for each phase of the project after DSHS provides a detailed description of the project phase and cost to the Legislative Budget Board and the Governor prior to implementation of the project phase, and the Legislative Budget Board and the Governor approve the plan. DSHS, in conjunction with the Rio Grande Valley Health Services District, shall submit to the Legislative Budget Board and the Governor, before awarding a contract for the construction of the facilities in South Texas, a transition plan to fund the facilities' operating costs with local funds and other state and federal program funds as availalbe for the provision of public health care services.

77. Contingent Revenue Mammography Certification Fees. Contingent upon the Department of State Health Services (DSHS) being authorized by the Food and Drug Administration (FDA) to be a certifying body for the purpose of certification of mammography facilities, all revenues above amounts identified in the Comptroller of Public Accounts' Biennial Revenue Estimate for 2006-07 and deposited into the Certificate of Mammography Systems Account No. 5021 are hereby appropriated to the DSHS.

78. Unexpended Balance: General Obligation Bonds for Health Care Facilities. Out of funds appropriated above to Strategy F.1.2, Construction of Health Care Facilities, $33,286,582 in General Obligation Bonds for the 2006-07 biennium is allocated for the purposes of constructing, maintaining, or repairing health care facilities operated by the Department of State Health Services.

Appropriation of Unexpended Balances: Any unexpended balances of General Obligation Bonds for health care facilities from previous appropriations, estimated to be $24,200,000 from fiscal year 2005 to fiscal year 2006 and included in the method of finance above as General Obligation Bonds in Strategy F.1.2, Construction of Health Care Facilities, are hereby appropriated to the Department of State Health Services for the same purposes, contingent upon the following:

a. The expenditure of such appropriated funds shall require the approval of the Commissioner of State Health Services,

b. At least 45 days prior to the expenditure of such funds to implement a particular project phase, the department shall provide a detailed description of the project phase and cost to the Legislative Budget Board and the Governor.

79. SAPT Maintenance of Effort Calculation. The Department of State Health Services shall submit by September 1 of each year of the biennium to the Legislative Budget Board and the Governor a detailed analysis of all funds used for the calculation of the Substance Abuse Prevention and Treatment Block Grant Maintenance of Effort requirement for fiscal years 2005, 2006, and 2007. The report shall be in a format prescribed by the Legislative Budget Board and shall be accompanied by any supporting documentation detailing the sources and methodologies utilized in the calculation.

80. Mentally Ill Offender Screening. The Department of State Health Services shall use funds appropriated above to require local mental health authorities to conduct CARE system database checks within 72 hours of referrals for local and county jails to determine if offenders have a history of state mental healthcare and report such information to the requesting jail. Quarterly reports of activities shall be provided to the Texas Department of Criminal Justice - Texas Correctional Office on Offenders with Medical and Mental Impairments as part of the community of care mandate.

81. Family Planning Services at Federally Qualified Health Centers. Out of funds appropriated in Strategy B.1.3, Family Planning Services, up to $10,000,000 in each year of the 2006-07 biennium shall be set aside for family planning services provided by Federally Qualified Health Centers (FQHCs) and up to $1,000,000 per year may be allocated to clinics for core family planning services provided under the auspices of Baylor College of Medicine. Funds will be allocated statewide to counties for family planning services according to DSHS' annual assessment of women-in-need. Any funds not applied for and granted to FQHCs each fiscal year shall be made available to non-FQHC grantees. FQHCs funded under this strategy shall assure that recipients receive comprehensive primary and preventive care in addition to the family planning services. The Department of State Health Services shall work with FQHC grantees to assure that reporting requirements are aligned with FQHC eligibility, payment, and reporting requirements.

82. Estimated Appropriations: Perpetual Care Account. In the event of an incident necessitating the decontamination, decommissioning, stabilization, reclamation, maintenance, surveillance, control, storage, or disposal of radioactive materials by the Department of State Health Services (DSHS), DSHS is hereby appropriated any revenues from DSHS licensees, including the proceeds of securities, deposited to the credit of the Perpetual Care Account pursuant to Health and Safety Code, Section 401.305(b) and Section 401.301(d), above amounts included in the Comptroller of Public Accounts' Biennial Revenue Estimate during the biennium beginning September 1, 2005 (estimated to be $0 each fiscal year). These funds shall be used for purposes authorized in Health and Safety Code, Section 401.305, and pursuant to a memorandum of understanding with the Texas Commission on Environmental Quality relating

to the regulations for control of radiation. Funds appropriated herein may be transferred to other appropriate strategies to implement the provisions set out in Health and Safety Code, Section 401.305.

83. Vaccine Education - Inclusion of Information Related to Respiratory Syncytial Virus. The Department of State Health Services is hereby directed to include educational information about respiratory syncytial virus (RSV) in its materials already provided to mothers-to-be about childhood immunizations and illness. The inclusion of information related to RSV may be completed at the next regular printing.

84. Estimated Appropriation: Designated Trauma Facility and EMS Account. The Department of State Health Services is hereby appropriated any additional revenues generated in General Revenue-Dedicated Account 5111, Designated Trauma Facility and EMS, above $59,419,000 in fiscal year 2006 and $80,368,000 in fiscal year 2007, for the purpose of trauma facility and EMS activities. The dollar amounts above are contained in the Comptroller of Public Accounts' Biennial Revenue Estimate, 2006-07 for this account. This appropriation is contingent upon the department notifying and receiving approval from the Legislative Budget Board and the Governor of its intent to access additional revenues from this account. Such an appropriation shall be considered to be approved if neither the Legislative Budget Board nor the Governor issues a written disapproval not later than:

a. the 10th business day after the date the staff of the Legislative Budget Board concludes its review of the proposed appropriation and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor; and

b. the 10th business day after the receipt of the proposed appropriation by the Governor.

85. Contingent Appropriation of Additional Fee Revenues.

a. Included in amounts appropriated above in Strategy D.1.1, Food (Meat) and Drug Safety is additional revenue generated from fee increases and deposited by DSHS in the General Revenue Fund under Comptroller Object Codes 3142, 3180, 3400, 3414, or 3554 (estimated to be $444,367 in both fiscal years 2006 and 2007) or General Revenue Dedicated Accounts No. 341, Food and Drug Fee Account (estimated to be $70,104 in both fiscal years 2006 and 2007), No. 5022, Oyster Sales (estimated to be $12,600 in both fiscal years 2006 and 2007), or No. 5024, Food and Drug Registration Account (estimated to be $158,304 in both fiscal years 2006 and 2007), above the Comptroller of Public Accounts' Biennial Revenue Estimate.

b. Included in amounts appropriated above in Strategy D.1.2, Environmental Health, is additional revenue generated from fee increases and deposited by DSHS in the General Revenue Fund under Comptroller Object Codes 3123, 3141, 3175, 3180, 3555, 3562, or 3573 (estimated to be $167,214 in both fiscal years 2006 and 2007) or General Revenue Dedicated Accounts No. 5017, Asbestos Removal Licensure Account (estimated to be $97,868 in both fiscal years 2006 and 2007), or No. 5020, Workplace Chemicals List Account (estimated to be $27,306 in both fiscal years 2006 and 2007), above the Comptroller of Public Accounts' Biennial Revenue Estimate.

c. Included in amounts appropriated above in Strategy D.1.3, Radiation Control, is additional revenue generated from fee increases and deposited by DSHS in the General Revenue Fund under Comptroller Object Code 3589 (estimated to be $679,596 in both fiscal years 2006 and 2007) or General Revenue Dedicated Account No. 5021, Certificate of Mammography Systems Account (estimated to be $15,332 in both fiscal years 2006 and 2007), or the Perpetual Care Account (estimated to be $7,150 in both fiscal years 2006 and 2007) above the Comptroller of Public Accounts' Biennial Revenue Estimate. Of these amounts, an estimated $300,663 in each fiscal year is intended to be used for the purpose of addressing technical staffing issues in the strategy.

d. Included in amounts appropriated above in Strategy D.1.4, Health Care Professionals, is

additional revenue generated from fee increases and deposited by DSHS in the General Revenue Fund under Comptroller Object Codes 3175, 3560, 3562, 3616, or 3727 (estimated to be $223,816 in both fiscal years 2006 and 2007) or General Revenue Dedicated Account No. 512, Bureau of Emergency Management Account (estimated to be $36,845 in both fiscal years 2006 and 2007), above the Comptroller of Public Accounts' Biennial Revenue Estimate.

e. Included in amounts appropriated above in Strategy D.1.5, Health Care Facilities, is additional revenue generated from fee increases and deposited by DSHS in the General Revenue Fund under Comptroller Object Codes 3180 or 3557 (estimated to be $83,986 in both fiscal years 2006 and 2007) or General Revenue Dedicated Account No. 129, Hospital Licensing Account (estimated to be $44,088 in both fiscal years 2006 and 2007), above the Comptroller of Public Accounts' Biennial Revenue Estimate.

f. Included in amounts appropriated above in Strategy A.1.3, Maintain Vital Records, is additional revenue generated from fee increases and deposited by DSHS in the General Revenue Fund (estimated to be $52,554 in both fiscal years 2006 and 2007) or General Revenue Dedicated Account No. 19, Vital Statistics Account (estimated to be $108,404 in both fiscal years 2006 and 2007), above the Comptroller of Public Accounts' Biennial Revenue Estimate.

g. Included in amounts appropriated above in Strategy E.1.1, Central Administration, is additional revenue generated from fee increases and deposited by DSHS in the General Revenue Dedicated Accounts No. 19 (estimated to be $15,068 in both fiscal years 2006 and 2007), No. 129 (estimated to be $3,684 in both fiscal years 2006 and 2007), No. 341 (estimated to be $4,945 in both fiscal years 2006 and 2007), No. 512 (estimated to be $1,981 in both fiscal years 2006 and 2007), No. 5017 (estimated to be $12,152 in both fiscal years 2006 and 2007), No. 5020 (estimated to be $2,441 in both fiscal years 2006 and 2007), No. 5021 (estimated to be $2,597 in both fiscal years 2006 and 2007), or No. 5024 (estimated to be $20,344 in both fiscal years 2006 and 2007) above the Comptroller of Public Accounts' Biennial Revenue Estimate.

These appropriations are contingent on the Department of State Health Services assessing fees sufficient to generate, during the 2006-07 biennium, additional revenue in excess of amounts contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for 2006 and 2007. The Executive Commissioner of the Health and Human Services Commission, the Commissioner of State Health Services or the designee under statute or by rule, upon completion of necessary actions to assess or increase such additional fees, shall furnish copies of any information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

86. Texas Cancer Registry. Out of funds appropriated above in Strategy A.1.5, Health Registries, Information, and Analysis, the Department of State Health Services shall use $875,000 in fiscal year 2006 and $1,000,000 in fiscal year 2007 from Interagency Contracts (Other Funds) with the Higher Education Coordinating Board and/or the Health-Related Institutions of Higher Education and one FTE in each year for the purpose of enhancing the infrastructure of the cancer registry.

HEALTH AND HUMAN SERVICES COMMISSION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 35,867,740	$ 35,341,228
Medicaid Program Income	50,000	50,000
Vendor Drug Rebates–Medicaid, estimated	209,224,289	173,977,599
GR Match for Medicaid	4,285,418,270	4,429,382,440
GR MOE for Temporary Assistance for Needy Families	68,657,636	68,657,636
Earned Federal Funds	3,668,691	3,521,694
Premium Co-Payments, Low Income Children, estimated	7,391,572	8,074,937
Tobacco Settlement Receipts	34,202,414	38,331,447
GR for Substance Abuse Prevention and Treatment Block Grant	241,665	241,665
GR for Vocational Rehabilitation	367,197	367,197
GR Match for Food Stamp Administration	126,298,076	117,485,257
Tobacco Settlement Receipts Match for Medicaid	277,324,407	211,260,612
Tobacco Settlement Receipts Match for CHIP	163,711,679	212,277,441
GR Certified as Match for Medicaid	1,791,910	1,791,910
Experience Rebates-CHIP, estimated	0	0
Vendor Drug Rebates–CHIP, estimated	1,157,300	1,164,941
Cost Sharing - Medicaid Clients, estimated	0	0
Vendor Drug Rebates-Supplemental Rebates, estimated	49,776,173	39,963,038
Medicare Giveback Provision	154,004,346	290,251,488
Subtotal, General Revenue Fund	$ 5,419,153,365	$ 5,632,140,530
General Revenue Fund - Dedicated		
Permanent Fund Tobacco Education & Enforcement Account No. 5044	2,779,351	2,779,351
Permanent Fund Children & Public Health Account No. 5045	54	54
Permanent Fund for EMS & Trauma Care Account No. 5046	764	764
Asbestos Removal Licensure Account No. 5017	3,671	3,671
Home Health Services Account No. 5018	28,983	28,983
Vital Statistics Account No. 019	79,840	79,840
Comprehensive Rehabilitation Account No. 107	27,223	27,223
Hospital Licensing Account No. 129	42,024	42,024
Bureau of Emergency Management Account No. 512	24,252	24,252
Public Health Services Fee Account No. 524	83,318	83,318
Subtotal, General Revenue Fund - Dedicated	$ 3,069,480	$ 3,069,480
Federal Funds	9,078,939,948	9,185,134,552
Other Funds		
Appropriated Receipts - Match for Medicaid	373,382,660	359,962,504
Medicaid Subrogation Receipts (State Share), estimated	14,757,948	14,757,948
Appropriated Receipts	7,463,882	7,463,882
Interagency Contracts	39,683,266	39,195,626
State Highway Fund No. 006 - Medicaid Match	10,000,000	10,000,000
Subtotal, Other Funds	$ 445,287,756	$ 431,379,960
Total, Method of Financing	$ 14,946,450,549	$ 15,251,724,522
This bill pattern represents an estimated 80% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	10,415.0	10,421.9
Number of FTEs in Riders:	(829.0)	(3,980.0)

Schedule of Exempt Positions:		
Executive Commissioner of Health and Human Services, Group 6	$189,000	$189,000
Items of Appropriation:		
A. Goal: HHS ENTERPRISE OVERSIGHT & POLICY		
HHS Enterprise Oversight and Policy.		
A.1.1. Strategy: ENTERPRISE OVERSIGHT & POLICY Enterprise Oversight and Policy.	$ 29,871,520	$ 29,871,523
A.1.2. Strategy: INTEGRATED ELIGIBILITY & ENROLLMENT Integrated Eligibility and Enrollment.	$ 528,041,213	$ 498,968,453
A.2.1. Strategy: OFFICE OF INSPECTOR GENERAL	$ 38,231,438	$ 38,231,435
A.3.1. Strategy: CONSOLIDATED SYSTEM SUPPORT	$ 88,482,227	$ 88,580,397
Total, Goal A: HHS ENTERPRISE OVERSIGHT & POLICY	$ 684,626,398	$ 655,651,808
B. Goal: MEDICAID		
B.1.1. Strategy: AGED AND DISABLED Aged and Disabled Risk Groups.	$ 2,487,973,980	$ 2,719,167,348
B.1.2. Strategy: TANF ADULTS & CHILDREN TANF Adults & Children Risk Groups.	$ 653,367,616	$ 664,171,000
B.1.3. Strategy: PREGNANT WOMEN Pregnant Women Risk Group.	$ 875,567,404	$ 887,655,069
B.1.4. Strategy: CHILDREN & MEDICALLY NEEDY Children & Medically Needy Risk Groups.	$ 3,017,206,032	$ 2,815,992,398
B.1.5. Strategy: MEDICARE PAYMENTS For Clients Dually Eligible for Medicare and Medicaid.	$ 1,021,060,183	$ 1,262,036,534
B.1.6. Strategy: STAR+PLUS (INTEGRATED MANAGED CARE)	$ 369,064,894	$ 383,371,150
B.2.1. Strategy: COST REIMBURSED SERVICES	$ 1,381,044,069	$ 1,433,063,356
B.2.2. Strategy: MEDICAID VENDOR DRUG PROGRAM	$ 2,257,897,750	$ 1,859,887,462
B.2.3. Strategy: MEDICARE FEDERAL GIVE BACK Prescription Drug Coverage for Dual-Eligibles.	$ 154,004,346	$ 290,251,488
B.2.4. Strategy: MEDICAL TRANSPORTATION	$ 44,223,657	$ 54,017,085
B.2.5. Strategy: MEDICAID FAMILY PLANNING	$ 14,030,457	$ 15,191,113
B.3.1. Strategy: HEALTH STEPS (EPSDT) MEDICAL	$ 62,740,281	$ 65,884,812
B.3.2. Strategy: HEALTH STEPS (EPSDT) DENTAL	$ 433,345,276	$ 458,695,280
B.3.3. Strategy: EPSDT COMPREHENSIVE CARE PROGRAM Health Steps (EPSDT) Comprehensive Care Program.	$ 350,471,201	$ 361,478,524
B.4.1. Strategy: STATE MEDICAID OFFICE	$ 1,182,175	$ 1,182,175
Total, Goal B: MEDICAID	$ 13,123,179,321	$ 13,272,044,794
C. Goal: CHIP SERVICES		
C.1.1. Strategy: CHIP Children's Health Insurance Program (CHIP).	$ 486,566,623	$ 646,094,736
C.1.2. Strategy: IMMIGRANT HEALTH INSURANCE Immigrant Children Health Insurance.	$ 17,779,041	$ 18,500,594
C.1.3. Strategy: SCHOOL EMPLOYEE CHILDREN INSURANCE	$ 9,696,718	$ 10,106,287
C.1.4. Strategy: CHIP VENDOR DRUG PROGRAM	$ 95,621,679	$ 116,774,576
Total, Goal C: CHIP SERVICES	$ 609,664,061	$ 791,476,193
D. Goal: ENCOURAGE SELF SUFFICIENCY		
D.1.1. Strategy: TANF GRANTS Temporary Assistance for Needy Families Grants.	$ 196,820,853	$ 204,642,618
D.1.2. Strategy: NUTRITION ASSISTANCE	$ 215,198,267	$ 215,198,267
D.1.3. Strategy: REFUGEE ASSISTANCE	$ 18,765,385	$ 18,765,385
D.2.1. Strategy: FAMILY VIOLENCE SERVICES	$ 23,089,652	$ 23,089,652
Total, Goal D: ENCOURAGE SELF SUFFICIENCY	$ 453,874,157	$ 461,695,922
E. Goal: PROGRAM SUPPORT		

E.1.1. Strategy: CENTRAL PROGRAM SUPPORT	$ 11,354,944	$ 11,354,944
E.1.2. Strategy: IT PROGRAM SUPPORT Information Technology Program Support.	$ 17,222,705	$ 17,222,705
E.1.3. Strategy: REGIONAL PROGRAM SUPPORT	$ 11,206,192	$ 11,206,192
Total, Goal E: PROGRAM SUPPORT	$ 39,783,841	$ 39,783,841
F. Goal: INFORMATION TECHNOLOGY PROJECTS		
F.1.1. Strategy: TIERS Texas Integrated Eligibility Redesign System.	$ 27,071,996	$ 24,277,238
F.1.2. Strategy: HHSAS Health and Human Services Administrative System.	$ 8,250,775	$ 6,794,726
Total, Goal F: INFORMATION TECHNOLOGY PROJECTS	$ 35,322,771	$ 31,071,964
Grand Total, HEALTH AND HUMAN SERVICES COMMISSION	$ 14,946,450,549	$ 15,251,724,522
Supplemental Appropriations Made in Riders:	$ (31,376,496)	$ (109,543,583)
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 332,944,293	$ 248,816,290
Other Personnel Costs	47,902,101	46,902,451
Professional Fees and Services	403,976,827	415,864,867
Fuels and Lubricants	47,362	46,859
Consumable Supplies	1,695,830	1,675,952
Utilities	15,182,223	14,880,894
Travel	6,834,850	6,760,552
Rent - Building	27,878,373	27,278,497
Rent - Machine and Other	4,203,948	4,188,896
Other Operating Expense	84,486,261	64,002,206
Client Services	13,897,673,198	14,225,641,259
Grants	39,588,329	39,649,438
Capital Expenditures	52,660,458	46,472,778
Total, Object-of-Expense Informational Listing	$ 14,915,074,053	$ 15,142,180,939
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 16,538,640	$ 14,057,844
Group Insurance	63,304,265	57,765,030
Social Security	22,207,809	18,876,638
Benefits Replacement	3,939,073	3,227,773
Subtotal, Employee Benefits	$ 105,989,787	$ 93,927,285
Debt Service		
Lease Payments	$ 1,267,773	$ 1,273,082
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 107,257,560	$ 95,200,367

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Health and Human Services Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Health and Human Services Commission. In order to achieve the objectives and service standards established by this Act, the Health and Human Services Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: HHS ENTERPRISE OVERSIGHT & POLICY		
A.1.2. Strategy: INTEGRATED ELIGIBILITY & ENROLLMENT		
Output (Volume):		
Average Number of Families Determined Eligible Monthly-TANF	17,693	17,665
Average Number of Households Determined Eligible Monthly-Food Stamps	170,868	172,440
Explanatory:		
Percent of Poverty Met by TANF, Food Stamps, and Medicaid Benefits	77.62%	77.91%
B. Goal: MEDICAID		
Outcome (Results/Impact):		
Average Medicaid Acute Care Recipient Months Per Month	2,986,661	3,114,218
B.1.5. Strategy: MEDICARE PAYMENTS		
Output (Volume):		
Average Supplemental Medical Insurance Part B (SMIB) Recipient Months Per Month	489,835	511,696
Average Qualified Medicare Beneficiaries (QMBs) Recipient Months Per Month	105,723	128,922
Efficiencies:		
Average SMIB Premium Per Month	87.47	102.56
B.1.6. Strategy: STAR+PLUS (INTEGRATED MANAGED CARE)		
Output (Volume):		
Avg Aged and Medicare-eligible Recipient Months Per Month: STAR+PLUS	30,872	31,683
Average Disabled and Blind Recipient Months Per Month: STAR+PLUS	23,629	23,918
Efficiencies:		
Average Premium Per Aged and Medicare-eligible Recipient Month: STAR+PLUS	287.42	295.69
Average Premium Per Disabled and Blind Recipient Month: STAR+PLUS	898.92	910.81
B.2.1. Strategy: COST REIMBURSED SERVICES		
Output (Volume):		
Average Number of Undocumented Persons Recipient Months Per Month	11,872	13,891
Efficiencies:		
Average Undocumented Persons Cost Per Recipient Month	3,229.01	3,226.86
B.2.2. Strategy: MEDICAID VENDOR DRUG PROGRAM		
Output (Volume):		
Total Medicaid Prescriptions Incurred	32,710,587	30,292,112
B.3.3. Strategy: EPSDT COMPREHENSIVE CARE PROGRAM		
Output (Volume):		
Average Number of EPSDT-CCP Recipient Months per Month	545,995	612,201
B.4.1. Strategy: STATE MEDICAID OFFICE		
Output (Volume):		
Medicaid Acute Care Recipient Months Per Month: Managed Care	2,012,566	2,134,606
C. Goal: CHIP SERVICES		
Outcome (Results/Impact):		
Average CHIP Programs Recipient Months Per Month (Includes Immigrant Health Insurance and School Employee Children Insurance)	362,175	398,630
Average CHIP Programs Benefit Cost without Prescription Benefit Per Recipient Month (Includes Immigrant Health Insurance and School Employee Children Insurance)	117.74	140.6
Average CHIP Programs Benefit Cost with Prescription Benefit Per Recipient Month (Includes Immigrant Health Insurance and School Employee Children Insurance)	139.74	165.02

C.1.4. Strategy: CHIP VENDOR DRUG PROGRAM		
Output (Volume):		
Total Number of CHIP Prescriptions (Includes Immigrant Health Insurance and School Employee Children Insurance)	1,674,635	2,045,089
Efficiencies:		
Average Cost Per CHIP Prescription (Includes Immigrant Health Insurance and School Employee Children Insurance)	57.1	57.1
D. Goal: ENCOURAGE SELF SUFFICIENCY		
Outcome (Results/Impact):		
Unduplicated Number of TANF Adult Clients per Year Who Have Exhausted Their Time-limited Benefits	5,591	5,583
D.1.1. Strategy: TANF GRANTS		
Output (Volume):		
Average Number of TANF Recipients Per Month	211,709	215,300
Average Number of TANF State-paid Recipients Per Month	16,718	16,871
Average Number of TANF One-time Payments Per Month	948	946
Efficiencies:		
Average Monthly Grant: TANF	62.44	64.26
Average Monthly Grant: TANF-State Paid	59.85	61.14
D.1.2. Strategy: NUTRITION ASSISTANCE		
Output (Volume):		
Average Number of Children and Adults Served Meals through Child and Adult Care Food Program Per Day	241,634	245,435
D.1.3. Strategy: REFUGEE ASSISTANCE		
Output (Volume):		
Number of Refugees Receiving Contracted Social Services, Financial Assistance, or Medical Assistance	7,100	7,100
D.2.1. Strategy: FAMILY VIOLENCE SERVICES		
Output (Volume):		
Number of Women and Children Served	87,102	87,102
Efficiencies:		
Health and Human Services Average Cost Per Person Receiving Emergency Shelter and/or Nonresident Services	266.23	266.23

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in the provision as appropriations either for "Lease Payments to the Master Equipment Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2006	2007
a. Acquisition of Information Resource Technologies		
(1) Compliance with Federal HIPAA (Health Insurance Portability and Accountability Act) Regulations Across HHS Agencies	$ 6,089,356	$ 6,089,356
(2) Infrastructure Maintenance	8,875,410	8,303,395
(3) Health and Human Services Administrative System (HHSAS) Project	8,250,775	6,794,726
(4) TIERS Debt Service	2,837,279	683,907
(5) Texas Integrated Eligibility Redesign System	14,903,873	14,903,873
(6) TIERS Lease Payments to Master Lease Program	10,367,058	8,803,107
Total, Acquisition of Information Resource Technologies	$ 51,323,751	$ 45,578,364
Total, Capital Budget	$ 51,323,751	$ 45,578,364
Method of Financing (Capital Budget):		

GR Match for Medicaid	$ 12,512,083	$ 11,122,542
GR MOE for Temporary Assistance for Needy Families	113,518	90,328
Earned Federal Funds	48,976	32,345
GR Match for Food Stamp Administration	9,960,696	8,595,625
General Revenue Fund	3,351,192	2,818,981
Subtotal, General Revenue Fund	$ 25,986,465	$ 22,659,821
Federal Funds	22,556,768	20,627,735
Interagency Contracts	2,780,518	2,290,808
Total, Method of Financing	$ 51,323,751	$ 45,578,364

3. **Budget Authority for Estimated Pass-through Funds.** In addition to the amounts appropriated above for the Health and Human Services Commission, the Commission may establish additional budget authority with the Comptroller of Public Accounts to reflect other estimated income except from the General Revenue Fund.

4. **Reimbursement of Advisory Committee Members.** Pursuant to Government Code § 2110.004, reimbursement of expenses for advisory committee members, out of funds appropriated above - not to exceed $39,565 per year, is limited to the following advisory committees: Hospital Payment Advisory Committee, Medical Care Advisory Committee, Drug Use Review Board, Pharmaceutical and Therapeutics Committee, and Guardianship Advisory Board.

   To the maximum extent possible, the Commission shall encourage the use of videoconferencing and teleconferencing and shall schedule meetings and locations to facilitate the travel of participants so that they may return the same day and reduce the need to reimburse members for overnight stays.

5. **Appropriation of Receipts: Civil Monetary Damages and Penalties.** Included in the GR Match for Medicaid appropriated above is $1,414,870 for the biennium from funds collected as civil monetary damages and penalties under Human Resources Code § 32.039. Any amounts above $1,414,870 are hereby appropriated to the Health and Human Services Commission in amounts equal to the costs of the investigation and collection proceedings conducted under the authority of that section.

6. **TIERS Oversight.** It is the intent of the Legislature in funding the Texas Integrated Eligibility Redesign System (TIERS) initiative at the Health and Human Services Commission that the agency shall continue in its project oversight role to assure that client eligibility systems among other health and human services agencies and the Workforce Commission are appropriately accommodated in the design and implementation of TIERS.

7. **Assessments to Health and Human Services Agencies.** The Health and Human Services Commission shall notify the Legislative Budget Board and the Governor by September 1 of each fiscal year of the annual amount of funds to be transferred by interagency contract by each agency under the authority of the Health and Human Services Commission in Government Code, Chapter 531. The report shall provide an explanation of each contract. The Health and Human Services Commission shall provide quarterly updates to the Legislative Budget Board and the Governor, indicating amounts that have actually been transferred and amounts that remain to be transferred.

8. **Custody Relinquishment Prevention Plan.** The Health and Human Services Commission is hereby authorized to develop and implement a plan to prevent custody relinquishment of youth with serious emotional disturbances. To the extent required to implement the plan, the Health and Human Services Commission is authorized to request any necessary waivers or authorizations from the federal government. The Health and Human Services Commission may delay implementing the plan until necessary waivers, authorizations, and funding are provided.

9. **Limitation: Medicaid and CHIP Transfer Authority.**

   a. **Goal B, Medicaid.** Notwithstanding the transfer provisions in the general provisions

(general transfer provisions) of this Act, none of the funds appropriated by this Act to the Health and Human Services Commission for Medicaid Strategies in Goal B may be transferred to any other item of appropriation or expended for any other purpose other than the specific purpose for which the funds are appropriated without the prior written approval of the Legislative Budget Board and the Governor; however, transfers may be made between Medicaid Strategies in Goal B in accordance with other provisions in this Act, including the general transfer provisions.

b. **Goal C, CHIP Services.** Notwithstanding the transfer provisions in the general provisions (general transfer provisions) of this Act, none of the funds appropriated by this Act to the Health and Human Services Commission for CHIP Strategies in Goal C may be transferred to any other item of appropriation or expended for any other purpose other than the specific purpose for which the funds are appropriated without the prior written approval of the Legislative Budget Board and the Governor; however, transfers may be made between CHIP Strategies in Goal C in accordance with other provisions in this Act, including the general transfer provisions.

c. **Exception to Limitations on Transfers.** As an exception to limitations on transfers found in subsections (a) and (b) of this provision, up to a total of $14.0 million in General Revenue for the biennium from Goal B, Medicaid and Goal C, CHIP Services, may be transferred within the Commission's bill pattern to fund Integrated Eligibility. The Commission shall provide notification to the Legislative Budget Board and the Governor of its intent to transfer funding under authority of this subsection. The proposed expenditure shall be considered to be approved if neither the Legislative Budget Board nor the Governor issues a written disapproval not later than:

(1) The 10th business day after the date the staff of the Legislative Budget Board concludes its review of the proposed expenditures and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor; and

(2) The 10th business day after the receipt of the proposed expenditures by the Governor.

10. Vendor Drug Rebates - Medicaid and CHIP.

a. **Medicaid.** The Health and Human Services Commission is authorized to expend Medicaid rebate revenues appropriated above in Strategy B.2.2, Medicaid Vendor Drug Program, pursuant to the federal requirements of the Omnibus Budget and Reconciliation Act of 1990 as well as rebates collected in excess of federal requirements pursuant to state law. All references in this rider to rebate revenue refer to vendor drug rebates as well as supplemental rebates earned via the preferred drug lists (methods of finance include Vendor Drug Rebates-Medicaid, Vendor Drug Rebates-CHIP and Vendor Drug Rebates-Supplemental Rebates);

b. **CHIP.** The Health and Human Servives Commission is authorized to expend CHIP rebate revenues and related interest earnings appropriated above in Strategy C.1.4, CHIP Vendor Drug Program;

c. **Rebates as a First Source of Funding.** Expenditures for the Medicaid and CHIP Vendor Drug Programs shall be made from rebates received in fiscal years 2006 and 2007. As rebates are generated, expenditures to support the Medicaid and CHIP Vendor Drug Programs shall be made from rebate revenues. In the event rebate revenues are not available for expenditure, General Revenue may be used to support both Vendor Drug Programs until rebate revenues are available.

d. **Appropriation.** In addition to rebate revenues appropriated above in Strategy B.2.2, Medicaid Vendor Drug Program, and Strategy C.1.4, CHIP Vendor Drug Program, the Health and Human Services Commission is appropriated Medicaid and CHIP vendor drug rebates generated in excess of those amounts, subject to the following requirements:

(1) Vendor drug rebates shall be expended prior to utilization of any General Revenue available for the purpose of the CHIP or Medicaid Vendor Drug Programs;

(2) In the event General Revenue has been expended prior to the receipt of vendor drug rebates, the Commission shall reimburse General Revenue. The Commission shall reimburse the General Revenue Fund with vendor drug rebates on a monthly basis in order to prevent accumulation of vendor drug rebates; and

(3) The Commission shall report monthly to the Legislative Budget Board, the Governor, and the Comptroller's Office on Medicaid and CHIP vendor drug receipts, expenditures (including expenditures from the General Revenue Fund, made pursuant to this section), and anticipated revenues and balances.

e. **Limited Use of Rebates**. Rebates generated by the Medicaid program shall only be used for the Medicaid program. Rebates generated by the CHIP program shall only be used for the CHIP program.

11. Medicaid Subrogation Receipts (State Share). For the purposes of this provision, Medicaid Subrogation Receipts are defined as tort settlements related to the Medicaid program. Amounts defined as Medicaid Subrogation Receipts are to be deposited into the General Revenue Fund, Object No. 3802. The Commission is authorized to receive and expend Medicaid Subrogation Receipts. Expenditures shall be made from recoupments and interest earnings received in fiscal year 2006 and fiscal year 2007. The use of the state's share of Medicaid Subrogation Receipts is limited to funding services for Medicaid clients. Medicaid Subrogation Receipts shall be expended as they are received as a first source, and General Revenue shall be used as a second source, to support the Medicaid program. In the event that these revenues should be greater than the amounts identified in the method of finance above as Medicaid Subrogation Receipts (State Share), the Commission is hereby appropriated and authorized to expend these Other Funds thereby made available, subject to the following requirements:

a. Amounts available shall be expended prior to utilization of any General Revenue available for the same purposes;

b. In the event General Revenue has been expended prior to the receipt of the state's share of Medicaid Subrogation Receipts, the Commission shall reimburse General Revenue. This process shall be completed on a monthly basis in order to prevent accumulation of Medicaid Subrogation Receipt balances; and

c. The Commission shall report monthly to the Legislative Budget Board, the Governor, and the Comptroller's Office on Medicaid Subrogation Receipts, expenditures, and anticipated revenues and balances.

The preceding paragraph shall be the exclusive appropriation authority for receipts from the above identified sources and none of these receipts shall be appropriated by a provision of Article IX of this Act.

12. Appropriation Transfer Between Fiscal Years. In addition to the transfer authority provided elsewhere in this Act and in order to provide for unanticipated events that increase costs associated with providing Medicaid or CHIP services for eligible clients, the Health and Human Services Commission is authorized to transfer General Revenue from funds appropriated in Medicaid or CHIP strategies in fiscal year 2007 to fiscal year 2006. Such transfers may only be made subject to the following:

a. Transfers under this section may be made only:

(1) if costs associated with providing Medicaid or CHIP services exceed the funds appropriated for these services for fiscal year 2006, or

(2) for any other emergency expenditure requirements, including expenditures necessitated by public calamity.

b. A transfer authorized by this section must receive the prior approval of the Governor and the Legislative Budget Board.

c. The Comptroller of Public Accounts shall cooperate as necessary to assist the completion of a transfer and spending made under this section.

13. Reporting of Child Abuse. The Texas Health and Human Services Commission may distribute or provide appropriated funds only to recipients who show good-faith efforts to comply with all child abuse reporting guidelines and requirements set forth in Chapter 261 of the Texas Family Code.

14. Authorization to Receive, Administer, and Disburse Federal Funds. The appropriations made herein may be used to match or to meet maintenance of effort requirements for Federal Funds granted to the state for the payment of personal services and other necessary expenses in connection with the administration and operation of state programs of health and public welfare services. Notwithstanding the General Provisions of this Act, the Health and Human Services Commission is hereby authorized to receive and disburse in accordance with plans acceptable to the responsible federal agency, all federal moneys that are made available (including grants, allotments, and reimbursements) to the state and retain their character as Federal Funds for such purposes, and to receive, administer, and disburse Federal Funds for federal regional programs in accordance with plans agreed upon by the Health and Human Services Commission and the responsible federal agency, and such other activities as come under the authority of the Commissioner of Health and Human Services, and such moneys are hereby appropriated to the specific purpose or purposes for which they are granted or otherwise made available. Earned Federal Funds are not considered to be Federal Funds for the purpose of this section.

15. Medical Assistance Payments and Unexpended Balances. General Revenue funds appropriated above in Goal B for Medicaid services shall be made available to the agency by the Comptroller of Public Accounts in equal monthly installments on the first day of each calendar month; provided, however, that any balances on hand in such funds may be carried over from month to month during each fiscal year and from fiscal year 2006 to fiscal year 2007, and such funds are appropriated to the Commission for the 2006-07 biennium.

16. Risk Stabilization Reserve. Out of funds appropriated above, the agency shall contract with an independent audit entity to audit the closeout of the Medicaid claims payment contract with the National Heritage Insurance Company (NHIC). In lieu of pursuing a contract and at the discretion of the State Auditor, the State Auditor's Office may conduct the audit. Special attention shall be paid to those adjustments made after December 31, 2003, when NHIC was no longer responsible for processing claims. The scope of the audit shall be provided to the Legislative Budget Board and the Comptroller of Public Accounts 45 days prior to the start of the audit. All findings shall be reported to the Governor, the Legislative Budget Board, and the Comptroller within 30 days of completion of the audit. The state's share of any identified unexpended balance in the risk stabilization reserve and/or trust account, or of other funds owed to the state, shall be deposited into the General Revenue Fund and such funds are not appropriated to the Health and Human Services Commission.

If the agency determines that an audit has already met these requirements, it will be at the discretion of the State Auditor to review the audit and determine if any further audit is warranted.

17. Accounting of Support Costs. The Comptroller of Public Accounts shall establish separate accounts from which certain support costs shall be paid. The Health and Human Services Commission is hereby authorized to make transfers into these separate accounts from line item strategies in order to pay for these expenses in an efficient and effective manner. Only costs not directly attributable to a single program may be budgeted in or paid from these accounts. Items to be budgeted in and paid from these accounts include but are not limited to: postage, occupancy costs, equipment repair, telephones, office printing costs, supplies, freight and transport costs, telephone system costs and salary and travel costs of staff whose function supports several programs. The Commission shall be responsible for quarterly allocations of these costs to the original strategies.

18. Payment of Hospital Providers. At the hospital's option, all payments from funds appropriated for acute care services made to hospitals (1) with more than 100 licensed beds, located in a county that is not a metropolitan statistical area (MSA) as defined by the U.S. Office of Management and Budget, and designated by Medicare as Sole Community Hospital (SCH) or Rural Referral Center (RRC), or (2) with 100 or fewer licensed beds may be reimbursed under a cost-reimbursement methodology authorized by the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) using the most current available cost figures. Hospitals reimbursed under TEFRA cost principles shall be paid without the imposition of the TEFRA cap. Hospitals that meet this criteria as of September 1, 2005, retain this reimbursement methodology in fee-for-service and managed care models.

At initial cost settlement of the hospital's fiscal year, the Health and Human Services Commission shall determine the amount of reimbursement the hospital would have been paid under TEFRA cost principles, and if the amount of reimbursement under the TEFRA principles is greater than the amount of reimbursement received by the hospital under the prospective payment system, the Health and Human Services Commission shall reimburse the hospital the difference. These payments shall be made out of the funds appropriated above for acute care hospital services.

19. Payments to Rural Hospitals under Medicaid Managed Care. All payments from funds appropriated for acute care services made to rural hospitals with 100 or fewer licensed beds in counties with fewer than 50,000 persons that are in a Medicaid managed care program must be reimbursed at a rate calculated using the higher of the prospective payment system rate or cost-reimbursement methodology authorized under the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA). Hospitals reimbursed under TEFRA cost principles shall be paid without the imposition of the TEFRA cap. Under a full-risk managed care pilot project, the participating managed care organizations shall reimburse the hospitals. This section applies only to a managed care contract that is entered into or renewed on or after September 1, 1997.

20. Payments to Rural Physicians under Medicaid Managed Care. All payments made to physicians who practice in rural counties with fewer than 50,000 persons and who participate in a Medicaid managed care program must be reimbursed at the Medicaid fee schedule, or in the case of a full-risk managed care model, at a rate using the current Medicaid fee schedule, including negotiated fee for service. Under a primary care case management system model, primary care physicians also shall be paid a monthly case management fee. This section applies only to a managed care contract that is entered into or renewed on or after September 1, 1997.

21. Disposition of Appropriation Transfers from State-owned Hospitals. The Health and Human Services Commission shall use the sums transferred from state owned hospitals as provided elsewhere in the Act as necessary to apply for appropriate matching Federal Funds and to provide the state's share of disproportionate share payments due to state-owned hospitals. Any amounts of such transferred funds not required for disproportionate share payments or payments as specified by rider 30, Graduate Medical Education, shall be deposited by the Health and Human Services Commission to the General Revenue Fund as unappropriated revenue. By October 1 of each fiscal year, the Health and Human Services Commission shall present a schedule of projected transfers and payments to the Comptroller of Public Accounts, the

Governor, and the Legislative Budget Board. The Comptroller of Public Accounts shall process all payments and transfers, unless disapproved or modified by the Legislative Budget Board or the Governor.

22. Transfer Authority. Subject to the limitations contained in rider 9, Limitation: Medicaid and CHIP Transfer Authority, and notwithstanding any other provision, appropriations contained in this Act to the Health and Human Services Commission may be transferred from one appropriation item to another appropriation item in amounts not to exceed 25 percent of All Funds for the fiscal year, upon approval by the Commissioner, subject to the following reporting requirements:

a. At least 45 days prior to any transfer of funds between items of appropriation notification shall be made to the Governor and the Legislative Budget Board.

b. At least 45 days prior to adopting or implementing a program expansion, notification shall be made to the Governor and the Legislative Budget Board. Program expansion is defined as any modification of current policy that would result in delivery of new or additional services not previously provided or the delivery of services to additional client populations.

c. Notifications shall include information regarding the source of funds to be transferred; any changes in Federal Funds related to the proposed transfer; the strategy from which the transfer is to be made and the strategy to which the transfer is to be made; the need which was to be served through the original appropriation and the basis for the decrease in need; the need to be served in the strategy receiving the funds and the basis for such selection; and the amounts of funds to be spent on direct client services as opposed to both general and operating support costs. In the event program expansions are under consideration, information shall be forwarded regarding the population to be served; criteria for eligibility; source of funding; and impact on existing programs.

23. Medicaid Provider Reimbursement. The Health and Human Services Commission shall establish and maintain a provider reimbursement methodology that recognizes and rewards high volume Medicaid practitioners, to include those along the Texas-Mexico border and in medically underserved inner-city areas, where Medicaid funding is vital to the health care delivery system.

24. Use of Additional Medicaid Program Income. For the purposes of this provision, Medicaid program income is defined as: 1) refunds/rebates of previously paid premiums and interest earnings generated in relationship to accounts listed below; 2) refunds/rebates received from the Medicaid claims payment contractor or other sources; and 3) managed care rebates as described below. Amounts defined as program income are to be deposited into the General Revenue Fund, Object No. 3639. The Health and Human Services Commission is authorized to receive and spend program income and interest earnings generated from fund balances with the Disbursement Account, and the STAR (Managed Care) Account, as defined in the contractual agreement with the fiscal agent and/or insurance carrier for purchased health services except for those interest earnings related to the Cash Management Improvement Act (CMIA). The Commission is also authorized to receive and spend experience rebates generated in accordance with its contractual agreements with health maintenance organizations who participate in Medicaid managed care. Expenditures shall be made from credits, managed care rebates, and interest earnings received in fiscal years 2006 and 2007. The use of the credits, managed care rebates, and interest earnings is limited to funding services for Medicaid clients. Medicaid program income shall be expended as they are received as a first source, and General Revenue shall be used as a second source, to support the Medicaid program. In the event that these revenues should be greater than the amounts identified in the method of finance above as Medicaid Program Income, the commission is hereby appropriated and authorized to expend these General Revenue Funds thereby made available, subject to the following requirements:

a. Amounts available shall be expended prior to utilization of any General Revenue available for the same purposes;
b. In the event General Revenue has been expended prior to the receipt of program income, the Commission shall reimburse General Revenue. This process shall be completed on a monthly basis in order to prevent accumulation of program income balances; and

c. The Commission shall report monthly to the Legislative Budget Board, the Governor, and the Comptroller's Office on program income receipts, expenditures, and anticipated revenues and balances.

The preceding paragraph shall be the exclusive appropriation authority for receipts from the above identified sources and none of these receipts shall be appropriated by a provision of Article IX of this Act.

25. Use of Additional CHIP Experience Rebates. For the purposes of this provision, CHIP Experience Rebates are defined as: 1) refunds/rebates of previously paid CHIP premiums and related interest earnings; and 2) managed care rebates and related interest earnings as described below. Amounts defined as CHIP Experience Rebates are to be deposited into the General Revenue Fund. The Health and Human Services Commission is authorized to receive and spend experience rebates generated in accordance with its contractual agreements with managed care organizations and other providers who participate in the CHIP, Immigrant Health Insurance, and School Employee Health Insurance programs. Expenditures shall be made from CHIP Experience Rebates generated in fiscal years 2006 and 2007. The method of financing item, Experience Rebates - CHIP, for appropriations made above, includes unexpended and unobligated balances of Experience Rebates - CHIP remaining as of August 31, 2005, and receipts earned in fiscal years 2006 and 2007.

The use of CHIP Experience Rebates is limited to health care services for CHIP clients. CHIP Experience Rebates shall be expended as they are received as a first source, and General Revenue shall be used as a second source, to support CHIP-related programs. In the event that these revenues should be greater than the amounts identified in the method of finance above as Experience Rebates - CHIP, the department is hereby appropriated and authorized to expend these General Revenue Funds thereby made available, subject to the following requirements:

a. Amounts available shall be expended prior to utilization of any General Revenue available for the same purposes;

b. In the event General Revenue has been expended prior to the receipt of CHIP Experience Rebates, the Commission shall reimburse General Revenue. This process shall be completed on a monthly basis in order to prevent accumulation of CHIP Experience Rebate balances; and

c. The Commission shall report monthly to the Legislative Budget Board, the Governor, and the Comptroller's Office on CHIP Experience Rebate receipts, expenditures, and anticipated revenues and balances.

The preceding paragraph shall be the exclusive appropriation authority for receipts from the above identified sources and none of these receipts shall be appropriated by a provision of Article IX of this Act.

26. Language Interpreter Services. It is the intent of the Legislature that the Health and Human Services Commission provide recipients of medical assistance with oral and written language interpreter services financed solely by contributions from local governmental entities and federal matching funds available under the medical assistance program.

27. CHIP: Unexpended Balances and Allocation of Funds.

a. The Health and Human Services Commission is hereby appropriated any unexpended balances remaining as of August 31, 2005, from the appropriations for the Children's Health Insurance Program (estimated to be $0). Balances appropriated may only be expended in the manner provided for by this section.

b. It is the intent of the Legislature that tobacco settlement receipts appropriations made above in Goal C, CHIP Services, include $187.1 million for fiscal year 2006 and $239.5 million for fiscal year 2007 in tobacco settlement receipts paid to the State pursuant to the Comprehensive Tobacco Settlement and Release. In the event that the state has not

received a tobacco settlements payment for fiscal year 2006 and fiscal year 2007 by September 1 of each year of the biennium, the Comptroller of Public Accounts is hereby authorized to use general revenue funds as needed for program expenditures for cash flow purposes between the beginning of the fiscal year and the receipt by the state of the tobacco settlement payment for the fiscal year. Upon receipt of the tobacco settlement payment, the general revenue fund shall be reimbursed with tobacco settlement receipts for all expenditures made pursuant to this provision.

c. Any unexpended balances remaining from appropriations made in Goal C, CHIP Services, for fiscal year 2006 may be carried over to fiscal year 2007.

28. Cash Basis Expenditures Authorization. Notwithstanding any other provision of this Act, the Health and Human Services Commission is authorized to expend Medicaid appropriations in a fiscal year without regard to date of service. The authorization herein is limited to expenditures for claims payments, premiums, cost settlements and other related expenses for Medicaid client services.

29. Mental Retardation Provider Cost Reporting. The Health and Human Services Commission shall review and revise its mental retardation provider cost reporting rules, regulations and procedures for the purposes of simplifying the cost reporting process and reducing overall administrative costs to the state and providers while providing fair and accurate financial information to the state necessary to the proper planning and funding of mental retardation services. In so doing, the Health and Human Services Commission shall seek to capture any and all costs, follow GAAP standards and to the extent possible, utilize financial statements similar to those prepared for banking, tax, and other common business financial planning, evaluation and reporting purposes.

In implementing this directive, the Commission shall work with providers, advocates, agency staff, and private sector financial experts, and shall ensure a clear separation between the rate setting and analysis functions from the audit functions.

30. Graduate Medical Education. The Health and Human Services Commission is authorized to spend up to $80.9 million in Appropriated Receipts - Match for Medicaid and an amount of Federal Funds estimated to be $124.4 million for the biennium out of Strategy B.2.1. Cost Reimbursed Services, for Graduate Medical Education payments to teaching hospitals, contingent upon receipt of allowable funds from public teaching hospitals to be used as the non-federal share for Medicaid Graduate Medical Education. Appropriated Receipts - Match for Medicaid shall be the only source of funds used for the non-federal share for Medicaid Graduate Medical Education. The Commission shall develop a payment methodology that allocates funds for Medicaid Graduate Medical Education to all public and private teaching hospitals, and mitigates negative fiscal impacts on contributing hospitals and other state funding.

31. Contingent Appropriation: Cost Sharing - Medicaid Clients. Contingent upon federal approval, the Health and Human Services Commission is authorized to collect and is hereby appropriated all cost sharing revenues generated by Medicaid clients as authorized in Section 32.064 of the Human Resources Code.

32. Food Stamp Program Funds Appropriated. The Health and Human Services Commission is hereby designated as the state agency to establish and operate a statewide Food Stamp Program and to accept all moneys appropriated for this purpose by the federal or state governments, by the Commissioners' Court of any county, by any political subdivisions of the state, or received from any other source as provided for herein and in Chapter 33, Human Resources Code. The Health and Human Services Commission is authorized to expend such funds for welfare purposes, including the cost of distributing foods to needy people, institutions, school lunch programs, or otherwise as provided by the laws of the United States and the rules and regulations issued pursuant thereto, for the establishment and operation of a statewide Food Stamp Program, and for the employment of essential personnel who shall be employed under a merit system basis comparable to the merit principles or standards applicable to all other personnel of the department.

33. Additional Funding Sources, Medicaid.
Notwithstanding any other provisions of this Act, if the appropriations provided for a Medicaid program are not sufficient to provide for expenditures mandated by either state or federal law, after accounting for any appropriations made to the agency operating the Medicaid program, and available for transfer to the Medicaid program, the Legislative Budget Board and the Governor may provide for and are hereby authorized to direct the transfer of sufficient amounts of funds to the Health and Human Services Commission from appropriations made elsewhere in this Act.

34. Appropriation and Reporting of Earned Federal Funds.

a. The Health and Human Services Commission shall submit a monthly report to the Legislative Budget Board and the Governor which details revenues, expenditures, and balances for earned federal funds as of the last day of the prior month. The report shall be prepared in a format approved by the Legislative Budget Board.

b. The authority to receive and expend earned federal funds generated in the 2006-07 biennium in excess of those appropriated above is subject to the following limitations:

(1) At least 45 days prior to budgeting or expending earned federal funds above levels indicated in the appropriation above, the commission shall report the earned federal funds received and provide documentation of the proposed use of these funds to the Legislative Budget Board and the Governor.

(2) Notifications shall include information regarding the need that will be served with the additional revenue. In the event program expansions are under consideration, information shall be forwarded regarding the population to be served; criteria for eligibility; and impact upon existing programs.

(3) Notifications shall also identify the impact on established performance targets, measures, and full-time equivalent positions.

c. The method of financing item, Earned Federal Funds, for appropriations made above includes unexpended and unobligated balances of earned federal funds remaining as of August 31, 2005 (estimated to be $0), and receipts earned in fiscal years 2006 and 2007.

35. Child Support Supplemental Payments. Out of the funds appropriated above in Strategy D.1.1, TANF Grants, and child support collections from the Child Support Trust Fund, the commission shall make supplemental payments to families receiving welfare who would be eligible to receive child support "pass through" and "first excess" payments under the Social Security Act Title IV-D child support distribution requirements prior to passage of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. These payments shall equal the amount of the "pass through" and "first excess" payment the family would have received under prior law. Child support collections shall comprise a portion of each total payment. The portion of the total payment funded with child support collections shall equal the state share of the Federal Medical Assistance Percentage (FMAP) for the fiscal year. If child support "pass through" or "first excess" payment distribution requirements are modified by federal law after enactment of this provision, the commission, in cooperation with the Office of the Attorney General, shall adjust the supplemental payments as necessary to be consistent with federal law and to not exceed the total the family would have received prior to welfare reform. The commission shall report any change to child support supplemental payments to the Governor and Legislative Budget Board.

36. Temporary Emergency Assistance for Families At-Risk of Welfare Dependency. Out of funds appropriated above in Strategy D.1.1, TANF Grants, the commission shall provide a one-time emergency assistance payment to applicants for Temporary Assistance for Needy Families (TANF) who are likely to be employed within a short period of time, without referral to the Choices program. It is the intent of the Legislature that the commission expand the use of one-time emergency payments as a cost-effective deterrence from the TANF program.

37. High Performance Bonus for Administration of the Food Stamp Program. High Performance Bonuses are annual incentive payments to state agencies that meet standards for high or most improved performance established by the Secretary of the U.S. Department of Agriculture. The authority to expend high performance bonuses for administrative costs paid in a prior fiscal year is subject to the following conditions:

a. Within 30 days of receiving notice of the state's eligibility for a performance bonus, the Health and Human Services Commission shall notify the Legislative Budget Board and the Governor;

b. At least 45 days prior to budgeting a performance bonus, the Health and Human Services Commission shall provide documentation of the proposed use of these funds to the Legislative Budget Board and the Governor. The report shall identify the impact on established performance targets, measures, and full-time equivalent positions, and shall be prepared in a format specified by the Legislative Budget Board.

c. In the event that the state receives a performance bonus, the Health and Human Services Commission is appropriated all funds received by the agency as Earned Federal Funds (General Revenue) subject to all limitations in this rider and to the following:

(1) A portion of these funds, in each year of the biennium, shall be used by the Health and Human Services Commission for the development and operation of a nutrition education and outreach program, or for activities that otherwise improve low-income consumers' access to basic nutrition and healthy foods; and

(2) A portion of these funds, in each year of the biennium, shall be used by the Health and Human Services Commission to provide bonuses to position classifications whose efforts directly contributed to meeting these performance standards, or to position classifications who meet or exceed customer service performance measures developed by the commission, or whose efforts directly contributed to increasing the percentage of eligible persons who receive Food Stamps.

(3) Any High Performance bonus received by the Health and Human Services Commission between June 2, 2005 and August 31, 2005 is hereby appropriated to the commission.

d. Before an employee can be eligible for a bonus, the employee must have been employed in the program for the related twelve months, remains employed in the program, and whose performance meets expectations.

e. The commission has the authority to determine whether employees who have received bonuses under this provision are eligible for merit salary increases during a twelve-month period prior to or after receipt of the bonus.

f. The commission shall prepare annual reports by October 1 of each year of the biennium summarizing the commission's progress in implementing the outreach program required in section (c) and file those reports with the standing committees of the Senate and House of Representatives having primary jurisdiction over health and human services.

38. Temporary Assistance for Needy Families (TANF) Maintenance of Effort. It is the intent of the Legislature that all general revenue appropriated above for TANF maintenance of effort shall be expended within the appropriate fiscal year for that purpose in order to secure the TANF federal block grant for the state. Out of funds appropriated above in Strategy D.1.1, TANF Grants, $68,657,338 in general revenue is appropriated for TANF maintenance of effort for fiscal year 2006, and $68,657,338 in general revenue is appropriated for TANF maintenance of effort for fiscal year 2007. None of the general revenue appropriated for TANF maintenance of effort in Strategy D.1.1, TANF Grants, may be transferred to any other item of appropriation or expended for any purpose other than the specific purpose for which the funds are appropriated. However, general revenue appropriated for TANF maintenance of effort may be transferred to

Strategy A.1.2, Integrated Eligibility and Enrollment, subject to the following limitations:

a. Declines or shifts in TANF caseloads prevent the Health and Human Services Commission from expending all general revenue appropriated for TANF maintenance of effort in Strategy D.1.1, TANF Grants, within the appropriate fiscal year;

b. The amount of general revenue transferred from Strategy D.1.1, TANF Grants, shall be expended within Strategy A.1.2, Integrated Eligibility and Enrollment, for TANF program operating costs, within the appropriate fiscal year; and

c. At least 45 days prior to transferring general revenue funds between Strategy D.1.1, TANF Grants, and Strategy A.1.2, Integrated Eligibility and Enrollment, the Health and Human Services Commission shall notify the Legislative Budget Board and the Governor.

39. Earned Income Disregard. It is the intent of the Legislature that out of amounts appropriated above to Strategy D.1.1, TANF Grants, the Health and Human Services Commission is to maintain the earned income disregard for working TANF families. When determining eligibility and benefits, the commission shall exclude $120 of earnings and 90 percent of the remaining earnings for each of the first four months of employment by a recipient. After the first four months of employment, the commission shall exclude $120 of a recipient's earnings each month.

40. Performance Reporting for the Prescription Drug Rebate Program. The Commission shall report on a semi-annual basis the following information to the Legislative Budget Board, the State Auditor's Office and the Governor: the outstanding prescription drug rebate balances for the Medicaid, CHIP, Kidney Health, and Children with Special Health Care Needs programs. The report shall include rebate principal and interest outstanding, age of receivables, and annual collection rates. The reports shall specify amounts billed, dollar value of pricing and utilization adjustments, and dollars collected. The Commission shall report these data on each year for which the Prescription Drug Rebate program has collected rebates and also on a cumulative basis for all years. In addition, the Commission shall provide no later than August 31, 2006 a separate report to the Legislative Budget Board, State Auditor's Office and the Governor's Office detailing the outstanding Medicaid prescription drug rebates and interest balances for the period from 1991 through the second quarter of calendar year 1995 in the format specified above.

In order to fully comply with this rider, the Commission should address data integrity issues related to the calculation of outstanding balance, cited in the State Auditor's Office report number 03-029 *An Audit Report on the Health & Human Services Commission Prescription Drug Rebate Program.*

41. TANF Grants. It is the intent of the Legislature that the commission shall adjust the TANF grant amount each year to ensure that the maximum monthly grant for a family of three is at least 17 percent of the federal poverty level and provide a one-time per year grant of up to $30 for each TANF child on August 1 of each year.

42. Texas Integrated Eligibility Redesign Systems (TIERS). To fund the debt related to TIERS, the department may seek funding from the most cost-effective type of financing, including but not limited to cash acquisition, commercial financing, and financing provided by the Texas Public Finance Authority. From any funds appropriated to the Health and Human Services Commission for the purpose of implementing the project, an amount not to exceed $3,521,186 (amounts needed for debt service) and an amount not to exceed $19,170,165 (amounts needed for Master Lease Purchase Program) for the biennium in all funds may be transferred to the

Texas Public Finance Authority for lease payments to the Texas Public Finance Authority to pay debt service on the obligations issued by the Texas Public Finance Authority on behalf of the commission for the above-mentioned project.

43. Capital Purchases on Behalf of other Government Entities or Service Providers. Any capital items purchased by the Health and Human Services Commission (HHSC) for use by local governmental entities for which the commission is reimbursed do not apply to the commission for the purpose of the capital budget rider limitations specified in Article IX, Limitation on Expenditures- Capital Budget, of the General Provisions of this Act, nor to HHSC rider 2, Capital Budget.

44. Reimbursement of Advisory Council Members. Pursuant to Government Code §531.408, reimbursement of travel expenses for Health and Human Services Council members, out of funds appropriated above, is hereby authorized such that the sum total of all reimbursements for members of the Council shall not exceed $10,825 per fiscal year, at the rates specified in the general provisions of this Act.

45. Other Reporting Requirements.

a. Federal Reports. The Health and Human Services Commission shall submit the following information to the Legislative Budget Board and the Governor no later than the date the respective report is submitted to the federal government:

(1) Notification of proposed State Plan amendments or waivers for Medicaid, CHIP, TANF and any other federal grant requiring a state plan. State Plan amendments and waiver submissions shall also be provided to the Senate Health and Human Services, House Human Services, and House Public Health committees.

(2) A copy of each report or petition submitted to the federal government relating to Medicaid, CHIP, and TANF.

b. Federal Issues. The Health and Human Services Commission shall notify the Legislative Budget Board and the Governor on a timely basis about emerging issues that could result in the loss of more than $1 million in federal revenue assumed in the appropriations act.

c. Monthly Financial Reports. The Health and Human Services Commission shall submit the following information to the Legislative Budget Board and the Governor on a monthly basis:

(1) Information on appropriated, budgeted, expended, and projected funds and full-time-equivalents, by strategy and method of finance.

(2) Information on appropriated, budgeted, expended, and projected revenues, including program income, interest earnings, experience rebates, vendor drug rebates, Medicaid subrogation receipts, premium co-payments, and appropriated receipts used as match for federal funds.

(3) Narrative explanations of significant budget adjustments, ongoing budget issues, and other items as appropriate.

(4) Narrative and tabular explanation of adjustments made to translate actuarial forecasts of incurred claims into budgeted/expended amounts on a cash basis for the Medicaid program.

(5) Any other information requested by the Legislative Budget Board or the Governor.

The monthly financial reports shall be prepared in a format specified by the Legislative Budget Board.

46. Medicaid Eligibility Determinations for Children. It is the intent of the Legislature that the initial Medicaid certification be determined without a face-to-face interview. The Health and Human Services Commission may develop procedures that require an initial Medicaid certification to be conducted by a personal interview only when it is determined that there are no other reasonable means to verify the information needed to satisfactorily determine initial eligibility.

For recertification of Medicaid eligibility, the Health and Human Services Commission may develop procedures to determine the need for a personal interview, based on a system of objective, risk-based factors and conditions. Such procedures shall be intended to focus only on a targeted and limited number of recertifications for which there is a high probability that eligibility has not continued.

47. Office for Prevention of Developmental Disabilities. The Health and Human Services Commission shall expend, from funds otherwise appropriated to the commission by this Act, an amount not to exceed $100,320 each fiscal year for salaries, benefits, travel expenses, and other support of the Office for Prevention of Developmental Disabilities.

48. Prohibition on Abortions.

a. It is the intent of the Legislature that no funds shall be used to pay the direct or indirect costs (including overhead, rent, phones and utilities) of abortion procedures provided by contractors of the commission.

b. It is also the intent of the Legislature that no funds appropriated for Medicaid Family Planning, shall be distributed to individuals or entities that perform elective abortion procedures or that contract with or provide funds to individuals or entities for the performance of elective abortion procedures.

c. The commission shall include in its financial audit a review of the use of appropriated funds to ensure compliance with this section.

49. Family Planning. Of funds appropriated for, Medicaid Family Planning, no state funds may be used to dispense prescription drugs to minors without parental consent.

50. Medical Treatments. The Health and Human Services Commission may distribute funds for medical, dental, psychological or surgical treatment provided to a minor only if consent to treatment is obtained pursuant to Chapter 32 of the Texas Family Code. In the event that compliance with this rider would result in the loss of Federal Funds to the state, the department may modify, or suspend this rider to the extent necessary to prevent such loss of funds, provided that 45 day prior notification is provided to the Governor and the Legislative Budget Board.

51. Appropriations Reduction for Integrated Eligibility. Pursuant to the Seventy-eighth Legislature, House Bill 2292, Section 2.06, regarding the implementation of call centers, the appropriations to the Health and Human Services Commission made above for eligibility determination are hereby reduced by $14,471,184 in General Revenue and $16,905,312 in Federal Funds (including $2,238,156 in Temporary Assistance for Needy Families) for fiscal year 2006 and $50,591,837 in General Revenue and $58,951,746 in Federal Funds (including $7,804,838 in Temporary Assistance for Needy Families) for fiscal year 2007 to reflect savings associated with the transition to integrated eligibility determination and the use of call centers.

The number of authorized FTE positions for the Health and Human Services Commission is hereby reduced by 829.0 in fiscal year 2006 and 3,980 in fiscal year 2007. FTE reductions may be made incrementally during the fiscal year, and the agency may exceed the appropriated FTE cap for the first two quarters of each year of the biennium. However, the agency shall report on a quarterly basis beginning December 1, 2005 to the Legislative Budget Board and the Governor on the actual and cumulative FTE reductions and savings achieved. The agency shall achieve an overall FTE reduction of 3,472 in fiscal year 2006 and 4,487 in fiscal year 2007. The

commission may allocate no more than 7 percent of both the funding and FTE reductions to the Department of Aging and Disability Services for long term care functional eligibility determination.

52. Appropriation of Unexpended Balances - Revenue Bonds. Any unexpended balances of Bond Proceeds - Revenue Bonds for the TIERS project from previous appropriations, estimated to be $0, from fiscal year 2005 to fiscal year 2006 are hereby appropriated to the Health and Human Services Commission for the same purposes, contingent upon the commission providing to the Legislative Budget Board and the Governor a detailed description of the project and cost at least 45 days prior to the expenditure of such funds.

53. Federal Payment for Drug Coverage for Dual Eligible Recipients. The amount of funding appropriated above in Strategy B.2.3, Medicare Federal Give Back Provision, is made for monthly payments to the federal government, which will begin in January 2006 pursuant to the maintenance of effort requirement in the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, for the provision of prescription drugs to clients who are dually eligibile for Medicare and Medicaid.

54. Collection of Rebates on Physician Administered Prescription Drugs. The Health and Human Services Commission is required to make necessary changes to the Medicaid Management Information System to collect rebates on single-source and multi-source physician administered drugs. Additional rebates collected on physician administered drugs are appropriated to the Commission for purposes consistent with the use of the Vendor Drug Rebates-Medicaid specified elsewhere in this Act.

55. Medicaid Quality Initiative Pilot Project. Out of funds appropriated above in Goal B, Medicaid, the Health and Human Services Commission is authorized to establish a pilot program in one of the Primary Care Case Management service areas to test implementation of quality initiatives designed to reduce non-emergent use of the emergency room. The pilot program shall include public awareness efforts aimed at educating Medicaid clients about appropriate use of the emergency room and, at a minimum, one of the following: higher reimbursement to primary care providers who extend their routine office hours to include evenings and weekends; contracts with urgent care clinics to provide after-hour care; a case management program targeted to clients who use the emergency room for non-emergent conditions; an additional per member per month quality enhancement fee to primary care providers and/or an administrative entity for the purposes of implementing quality initiatives to reduce non-emergent use of the emergency room; or other option designed to reduce non-emergent use of the emergency room determined by the Commission. The Commission shall submit a workplan by September 1, 2005, to the Legislative Budget Board and the Governor that details the quality initiative(s) to be implemented by the Commission. The Commission shall conduct a study to test the effectiveness of the pilot program at reducing non-emergent use of the emergency room and Medicaid costs and submit a report to the Legislative Budget Board and the Governor by February 1, 2007.

56. Analysis of Multi-state Medicaid Drug Purchasing Pool. Out of funds appropriated above in Strategy B.2.2, Medicaid Vendor Drug Program, the Health and Human Services Commission shall conduct an analysis to determine the cost-benefit and feasibility of establishing or joining a multi-state Medicaid drug purchasing pool. Analysis shall include the identification of other states with which pooling of Medicaid drug purchasing provides the greatest opportunity to achieve savings in Texas. The Commission shall report the results of this analysis to the Legislative Budget Board and the Governor not later than January 15, 2006.

57. CHIP Enrollment. In the event that appropriations are insufficient to sustain enrollment at authorized eligibility and benefit levels in CHIP, it is the intent of the legislature that the Executive Commissioner transfer necessary funds to Goal C, CHIP Services, pursuant to the notification and approval requirements contained in other provisions, and request additional appropriation authority from the Legislative Budget Board prior to establishing a waiting list and suspending enrollment pursuant to Health and Safety Code § 62.101.

58. Patient Protection Activities. Out of amounts appropriated above for the Health and Human

Services Commission, there is hereby included one additional FTE to act as an ombudsman in matters relating to health and human services licensing agencies. This FTE shall be associated with the agency's 2-1-1 program.

59. Ambulance Services. Out of funds appropriated above, the Health and Human Services Commission shall conduct a study of ambulance service rates in Texas and their equivalence to comparable Medicare fee schedules as well as rates paid in other states under Medicaid services. The Commission shall provide a copy of this report to the Legislative Budget Board and the Governor's Office no later than December 31, 2005.

60. Medicaid Provider Reimbursement. From funds appropriated above, the Health and Human Services Commission shall convene a workgroup to assist the Executive Commissioner in studying and making recommendations for changes in the hospital (both inpatient and outpatient services) reimbursement rate methodology. These recommendations shall include cost inflators, rebasing of the rates, and other alternatives, such as waivers that would combine Disproportionate Share Hospital (DSH), Graduate Medical Education (GME) and Upper Payment Limit (UPL) funds. Alternatives could be considered in determining hospital rates that would reward efficient providers, critical care providers, rural hospitals and special children hospitals, as well as incentives for hospitals to serve Medicaid clients and control medical cost. Workgroup members shall be composed of agency staff familiar with inpatient hospital rate methodology, external groups and representatives of the various hospital organizations. The Health and Human Services Commission shall prepare a report for consideration by the Eightieth Legislature. The report should contain options and the fiscal impact of the recommended changes to the hospital rate methodology submitted to the Legislative Budget Board and Governor by October 1, 2006.

61. Study Regarding Uncompensated Care. The Health and Human Services Commission shall conduct a study of the components and assumptions used to calculate Texas hospitals' uncompensated care amounts. The Commission shall provide a report to the 80th Legislature with recommendations for standardizing hospitals' uncompensated care amounts.

62. Medicaid Reimbursement for Immunizations. The Health and Human Services Commission, in conjunction with the Department of State Health Services, shall develop and implement a reimbursement fee schedule for its immunization program that compensates providers based on the number of antigens delivered to the patient. In no event shall the reimbursement for administering immunizations be less than the current program if it were based on an antigen delivered fee schedule. The Commission shall ensure that the change to an antigen-based fee schedule will not require higher overall reimbursement.

63. Medicaid Support and Information Services. Out of the funds appropriated above in Goal B: Medicaid, such funds as are necessary to implement the project are allocated for the Medicaid Help Line authorized under § 531.0213, Government Code. It is the intent of the Legislature that, under the authority of the Commissioner of Health and Human Services, the Health and Human Services Commission shall operate this service for Medicaid recipients enrolled in managed care plans.

64. Unexpended Balance Authority for Eligibility Determination Services. Any unexpended balances remaining from appropriations made in strategy A.1.2. Integrated Eligibility and Enrollment, for fiscal year 2006 may be carried over to fiscal year 2007.

65. Additional Generic Substitution in the Medicaid Program. Appropriations to the Health and Human Services Commission made above for the Medicaid Vendor Drug program have been reduced by $1,934,841 in General Revenue Funds and $3,026,290 in Federal Funds for fiscal year 2006, and $1,934,841 in General Revenue Funds and $3,026,290 in Federal Funds for fiscal year 2007 to reflect savings from the anticipated adoption of rule changes by the Board of Pharmacy to allow for generic substitution of drugs not evaluated in the Approved Drug Products with Therapeutic Equivalence Evaluations publication.

66. Payment of August 2007 Payments for Medicaid Managed Care and Children's Health Insurance Program (CHIP). Funds appropriated above include a reduction of $52.7 million in General Revenue and $134.6 million in All Funds out of Strategy B.1.4, Children and Medically Needy, for fiscal year 2007 and a reduction of $5.0 million in General Revenue and $17.9 million in All Funds out of Strategy C.1.1, CHIP, for fiscal year 2007. The Health and Human Services Commission is authorized to defer the August 2007 payments for Medicaid Managed Care and CHIP until September of 2007.

67. Continued Medicaid Coverage of Certain Excluded Medicare Part D Drug Categories. It is the intent of the Legislature that from funds appropriated above in Strategy B.2.2, Medicaid Vendor Drug Program, the Health and Human Services Commission shall continue to provide Medicaid coverage for certain categories of drugs not covered under the federal Medicare Part D program, under Section 1935(d)(2) of the Social Security Act, for full dual eligible clients. This coverage is limited to only those categories of excluded Medicare Part D drugs that continue to be eligible for federal Medicaid matching funds and that are currently covered under the Mediciad Vendor Drug Program (e.g. prescribed over-the-counter medications, barbiturates, and benzodiazepines).

68. Contingent Appropriation for Mental Health Services. Out of the General Revenue amounts appropriated above for Medicaid mental health benefits in Strategy B.1.1, Aged and Disabled, $17,314,248 in fiscal year 2006 and $17,314,248 in fiscal year 2007 is contingent on revenue deposited in General Revenue Dedicated Account 5100, System Benefit Fund, exceeding the Comptroller of Public Accounts' Biennial Revenue Estimate by $11,201,653 for fiscal year 2005, by $10,629,577 for fiscal year 2006 and by $12,797,266 for fiscal year 2007. The contingent appropriation shall be equal to the amounts generated above the Biennial Revenue Estimate for the referenced years, not to exceed $34,628,496 for the biennium.

69. Dual Diagnosis Pilot. From funds appropriated by this Act, the Health and Human Services Commission is authorized to utilize up to $75,000 per year to provide a grant to a non-profit organization to develop a pilot project directed at enhancing the well being and care of citizens who are dually diagnosed with mental retardation and mental illness.

The project will create and design a regional delivery system that ensures a dually diagnosed individual access to a full array of services and supports as needed. This system will include the clinical best practice model for successful outcomes. The system will include input and participation with local MHAs, local MRAs, community health centers, state mental retardation, and mental health facilities within the region, community providers, and advocates. The grantee is expected to actively seek supplemental funding sources to support the project. A report including project status, outcomes and additional funding secured will be submitted to the 80th Legislature.

70. Perinatal and Prenatal Care. From funds appropriated above, the Health and Human Services Commission may expend funds to provide unborn child health benefit coverage under the Texas Title XXI Health Plan.

71. Women's Health Waiver. Contingent upon enactment of Senate Bill 747 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to a women's health waiver, and out of the funds appropriated above, the Commission shall submit the necessary application for a waiver to the Centers for Medicare and Medicaid Services no later than December 31, 2005 for a five-year demonstration project through the medical assistance program under state law to expand access to preventative health and family planning services for adult women, between the ages of 18-64, who are living at or below 185 percent of the federal poverty level. It is the intent of the Legislature that any waiver obtained by the Commission shall not be used to provide abortion services or require appropriations of general revenue that exceed the cost savings to be realized by the waiver in the first two years of implementation and in future biennia.

72. **Advanced Practice Nurse and Physician Assistant Reimbursement.** The Health and Human Services Commission shall adopt rules to provide that the Commission shall not pay for any Medicaid service provided by an Advanced Practice Nurse or Physician Assistant unless it is billed under the Advanced Practice Nurse's or Physician Assistant's provider number.

73. **Upper Payment Limit Reimbursement for Children's Hospitals.** Out of the funds appropriated above, the Health and Human Services Commission shall use the amounts of $12,500,000 in fiscal year 2006 and $12,500,000 in fiscal year 2007 in General Revenue to provide upper payment limit reimbursement to children's hospitals (having a separate provider number). The Health and Human Services Commission shall implement Medicaid upper payment limit reimbursement to cover the actual costs incurred in providing Medicaid inpatient and outpatient services and Graduate Medical Education at children's hospitals. In the event that appropriations are insufficient to cover these Medicaid costs in all children's hospitals, the Health and Human Services Commission shall prioritize this Medicaid upper payment limit reimbursement to reduce the Medicaid losses in any children's hospital with a Medicaid patient load that exceeds 60 percent of the hospital's total inpatient days.

74. **Contingency for Senate Bill 747.** Contingent upon enactment of Senate Bill 747 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to a women's health waiver, and contingent upon federal approval of the waiver, the Health and Human Services Commission shall transfer $20 million in General Revenue and $30 million in Federal Funds in fiscal year 2007 from Strategy B.1.3, Pregnant Women, to Strategy B.1.4, Children and Medically Needy. It is the intent of the Legislature that the agency re-direct savings accrued from implementation of the bill in order to reduce the amount of non-General Revenue funding for the provision of Medicaid services to the Medically Needy. These General Revenue funds shall be expended as specified in this provision only in the event that the Commission receives a contribution of local matching funds for the Medically Needy program.

RETIREMENT AND GROUP INSURANCE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund, estimated	$ 241,487,802	$ 251,656,840
General Revenue Dedicated Accounts, estimated	4,097,014	4,260,010
Federal Funds, estimated	168,802,677	177,711,822
Other Special State Funds, estimated	179,548	185,503
Total, Method of Financing	$ 414,567,041	$ 433,814,175
Items of Appropriation:		
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS Retirement Contributions. Estimated.	$ 89,765,290	$ 88,689,099
A.1.2. Strategy: GROUP INSURANCE Group Insurance. Estimated.	$ 324,801,751	$ 345,125,076
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	$ 414,567,041	$ 433,814,175
Grand Total, RETIREMENT AND GROUP INSURANCE	$ 414,567,041	$ 433,814,175

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund, estimated	$ 72,463,251	$ 73,719,872
General Revenue Dedicated Accounts, estimated	1,255,809	1,231,681
Federal Funds, estimated	57,636,778	55,887,821
Other Special State Funds, estimated	82,080	80,468
Total, Method of Financing	$ 131,437,918	$ 130,919,842
Items of Appropriation:		
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT		
Comptroller - Social Security.		
A.1.1. Strategy: STATE MATCH – EMPLOYER	$ 112,061,734	$ 112,512,466
State Match – Employer. Estimated.		
A.1.2. Strategy: BENEFIT REPLACEMENT PAY	$ 19,376,184	$ 18,407,376
Benefit Replacement Pay. Estimated.		
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	$ 131,437,918	$ 130,919,842
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	$ 131,437,918	$ 130,919,842

BOND DEBT SERVICE PAYMENTS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 24,552,481	$ 28,512,157
Federal Funds	2,362,984	2,361,154
Other Funds		
Current Fund Balance	12,000	18,000
MH Collections for Patient Support and Maintenance	112,122	112,122
MH Appropriated Receipts	15,828	15,828
MH Medicare Receipts	169,322	169,322
MR Collections for Patient Support and Maintenance	120,063	120,063
MR Appropriated Receipts	16,949	16,949
MR Medicare Receipts	19,686	19,686
Subtotal, Other Funds	$ 465,970	$ 471,970
Total, Method of Financing	$ 27,381,435	$ 31,345,281
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: BOND DEBT SERVICE	$ 27,381,435	$ 31,345,281 & UB
To Texas Public Finance Authority for Payment of Bond Debt Service.		
Grand Total, BOND DEBT SERVICE PAYMENTS	$ 27,381,435	$ 31,345,281

LEASE PAYMENTS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 7,249,601	$ 7,445,243
Total, Method of Financing	$ 7,249,601	$ 7,445,243
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: LEASE PAYMENTS	$ 7,249,601	$ 7,445,243 & UB
To TBPC for Payment to TPFA.		
Grand Total, LEASE PAYMENTS	$ 7,249,601	$ 7,445,243

SPECIAL PROVISIONS RELATING TO ALL HEALTH AND HUMAN SERVICES AGENCIES

Sec. 2. Night Shift and Weekend Differential.

a. Clinical and Support Personnel. The Department of State Health Services and the Department of Aging and Disability Services are authorized to pay an additional night shift salary differential not to exceed 15 percent of the monthly pay rate to personnel who work the 3 p.m. to 11 p.m. or the 11 p.m. to 7 a.m. shift or its equivalent. A weekend shift salary differential not to exceed 5 percent of the monthly pay rate may be paid to persons who work weekend shifts. The evening or night shift salary differential may be paid in addition to the weekend shift salary differential for persons working weekend, evening, or night shifts.

b. Data Processing Personnel. The Department of State Health Services, the Department of Aging and Disability Services, the Department of Family and Protective Services, the Health and Human Services Commission, and the Health and Human Services Consolidated Print Shop may pay an evening or night shift salary differential not to exceed 15 percent of the monthly pay rate to personnel in data processing or printing operations who work the 3:00 p.m. to 11:00 p.m. shift or 11:00 p.m. to 7:00 a.m. shift, or their equivalents. A weekend shift salary differential not to exceed 5 percent of the monthly pay rate may be paid to persons who work weekend shifts. The evening or night shift salary differential may be paid in addition to the weekend shift salary differential for persons working weekend, evening, or night shifts.

Sec. 3. Services to Employees. Out of the appropriations authorized, the Department of State Health Services and Department of Aging and Disability Services may expend funds for the provision of first aid or other minor medical attention for employees injured in the course and scope of their employment and for the repair and/or replacement of employees' items of personal property which are damaged or destroyed in the course and scope of their employment so long as such items are medically prescribed equipment. Expenditures for such equipment may not exceed $500 per employee per incident.

Sec. 4. Charges to Employees and Guests. Collections for services rendered employees and guests shall be made by a deduction from the recipient's salary or by cash payment in advance. Such deductions and other receipts for these services from employees and guests are hereby appropriated to the facility. Refunds of excess collections shall be made from the appropriation to which the collection was deposited.

As compensation for services rendered and notwithstanding any other provision in this Act, any facility under the jurisdiction of the Department of State Health Services or the Department of Aging and Disability Services may provide free meals for food service personnel and volunteer workers, and may furnish housing facilities, meals, and laundry service in exchange for services rendered by interns, chaplains in training, and student nurses.

Sec. 5. New or Additional Facilities. No funds appropriated may be spent for constructing new or additional facilities or for the purchase of sites without specific authorization of the Legislature. All facilities shall be kept where they are located by the Legislature, and all new buildings to be constructed shall be on these sites unless otherwise specifically authorized by the Legislature. For the purpose of this subsection, specific authorization may be granted either by basic statute or special authorization in this Act.

Sec. 6. Revolving Petty Cash Funds. Each facility under the jurisdiction of the Department of State Health Services or the Department of Aging and Disability Services may establish a petty cash fund to be maintained in cash or at a local bank. The petty cash fund, not to exceed $25,000, shall be used only for making emergency payments and small purchases which will increase the efficiency of the operation; for payments to client workers on a regular payday basis; for use as change funds in specific locations where financial activities of the agency require a change fund; and for supplies and equipment purchases for sheltered workshops.

Sec. 7. Disposition of State Funds Available Resulting from Federal Match Ratio Change. In the event the Federal Medical Assistance Percentage (FMAP) should be greater than 60.66 percent for federal fiscal year 2006 and 61.55 percent for federal fiscal year 2007, or the Enhanced Federal Medical Assistance Percentage (EFMAP) should be greater than 72.46 percent for federal fiscal year 2006 and 73.09 percent for federal fiscal year 2007, the Health and Human Services Commission and the health and human services agencies listed in Chapter 531, Government Code, shall be authorized to expend the state funds thereby made available due to the greater FMAP or EFMAP only to the extent authorized in writing by the Legislative Budget Board and Governor. A copy of such authorization shall be provided to the Comptroller of Public Accounts to assist in monitoring compliance with this provision.

General Revenue appropriations made to health and human services agencies in association with projected more favorable FMAP and related program percentages for fiscal year 2007 are hereby reduced as follows for a total of $185,600,000:

Department of Aging and Disability Services - $52,900,000 in General Revenue Funds
Health and Human Services Commission - $129,800,000 in General Revenue Funds
Department of Family and Protective Services - $2,900,000 in General Revenue Funds.

Federal Funds appropriations to health and human services agencies in association with projected more favorable FMAP and related program percentages for fiscal year 2007 are hereby increased as follows for a total of $185,600,000:

Department of Aging and Disability Services - $52,900,000 in Federal Funds
Health and Human Services Commission - $129,800,000 in Federal Funds
Department of Family and Protective Services - $2,900,000 in Federal Funds.

The Health and Human Services Commission, in cooperation with the respective agencies, shall identify the strategies to be adjusted by amount by September 1, 2005 and shall forward schedules identifying the adjustments to the Legislative Budget Board, Governor, and Comptroller of Public Accounts by March 1, 2006.

Sec. 8. Costs Related to Co-location of Services and to Inter-agency Sharing of Support Functions and Services. To provide an efficient and effective method of paying common support costs related to co-location of human services as required pursuant to the provision of Chapter 531 of the Government Code, and/or costs of performing support functions for multiple agencies, funds may be transferred between agencies for payment of such costs and agencies are authorized to deposit those funds into separate accounts for the purpose of paying shared costs including, but not limited to, postage, occupancy costs, equipment repair, telephones and telephone system costs, office printing costs, supplies, freight and transport costs, electronic data processing systems, or other business functions. Each agency shall be responsible for quarterly allocations of these costs to the original strategies.

Sec. 9. Contracts for Purchase of Client Services. No funds appropriated to an agency covered by this article may be utilized for contracts for the purchase of program-related client services unless:

a. such contracts include clearly defined goals, outputs, and measurable outcomes which directly relate to program objectives;

b. such contracts include clearly defined sanctions or penalties for noncompliance with contract terms and conditions;

c. such contracts specify the accounting, reporting, and auditing requirements applicable to funds received under the contract;

d. the agency has implemented a formal program using a risk assessment methodology to monitor compliance with financial and performance requirements under the contract, including a determination of whether performance objectives have been achieved; and

e. the agency has implemented a formal program to obtain and evaluate program costs information to ensure that all costs, including administrative costs, are reasonable and necessary to achieve program objectives.

Sec. 10. Attorney General Representation. The Attorney General and the respective head of the Health and Human Services Commission or a health and human services agency listed in Chapter 531, Government Code, are hereby authorized to jointly select one or more Assistant Attorneys General to be assigned to the respective agency.

Sec. 11. Medicaid Managed Care Contracts. The Health and Human Services Commission and the health and human services agencies listed in Chapter 531, Government Code, shall include and award value added points in the scoring of applications submitted for Medicaid managed care contracts. At a minimum, the following considerations are to be considered as items for value added points:

a. Continuity of care for the Medicaid client;
b. Graduate Medical Education as part of the delivery system;
c. Amount of charity care provided by the party applying for a contract award; and
d. Inclusion of prompt pay provisions for provider payments.

Sec. 12. Children's Medicaid Review. The Health and Human Services Commission and other agencies determining Medicaid eligibility shall implement procedures to automatically review children's eligibility for Medicaid when their families become ineligible for Temporary Assistance for Needy Families (TANF) and to ensure that their Medicaid coverage continues uninterrupted if they are eligible. The Health and Human Services Commission and other Medicaid operating agencies shall cooperate to ensure that the child continues to receive medical assistance without a gap in eligibility if the review required by this rider indicates that the child is eligible for medical assistance on another basis. The Health and Human Services Commission and other Medicaid operating agencies shall make expenditures, out of funds appropriated above, in the Medicaid program for children determined to be eligible for the Medicaid program. No child shall receive Medicaid unless they are eligible because of their income level.

Sec. 13. Limitations on Transfer Authority.

a. Notwithstanding agency specific limitations on transfer authority in this Article or the general transfer provisions of this Act, the Executive Commissioner of the Health and Human Services Commission is authorized to make the following transfers subject to the prior approval of the Legislative Budget Board and the Governor:

(1) A transfer of funds appropriated for non-capital budget items between agencies, and between the strategies of an agency, for the purpose of achieving the efficient and effective operation of the Medicaid program and for the purposes outlined in Section 531.0271, Government Code;

(2) A transfer of funds appropriated for capital budget items between agencies for existing capital budget purposes;

(3) A transfer of funds appropriated for capital budget items from a capital budget item to a non-capital item at the agency or from one agency to another agency; and

(4) A transfer of full-time-equivalent positions between agencies, provided there is no net increase in the total number of full-time equivalent positions authorized for those agencies in this Act.

b. No one transfer action between agencies may exceed 10 percent of the total yearly appropriation amount of the agency from which funds are being transferred.

c. The Executive Commissioner of the Health and Human Services Commission shall notify the Legislative Budget Board and the Governor of a proposed transfer no later than 10 business days prior to the transfer action. Notification for purposes of this section is defined as receipt by the Legislative Budget Board and the Governor of a signed letter with the following information:

(1) The source of funds to be transferred and any change in federal funds related to the proposed transfer,

(2) The agency and the strategy from which the transfer is to be made and the agency and the strategy to which the transfer is to be made,

(3) The need that was to be served through the original appropriation and the basis for the decrease in need,

(4) The need that is to be served in the strategy receiving the funds and the basis for selecting the strategy,

(5) Any potential impact on client populations and the affected agencies' ability to operate existing programs, and

(6) The purpose established in Chapter 531, Government Code, to be achieved by the transfer.

d. A proposed transfer shall be considered to be approved if neither the Legislative Budget Board nor the Governor issues a written disapproval of the proposal not later than:

(1) The 10th business day after the date the staff of the Legislative Budget Board concludes its review of the proposed transfer and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor; and

(2) The 10th business day after the receipt of the proposed transfer by the Governor.

e. The Executive Commissioner of the Health and Human Services Commission shall report to the Legislative Budget Board, the Governor, and the Comptroller of Public Accounts, each approved transfer made pursuant to this provision within 14 days of the transfer action. The report shall include information regarding affected strategies; method of finance; performance measure changes; and full-time equivalent positions.

f. For the purposes of this Section, in addition to the Health and Human Services Commission, 'agency' means a health and human services agency listed in Chapter 531, Government Code, and 'agencies' means the health and human services agencies listed in Chapter 531, Government Code.

Sec. 14. Payment for Compensatory Time. It is expressly provided that the Department of State Health Services and the Department of Aging and Disability Services, to the extent permitted by law, may pay FLSA exempt and FLSA non-exempt employees of state mental health and mental retardation facilities on a straight-time basis for work on a holiday or for regular compensatory time hours when the taking of regular compensatory time off would be disruptive to normal business functions.

Sec. 15. Access to Health Care Services. It is the intent of the Legislature that all agencies administering or responsible for any part of the medical assistance program under Chapter 32, Human Resources Code or listed in Chapter 531, Government Code, work together to maximize the number of providers, including providers of pediatric care, primary care, nursing home care, and home health services to promote access to quality health care services for all enrollees.

Sec. 16. Leases. No funds appropriated under this Act may be expended by the Health and Human Services Commission or health and human services agencies listed in Chapter 531, Government Code, for leased office or building space where the agency determines that the leased space is no longer needed due to 1) the implementation of changes that result in a reduction in staff, 2) consolidations of office or building space to achieve cost efficiencies, or 3) a change in client demographics resulting in the need to relocate staff to other locations. Prior to lease cancellation the agency will:

a. provide written notice to the lessor at least 180 days prior to the date of lease cancellation, and

b. notify the Texas Building and Procurement Commission that space is available for use by another state tenant.

Sec. 17. Limitation on Use of Tobacco Funds.

a. State agencies that are appropriated funds from the receipts collected pursuant to the Comprehensive Tobacco Settlement Agreement and Release in this Article, including distributions from funds, shall submit a budget by November 1 of each year of the biennium to the Legislative Budget Board and the Governor. This budget shall describe the purposes and amounts for which such funds will be expended by the state agency. No funds described in this budget may be expended by the state agency or institution of higher education until the Legislative Budget Board and the Governor receive the budget.

b. Authorized managers of permanent funds and endowments whose earnings are appropriated to the Department of State Health Services in this article shall provide a copy of year-end financial reports to the Legislative Budget Board and the Governor by November 1 of each year of the biennium. These reports should include, at a minimum, an income statement and balance sheet for each fund, and a summary of the investment return of the fund during the preceding fiscal year.

c. Agencies directly appropriated tobacco settlement receipts, tobacco settlement receipts match for Medicaid, and tobacco settlement receipts match for CHIP in this Article shall only expend such funds for direct client services and for activities, such as eligibility determination and indirect administration related to Medicaid and CHIP as set forth in a federally approved cost allocation plan, that support direct client services.

Sec. 18. Medicaid Informational Rider. This rider is informational only and does not make any appropriations. The Health and Human Services Commission is the single state agency for Title XIX,

the Medical Assistance Program (Medicaid) in Texas. Other agencies receive appropriations for and responsibility for the operations of various Medicaid programs. Appropriations made elsewhere in this Act, related to the Medicaid program, include the following:

Agency Name	**2006**	**2007**
Department of Aging and Disability Services	$5,439,792,117	$5,236,553,195
Department of Assistive and Rehabilitative Services	49,354,395	49,104,734
Department of Family and Protective Services	17,752,523	18,409,931
Health and Human Services Commission	13,412,578,074	13,515,586,248
Department of State Health Services	212,183,090	212,182,454
Article II, Special Provisions	(235,922,840)	(185,477,423)
Department of Transportation	28,334,139	29,910,578
Total, Medical Assistance Program	**$18,924,071,498**	**$18,876,269,717**
Method of Financing:		
General Revenue for Medicaid	$6,552,042,269	$6,512,540,386
Tobacco Settlement Receipts for Medicaid	277,324,407	211,260,612
Subtotal, General Revenue Funds	6,829,366,676	6,723,800,998
General Revenue - Dedicated	292,739,776	309,256,267
Federal Funds	11,375,490,299	11,428,581,422
Medicaid Subrogation Receipts	14,757,948	14,757,948
Appropriated Receipts--Match for Medicaid	373,382,660	359,962,504
Fund No. 6--Match for Medicaid	38,334,139	39,910,578
Subtotal, Other Funds	426,474,747	414,631,030
Total, All Funds	**$18,924,071,498**	**$18,876,269,717**

Sec. 19. Caseload and Expenditure Reporting Requirements.

a. **Quarterly Forecasts**. The Health and Human Services Commission, in cooperation with operating agencies, shall submit to the Legislative Budget Board and the Governor, at the end of each fiscal quarter, reports projecting anticipated caseload and prescription drug data and related expenditure amounts for the 36 month period beginning with the first month after the reports are due, for the following programs:

(1) Medicaid (acute and long-term care);
(2) Medicare;
(3) Children's Health Insurance Program (CHIP) and related programs;
(4) Temporary Assistance for Needy Families;
(5) Children with Special Health Care Needs;
(6) Foster care and adoption subsidies;

(7) Early Childhood Intervention Services; and
(8) Other programs upon request of the Legislative Budget Board or the Governor.

The reports shall be prepared in a format specified by the Legislative Budget Board.

b. **Monthly Data.** The Health and Human Services Commission, in cooperation with operating agencies, shall submit to the Legislative Budget Board and the Governor, at the end of each month, caseload and prescription drug data and related expenditure amounts for the programs identified in subsection (a) for at least the preceding 36 months. The data shall be submitted in a format specified by the Legislative Budget Board.

c. Each report submitted to the Legislative Budget Board and the Governor pursuant to this provision must be accompanied by supporting documentation detailing the sources and methodologies utilized to develop any caseload or cost projections contained the report and any other supporting material specified by the Legislative Budget Board and the Governor.

d. Each report submitted pursuant to this provision must contain a certification by the person submitting the report that the information provided is true and correct based upon information and belief together with supporting documentation.

e. The Comptroller of Public Accounts shall not allow the expenditure of funds appropriated by this Act to the Health and Human Services Commission if the Legislative Budget Board and the Governor certify to the Comptroller of Public Accounts that the Health and Human Services Commission is not in compliance with this provision.

In the event that the forecasting function is transferred to another health and human services agency listed in Chapter 531, Government Code, the requirement for the Health and Human Services Commission to provide quarterly forecasts under subsection (a), monthly data under subsection (b), or supporting documentation under subsection (c) shall apply to the other health and human services agency.

Sec. 20. Rate Analysis and Reporting Requirements.

a. No later than September 1 each fiscal year, the Executive Commissioner of the Health and Human Services Commission shall submit the following information in writing to the Legislative Budget Board, the Governor, and the State Auditor:

(1) A list of Medicaid, CHIP, foster care, and adoption subsidy rates in effect on September 1 of the fiscal year and rates in effect for the prior fiscal year. The list shall be prepared in a format specified by the Legislative Budget Board.

(2) A schedule and description of the rate-setting process that will be followed for the Medicaid, CHIP, foster care, and adoption subsidy programs during the fiscal year. The schedule and description shall be prepared in a format specified by the Office of the State Auditor.

b. The Executive Commissioner of the Health and Human Services Commission shall notify the Legislative Budget Board, the Governor, and the State Auditor in writing at least 45 days prior to any action to increase rates for the Medicaid, CHIP, foster care, and adoption subsidy programs that would have an annual fiscal impact greater than $1 million in general revenue-related funds or TANF Federal Funds based on the most current caseload forecast. The notification shall be provided in a format specified by the Legislative Budget Board.

c. The Legislative Budget Board, the Governor, or the State Auditor may request the Executive Commissioner of the Health and Human Services Commission to provide 45-day prior notification of intent to increase any other rate regardless of the fiscal impact.

d. Notifications submitted pursuant to subsection (b) and subsection (c) must contain a certification by the Executive Commissioner and the Chief Financial Officer of the Health and Human Services Commission that the information provided is true and correct based upon information and belief together with supporting documentation. Additionally, the Executive Commissioner and the Chief Financial Officer of the Health and Human Services Commission must either indicate that the proposed action is within biennial appropriated/available funding or estimate the amounts (including General Revenue, Temporary Assistance for Needy Families, and All Funds) by which the proposed action will exceed biennial appropriated/available funding.

e. The Office of the State Auditor may review the fiscal impact information provided under subsection (b) and subsection (c) along with supporting documentation, supporting records, and justification for the rate increase provided by the Health and Human Services Commission and report back to the Legislative Budget Board and the Governor before the rate is implemented by the Health and Human Services Commission or operating agency.

f. The Comptroller of Public Accounts shall not allow the expenditure of funds for a rate increase if the Legislative Budget Board and the Governor certify to the Comptroller of Public Accounts that the Health and Human Services Commission is not in compliance with this provision.

g. In the event that authority to set rates is transferred to another health and human services agency listed in Chapter 531, Government Code, the requirement for the Executive Commissioner of the Health and Human Services Commission to provide a list of rates, schedule, and description of the rate-setting process under subsection (a), a notification under subsection (b), a certification under subsection (c), or supporting documentation and justification under subsection (d) shall apply to the other health and human services agency.

Sec. 21. Audit of Medicaid Funds. All transactions involving the transfer or investment of any funds of the Title XIX Medicaid program, held in trust or reserve for the state by any non-governmental entity shall be subject to audit by the State Auditor's Office.

Sec. 22. Mental Health (MH) and Mental Retardation (MR) Collections for Patient Support and Maintenance.

a. **Definitions.** For the purposes of this section and appropriation authority for the Department of State Health Services and the Department of Aging and Disability Services: (1) MH Collections for Patient Support and Maintenance are defined as reimbursements received for health and other services provided to individuals in state hospitals from third party payers including insurance companies, clients, relatives, trusts and estates, and government retirement benefit programs including the U.S. Civil Service, Federal Railroad, State, Social Security, Teacher and Veteran's Administration and (2) MR Collections for Patient Support and Maintenance are defined as reimbursements received for health and other services provided to individuals in state operated intermediate care facilities for the mentally retarded (ICF-MR) and state schools from third party payers including insurance companies, clients, relatives, trusts and estates, and government retirement benefit programs including the U.S. Civil Service, Federal Railroad, State, Social Security, Teacher and Veteran's Administration.

b. **Classification for depositing revenues and reporting of expenditures.** For the purpose of revenue classification for depositing and expending certain collections related to the support and maintenance of patients in state mental health and mental retardation facilities, the following Revenue Object Codes as defined by the Comptroller of Public Accounts shall be used for recording collections, reporting expenditures, and requesting legislative

appropriations by the Department of State Health Services and the Department of Aging and Disability Services:

(1) Revenue Object Codes 3595, 3606, 3614, and 3618 as defined by the Comptroller of Public Accounts shall be used to record collections and deposits from the above defined sources into the General Revenue Fund

(i) 3595: Medical Assistance Cost Recovery
(ii) 3606: Support and Maintenance of Patients
(iii) 3614: Counseling, Care and Treatment of Outpatients
(iv) 3618: Welfare/MHMR Service Fees (Child Support)

(2) Automated Budget and Evaluation System of Texas (ABEST) Method of Financing Code 8031- MH Collections for Patient Support and Maintenance, and ABEST Method of Financing Code 8095 - MR Collections for Patient Support and Maintenance, shall be used to report expenditures and request legislative appropriations from collections/deposits related to the support and maintenance of patients in state mental health and mental retardation facilities made to Revenue Object Codes 3595, 3606, 3614, and 3618.

c. **Appropriation authority and accounting for expenditures of MH and MR Collections for Patient Support and Maintenance.** The Department of State Health Services and the Department of Aging and Disability Services are authorized to receive and expend MH and MR Collections for Patient Support and Maintenance as a first source, and general revenue shall be used as a second source, to support mental health state hospitals and state operated intermediate care facilities for the mentally retarded (ICF-MR). In the event that these revenues should be greater than the amounts identified in the method of financing above as MH and MR Collections for Patient Support and Maintenance, the departments are hereby appropriated and authorized to expend these state funds hereby made available. The expenditure of MH and MR Collections for Patient Support and Maintenance is subject to the following requirements:

(1) Amounts available shall be expended prior to utilization of any general revenue available for the same purpose;

(2) In the event general revenue has been expended prior to the receipt of MH and MR Collections for Patient Support and Maintenance, the departments shall reimburse general revenue upon receipt of the revenue. This process shall be completed on a monthly basis in order to maintain a minimum balance on hand in excess MH and MR Collections for Patient Support and Maintenance; and

(3) The departments shall report monthly to the Legislative Budget Board, Comptroller of Public Accounts, and Governor on MH and MR Collections for Patient Support and Maintenance, expenditures and anticipated revenues and balances.

d. **Responsibility for proportionate share of indirect costs and benefits.** The Department of State Health Services and the Department of Aging and Disability Services shall ensure that MH and MR Collections for Patient Support and Maintenance fund their proportionate share of benefits and statewide allocated indirect costs as required and directed in Article IX of this act.

e. **Exclusive appropriation authority.** The preceding subsections of this rider shall be the exclusive appropriation authority for receipts from the above identified sources and none of these receipts shall be appropriated by a provision of Article IX of this Act.

Sec. 23. Alternative Delivery Model. From funds appropriated in Article II, the Health and Human Services Commission is authorized to expend state and/or federal funds, if available, through the Department of State Health Services and other enterprise agencies to conduct a pilot project using an alternative service delivery model in Dallas County that uses a school-based youth and family center with existing primary and behavioral health programs. The targeted population is high-risk students. In addition to treatment, the program shall provide information, education, early intervention and care. In conducting the pilot project, the Health and Human Services Commission shall not negatively affect existing programs.

Sec. 24. Funds for Medicaid. For the purposes of this section and appropriation authority for the Medicaid mental health and mental retardation program responsibilities of the Department of State Health Services and the Department of Aging and Disability Services, the following subsections provide governance relating to appropriate use, classification and expenditure of funds.

a. **General Revenue Match for Medicaid.** ABEST Method of Financing Code 758 - GR Match for Medicaid shall be used to report general revenue expenditures and request general revenue appropriations for the state's share of Medicaid payments for the following Medicaid mental health and mental retardation services:

(1) Community-based Intermediate Care Facilities for the Mentally Retarded (ICF-MR) that are privately operated through contractual arrangements between private providers and the Department of Aging and Disability Services;

(2) Community-based Intermediate Care Facilities for the Mentally Retarded (ICF-MR) that are operated by the Department of Aging and Disability Services;

(3) Home and Community-based Services (HCS) authorized by a 1915(c) federal waiver and provided through contractual arrangements between private providers and the Department of Aging and Disability Services;

(4) Home and Community-based Services - Omnibus Budget Reconciliation Act of 1981 (HCS-O) authorized by a 1915(c) federal waiver and provided through contractual arrangements between private providers and the Department of Aging and Disability Services;

(5) Texas Home Living services authorized by a 1915(c) federal waiver and provided through contractual arrangements between private providers and the Department of Aging and Disability Services;

(6) Mental Retardation Local Authority (MRLA) waiver services;

(7) Mental health services provided through contracts with Behavioral Health Organizations as a component of the NorthSTAR Project; and

(8) Salaries and operating costs related to direct program administration and indirect administration of the departments.

b. **General Revenue Certified as Match for Medicaid**. The Department of State Health Services and the Department of Aging and Disability Services shall use ABEST Method of Financing code 8032 - General Revenue Certified Match for Medicaid to identify general revenue funds requested and reported as expended for the purpose of drawing federal funds and to document that State funds have been spent for Medicaid mental health and mental retardation services and administrative expenditures for the following services:

(1) Intermediate care facilities for the mentally retarded that are operated by the State and known as "state schools";

(2) Services delivered in mental health state hospitals operated by the Department of State Health Services including inpatient services for clients under the age of 21 and services that qualify under the federally approved Institutions for Mental Diseases (IMD) option for clients over the age of 65;

(3) Rehabilitation Services as approved in the State Medicaid Plan which are provided by Mental Health Authorities and Mental Retardation Authorities;

(4) Service Coordination Services as approved in the State Medicaid Plan provided by Mental Health Authorities and Mental Retardation Authorities; and

(5) Medicaid Administrative Claims as approved in the State Medicaid Plan which are based on certain activities of Mental Health Authorities and Mental Retardation Authorities.

c. **Reporting requirements related to General Revenue Matching Funds for Medicaid Mental Health and Mental Retardation Services.** The Department of State Health Services and the Department of Aging and Disability Services shall report monthly to the Legislative Budget Board, Comptroller of Public Accounts and Governor on the expenditures of General Revenue for Medicaid federal matching purposes by the method of financing codes identified above and the amounts of local, non-profit expenditures certified as state match for Medicaid federal funds by the departments for services provided by Mental Health Authorities and Mental Retardation Authorities.

d. **Medicaid Federal Funds.** The Department of State Health Services and the Department of Aging and Disability Services shall report their expenditures and request legislative appropriations for federal Medicaid matching funds for client services, program administration and agency indirect administration. Automated Budgeting and Evaluation System of Texas (ABEST) Method of Financing Code (MOF) 555 and Medicaid CFDA 93.778 shall be used for the following:

(1) Federal funds drawn from the US Centers for Medicare and Medicaid Services (CMS) using general revenue funds classified as General Revenue Match for Medicaid (ABEST MOF Code 758), General Revenue Certified as Match for Medicaid (ABEST MOF Code 8032), Tobacco Settlement Receipts Match for Medicaid (ABEST MOF Code 8024) or Tobacco Receipts Certified as Match for Medicaid (ABEST MOF Code 8023);

(2) Federal funds drawn from CMS using the departments' certification of local, non-profit expenditures made by the Mental Health Authorities and Mental Retardation Authorities on behalf of Medicaid-eligible individuals;

(3) Federal funds received from CMS for services rendered to certain Medicaid-eligible individuals over the age of 65 by federally recognized Institutions for Mental Diseases (IMD Medicaid option) based on billings from mental health state hospitals operated by the Department of State Health Services to the claims processing agent for the Texas Medicaid program in its capacity as the State's fiscal agent for certain Medicaid payments; and

(4) Federal funds received from CMS for general Medicaid health services including the Comprehensive Care Program for children based on billings from the state mental health and mental retardation facilities operated by the Department of State Health Services and the Department of Aging and Disability Services to the claims processing agent for the Texas Medicaid program in its capacity as the State's fiscal agent for certain Medicaid payments.

e. **Appropriation authority and accounting for Federal Funds for Medicaid Mental Health and Mental Retardation Services.** Amounts defined as Medicaid Federal Funds shall be used as a first source, and general revenue which was not used as matching funds shall not be used to fund Medicaid eligible services. In the event that these revenues should be greater than the amounts included above in Federal Funds for mental health and mental retardation services for the Department of State Health Services and the Department of Aging and Disability Services, the departments are hereby appropriated and authorized to expend these federal funds made available, subject to the following requirements:

(1) Amounts made available shall be expended prior to utilization of any general revenue made available for the same purpose;

(2) In the event general revenue has been expended prior to the receipt of Medicaid Federal Funds, the departments shall reimburse general revenue upon receipt of the revenue. This process shall be completed on a monthly basis in order to not have an excess balance of Medicaid Federal Funds; and

(3) The departments shall report monthly to the Legislative Budget Board, Comptroller of Public Accounts and Governor on the amounts of Medicaid Federal Funds drawn and expended.

f. **Responsibility for proportionate share of indirect costs and benefits**. Nothing in this provision shall exempt the departments from provisions of Article IX of this Act which apply equally to direct recoveries of benefits and indirect costs and to amounts recovered through an approved rate structure for services provided. Specifically, the departments do not have appropriation authority for Medicaid federal funds claimed on behalf of services provided by other agencies, including:

(1) Health and retirement services for active and retired Department of State Health Services and Department of Aging and Disability Services employees paid by the Employee Retirement System;

(2) Social Security payments, salary increases authorized in General Provisions, and Benefit Replacement Pay for Department of State Health Services and Department of Aging and Disability Services employees paid by the Comptroller of Public Accounts;

(3) Debt service amounts paid on behalf of the Department of State Health Services and Department of Aging and Disability Services by the Texas Public Finance Authority; and

(4) Indirect cost allocation plans negotiated with CMS for the purposes of the State-wide Cost Allocation Plan (SWCAP).

g. **Exclusive Appropriation Authority.** The preceding subsections of this provision shall be the exclusive appropriation authority for Medicaid mental health and mental retardation services Federal Fund receipts from the above identified sources and none of these receipts shall be appropriated by a provision of Article IX of this Act.

Sec. 25. Mental Health (MH) and Mental Retardation (MR) Appropriated Receipts.

a. **Definition.** For the purposes of this section and appropriation authority for the Department of State Health Services and the Department of Aging and Disability Services, MH Appropriated Receipts are defined as revenues from state mental health facilities deposited by the Department of State Health Services into the following Revenue Object Codes as defined by the Comptroller of Public Accounts and MR Appropriated Receipts are defined

as revenues from state mental retardation facilities deposited by the Department of Aging and Disability Services into the following Revenue Object Codes as defined by the Comptroller of Public Accounts:

(1) 3628: Dormitory, Cafeteria, and Merchandise Sales
(2) 3719: Fees for Copies or Filing of Records
(3) 3722: Conference, Seminar, and Training Registration Fees
(4) 3738: Grants-Cities/Counties
(5) 3739: Grants-Other Political Subdivisions
(6) 3740: Grants/Donations-Operating/Capital Grants and Contributions
(7) 3750: Sale of Furniture and Equipment
(8) 3752: Sale of Publication/Advertising (General)
(9) 3754: Other Surplus/Salvaged Property/Material Sales
(10) 3767: Supplies/Equipment/Services/Federal/Other (General)
(11) 3769: Forfeitures
(12) 3773: Insurance & Damages
(13) 3802: Reimbursements-Third Party
(14) 3806: Rental of Housing to State Employees

b. **Reporting.** ABEST Method of Financing Code 8033 - MH Appropriated Receipts, and ABEST Method of Financing Code 8096 - MR Appropriated Receipts, shall be used to report expenditures and request legislative appropriations for state mental health and mental retardation facilities from the Revenue Object Codes identified above.

c. **Appropriation authority and accounting for MH and MR Appropriated Receipts.** Amounts defined as MH and MR Appropriated Receipts shall be deposited into the General Revenue Fund according to the identified Revenue Object Codes above. The Department of State Health Services and the Department of Aging and Disability Services are authorized to receive and expend MH and MR Appropriated Receipts as a first source, and general revenue shall be used as a second source. In the event that these revenues should be greater than the amounts identified in the method of financing above as MH and MR Appropriated Receipts, the departments are hereby appropriated and authorized to expend these state funds hereby made available. The expenditure of MH and MR Appropriated Receipts is subject to the following requirements:

(1) Amounts available shall be expended prior to utilization of any general revenue available for the same purpose. In the event general revenue must be expended, the agency will provide prior notification to the Legislative Budget Board and the Governor;

(2) In the event general revenue has been expended prior to the receipt of MH and MR Appropriated Receipts as defined above, the departments shall reimburse general revenue upon receipt of the revenue. This process shall be completed on a monthly basis in order to maintain a minimum balance on hand in excess MH and MR Appropriated Receipts; and

(3) The departments shall report monthly to the Legislative Budget Board, Comptroller of Public Accounts and Governor on MH and MR Appropriated Receipts collections by Revenue Object Code, expenditures and anticipated revenues and balances.

d. **Exclusive appropriation authority.** The preceding subsections of this provision shall be the exclusive appropriation authority for Appropriated Receipts from the above identified sources and none of these receipts shall be appropriated by a provision of Article IX of this Act.

Sec. 26. Texas Capital Trust Fund Account No. 543.

a. **Definition.** For the purposes of this section and appropriation authority, general revenue dedicated funds referred to as Texas Capital Trust Fund Account No. 543 (Chapter 2201, Government Code) are defined as revenues deposited by the Department of State Health Services and the Department of Aging and Disability Services into the following Revenue Object Codes as defined by the Comptroller of Public Accounts:

(1) 3340: Land Easements
(2) 3341: Grazing Lease Rental
(3) 3344: Sand, Shell, Gravel and Timber Sales
(4) 3349: Land Sales
(5) 3746: Rental of Lands and Buildings
(6) 3747: Rental - Other
(7) 3851: Interest on State Deposits

b. **Appropriation authority and accounting for Texas Capital Trust Fund Account No. 543.** For the purpose of revenue classification for expending and depositing certain collections related to the Texas Capital Trust Fund Account No. 543, ABEST Method of Finance Code 543 shall be used to report expenditures and request legislative appropriations from collections/deposits made to Revenue Object Codes 3340, 3341, 3344, 3349, 3746, 3747, and 3851 by the departments. Appropriations of the Texas Capital Trust Fund Account No. 543 are limited to the amounts identified above.

Sec. 27. Mental Health (MH) and Mental Retardation (MR) Medicare Receipts.

a. For the purposes of this section and appropriation authority, the Department of State Health Services shall use ABEST Method of Financing Code 8034 as an Other Fund, and the Department of Aging and Disability Services shall use ABEST Method of Financing Code 8097 as an Other Fund, to report expenditures and request legislative appropriations from Medicare funds deposited in Revenue Object Code 3634 that are collected by the departments as payment for:

(1) hospital, physician and other services rendered to Medicare-eligible individuals in state mental health and mental retardation facilities operated by the departments; and

(2) cost settlements for services rendered in state mental health and mental retardation facilities operated by the department as authorized by the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA).

b. **Appropriation authority and accounting for MH and MR Medicare Receipts.** Amounts defined as MH and MR Medicare Receipts shall be deposited into the General Revenue Fund according to the identified Comptroller Revenue Object Code above. The Department of State Health Services and the Department of Aging and Disability Services are authorized to receive and expend MH and MR Medicare Receipts as a first source, and general revenue shall be used as a second source. In the event that these revenues should be greater than the amounts identified in the method of financing above as MH and MR Medicare Receipts, the departments are hereby appropriated and authorized to expend these state funds hereby made available. The expenditure of MH and MR Medicare Receipts is subject to the following requirements:

(1) Amounts available shall be expended prior to utilization of any general revenue available for the same purpose. In the event general revenue must be expended, the agency will provide notification to the Legislative Budget Board and the Governor;

(2) In the event general revenue has been expended prior to the receipt of MH and MR Medicare Receipts as defined above, the departments shall reimburse general revenue

upon receipt of the revenue. This process shall be completed on a monthly basis in order to maintain a minimum balance on hand in excess MH and MR Medicare Receipts; and

(3) The departments shall report monthly to the Legislative Budget Board, Comptroller of Public Accounts and Governor on MH and MR Medicare Receipts collections by Comptroller Revenue Object Code, expenditures and anticipated revenues and balances.

c. **Exclusive appropriation authority.** The preceding subsections of this provision shall be the exclusive appropriation authority for MH and MR Medicare Receipts from the above identified sources and none of these receipts shall be appropriated by a provision of Article IX of this Act.

Sec. 28. Cash Flow Contingency. Contingent upon the receipt of MH or MR Medicare Receipts, MH or MR Collections for Patient Support and Maintenance, and of federal funds allocated from the Medicaid Program for mental health and mental retardation services, the Department of State Health Services and the Department of Aging and Disability Services may temporarily utilize additional general revenue funds, pending receipt of reimbursement, in an amount not to exceed the anticipated reimbursement, in each year of the biennium. The general revenue amounts utilized above the general revenue method of finance must be repaid upon receipt of reimbursement and shall be utilized only for the purpose of temporary cash flow needs. These transfers and repayments shall be credited to the fiscal year being reimbursed and shall be in accordance with procedures established by the Comptroller. All transfers of the method of finance shall be reported by the departments to the Legislative Budget Board and the Governor.

Sec. 29. Funding Equity Among Local Mental Health and Mental Retardation Authorities. It is the intent of the Legislature that the Department of State Health Services and the Department of Aging and Disability Services shall implement a long-term plan to achieve equity in state funding allocations among local mental health and mental retardation authorities. The plan shall be implemented from fiscal years 2006-2013. The goal of the plan shall be to achieve equity to the greatest extent possible by fiscal year 2013, however, any funding reductions to a local authority for the purpose of achieving equity may not exceed 5 percent of allocated general revenue in a fiscal year. The plan shall also provide for improving funding equity to be a priority in distributing any new state or federal funds that may become available for allocation to community centers.

In assessing the equity of funding the departments may use alternatives other than basing equity calculations soley on the total population served by each local authority. Additional factors, such as incidence of poverty, may be considered if they help to provide a better estimate of the need for state funded mental health or mental retardation services in the areas served by each local authority. The departments shall submit the long-term equity plan to the Office of the Governor and the Legislative Budget Board by December 31, 2005. The departments shall include in legislative appropriations requests a table showing how implementation of the equity plan will affect projected allocations to community centers at the baseline current services funding level.

Sec. 30. Community Mental Health and Mental Retardation Centers. If the Department of State Health Services or the Department of Aging and Disability Services determine that a community mental health and mental retardation center is unable or unwilling to fulfill its contractual obligations to provide services or to exercise adequate control over expenditures and assets, the departments may take necessary steps, including the appointment of a management team as authorized by Health and Safety Code, §§ 534.038-534.040, to protect the funds appropriated under this Act and ensure the continued provision of services.

Sec. 31. Medicaid and Medicare Collections. The Department of State Health Services and the Department of Aging and Disability Services shall maximize reimbursement of Medicare and Medicaid funding for all eligible individuals and for all expenditures at the mental health state hospitals, state schools, and state centers.

Sec. 32. Third Party Reimbursement for Community Mental Health and Mental Retardation Centers. It is the intent of the Legislature that community mental health and mental retardation centers maximize third-party reimbursement from Medicaid and the Children's Health Insurance Program for all eligible individuals.

Sec. 33. Barber and Cosmetology Services. The Department of State Health Services and the Department of Aging and Disability Services may charge fees for barber and cosmetology services in state mental health and mental retardation facilities provided the fees charged are consistent with an individual's ability to pay. These fees are appropriated above to the departments to offset the cost of providing barber and cosmetology services. The departments may also use patient benefit funds to offset the cost of these services for indigent clients.

Sec. 34. Surplus Property. In order to conserve funds appropriated, surplus personal property may be transferred from one state mental health or mental retardation facility to another with or without reimbursement. The Department of State Health Services and the Department of Aging and Disability Services may transfer surplus personal property from a state mental health or mental retardation facililty to a community MHMR center with or without reimbursement. Surplus personal property belonging to any state mental health or mental retardation facility may be sold; provided, however, that such transfers or sales shall be made under the same procedure as provided by Government Code, Chapter 2175.

Sec. 35. Road Construction and Maintenance at State Facilities. Notwithstanding any other provision in law, the Texas Department of Transportation shall construct, repair, and maintain roads in and providing access to and from Department of State Health Services and Department of Aging and Disability Services mental health and mental retardation facilities.

Sec. 36. Collection of Fees From the Copyright of Training Materials and Patent of Technologies Developed. The Health and Human Services Commission is hereby authorized to collect the following fees relating to mental health and mental retardation program activities:

a. Fees from the sale of written training materials, video tapes, audio tapes and in the form of electronic media, such materials having been developed in part or whole by the commission; and

b. Licensing fees collected by the department in exchange for allowing individuals and companies to use any patented technology developed, in part or in whole, by the commission.

The commission is authorized to license the use of any copyright-protected material, trademark, trade secrets, and any patented technology relating to mental health or mental retardation program activities. The authorization provided under this provision does not include any mineral royalties. Fees collected in the sale of training materials described under (a) above may be in excess of the actual reproduction cost incurred by the commission and shall be used to recoup the costs associated with developing the training materials. Fifty percent of the fees collected in licensing of any patented technology shall be devoted to further research and development of technologies reasonably believed to be of assistance to priority populations. The remaining 50 percent shall be deposited to the General Revenue Fund.

Sec. 37. Employee Meals. Notwithstanding any other provision in this Act, the Department of State Health Services and the Department of Aging and Disability Services may provide free meals to employees of state mental health and mental retardation facilities who are required to eat meals with clients.

Sec. 38. Maximum Security Salaries. As a specific exception to the General Provisions of this Act governing salary rates of classified positions, funds are included above for the Department of State Health Services and the Department of Aging and Disability Services to pay employees working in

designated Maximum Security Units or designated specialized Behavioral Management Units of state mental health and mental retardation facilities up to a 6.8 percent increase over those salary rates provided by the General Provisions.

Sec. 39. Fire Prevention and Safety. In instances in which regular employees of state mental health and mental retardation facilities located in remote areas are assigned extra duties in fire prevention programs, the following payments are authorized in addition to the salary rates stipulated by the General Provisions of this Act relating to the position classifications and assigned salary ranges:

Fire Chief	$ 75 per month
Assistant Fire Chief	$ 65 per month
Fire Brigade Member	$ 50 per month

Sec. 40. Patient or Client Assistance. Subject to the approval of rules and regulations of the Department of State Health Services and the Department of Aging and Disability Services, patients or clients in any state mental health or mental retardation facility who are assisting in the operation of the facility as part of their therapy, may receive compensation out of any funds available to the respective facilities.

Sec. 41. Language Interpreter Services. In order to compensate employees of state mental health and mental retardation facilities for assuming the duty of providing interpretation services to consumers whose primary language is not English, facilities of the Department of State Health Services and the Department of Aging and Disability Services, upon written authorization of the Commissioner or his/her designee, may, from funds appropriated above, increase the salary of classified employees by an amount equal to a one step increase, or 3.4 percent, so long as the resulting salary rate does not exceed the rate designated as the maximum rate for the applicable salary group. This increase shall be granted only for the regular provision of interpreter services above and beyond the regular duties of the position, and shall be removed when these services are, for whatever reason, no longer provided by the employee or when they are no longer needed by the facility. Salary increases provided for this purpose are not merit increases and shall not affect an employee's eligibility to receive a merit increase. This authorization also includes employees who provide interpretation services in American Sign Language.

Sec. 42. State-Owned Housing. The Superintendent, Medical Director, Assistant Superintendent for Programs, and Director of Plant Maintenance at each state mental health and mental retardation facility are authorized to live in state-owned housing at a rate determined by the Department of State Health Services or the Department of Aging and Disability Services. Other department employees may live in state-owned housing as set forth in Article IX, State Owned Housing - Recover Housing Costs, of this Act. Fees for employee housing are appropriated above to be used for maintaining employee housing.

Sec. 43. Professional Trainees and Interns. The Department of State Health Services and the Department of Aging and Disability Services are authorized to compensate professional trainees or interns in recognized educational programs related to the provision of mental health or mental retardation services, radiation control, or any critical health care profession as determined by the Health and Human Services Executive Commissioner at any salary rate not to exceed the following amounts:

Psychiatrist Interns	$3,412 per month
Physician Interns	$2,925 per month
Psychologist Trainees	$2,749 per month
Registered Nurse Trainees	$2,295 per month
Chaplain Interns	$2,161 per month
Physical, Occupational, or Registered Therapist Trainees	$2,036 per month
Social Worker Trainees	$1,921 per month
Medical Technologist Trainees	$1,921 per month

Licensed Vocational Nurse Trainees	$1,716 per month
Health Physicist Interns	$2,161 per month
Health Physicist Trainees	$1,621 per month

Sec. 44. Limit on Spending New Generation Medication Funds.

a. It is the intent of the Legislature that the Department of State Health Services and the Department of Aging and Disability Services utilize funds appropriated for New Generation Medications for no other purpose than the provision of New Generation Medications. This limitation shall apply to funds appropriated for New Generation Medications in the following strategies at the Department of State Health Services: B.2.1, Mental Health Services for Adults, B.2.2, Mental Health Services for Children, B.2.3, NorthSTAR Behavioral Health Waiver, and C.1.3, Mental Health State Hospitals; and in the following strategy at the Department of Aging and Disability Services: A.8.1, MR State Schools Services.

b. Notwithstanding the limitation described above, the department shall allow a local mental health or mental retardation authority to expend an amount not to exceed 15 percent of its New Generation Medication funds on support programs that are related to the administration of New Generation Medications, provided, however, that an authority using its New Generation Medication funds for support services must meet its contracted performance target for persons served with New Generation Medications and that the availability of New Generation Medication funds to expend on services must result from cost efficiencies achieved by the authority.

c. To the extent that the local authorities are able to obtain private sector donations of medications for clients and/or financial contributions for the purchase of new generation medications in Strategies B.2.1 and B.2.2, and they meet or exceed their contracted performance targets for persons served with New Generation Medications, they may expend up to an equivalent amount from these strategies on direct services to clients.

Sec. 45. Purchasing of Medication. The Department of State Health Services and the Department of Aging and Disability Services shall require local mental health and mental retardation authorities to document their effort to make needed medications available to consumers at the lowest possible prices and to utilize the most cost effective medication purchasing arrangement available. It is the intent of the Legislature that the Department of State Health Services and the Department of Aging and Disability Services shall provide technical assistance to community centers as necessary to maximize efficiency.

Sec. 46. Donations from Individuals, Community Groups and Volunteer Services Councils. It is expressly provided that the Department of State Health Services and the Department of Aging and Disability Services, in accordance with § 533.001 of the Health and Safety Code and to the extent permitted by law, may accept donations for permanent improvements at the state mental health facilities and the state mental retardation facilities from individuals, community groups and local Volunteer Services Councils. Such funds are not subject to limitations on capital budget expenditures as contained in Article IX or any other similar provisions in this Act. Permanent improvements are defined as an improvement to a state facility that involves construction, building system(s), and/or landscaping.

Sec. 47. Contracted Medical Services. It is the intent of the Legislature that the Department of State Health Services (DSHS) and the Department of Aging and Disability Services (DADS) will not pay more than the approved reimbursement rate set by the Health and Human Services Commission for hospital services provided to an indigent DSHS or DADS consumer in a private or public hospital.

Sec. 48. Efficiencies at Local Mental Health and Mental Retardation Authorities. It is the intent of the Legislature that the local mental health and mental retardation authorities that receive allocations from the funds appropriated above to the Department of Aging and Disability Services and the Department of State Health Services shall maximize the dollars available to provide services by minimizing overhead and administrative costs and achieving purchasing efficiencies. Among the

strategies that should be considered in achieving this objective are consolidations among local authorities and partnering among local authorities on administrative, purchasing, or service delivery functions where such partnering may eliminate redundancies or promote economies of scale. Local mental health and mental retardation authorities shall also maximize third party billing opportunities, including Medicare and Medicaid.

It is the Legislature's intent that local authorities not expend funds appropriated to the Department of Aging and Disability Services in Strategy A.4.3, MR Community Services, or Strategy A.4.4, MR Community Services Residential, to supplement the rate-based payments they receive to fund their costs as providers of waiver or ICF-MR services.

Sec. 49. Appropriation Reduction for the Provision of Services to the Medicaid Aged/Blind/Disabled Population. Appropriations to the Health and Human Services Commission made elsewhere in this Act are hereby reduced by $36,500,000 in General Revenue Match for Medicaid and an estimated $56,350,000 in Federal Funds for fiscal year 2006, and by $73,000,000 in General Revenue Match for Medicaid, and an estimated $111,700,000 in Federal Funds for fiscal year 2007. In order to achieve the level of savings anticipated by this provision, it is the intent of the Legislature that the Commission utilize cost-effective models to better manage the care of the aged/blind/disabled Medicaid population including primary care case management (PCCM), HMO carve-out, or integrated care management (ICM).

It is specifically provided, however, that funds appropriated for the provision of services to the Medicaid aged/blind/disabled population may not be expended to expand the use of any capitated managed care model which would eliminate existing federal matching payments to local public hospitals under federal upper payment limit (UPL) regulations. The implementation or expansion of managed care models is further subject to the following provisions:

a. The Commission shall develop an equitable allocation of the appropriation reductions made herein to each of the service delivery areas listed below and shall establish an appropriate share of the savings target to each managed care organization in that service delivery area-Bexar, Dallas, El Paso, Harris, Lubbock, Nueces, Tarrant, and Travis.

b. As authorized by law, the Commission shall develop an Integrated Care Management model for the provision of medical and health care services to the aged/blind/disabled population in the Dallas service delivery area. Subject to competitive procurement requirements and any necessary federal approval, the Commission shall implement the model by September 1, 2006 or as soon thereafter as practicable. Not later than August 1, 2006, the Commission shall establish an actuarial estimate of the savings expected to be achieved by the ICM model. To the extent necessary, the Commission is directed to adjust payments to hospitals, physicians, and home health providers in the service delivery area to ensure that the savings target is achieved.

c. In any service delivery area where a capitated managed care model for the aged/blind/disabled population is utilized (HMO carve-out), not later than August 1, 2006 the Commission shall establish an actuarial estimate of the apportioned share of savings expected to be achieved by each managed care organization. To the extent necessary, the Commission is directed to adjust payments for administration, risk, and profit to ensure that the savings target is achieved.

d. The Commission may utilize the Primary Care Case Management model for the aged/blind/disabled population in a service delivery area only if the actuarial estimate of savings achieves the savings target for that area.

e. It is the intent of the Legislature that the Commission consult with public hospital officials and appropriate county officials in each service delivery area in determining the managed care model to be utilized in that area.

f. Contingent upon federal approval of any necessary waiver changes, the Commission may expend funds appropriated to the provision of services to the Medicaid aged/blind/disabled population to convert the Harris County StarPlus model to an HMO carve-out model as soon as practicable.

g. Medicaid funds appropriated to the Department of Aging and Disability Services and the Health and Human Services Commission may be transferred between the agencies during the 2006-07 biennium to support the implementation of models of care under sections (b), (c), and (d). The Commission shall notify the Legislative Budget Board and the Governor of the amounts to be transferred for this purpose. The notification shall indicate the impact to performance measures at both agencies. The Commission shall provide a final notification update November 1, 2006 on amounts to be transferred and the impact to performance measures.

Sec. 50. Alternatives to Abortion. From funds appropriated in Strategy B.1.3, Family Planning Services, Department of State Health Services, $2,500,000 each year of TANF federal funds initially designated to be converted to the Title XX Social Services Block Grant is transferred to the Health and Human Services Commission to be expended as TANF federal funds through grant or contract. The Health and Human Services Commission shall expend these funds, consistent with federal and state law, to implement a statewide program for women seeking alternatives to abortion focused on pregnancy support services that promote childbirth.

Sec. 51. Equal Opportunity Principles in Contracting for Social Services. The legislature intends that each state agency that contracts with or makes a grant to a nongovernmental entity to provide social services, using money appropriated by this Act, enter the contract or make the grant in a manner that is consistent with the equal opportunity principles and safeguards provided by federal law under 42 U.S.C. § 604a.

Sec. 52. Transfers of Funds for Consolidated Support Services. The Health and Human Services Commission (HHSC) is authorized to return funding at the Commission to the appropriate HHS agency for support functions and programs consolidated at the Commission. HHSC shall notify the Legislative Budget Board, Governor, and the Comptroller prior to making the transfers.

a. Funds related to consolidated programs and support services shall be returned to the Department of Aging and Disability Services (DADS), the Department of Assistive and Rehabilitative Services (DARS), the Department of Family and Protective Services (DFPS), and the Department of State Health Services (DSHS). These funds will be matched with available federal funds and expended under interagency memoranda between HHSC and each agency.

b. Transfer limitations elsewhere in this Act do not apply to this provision.

c. By July 1 preceding the start of each fiscal year, the agencies of Article II shall provide a report by strategy that reduces funding at HHSC and increases funding by the same amount at DADS, DARS, DFPS, and DSHS.

d. The transfers shall be made prior to the start of the fiscal year.

e. The loss of funds at HHSC shall be replaced by increased interagency contracts in the method of finance.

f. This transfer shall not result in a change in total funding in Article II.

Sec. 53. Exemption of Federal Funds from Article IX, Capital Budget Provisions. To comply with the legislative intent to maximize the use of federal funds and to fulfill grant requirements for the receipt and expenditure of federal funds, the Department of Aging and Disability Services, the Department of Assistive and Rehabilitative Services, the Department of Family and Protective Services, the Department of State Health Services, and the Health and Human Services Commission are hereby exempted from the Capital Budget Rider Provisions contained in Article IX of this Act,

"Limitations on Expenditures -- Capital Budget," when federal funds are received in excess of amounts identified in the agency's Capital Budget Rider and when such funds are designated for the purchase of capital items. The agency shall notify the Legislative Budget Board and the Governor upon receipt of such federal funds, including the amount received and the items to be purchased, and shall not expend such funds without approval of the Legislative Budget Board and the Governor. The proposed expenditure shall be considered to be approved if neither the Legislative Budget Board nor the Governor issues a written disapproval not later than:

a. the 10th business day after the date the staff of the Legislative Budget Board concludes its review of the proposed expenditures and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor; and

b. the 10th business day after the receipt of the proposed expenditures by the Governor.

Sec. 54. Contingency Reduction for House Bill 10: Department of Aging and Disability Services. Contingent upon enactment of House Bill 10 by the Seventy-ninth Legislature, Regular Session, or similar legislation that appropriates approximately $62,200,000 in General Revenue and $85,800,000 in Federal Funds to provide reimbursement for nursing facility services and community center services delivered in August 2005, the Department of Aging and Disability Services' appropriations in the following strategies are hereby decreased for fiscal year 2006 by the amounts indicated: Strategy A.6.1, Nursing Facility Payments, $56,700,000 in General Revenue Funds and $85,800,000 in Federal Funds; A.4.3. MR Community Services, $5,300,000 in General Revenue Funds; and A.4.4. MR Community Services Residential, $200,000 in General Revenue Funds.

Sec. 55. Contingency Reduction for House Bill 10: Department of Family and Protective Services (CPS Reform). Contingent upon enactment of House Bill 10 by the Seventy-ninth Legislature, Regular Session, or similar legislation that appropriates approximately $200,039,844 in General Revenue Funds or Economic Stabilization Funds (Other Funds) and approximately $248,100,549 in All Funds for child protective services reform, the appropriations made above to the Department of Family and Protective Services in Strategy C.1.1, CPS Reform, are hereby reduced by $200,039,844 in General Revenue Funds and $248,100,549 in All Funds.

RECAPITULATION - ARTICLE II
HEALTH AND HUMAN SERVICES
(General Revenue)

	For the Years Ending August 31, 2006	August 31, 2007
Department of Aging and Disability Services	$ 1,994,203,787	$ 1,906,029,770
Department of Assistive and Rehabilitative Services	80,692,358	81,256,430
Department of Family and Protective Services	366,910,724	397,598,555
Department of State Health Services	817,427,187	819,696,821
Health and Human Services Commission	5,419,153,365	5,632,140,530
Rider Appropriations	(14,471,184)	(50,591,837)
Total	5,404,682,181	5,581,548,693
Subtotal, Health and Human Services	$ 8,663,916,237	$ 8,786,130,269
Retirement and Group Insurance	241,487,802	251,656,840
Social Security and Benefit Replacement Pay	72,463,251	73,719,872
Subtotal, Employee Benefits	$ 313,951,053	$ 325,376,712
Bond Debt Service Payments	24,552,481	28,512,157
Lease Payments	7,249,601	7,445,243
Subtotal, Debt Service	$ 31,802,082	$ 35,957,400
Article II, Special Provisions, Rider Appropriations	(36,500,000)	(258,600,000)
Contingency Appropriations	(143,678,439)	(118,561,405)
TOTAL, ARTICLE II - HEALTH AND HUMAN SERVICES	$ 8,829,490,933	$ 8,770,302,976

RECAPITULATION - ARTICLE II
HEALTH AND HUMAN SERVICES
(General Revenue - Dedicated)

	For the Years Ending August 31, 2006	August 31, 2007
Department of Aging and Disability Services	$ 292,420,904	$ 308,937,397
Department of Assistive and Rehabilitative Services	12,531,660	12,531,661
Department of Family and Protective Services	3,012,139	3,012,139
Department of State Health Services	280,669,087	282,226,538
Health and Human Services Commission	3,069,480	3,069,480
Subtotal, Health and Human Services	$ 591,703,270	$ 609,777,215
Retirement and Group Insurance	4,097,014	4,260,010
Social Security and Benefit Replacement Pay	1,255,809	1,231,681
Subtotal, Employee Benefits	$ 5,352,823	$ 5,491,691
TOTAL, ARTICLE II - HEALTH AND HUMAN SERVICES	$ 597,056,093	$ 615,268,906

RECAPITULATION - ARTICLE II
HEALTH AND HUMAN SERVICES
(Federal Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Department of Aging and Disability Services	$ 3,493,280,630	$ 3,365,719,558
Department of Assistive and Rehabilitative Services	360,034,487	367,847,133
Contingency Appropriations	6,125,524	12,073,631
Total	366,160,011	379,920,764
Department of Family and Protective Services	656,849,982	654,270,756
Department of State Health Services	1,140,859,123	1,140,563,709
Health and Human Services Commission	9,078,939,948	9,185,134,552
Rider Appropriations	(16,905,312)	(58,951,746)
Total	9,062,034,636	9,126,182,806
Subtotal, Health and Human Services	$ 14,719,184,382	$ 14,666,657,593
Retirement and Group Insurance	168,802,677	177,711,822
Social Security and Benefit Replacement Pay	57,636,778	55,887,821
Subtotal, Employee Benefits	$ 226,439,455	$ 233,599,643
Bond Debt Service Payments	2,362,984	2,361,154
Subtotal, Debt Service	$ 2,362,984	$ 2,361,154
Article II, Special Provisions, Rider Appropriations	(56,350,000)	73,900,000
Contingency Appropriations	(104,826,307)	(29,034,398)
TOTAL, ARTICLE II - HEALTH AND HUMAN SERVICES	$ 14,786,810,514	$ 14,947,483,992

RECAPITULATION - ARTICLE II
HEALTH AND HUMAN SERVICES
(Other Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Department of Aging and Disability Services	$ 52,598,894	$ 64,065,435
Department of Assistive and Rehabilitative Services	19,295,523	19,318,851
Contingency Appropriations	1,657,877	3,267,736
Total	20,953,400	22,586,587
Department of Family and Protective Services	5,370,556	5,370,556
Department of State Health Services	134,739,083	116,005,711
Health and Human Services Commission	445,287,756	431,379,960
Subtotal, Health and Human Services	$ 658,949,689	$ 639,408,249
Retirement and Group Insurance	179,548	185,503
Social Security and Benefit Replacement Pay	82,080	80,468
Subtotal, Employee Benefits	$ 261,628	$ 265,971
Bond Debt Service Payments	465,970	471,970
Subtotal, Debt Service	$ 465,970	$ 471,970
Less Interagency Contracts	$ 131,943,777	$ 133,196,370
TOTAL, ARTICLE II - HEALTH AND HUMAN SERVICES	$ 527,733,510	$ 506,949,820

RECAPITULATION - ARTICLE II
HEALTH AND HUMAN SERVICES
(All Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Department of Aging and Disability Services	$ 5,832,504,215	$ 5,644,752,160
Department of Assistive and Rehabilitative Services	472,554,028	480,954,075
Contingency Appropriations	7,783,401	15,341,367
Total	480,337,429	496,295,442
Department of Family and Protective Services	1,032,143,401	1,060,252,006
Department of State Health Services	2,373,694,480	2,358,492,779
Health and Human Services Commission	14,946,450,549	15,251,724,522
Rider Appropriations	(31,376,496)	(109,543,583)
Total	14,915,074,053	15,142,180,939
Subtotal, Health and Human Services	$ 24,633,753,578	$ 24,701,973,326
Retirement and Group Insurance	414,567,041	433,814,175
Social Security and Benefit Replacement Pay	131,437,918	130,919,842
Subtotal, Employee Benefits	$ 546,004,959	$ 564,734,017
Bond Debt Service Payments	27,381,435	31,345,281
Lease Payments	7,249,601	7,445,243
Subtotal, Debt Service	$ 34,631,036	$ 38,790,524
Article II, Special Provisions, Rider Appropriations	(92,850,000)	(184,700,000)
Contingency Appropriations	(248,504,746)	(147,595,803)
Less Interagency Contracts	$ 131,943,777	$ 133,196,370
TOTAL, ARTICLE II - HEALTH AND HUMAN SERVICES	$ 24,741,091,050	$ 24,840,005,694
Number of Full-Time-Equivalents (FTE)	47,569.6	45,560.6

ARTICLE III

EDUCATION

Sec. 1. The several sums of money herein specified, or so much thereby as may be necessary, are appropriated out of any funds in the State Treasury not otherwise appropriated, or out of special funds as indicated, for the support, maintenance, or improvement of the designated agencies and institutions of education.

TEXAS EDUCATION AGENCY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 523,690,734	$ 524,368,466
Available School Fund No. 002, estimated	1,271,000,000	1,622,000,000
State Textbook Fund No. 003, estimated	329,057,832	1,971,597
Foundation School Fund No. 193, estimated	8,556,398,505	7,979,015,981
Certification and Assessment Fees (General Revenue Fund)	18,359,121	18,378,121
GR MOE for Temporary Assistance for Needy Families	2,000,000	2,000,000
Lottery Proceeds, estimated	1,045,000,000	1,046,000,000
Subtotal, General Revenue Fund	$ 11,745,506,192	$ 11,193,734,165
General Revenue Fund - Dedicated		
Telecommunications Infrastructure Fund No. 345	115,000,000	115,000,000
Read to Succeed Account No. 5027	42,960	42,960
Subtotal, General Revenue Fund - Dedicated	$ 115,042,960	$ 115,042,960
Federal Funds		
Federal Funds	13,153,500	13,153,500
Federal Health, Education and Welfare Fund No. 148	2,939,024,866	2,938,215,169
Federal School Lunch Fund No. 171	1,058,000,000	1,104,000,000
Subtotal, Federal Funds	$ 4,010,178,366	$ 4,055,368,669
Other Funds		
Appropriated Receipts (Redistributed Local Revenue), estimated	1,133,000,000	1,284,000,000
State Highway Fund No. 006	50,000,000	50,000,000
Permanent School Fund	6,851,389	6,914,804
Interagency Contracts	451,636	448,905
Subtotal, Other Funds	$ 1,190,303,025	$ 1,341,363,709
Total, Method of Financing	$ 17,061,030,543	$ 16,705,509,503
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 1,340,119	$ 1,319,693
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	797.0	797.0
Schedule of Exempt Positions:		
Commissioner, Group 6	$164,748	$164,748
Executive Director, State Board for Educator Certification, Group 3	78,000	78,000
Items of Appropriation:		
A. Goal: PROGRAM LEADERSHIP		
A.1.1. Strategy: FSP - EQUALIZED OPERATIONS Foundation School Program - Equalized Operations.	$ 11,633,000,000	$ 11,224,000,000
A.1.2. Strategy: FSP - EQUALIZED FACILITIES Foundation School Program - Equalized Facilities.	$ 765,000,000	$ 774,000,000

A.2.1. Strategy: STUDENT SUCCESS Statewide Initiatives to Further Student Achievement.	$ 411,502,833	$ 411,513,111
A.2.2. Strategy: ACHIEVEMENT OF STUDENTS AT RISK Resources for Low-income and Other At-risk Students.	$ 1,317,068,251	$ 1,317,121,454
A.2.3. Strategy: STUDENTS WITH DISABILITIES Resources for Mentally/Physically Disabled Students.	$ 961,715,519	$ 961,715,519
A.2.4. Strategy: SCHOOL IMPROVEMENT & SUPPORT PGMS Grants for School and Program Improvement and Innovation.	$ 159,084,132	$ 159,085,478
A.2.5. Strategy: ADULT EDUCATION & FAMILY LITERACY	$ 74,894,091	$ 74,894,091
Total, Goal A: PROGRAM LEADERSHIP	$ 15,322,264,826	$ 14,922,329,653
B. Goal: OPERATIONAL EXCELLENCE		
B.1.1. Strategy: ASSESSMENT & ACCOUNTABILITY SYSTEM	$ 61,207,441	$ 61,207,441
B.2.1. Strategy: EDUCATIONAL TECHNOLOGY	$ 42,220,916	$ 42,245,510
B.2.2. Strategy: SAFE SCHOOLS School Safety Programs and Education in Disciplinary Programs.	$ 56,696,728	$ 57,460,542
B.2.3. Strategy: CHILD NUTRITION PROGRAMS	$ 1,072,400,000	$ 1,118,400,000
B.2.4. Strategy: WINDHAM SCHOOL DISTRICT Educational Resources for Prison Inmates.	$ 57,569,745	$ 57,569,745
B.3.1. Strategy: IMPROVING TEACHER QUALITY Funds for Teacher Training and Education Service Centers.	$ 372,311,979	$ 372,396,121
B.3.2. Strategy: AGENCY OPERATIONS	$ 31,552,314	$ 31,653,501
B.3.3. Strategy: CENTRAL ADMINISTRATION	$ 10,337,833	$ 10,338,027
B.3.4. Strategy: INFORMATION SYSTEMS - TECHNOLOGY	$ 16,025,761	$ 13,446,963
Total, Goal B: OPERATIONAL EXCELLENCE	$ 1,720,322,717	$ 1,764,717,850
C. Goal: EDUCATOR CERTIFICATION State Board for Educator Certification.		
C.1.1. Strategy: EDUCATOR QUALITY AND CREDENTIALING Educator Credentialing and Educator Preparation Program Review.	$ 4,165,093	$ 4,165,093
C.1.2. Strategy: CERTIFICATION EXAM ADMINISTRATION Educator Certification Exam Services. Estimated and nontransferable.	$ 10,381,994	$ 10,400,994
C.1.3. Strategy: RETENTION, RECRUITMENT Retention, Recruitment, and Continuing Professional Development.	$ 83,879	$ 83,879
C.1.4. Strategy: EDUCATOR PROFESSIONAL CONDUCT	$ 3,812,034	$ 3,812,034
Total, Goal C: EDUCATOR CERTIFICATION	$ 18,443,000	$ 18,462,000
Grand Total, TEXAS EDUCATION AGENCY	$ 17,061,030,543	$ 16,705,509,503
Supplemental Appropriations Made in Riders:	$ (145,000,000)	$ 0
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 29,279,613	$ 29,280,996
Other Personnel Costs	2,089,648	2,089,648
Professional Fees and Services	95,960,793	94,324,102
Fuels and Lubricants	3,570	3,570
Consumable Supplies	338,153	338,153
Utilities	162,046	162,045
Travel	868,079	868,079
Rent - Building	546,720	546,720
Rent - Machine and Other	1,265,644	1,265,644
Other Operating Expense	14,230,663	14,225,201
Client Services	3,100,500	3,100,500

Grants	16,766,611,825	16,558,549,202
Capital Expenditures	1,573,289	755,643
Total, Object-of-Expense Informational Listing	$ 16,916,030,543	$ 16,705,509,503

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits		
Retirement	$ 1,812,504	$ 1,848,754
Group Insurance	6,276,877	6,870,441
Social Security	2,483,220	2,532,885
Benefits Replacement	297,586	282,707
Subtotal, Employee Benefits	$ 10,870,187	$ 11,534,787
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 10,870,187	$ 11,534,787

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Education Agency. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas Education Agency. In order to achieve the objectives and service standards established by this Act, the Texas Education Agency shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: PROGRAM LEADERSHIP		
Outcome (Results/Impact):		
Percent of Students Completing High School	95.5%	96.2%
Percent of African-American Students Completing High School	93.9%	94.2%
Percent of Hispanic Students Completing High School	92.9%	93.2%
Percent of White Students Completing High School	97.8%	97.8%
Percent of Asian-American Students Completing High School	98.1%	98.1%
Percent of Native American Students Completing High School	96.8%	97%
Percent of Economically Disadvantaged Students Completing High School	93.4%	93.6%
Percent of Equalized Revenue in the Foundation School Program	98%	98%
Percent of Students in Districts with Substantially Equal Access to Revenues	85%	85%
Percent of Students Graduating under the Recommended or Distinguished Achievement High School Program	60%	65%
Percent of Students with Auditory Impairment in Regional Day Schools for the Deaf Who Graduate from High School	92%	92%
Percent of Students with Disabilities Who Complete High School	92.5%	93%
Percent of Eligible Students Taking Advanced Placement/International Baccalaureate Exams	25%	28%
Percentage of AP/IB Exams Taken on Which the Score Qualifies for College Credit or Advanced Placement	60%	61%
Percent of Students Exiting Bilingual/English as a Second Language Programs Successfully	75%	75%
Percent of Students Retained in Grade 3	2.6%	2.6%
Percent of Students Retained in Grade	4.4%	4.4%
Percent of Students in State-funded Optional Extended-year Programs Promoted to the Next Grade Level as a Result of the Program	91.5%	92%
Percent of Adult Learners Who Complete the Level in Which They Are Enrolled	42%	44%
Percent of Parents Participating in AVANCE Programs Who Complete the Adult Education Level at Which They Are Enrolled	65%	67%
Percent Campuses That Meet Adequate Yearly Progress	73.7%	66.4%
Percent of Total Developmental Disabilities Plan Activities Initiated	93.5%	93.5%
A.1.1. Strategy: FSP - EQUALIZED OPERATIONS		
Output (Volume):		
Total Average Daily Attendance (ADA) - Includes Regular and Charter Schools	4,190,426	4,284,617

Total Average Daily Attendance (ADA) - Open-enrollment Charter Schools Only	61,891	63,981
Number of Students Served by Compensatory Education Programs and Services	1,811,199	1,847,255
Number of Textbooks and Digital Content Purchased from Conforming Lists	6,447,310	5,027,830
Number of Textbooks and Digital Content Purchased from Nonconforming Lists	55,927	44,126
Efficiencies:		
Average Cost Per Textbook and Digital Content Purchased	22.16	19.57
Explanatory:		
Special Education Full-time Equivalents (FTEs)	170,749	174,069
Compensatory Education Average Daily Attendance	2,376,589	2,447,887
Career and Technology Education Full-time Equivalents (FTEs)	171,394	174,650
Bilingual Education/English as a Second Language Average Daily Attendance	590,872	620,415
Gifted and Talented Average Daily Attendance	206,117	210,419
A.1.2. Strategy: FSP - EQUALIZED FACILITIES		
Output (Volume):		
Number of Districts Receiving IFA	425	445
Total Amount of State and Local Funds Allocated for Debt for Facilities (Billions)	2.7	2.7
A.2.1. Strategy: STUDENT SUCCESS		
Output (Volume):		
Number of Students Served by the Prekindergarten Grant Programs	47,000	47,000
Number of Students Participating in the Student Success Initiative Accelerated Reading Program	423,027	423,027
Number of Students in Tech-prep Programs	158,000	168,000
Number of Students Served in Summer School Programs for Limited English-proficient Students	46,500	48,500
A.2.2. Strategy: ACHIEVEMENT OF STUDENTS AT RISK		
Output (Volume):		
Number of Title I Campuses Rated Exemplary or Recognized	1,211	1,223
A.2.3. Strategy: STUDENTS WITH DISABILITIES		
Output (Volume):		
Number of Students Served by Regional Day Schools for the Deaf	4,670	4,680
Number of Students Served by Statewide Programs for the Visually Impaired	7,642	7,819
A.2.4. Strategy: SCHOOL IMPROVEMENT & SUPPORT PGMS		
Output (Volume):		
Number of Pregnant Teens and Teen Parents Served by Teen Pregnancy and Parenting Programs	22,000	22,000
Number of Students Served by State-funded Optional Extended-year Programs	189,211	192,995
Number of Case-managed Students Participating in Communities in Schools	73,762	73,762
Efficiencies:		
Average State Cost Per Communities in Schools Participant	296	296
Explanatory:		
Number of Open-enrollment Charter Schools	202	204
A.2.5. Strategy: ADULT EDUCATION & FAMILY LITERACY		
Output (Volume):		
Number of Students Served through State Adult Education Cooperatives	150,000	160,000
B. Goal: OPERATIONAL EXCELLENCE		
Outcome (Results/Impact):		
Percent of Students Passing All Tests Taken	70%	72%
Percent of African-American Students Passing All Tests Taken	60%	63%
Percent of Hispanic Students Passing All Tests Taken	60%	63%
Percent of White Students Passing All Tests Taken	84%	85%
Percent of Asian-American Students Passing All Tests Taken	87%	88%
Percent of Native American Students Passing All Tests Taken	73%	75%
Percent of Economically Disadvantaged Students Passing All Tests Taken	60%	63%
Percent of Students Reading at Grade Level (3rd Grade Only)	93%	94%
Percent of Students Passing TAKS Reading	87%	88%

Percent of Students Passing TAKS Mathematics	78%	80%
Percent of Students Whose Assessment Results Are Included in the Accountability System	90%	90%
Percent of Special Education Students Who Are Tested and Included in the Accountability System	80%	80%
Percent of Limited English-proficient Students Who Are Tested and Included in the Accountability System	80%	80%
Annual Statewide Dropout Rate for All Students	1.1%	2.9%
Percent of Districts Rated Exemplary or Recognized	40%	50%
Percent of Campuses Rated Exemplary or Recognized	45%	50%
Percent of Districts Rated Academically Unacceptable in the Prior Year Which Earn an Academically Acceptable or Higher Accreditation Rating in the Current Year	70%	65%
Percent of Campuses Rated Low-performing in the Prior Year Which Earn an Academically Acceptable or Higher Accreditation Rating in the Current Year	60%	55%
Percent of Charter Schools Rated Academically Unacceptable	8%	7%
Annual Drug Use and Violence Incident Rate on School Campuses, Per 1,000 Students	21.5	21
Percent of Incarcerated Students Who Complete the Level in Which They Are Enrolled	34%	34%
Percent of Eligible Windham Inmates Who Have Been Served by a Windham Education Program during the Past Five Years	87%	87%
Percent of High-need Campuses That Receive a Master Reading Teacher Grant	30%	35%
Percent of Highly Qualified Teachers	100%	100%
Percent of Grant Applications Processed within 60 Days	80%	85%
Percent of School District Annual Textbook Orders Processed by May 31	90%	91%
B.2.1. Strategy: EDUCATIONAL TECHNOLOGY		
Output (Volume):		
Number of Students Receiving Course Credit through Distance Learning	8,500	9,500
B.2.2. Strategy: SAFE SCHOOLS		
Output (Volume):		
Number of Students in Disciplinary Alternative Education Programs (DAEPs)	101,350	101,450
B.2.4. Strategy: WINDHAM SCHOOL DISTRICT		
Output (Volume):		
Number of Contact Hours Received by Inmates within the Windham School District	16,638,655	16,638,655
Number of Offenders Passing General Education Development (GED) Tests	4,397	4,397
Efficiencies:		
Average Cost Per Contact Hour in the Windham School District	3.52	3.52
B.3.1. Strategy: IMPROVING TEACHER QUALITY		
Output (Volume):		
Number of Teachers Who Participate in Mathcounts Training	275	275
Number of Teachers Receiving Training in Dyslexia and Related Disorders Services	24,500	24,500
B.3.2. Strategy: AGENCY OPERATIONS		
Output (Volume):		
Number of Campuses Investigated for Exemption Rates	50	50
Number of Complaint Investigations Conducted	1,600	1,600
Number of Certificates of High School Equivalency (GED) Issued	47,078	47,078
Efficiencies:		
Average Cost of Accreditation Onsite Review	4,000	4,000
Performance in Excess of Assigned Benchmark (Internal Managers)	101%	101%
Explanatory:		
Average Percent Equity Holdings in the Permanent School Fund (PSF)	75%	75%
Market Value of the Permanent School Fund (Billions)	20.4	21.3
C. Goal: EDUCATOR CERTIFICATION		
Outcome (Results/Impact):		
Percent of Teachers Who Are Fully Certified	90.3%	90.3%
Percent of Teachers Who Are Employed/Assigned to Teaching Positions for Which They Are Fully Certified	84.5%	84.5%
Percent of Documented Complaints Resolved within Six Months	85%	75%
Percent of Educator Preparation Programs Rated "Accredited"	90%	90%
Percent of Surveyed Customer Respondents Expressing Overall Satisfaction with Services Received	90%	95%

Percent of Certification Examinations That Are Computer Administered	16.5%	21.5%
C.1.1. Strategy: EDUCATOR QUALITY AND CREDENTIALING		
Output (Volume):		
Number of Educator Preparation Programs Reviewed	139	139
Number of Individuals Issued Initial Teacher Certificate	36,058	39,500
Number of Temporary Credentials Issued	25,566	29,657
Efficiencies:		
Average Days for Credential Issuance	20	20
C.1.2. Strategy: CERTIFICATION EXAM ADMINISTRATION		
Output (Volume):		
Number of Certification Examinations Administered	119,512	119,731
Efficiencies:		
Average Cost Per Certification Examination Administered	86.87	89.48
C.1.3. Strategy: RETENTION, RECRUITMENT		
Output (Volume):		
Number of Previously Degreed Individuals Issued Initial Teacher Certificate	24,885	29,462
Number of Individuals Issued Initial Teacher Certificate Concurrent with Receiving Baccalaureate Degree	12,826	13,611
C.1.4. Strategy: EDUCATOR PROFESSIONAL CONDUCT		
Output (Volume):		
Number of Complaints Resolved	1,200	1,700
Number of Complaints Pending	800	800
Efficiencies:		
Average Time for Resolving Complaints (Days)	220	250

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purposes of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2006	2007
a. Acquisition of Information Resource Technologies		
(1) Mainframe, Servers and Client Infrastructure	$ 5,517,248	$ 2,904,072
Total, Capital Budget	$ 5,517,248	$ 2,904,072
Method of Financing (Capital Budget):		
General Revenue Fund	$ 2,590,818	$ 1,268,550
State Textbook Fund No. 003	180,434	94,199
Permanent School Fund No. 044	76,548	39,963
Federal Health, Education and Welfare Fund No. 148	2,156,535	1,134,785
Foundation School Fund No. 193	482,027	335,689
Certification and Assessment Fees (General Revenue Fund)	30,886	30,886
Total, Method of Financing	$ 5,517,248	$ 2,904,072

3. Chapter 42 and 46 Formula Funding. Out of the funds appropriated above, a total of $12,524,000,000 in fiscal year 2006 and $12,124,000,000 in fiscal year 2007 shall represent the sum-certain appropriation to the Foundation School Program under § 42.253 and under Chapter 46 of the Texas Education Code. (The total appropriation may not exceed the sum-certain amount.) The Commissioner shall make allocations to local school districts under § 42.253 and under Chapter 46 based on the March 2005 estimates of average daily attendance and local district tax rates as determined by the Legislative Budget Board and the final 2004 property values. Property values shall be increased by 5.03 percent for fiscal year 2007.

Notwithstanding any other provision of this Act, the Texas Education Agency may make transfers as appropriate between Strategy A.1.1, FSP-Equalized Operations, and Strategy A.1.2, FSP-Equalized Facilities. The TEA shall notify the Legislative Budget Board and the Governor of any such transfers at least 45 days prior to the transfer.

The funds appropriated above in Strategy A.1.1, FSP - Equalized Operations, include appropriations for the following items:

a. State Textbook Funds for instructional materials, any balances of which as of August 31, 2006 are hereby appropriated for fiscal year 2007 for the same purposes;

b. Telecommunications Infrastructure Funds for the technology allotment;

c. General Revenue for an annual compensation supplement (pass-through). Contingent on passage and enactment of House Bill 3540, or similar legislation by the Seventy-ninth Legislature, Regular Session, the annual rate at which supplemental compensation is paid shall be $500 for eligible full-time employees and $250 for eligible part-time employees for the 2006-07 biennium.

4. Transportation Cost Allotment. Pursuant to § 42.155 of the Texas Education Code, the appropriation for funding regular transportation programs for the 2005-06 and 2006-07 school years shall be calculated on the following basis:

Linear Density Grouping	Allocation Per Mile of Approved Route
2.40 and above	$1.43
1.65 to 2.40	1.25
1.15 to 1.65	1.11
.90 to 1.15	.97
.65 to .90	.88
.40 to .65	.79
up to .40	.68

Pursuant to § 42.155 of the Texas Education Code, the maximum mileage rate for special education transportation shall be $1.08 per mile. Private transportation rates shall be $0.25 per mile or a maximum of $816 per pupil for both special education and isolated areas as defined in sub-sections 42.155(g) and 42.155(e).

5. Education Service Centers. The Commissioner shall furnish reports as required by § 8.102 of the Texas Education Code to the State Board of Education for transmittal, along with recommendations for change, modification, or improvement, to the Legislative Budget Board and the Governor. Regional Education Service Centers shall be prohibited from purchasing land and acquiring buildings without prior authorization from the Commissioner of Education.

6. Windham Schools. The funds appropriated above in Strategy B.2.4, Windham School District, are to be expended only for academic and vocational educational programs approved by the Texas Education Agency. The Commissioner of Education shall allocate funds to the Windham Schools based on contact hours for the best 180 of 210 school days in each year of the biennium. The contact hour rates for the 2006-07 biennium are the following: $3.97558 for academic education, $3.24582 for vocational education.

Funds appropriated above for fiscal year 2007 for the Windham School District are made contingent on the continuation of the Windham School District by the Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of Windham School District operations.

7. Appropriation of Audit Adjustments, Settle-Up Funds and Attendance Credit Revenues. When reviews and audits of allocations to school districts reveal the allocations previously made were greater or less than the amounts found to be due, the Texas Education Agency is authorized to recover or pay the sums necessary to adjust to the correct amounts. All such amounts recovered shall become a part of the Foundation School Fund or General Revenue Fund, and the amounts necessary to make such additional payments to the school districts are hereby appropriated from the Foundation School Fund or General Revenue Fund.

All funds received from local school districts as recovery for overpayment pursuant to the provisions of § 42.258 of the Texas Education Code are hereby appropriated to the Texas Education Agency for distribution to local school districts for Foundation School Program purposes.

All unexpended balances and all funds received from the payment of school districts for attendance credits in excess of the amounts appropriated above pursuant to the provisions of § 41.094 of the Texas Education Code, are hereby appropriated to the Texas Education Agency for distribution to school districts for Foundation School Program purposes.

8. **State Textbook Fund.** Except as explicitly allowed elsewhere in this Act, any amount expended for Textbook Administration, including new textbooks, rebinding, and other related expenses, shall be paid out of the State Textbook Fund. A transfer of funds from the Available School Fund to the State Textbook Fund is authorized in an amount which, together with other revenues of the State Textbook Fund, is sufficient to finance the sum-certain appropriation from the State Textbook Fund for each fiscal year. Penalties assessed by the State Board of Education shall be deposited to the credit of the Textbook Fund.

9. **Day-care Expenditures.** It is expressly provided that the pre-school day care programs, such as the Early Childhood Program for Educationally Disadvantaged Children and Special Education and Training for Pre-School Children with Disabilities administered by the Texas Education Agency, are day-care programs. The funds expended in those programs on behalf of children meeting eligibility requirements in accordance with interagency contracts with the Texas Education Agency under the day care program of the Social Security Act shall be considered as expenditures for day care.

10. **Loss Due to Property Value Decline.**

    a. The Commissioner of Education is authorized to distribute no more than $26,000,000 in each fiscal year under § 42.2521 of the Texas Education Code, to the extent that excess funds are available under the Foundation School Program.

       It is the intent of the Legislature that, in expending these funds by making adjustments in the local share under § 42.2521, that the Commissioner shall consider only the amount of property value decline in each school district that is in excess of 4 percent in taxable values.

    b. Except as expressly provided by this rider, and notwithstanding the limitations in Rider 33, Limitation: Transfer Authority, none of the funds in this rider may be expended for any other purpose.

    c. It is the intent of the Legislature that any excess funds available under the Foundation School Program be applied first to fund adjustments under § 42.2521 of the Texas Education Code, second to fund adjustments under § 42.2522, and third to fund adjustments under § 42.2531.

11. **Training Programs for School Personnel and Parents of Students with Autism.** It is the intent of the Legislature that the Texas Education Agency continue to implement a program of professional development for school personnel and parents of students with autism. A sum not to exceed $50,000 in each fiscal year shall be expended for this purpose.

12. **Student Testing Program.** The Commissioner shall use the Federal Funds appropriated above in Strategy B.1.1, Assessment and Accountability System, to cover the cost of preparing, administering and grading assessment instruments in the student testing program. In accordance with the provisions of § 42.152 and Chapter 39, Subchapter B of the Texas Education Code, the funds appropriated from the Foundation School Fund for the compensatory education allotment may be used for any remaining assessment costs. The expenditure of such funds shall not be subject to the limitation in Rider 33, Limitation: Transfer Authority.

13. **Reimbursement of Advisory Committee Members.** Pursuant to Government Code § 2110.004 reimbursement of expenses for advisory committee members, out of the funds appropriated above, is limited to the following advisory committees:

    a. Title 1, Committee of Practitioners/Ed Flex State Panel
    b. Continuing Advisory Committee for Special Education

c. Communities in Schools State Advisory Committee
d. State Textbook Advisory Committee

It is the intent of the Legislature that advisory committees of the Texas Education Agency use videoconferencing technology to conduct meetings in lieu of physical assembly whenever possible.

14. Vacation Leave for Commissioner of Education. Notwithstanding any provision of the General Appropriations Act to the contrary, the Commissioner of Education is entitled to accrue and carry forward vacation leave at the highest rate authorized for employees by the General Provisions of this Act.

15. Limits on Allocations and Expenditures. Except as explicitly allowed elsewhere in this Act, the Commissioner shall not contract with Regional Education Service Centers to administer all or part of general revenue-funded programs or services without prior approval from the Governor and the Legislative Budget Board. The Commissioner shall submit to the Governor and Legislative Budget Board for review a summary of the programs and services to be transferred and the funding level associated with the proposed transfer. No funds transferred to Regional Education Service Centers or to school districts may be used to hire a registered lobbyist.

16. Regional Day Schools for the Deaf. Funds appropriated above for Regional Day Schools for the Deaf shall be allocated on a weighted full time equivalent basis. Notwithstanding other provisions of this Act, if the allocations total more than $33,133,200 in each fiscal year, the Commissioner shall transfer sufficient amounts from other available funds to provide the full allocation.

17. Summer School for Children with Limited English Proficiency. Out of Federal Funds appropriated for Strategy A.2.2, Achievement of Students at Risk, $3,800,000 in each fiscal year is allocated for summer school programs for children with limited English proficiency as authorized under § 29.060 of the Texas Education Code.

18. Engineering and Science Recruitment Fund. Out of funds appropriated for Strategy A.2.1, Student Success, $394,920 in each fiscal year is allocated to the Engineering and Science Recruitment Fund for programs outlined in Subchapter M of Chapter 51 of the Texas Education Code.

19. Statewide Services for Students With Visual Impairments. Out of funds appropriated for Strategy A.2.3, Students with Disabilities, $5,655,268 in each fiscal year is allocated for statewide services for students with visual impairments as authorized under § 30.002 of the Texas Education Code.

20. Non-educational Community-based Support Services. Out of funds appropriated for Strategy A.2.3, Students with Disabilities, $987,300 in each fiscal year is allocated for non-educational community-based support services for certain students with disabilities as authorized under § 29.013 of the Texas Education Code.

21. Professional Development for Serving Students with Disabilities in Integrated Settings. Out of the federal discretionary funds awarded to the Texas Education Agency through the Individuals with Disabilities Education Act (IDEA), Part B and appropriated above, the Commissioner shall set aside 10.5 percent during the biennium to fund capacity building projects, including follow-up professional development and support, for school districts to serve students with disabilities in integrated settings.

22. Appropriation for State Schools. Out of General Revenue related funds appropriated above in Strategy A.2.3, Students with Disabilities, an amount not to exceed $110,000 in each fiscal year is allocated for payments to state operated schools under §§ 30.025 and 30.056 of the Texas Education Code.

23. Estimated Appropriation for Incentive Aid. Out of Foundation School Program funds appropriated above, the Commissioner may allocate an estimated amount of $1,500,000 in each fiscal year for incentive aid payments under Subchapter G of Chapter 13 of the Texas Education Code.

24. Payments to Texas School for the Blind and Visually Impaired and Texas School for the Deaf. Pursuant to § 30.003(g) of the Texas Education Code, the State Board of Education shall adopt rules that ensure that all local school districts whose students are placed at the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf shall share in the cost of each student's education as required by § 30.003(a). It is the intent of the Legislature that school districts subject to Chapter 41, Texas Education Code, reimburse the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf from the General Operating Fund of those districts within 60 days of receipt of a voucher from the receiving school.

For all discretionary grants of state or federal funds by the Texas Education Agency, the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf shall be considered independent school districts for purposes of eligibility determination, unless the Commissioner of Education and the school Superintendents mutually agree to an alternate consideration.

Contingent upon the enactment of House Bill 2, or similar legislation related to the reduction of local school district property taxes and replacement of the reduced revenues with state funds by the 79th Legislature, Regular Session, the Commissioner shall, for each year of the 2006-07 biennium, calculate the amount of local revenue that would have been received by the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf under § 30.003, Texas Education Code, had those reductions in revenues not occurred. At the beginning of each fiscal year of the 2006-07 biennium, out of the funds appropriated above in Strategy A.1.1., FSP - Equalized Operations, the Commissioner shall allocate to each school an amount equal to the difference between the calculated revenue and the amount of local revenue to be received by the school during that year.

25. Notification of Changed Accreditation Status or Internal Investigation Findings. At the time a school district is notified of a change in its accreditation status, the Texas Education Agency shall also notify the State Senators and Representatives that represent the affected school district. The agency also shall notify the State Senators and Representatives that represent districts directed by the Texas Education Agency to perform internal investigations of the findings of such investigations prior to the agency release of the findings.

26. Permanent School Fund. In its annual report on the Permanent School Fund, completed by February 28 of each year, the Texas Education Agency shall report on the actual and projected costs of administering the Permanent School Fund for the year covered by the report and the following three years.

27. Texas Advanced Placement Incentive Program. Out of the funds appropriated above in Strategy A.2.1, Student Success, $13,500,000 in fiscal year 2006 and $13,500,000 in fiscal year 2007 is allocated for both the pre-Advanced Placement/International Baccalaureate activities and for the Advanced Placement Incentive Program. Any balances on August 31, 2006 are appropriated for the 2007 fiscal year.

In using funds allocated by this rider, the Texas Education Agency shall prioritize the examination fee subsidies for students. For funds allocated by this rider that are used for teacher training, the Texas Education Agency shall give funding priority to teachers at public school campuses that do not offer Advanced Placement/International Baccalaureate courses.

It shall be the goal of the Texas Education Agency that Advanced Placement/International Baccalaureate courses are available at as many public school campuses as possible, without regard to the rural/urban status of the campus and the socioeconomic characteristics of its students. For campus incentive awards given under this program, consideration may be given to school districts and charter schools in their 1st or 2nd year of operating an Advanced Placement/International Baccalaureate program.

28. MATHCOUNTS and Academic Competitions. Out of Foundation School Program Gifted and Talented funds appropriated in B.3.1, Improving Teacher Quality, the Commissioner shall set aside $200,000 in each year of the biennium for the MATHCOUNTS Program. In addition, out of funds appropriated in A.2.1, Student Success, not less than $500,000 in each fiscal year of 2006-07 biennium shall be allocated to programs that foster academic competition for predominantly high school students.

29. Communities in Schools. Out of funds appropriated above for Strategy A.2.4, School Improvement and Support Programs, $12,788,865 in State Compensatory Education Funds and $4,842,342 in TANF funds in fiscal year 2006, and $12,788,865 in State Compensatory Education Funds and $4,842,341 in TANF funds in fiscal year 2007 are allocated for the Communities in Schools Program.

In addition to the amounts above, out of State Compensatory Education Funds appropriated above for Strategy A.2.4, School Improvement and Support Programs, $3,000,000 in fiscal year 2006 and $3,000,000 in fiscal year 2007 are allocated for the Communities in Schools Program. It is the intent of Legislature that the commissioner and representatives of the Communities in Schools program mutually agree upon and implement performance measures related to the effectiveness of new Communities in Schools programs provided by these funds.

30. Extended Year Programs. Out of Foundation School Program Compensatory Education Funds appropriated in Strategy A.2.4, School Improvement and Support Programs, the Commissioner shall distribute an amount not to exceed $16,500,000 in fiscal year 2006 and $16,500,000 in fiscal year 2007 to finance extended year programs under § 42.152(p), Texas Education Code.

31. Allocation of Funds to South Texas Independent School District. Out of funds appropriated above for Strategy A.1.1, FSP - Equalized Operations, the Commissioner of Education shall provide the South Texas Independent School District with adequate access to funding under Tier 2 of the Foundation School Program. The Commissioner shall adjust payments to the South Texas Independent School District to equal an amount to which the district would be entitled at the average effective tax rate in other school districts in Cameron County less the tax rate set by the district itself.

32. Appropriations Limited to Revenue Collections. It is the intent of the Legislature that, for the following fee-supported programs in Goals A, Program Leadership, and B, Operational Excellence, fees, fines, and other miscellaneous revenues as authorized and generated by the Texas Education Agency cover, at a minimum, the cost of the appropriations made to support the programs, as well as the "other direct and indirect costs" associated with those functions appropriated elsewhere in this Act. "Other direct and indirect costs" for these programs are estimated to be $486,481 in fiscal year 2006 and $477,029 in fiscal year 2007 including employee matching costs and other indirect operating costs:

Guaranteed Program for School District Bonds
General Education Development (GED)
Driver Training
Electronic Course Pilot Program

For each individual fee program listed above, all fees collected in excess of the Comptroller of Public Accounts Biennial Revenue Estimate are hereby appropriated to the Texas Education Agency.

In the event that actual and/or projected fee revenue collections are insufficient to offset program costs, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided herein to be within the amount of fee revenue expected to be available.

In Strategy C.1.1, Educator Quality and Credentialing, Strategy C.1.2, Certification Exam Administration, Strategy C.1.3, Retention, Recruitment, and Strategy C.1.4, Educator Professional Conduct above, it is the intent of the Legislature that fees, fines, and other miscellaneous revenues as authorized and generated by this agency cover, at a minimum, the cost of the appropriations made in Goal C, as well as the "other direct and indirect costs" associated with these functions, appropriated elsewhere in this Act. "Other direct and indirect costs" for these functions are estimated to be $853,638 in fiscal year 2006 and $842,664 in fiscal year 2007. In the event that actual and/or projected revenue collections are insufficient to offset the cost identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority above to be within the amount of revenue expected to be available.

33. Limitation: Transfer Authority. Notwithstanding the General Provisions of this Act, none of the funds appropriated above or in any other legislation passed by the Seventy-ninth Legislature in Goal A, Program Leadership, Strategies A.1.1, FSP-Equalized Operations, and A.1.2, FSP-

Equalized Facilities, with the exception of appropriations from the State Textbook Fund, and not more than one percent of the General Revenue Funds appropriated above or in any other legislation passed by the Seventy-ninth Legislature in Goal A, Strategies A.2.1. - A.2.5, and Goal B, Operational Excellence, Strategies B.1.1.-B.3.1., and State Textbook Funds appropriated in Strategy A.1.1, may be transferred to Goal B, Strategies B.3.2.-B.3.4. This transfer may not exceed $8.1 million for each year of the 2006-07 biennium.

The Commissioner shall notify the Governor and the Legislative Budget Board of any planned transfer between program and administrative strategies allowed by the provisions of this rider at least 45 days prior to the execution of the transfer.

None of the funds appropriated to the Texas Education Agency for the purpose of funding the Foundation School Program under Chapter 42 and 46, Texas Education Code, may be transferred to any other item of appropriation or expended for any other purpose unless the Commissioner of Education provides written notice to the Legislative Budget Board and to the Governor of intent to transfer such funds at least 45 days prior to the execution of the transfer. Such transfers from the Foundation School Program to other items of appropriation shall not exceed $10 million in each fiscal year of the 2006-07 biennium. Any unexpended and unencumbered balances remaining after the last day of a fiscal year in any of the appropriations made for a purpose described by this provision shall lapse and accrue to the benefit of the unappropriated balance of the General Revenue Fund after taking into account the "settle-up" provision found in § 42.253 (i), Texas Education Code.

To the extent necessary to avoid reductions in state aid as authorized by § 42.253(h), Texas Education Code, the Commissioner of Education is authorized to transfer Foundation School Program funds from fiscal year 2007 to fiscal year 2006. Such transfers are subject to prior approval by the Governor and the Legislative Budget Board. The Comptroller of Public Accounts shall cooperate as necessary to assist the completion of a transfer and spending made under this section.

34. Additional Funding Sources. If the appropriations provided by this Act for the Foundation School Program are not sufficient to provide for expenditures for enrollment growth, district tax rate or taxable value of property, after accounting for any other appropriations made to the TEA and available for transfer for this purpose, the Legislative Budget Board and the Governor may provide for, and are hereby authorized to direct, the transfer of sufficient amounts of funds to the TEA from appropriations made elsewhere in this Act.

35. Reduction in Districts Tier One Allotment. To fund appropriations for programs from compensatory education allotments, the Commissioner of Education shall reduce each district's tier one allotment. The reductions shall be made in the same manner as described for a reduction in allotments under § 42.253, Texas Education Code, and the Commissioner shall allocate funds to each district accordingly.

36. Disciplinary Alternative Education Programs. Out of the funds appropriated above in Strategy B.2.2, Safe Schools, there is hereby allocated the amount of $4,750,000 for each fiscal year of the biennium for safe schools programs under Texas Education Code § 37.008.

37. Funding for Juvenile Justice Alternative Education Programs. Out of the funds appropriated above in Strategy B.2.2, Safe Schools, $8,187,641 in fiscal year 2006 and $8,951,455 in fiscal year 2007 shall be set aside from the Compensatory Education Allotment in each year and transferred to the Juvenile Probation Commission for the support of Juvenile Justice Alternative Education Programs. This set-aside shall not effect the calculation of the number of students in weighted average daily attendance under Texas Education Code § 42.302.

38. FSP Funding for the Texas Youth Commission. Out of the funds appropriated above in Strategy B.2.2, Safe Schools, the Texas Education Agency shall allocate to the Texas Youth Commission the basic allotment of the Foundation School Program minus the amounts allocated to the commission pursuant to Texas Education Code § 30.102 (a) for each student in average daily attendance. These amounts are estimated to be $9,811,899 in fiscal year 2006 and $9,811,899 in fiscal year 2007. This transfer shall not be subject to the limitation in Rider 33, Limitation: Transfer Authority.

39. Early Childhood Education and Care Coordination. It is the intent of the Legislature that the Texas Education Agency participate to the extent practicable in interagency early childhood education and care coordination initiatives. This includes but is not limited to participation in

the Head Start collaboration project or any other interagency entity formed to address the coordination of early childhood care and education service delivery and funding.

40. Regional Education Service Center Dyslexia and Related Disorders Coordinators. It is the intent of the Legislature that the Regional Education Service Centers establish a joint program of coordinators for dyslexia and related disorders services pursuant to § 38.003 of the Texas Education Code. The joint program shall not include regulatory oversight functions. The Regional Education Service Centers shall ensure that the program uses resources efficiently to provide a coordinator to any school district or charter school that needs one. Out of the funds appropriated above in Strategy B.3.1, Improving Teacher Quality, the Commissioner of Education may direct $150,000 in each year of the biennium to assist in the funding of such coordinators.

41. School Improvement and Parental Involvement Initiative. Out of the funds appropriated above in Strategy A.2.4, School Improvement and Support Programs, the Commissioner shall allocate $850,000 in each fiscal year of the 2006-07 biennium to the AVANCE family support and education program.

42. Special Foundation School Program Payments. The Texas Academy of Leadership in Humanities is entitled to Foundation School Program (FSP) allotments for each student enrolled in the academy as if it were a school district, except that the local share applied is equal to the Beaumont ISD's local share. The same methodology shall apply to the Texas Academy of Mathematics and Science with a local share equal to Denton ISD's and to the Seaborne Conservation Corps, with a local share equal to Galveston ISD's.

43. Texas Reading, Math and Science Initiatives. Out of the funds appropriated above in Strategy A.2.1, Student Success, $9,000,000 in General Revenue Funds in fiscal year 2006 and $9,000,000 in General Revenue Funds in fiscal year 2007, with $14,650,000 in Federal Funds in fiscal year 2006 and $14,650,000 in Federal Funds in fiscal year 2007, shall be allocated to the Texas Reading, Math and Science Initiatives. These funds shall be allocated in the following manner:

a. The Commissioner shall fund reading, math, and science diagnostic instruments to be made available to independent school districts and charter schools. The Commissioner may fund the distribution of non-consumable materials, to include electronic formats, in reading, math, and science.

b. Out of the Federal Funds identified above, the Commissioner shall allocate funds for the development and implementation of research-based educator training programs and materials in reading, math, and science. Out of the funds appropriated for this part, the Commissioner may allocate an amount not to exceed $5,000,000 in each fiscal year of the biennium for the development of educator training programs at regional education service centers, in a manner that ensures access to training for small and mid-sized school districts and charter schools.

Funds shall be distributed by the Commissioner on a competitive grant basis to be used by schools for the implementation of scientific, research-based science programs designed to improve the academic science performance of students, including programs designed to address the gender gap in performance. To be eligible for funding, schools must demonstrate a high need for additional intervention as evidenced by student performance, and must partner with a science department of an institution of higher education.

c. The Commissioner may transfer up to 10 percent of the appropriation among strategies in Goals A and B, Strategies B.1.1, Assessment and Accountability System, to B.3.1, Improving Teacher Quality.

d. Out of funds identified above, an amount not to exceed $1,000,000 each year of the biennium may be distributed to schools by the Commissioner on a noncompetitive grant basis for the purchase of non-consumable materials to be used in teaching Integrated Physics and Chemistry in high school. The materials must be appropriate for use in class time dedicated to lab investigations. The Commissioner shall develop criteria for distribution of grant funds and for materials eligible for purchase. The criteria must give priority to districts with high percentages of economically disadvantaged students.

e. Out of the amounts identified above, the Commissioner may use funds to support the State Marine Science Center in Palacios.

f. The Texas Education Agency shall collect data on the implementation of educator professional development programs at the local and regional level and report to the Legislature on the best practices of these programs by December 1, 2006.

g. Out of the amounts identified above, the Commissioner may use funds to evaluate the effectiveness of the Master Teacher programs and National Board Certification in improving student performance.

h. Any balances as of August 31, 2006, are appropriated for the 2007 fiscal year.

44. Funding for Tuition Credit Program. Out of the funds appropriated above there is hereby transferred via interagency contract to the Texas Higher Education Coordinating Board an amount of funds, estimated to be $7,525,000 in each fiscal year of the biennium, from the Foundation School Fund sufficient to pay for the Early High School Graduation Scholarship Program, and tuition and fee exemptions in accordance with Texas Education Code, §§ 54.212 and 54.214.

45. Certification of Pre-kindergarten Expenditures. Out of the funds appropriated above in Strategy A.1.1, FSP - Equalized Operations, and Strategy A.2.1, Student Success, the Texas Education Agency shall certify each year of the biennium the maximum pre-kindergarten expenditures allowable under federal law as maintenance of effort for Temporary Assistance for Needy Families (TANF) and state match for the Child Care Development Fund.

46. Early Childhood School Readiness Program. Out of the funds appropriated in Strategy A.2.1, Student Success, $7,500,000 in fiscal year 2006 and $7,500,000 in fiscal year 2007 shall be used for the Early Childhood School Readiness Program, for programs providing an educational component to public pre-kindergarten, Head Start, university early childhood programs, or private non-profit early childhood care programs that have entered into an integrated program with a public school. The Texas Education Agency shall expend these funds in accordance with the following provisions and the provisions of Texas Education Code § 29.156, Grants for Educational Components of Head Start, and with the following provisions:

a. Funds shall be distributed on a competitive grant basis to preschool programs to provide scientific, research-based, pre-reading instruction, with the goal of directly improving the pre-reading skills of three- and four-year-old children and identifying cost-effective models for pre-reading interventions. To be eligible for the grants, applicants must serve at least 75 percent low-income students, as determined by the Commissioner. Grants may be awarded in two or more consecutive grant periods to an applicant provided the monies are used to expand the grant programs to additional facilities previously not receiving Early Childhood School Readiness grant funds in the immediate past grant cycle.

b. The Commissioner shall set aside up to $225,000 in each fiscal year of the biennium for research and evaluation of the program. A report describing the findings shall be delivered to the Legislature no later than January 1, 2007.

c. Any balances as of August 31, 2006, are appropriated for the 2007 fiscal year.

47. Master Reading, Mathematics, and Science Teachers. Out of the funds appropriated above in Strategy B.3.1, Improving Teacher Quality, $4,000,000 in General Revenue in each fiscal year of the 2006-07 biennium is allocated for Master Reading, Master Mathematics, and Master Science Teacher stipends for school districts with certified Master Reading, Master Mathematics, and/or Master Science Teachers. Any balances as of August 31, 2006 are appropriated for the 2007 fiscal year.

48. Student Success Initiative. Out of the funds appropriated above in Strategy A.2.1, Student Success, $158,005,369 in General Revenue in fiscal year 2006 and $158,005,369 in General Revenue in fiscal year 2007 are allocated for the Student Success Initiative. The Commissioner shall expend these funds for allocations to schools for the purpose of implementation of scientific, research-based programs for students who have been identified as unlikely to achieve the third grade TAKS reading standard by the end of the third grade, including those students

with dyslexia and related disorders, students unlikely to achieve the TAKS reading or math standards by the end of the fifth grade, and/or students unlikely to achieve TAKS reading or math standards in the eighth grade assessments administered in 2008.

a. From funds appropriated for the Student Success Initiative, the Commissioner may set aside $15 million for intensive reading or math instruction programs for schools that have failed to improve student performance in reading or math. The Commissioner shall determine which schools have achieved the least gains in reading or math performance, and shall require those schools to submit a reading or math improvement plan detailing proposed efforts to improve reading or math performance as a condition of receiving funding. The reading or math improvement plan must establish the performance outcome of literacy or numeracy among its student population and outline specific steps that will be taken to achieve that goal. The plan may include the use of technology to achieve reading or math goals. A school identified as in need of improvement in reading or math instruction shall implement only those assessments, progress monitoring instruments, reading or math strategies and programs approved by the Commissioner. Programs must demonstrate a record of proven success in improving student reading or math achievement.

b. Adolescent Literacy Initiative. Out of any funds appropriated to the agency, the Commissioner shall set aside $2 million for each year of the 2006-2007 biennium for the development of a supplemental diagnostic screening instrument and intensive reading instruction programs for students determined at risk to not perform at proficient levels on the 8th grade TAKS reading assessment. It is the intent of the legislature that the Texas Education Agency pursue federal funds to provide training in the use of the diagnostic instrument and distribution of the instrument to school districts and charter schools. Any balances as of August 31, 2006 are appropriated for fiscal year 2007 for the same purpose.

c. Any balances as of August 31, 2006, are appropriated for fiscal year 2007 for the same purposes.

49. Coordination of Assistance to School Districts. The Texas Education Agency shall work in cooperation with the Texas Comptroller of Public Accounts to assist school districts in the investment of funds and with the Bond Review Board to assist school districts entering into bonded indebtedness or lease purchase agreements.

50. Arts Education. Out of the Foundation School Program funds appropriated to the Texas Education Agency in this Act, $300,000 in fiscal year 2006, and $300,000 in fiscal year 2007 shall be directed to and expended by the Commission on the Arts under the commission's Strategy A.1.2, Arts Education Grants, for the purpose of awarding grants for arts education. It is the intent of the Legislature that grantees receiving funds under this program fulfill a 1:1 match requirement. These amounts shall be directed and expended in addition to funds separately appropriated under this Act to the Commission on the Arts under Strategy A.1.2, Arts Education Grants.

51. Learning Through Listening. Out of the funds appropriated above in Strategy A.2.3, Students with Disabilities, the Commissioner shall expend $200,000 in fiscal year 2006 and $200,000 in fiscal year 2007 to continue a program of providing state-adopted textbooks using recorded material technology for students with visual impairment, reading disabilities and other disabilities as appropriate in kindergarten through 12th grade.

52. Pre-kindergarten Early Start Grant Programs. Out of the funds appropriated above in Strategy A.2.1, Student Success, the Commissioner of Education shall allocate $92,500,000 in fiscal year 2006 and $92,500,000 in fiscal year 2007 for the purpose of providing grants for pre-kindergarten programs consistent with the provisions of Texas Education Code § 29.155. Any unexpended balances as of August 31, 2006, are appropriated for any early childhood programs authorized by this Act for the 2007 fiscal year, subject to the approval of the Commissioner of Education.

a. Out of any state or federal funds available to the agency for this purpose, the Commissioner may set aside an amount not to exceed $3 million to implement a competitive procurement system to award two-year contracts to government organizations, public nonprofit agencies, or community-based organizations to implement multi-age programs serving 3-, 4-, and 5-year olds that assure that English language learning children receive appropriate activities to enter school prepared to succeed. The pilot programs must provide many opportunities for the acquisition of English, while supporting the child's first

language including social services, appropriate training and modeling, and research-based curricula and supplies to enhance the development of both languages. Instruction must be in both languages so children can learn concepts in the language they understand while developing their English skills. Programs must include bilingual education specialists and continued professional education to support the teachers. Priority shall be given to entities that serve a high percentage of limited English proficient children.

b. A portion of the funds received by entities participating in this pilot shall be used to perform an evaluation and review of student performance and improvement. These results shall be reported to the Legislature by the agency no later than January 1, 2007.

53. Windham School District Priorities. It is the intent of the Legislature that the Windham School District target its programs to serve those students whose participation will help achieve the goals of reduced recidivism and the increased success of former inmates in obtaining and maintaining employment. To achieve these goals, younger offenders with the lowest educational levels should receive high priority. This policy shall not preclude the Windham School District from serving other populations according to needs and resources. The Windham School District will report to the Eightieth Legislature regarding their effort and success in implementing this prioritization.

54. Adult Education. Priority shall be given to adult literacy programs in the expenditure of adult education funds appropriated above. It is the intent of the Legislature that, in providing educational programs, the administering agency or agencies shall provide appropriate training to recipients of Temporary Assistance for Needy Families (TANF) in accordance with the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Out of the $8,885,700 in General Revenue Funds appropriated each year above in Strategy A.2.5, Adult Education and Family Literacy, an amount not less than $2,000,000 each fiscal year shall be allocated to TEA's adult education cooperatives to provide education and training services to TANF recipients. In addition, out of the Federal TANF funds appropriated above in Strategy A.2.5, $3,800,000 in fiscal year 2006 and $3,800,000 in fiscal year 2007 shall be directed for services for adults who are eligible for TANF. Families that include a child living at home are deemed eligible for TANF-funded adult education services if a family member receives any of the following forms of assistance: Food Stamps, Medicaid, Children's Health Insurance Program, Child Care and Development Fund, or Free or Reduced Priced Child Nutrition Program meals. To implement these provisions, TEA shall enter into contracts or arrangements with the agency or agencies administering welfare reform and may work with other community-based organizations to offer services directly to adult TANF recipients. All providers of adult education shall meet the requirements defined in the Texas Education Code. Federal funds appropriated for this purpose shall be used for administrative expenditures only to the extent allowable under Federal regulations.

55. Local Educational Agency Risk Pool. Out of the funds appropriated in above Strategy A.2.3, Students with Disabilities, the Commissioner shall implement the provisions of the Individuals with Disabilities Education Improvement Act (IDEIA) of 2004, pertaining to a local educational agency risk pool. The Commissioner shall allocate allowable amounts under the Act for the 2006 fiscal year and the 2007 fiscal year to establish the high cost fund to assist districts with high need students with disabilities. It is the intent of the Legislature that the use of these funds by school districts and charter schools does not violate the least restrictive environment requirements of IDEIA of 2004, relating to placement and state funding systems that distribute funds based on type of setting.

56. Early Childhood Intervention. Out of the funds appropriated above in Strategy A.2.3, Students with Disabilities, $16,498,102 in 2006 and $16,498,102 in 2007 shall be set aside from the Special Education Allotment and transferred to the Department of Assistive and Rehabilitative Services to support Early Childhood Intervention eligibility determination, and comprehensive and transition services. This set-aside shall not affect the calculation of the number of students on weighted average daily attendance under Texas Education Code § 42.302.

57. Average Daily Attendance Decline. Out of the funds appropriated above in Strategy A.1.1, FSP-Equalized Operations, $11 million in each year of the 2006-07 biennium shall be used to implement § 42.005, Texas Education Code. Expenditures pursuant to this provision shall not exceed $22 million for the 2006-07 biennium.

58. Academic Enrichment. Out of funds appropriated in Strategy A.2.4, School Improvement and Support Programs, the Commissioner shall distribute the amount appropriated in Federal 21st Century Community Learning Centers (CCLC) funds, estimated to be $166,074,792, for the 2006-07 biennium to be distributed through competitive grants to support the establishment and implementation of supplemental services, programs, and activities designed to enrich or extend student learning experiences outside of the regular school day. In awarding grants pursuant to this rider, the Commissioner shall give emphasis to schools with high concentrations of economically disadvantaged students.

Entities eligible to receive Federal 21st CCLC Funds are those entities identified in the 21st CCLC statute, including, but not limited to, districts that qualify for the Optional Extended Year Program, districts that contain zip codes with high juvenile crime rates, the Alliance Organizations, AVANCE, Do Something, Communities in Schools, Area Interfaith, and One Community/One Child, as well as other organizations identified as eligible by statute, provided all entities comply with the 21st CCLC statutory requirements. It is the intent of the Legislature that the Commissioner give funding priority to existing collaborations between school districts and community organizations.

In addition to the amount identified above, the Commissioner shall allocate an amount not to exceed $4,650,000 in each year of the biennium to the Investment Capital Fund. Of that total, an amount not to exceed $2,500,000 in each year shall be set aside from the Compensatory Education allotment, and an amount not to exceed $2,150,000 in each year shall be allocated directly from the Foundation School Program. Grants made from the Investment Capital Fund pursuant to this rider are subject to the provisions contained in § 7.024 of the Texas Education Code, and grants may only be made to entities that meet the criteria set forth in that section.

59. Texas High School Initiative. Out of the funds appropriated above in Strategy A.2.1, Student Success, the Commissioner shall allocate $29,000,000 in General Revenue in each fiscal year to support the establishment and implementation of sustainable comprehensive high school completion and success initiatives. Funds shall be expended in accordance with the following provisions:

a. Schools that receive funds under this program must ensure that all students have an individualized graduation plan. Available sources of student-level performance data should be utilized in the development of individualized graduation plans. Graduation plans must also ensure that students at risk of not graduating from high school are afforded instruction from highly qualified teachers, have access to online diagnostic and assessment instruments, and are provided accelerated instruction in areas of academic weakness identified in the plan.

b. Funds must be expended on programs that show the most potential to improve high school completion and success and that encourage students toward post-secondary education and training, including programs for high school students who have not earned sufficient credit to advance to the next grade, after-school programs designed to promote high school completion, literacy programs for struggling high school readers, ninth-grade acceleration or enrichment programs, programs to improve the academic achievement of limited English-proficient high school students, and middle-college or early-college programs that encourage at-risk students and students who wish to accelerate their education undertake courses of study that allow both high school and college level work.

c. Funds may also be expended on programs for high school students that create flexible scheduling; personalized learning environments; and, multiple pathways to post-secondary education and training, including partnerships with institutions of higher education, businesses, and community organizations. Funds may also be expended on the implementation of sustainable innovative models for school restructuring and reform in academically unacceptable high schools participating in an innovative redesign of the campus to improve campus performance.

d. The Commissioner may set aside no more than five percent of total program funds for the purpose of research and evaluation of innovative programs that support high school completion and success. The agency shall deliver a report to the Legislature summarizing expenditures made with program funds as well as research and evaluation findings no later than December 1, 2006.

e. The Commissioner is authorized to receive grants from private sources and foundations for the provision of jointly funded high school completion and restructuring programs and may use a portion of appropriate state and federal funds as matching funds for such programs. School districts receiving funds may contract with private sector organizations for all or part of the program. The Commissioner is authorized to use a portion of appropriated state and federal funds to support technical assistance services for school restructuring and reform programs. The agency may contract with private sector organizations for all or part of such services.

60. Reimbursement for Classroom Supplies. The Commissioner shall establish a program to reimburse classroom teachers and campus library media specialists for personal funds spent on classroom supplies. It is the intent of the legislature that funds shall be provided to school districts that match local funds expended for this purpose. Funds allocated are intended for the direct benefit of students and use of the funds is solely the discretion of the classroom teacher or campus library media specialist. The Texas Education Agency shall establish rules by which matching funds are allocated to individual teachers within the school district. These funds may not be used to supplant local funds being provided forclassroom supplies.

Funds for this purpose may be allocated out of available federal consolidated administrative funds and from funds subject to the federal "Ed-Flex" statute. The agency and local school districts may also use any allowable unexpended balances in federal funds at the end of each fiscal year of the biennium to provide these reimbursements.

61. Life Skills Program for Student Parents. Out of Foundation School Program funds appropriated above in Strategy A.2.4, School Improvement and Support Programs, $10,000,000 in each fiscal year of the biennium is allocated for the Life Skills Program for Student Parents, Texas Education Code § 29.085. The Texas Education Agency shall distribute funds for this program directly to eligible school districts. Any balances as of August 31, 2006 are appropriated to the 2007 fiscal year for the same purpose.

62. Funding for Regional Education Service Centers. Out of the funds appropriated above in Strategy B.3.1, Improving Teacher Quality, the Commissioner shall distribute $21,375,000 in fiscal year 2006 and $21,375,000 in fiscal year 2007 to Regional Education Service Centers to provide professional development and other technical assistance services to school districts. The formula for distribution shall be determined by the Commissioner but shall provide enhanced funding to Regional Education Service Centers that primarily serve small and rural school districts. The Commissioner shall obtain approval for the distribution formula from the Legislative Budget Board and the Governor.

63. Computation of Aid for Certain Educational Entities. Notwithstanding the provisions of Texas Education Code § 42.304, the Commissioner of Education shall compute state aid under the Foundation School Program for the following districts and schools using the average tax rate and property value per student of school districts in the county in which the district or school is located:

(1) school district located on a federal military installation;

(2) the Moody State School; and

(3) Masonic Home Independent School District.

The state aid distributed to Masonic Home Independent School District pursuant to Texas Education Code, Chapter 42, Subchapter F (Guaranteed Yield Program) shall not exceed $90,000 for each fiscal year of the 2006-07 biennium.

64. Career and Technology Education Allotment Programs Eligibility. Funds appropriated above in Strategy A.1.1, FSP- Equalized Operations, for the Career and Technology Education allotment shall not be used to provide weighted funding for programs identified by the Commissioner as least in need of the additional funding provided by the allotment. Courses to be excluded from weighted funding include, but are not limited to, Business Law, Crime in America, Career Studies, Principles of Marketing, Business Communication, Entrepreneurship, Family & Career Management, Retailing, Family Health Needs, Banking & Financial Systems, Courts & Criminal Procedure, and Introduction to Criminal Justice Careers.

Additionally, it is the intent of the Legislature that no more than 10 percent of each school district's Foundation School Program Career and Technology Education allotment under the Texas Education Code § 42.154 may be expended for indirect costs related to the career and technology education programs.

65. Textbook Purchases. Of the Federal Funds appropriated above in A.2.3, Students with Disabilities, $8,500,000 in the 2006-07 biennium shall be used for the purchase of Braille, large-type and related materials for students with special needs.

In accordance with Texas Education Code § 31.103(b), the Commissioner shall use a school district's enrollment growth or decline for the prior three years as the basis for determining the additional percentage of attendance for which a school district may requisition textbooks.

66. Title II, Improving Teacher Quality Federal Funds. The Texas Education Agency and the Higher Education Coordinating Board shall coordinate the distribution of Title II federal funds for improving teacher quality to ensure compatibility between these two agencies' activities. Prior to the implementation of or the awarding of federal funds for improving teacher quality activities, the two agencies shall submit a joint plan to the Legislative Budget Board and the Governor.

67. Windham School District Cost Savings. It is the intent of the Legislature that, in implementing any reductions to programs or staff, the Windham School District achieve cost savings through reductions in administrative costs, attrition, early retirement options, voluntary benefit reductions or other strategies that preserve direct services in programs such as literacy and vocational education. The Windham School District shall provide written notification to the Governor and the Legislative Budget Board on proposed savings at least 45 days prior to implementation.

68. Receipt and Use of Grants, Federal Funds, and Royalties. The Commissioner of Education is authorized to apply for, receive and disburse funds in accordance with plans or applications acceptable to the responsible federal agency or other public or private entity that are made available to the State of Texas for the benefit of education and such funds are appropriated to the specific purpose for which they are granted. It is the intent of the Legislature that when entering into any contract or plan with the federal government or other entity, prime consideration shall be given to preserving maximum local control for school districts. It is also the intent of the Legislature that any contract or plan entered into with any entity, excluding the federal government, shall be non-exclusive. For the 2006-07 biennium, the Texas Education Agency is appropriated any royalties and license fees from the sale or use of education products developed through federal and state funded contracts managed by the agency. The Texas Education Agency shall report on a quarterly basis to the Legislative Budget Board and to the Governor on grants or earnings received pursuant to the provisions of this rider, and on the planned use of those funds.

Any grant or royalty balances as of August 31, 2006 are appropriated for the 2007 fiscal year for the same purpose.

69. Guaranteed Yield and Per Pupil Allotment. Funds allocated above in Strategy A.1.1, FSP - Equalized Operations, include funds sufficient to ensure an increase to the Guaranteed Yield Program and maintenance, for districts not eligible for the Guaranteed Yield Program, of the $110 per weighted student allocation authorized in Rider 82, page III-23, 2003 General Appropriations Act.

a. Pursuant to Texas Education Code § 42.302, the Guaranteed Yield per weighted student per penny of tax effort is hereby set at $29.12 in fiscal year 2006 and at $29.85 in fiscal year 2007.

b. School districts not receiving state aid as provided in subsection (a) are hereby entitled to receive an allocation of General Revenue to maintain per pupil funding levels pursuant to the $110 per WADA allocation authorized in Rider 82, page III-23, General Appropriations Act, 2003, as they received in the 2004-05 biennium.

c. The total amount of payment under this section is subject to reduction to the extent that districts not otherwise entitled to state aid from the Foundation School Fund receive a benefit from the change in the distributions from the Available School Fund caused by the adoption of amendments to the Texas Constitution, Article VII, § 5, at the election held September 13, 2003.

The Texas Education Agency shall develop and promulgate rules as necessary to carry out this provision. Such rules are subject to prior approval by the Legislative Budget Board and the Governor.

70. Foundation School Program Set-Asides. The programs and their funding levels identified in this rider represent all programs at the Texas Education Agency and other state agencies that are funded with amounts set aside from the Foundation School Program. The amounts listed in this rider are for informational purposes only, and do not constitute an appropriation:

	2006	2007
Gifted and Talented Performance Standards	$437,500	$437,500
Residential Placement	$1,000,000	$1,000,000
Juvenile Justice Alternative Education Program	$8,187,641	$8,951,455
Early Childhood Intervention	$16,498,102	$16,498,102
Extended Year Programs	$16,500,000	$16,500,000
Investment Capital Fund	$4,650,000	$4,650,000
LEP Student Success Initiative	$10,000,000	$10,000,000
Communities in Schools	$15,788,865	$15,788,865
Teen Parenting Education Programs	$10,000,000	$10,000,000
TAKS Assessments and Study Guides	$42,326,350	$42,326,350
MATHCOUNTS Program	$200,000	$200,000
TOTAL, FSP Set-Asides	$125,588,458	$126,352,272

71. Motor Vehicle Fees for Specially Designed License Plates. Pursuant to the Texas Transportation Code, Chapter 504, Subchapter G, revenues generated from the sale of specialty license plates identified below are hereby appropriated to the agency for the purpose of distribution as required by that statute:

Read to Succeed -- § 504.607
Texas YMCA -- § 504.623
100th Football Season of Stephen F Austin High School -- § 504.624
Share the Road -- § 504.633
Knights of Columbus -- § 504.638
Texas Music -- § 504.639
Star Day School Library Readers Are Leaders -- § 504.643
Keeping Texas Strong -- § 504.650

Any remaining balances as of August 31, 2005 are appropriated for the 2006-07 biennium. Any remaining balances as of August 31, 2006 are appropriated for fiscal year 2007.

72. Audio Webcast of State Board of Education Meetings. Out of funds appropriated above in Strategy B.3.4, Information Systems - Technology, the agency shall allocate funds as necessary to provide a live audio broadcast, freely available on the internet, of all public meetings of the State Board of Education held in the William B. Travis Building in Austin, Texas.

73. Notification of Use of Federal Discretionary and Consolidated Administrative Funds. The Commissioner shall notify the Legislative Budget Board and the Governor at least 45 days prior to allocations of federal state-level discretionary and consolidated administrative funds for particular programs or purposes that are not explicitly identified in this Act.

74. LEP Student Success Initiative. Out of the funds appropriated above in Strategy A.2.1, Student Success, $10,000,000 in each fiscal year of the 2006-07 biennium shall be set aside from the Compensatory Education allotment and allocated for the purpose of funding intensive programs of instruction for limited English-proficient (LEP) students and teacher training resources specific to instruction of LEP students, pursuant to Texas Education Code § 39.024(e).

75. FTE Designation: Texas Council for Developmental Disabilities. It is the intent of the Legislature that, out of the full-time equivalent positions authorized above, in each fiscal year 17 are designated for the Texas Council for Developmental Disabilities.

76. Sunset Contingency. Funds appropriated above for fiscal year 2007 for the Texas Education Agency are made contingent on the continuation of the Texas Education Agency by the Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

77. Internet-based System for School District Waiver Submissions. Out of funds appropriated to Strategy B.3.4, Information Systems - Technology, the agency shall allocate funds as necessary to provide an Internet-based system to allow school districts to submit waiver requests and related information electronically to the agency. The agency shall collect class-size waiver data at the district, campus and classroom level. The data collected by this system shall be linked with the Public Education Information Management System (PEIMS) to facilitate data accuracy, waiver monitoring, and analysis.

78. Textbook Proclamations. It is the intent of the Legislature that the State Board of Education forego the issuance of all Proclamations of textbook purchases until such time as the Legislature has implemented reforms to the system by which the state and school districts procure and purchase textbooks.

79. Study of the Windham School District. The Texas Education Agency shall update its limited purpose review of the Windham School District to include an evaluation of the structure, management, and operations of the district, and the impact of its programs. The agency shall report the results of the review to the Eightieth Legislature no later than December 1, 2006.

80. Instructional Materials for Juvenile Justice Alternative Education Programs. The Commissioner shall provide juvenile justice alternative education programs with instructional materials necessary to support classroom instruction in those programs. The cost of the instructional materials shall be covered by State Textbook Funds appropriated to the agency for the 2006-07 biennium.

81. Child Nutrition Program. It is the intent of the Seventy-ninth Legislature that the Child Nutrition Program payments to independent school districts be budgeted at the Texas Education Agency. Included in the amounts appropriated above to the Texas Education Agency for the 2006-07 biennium is $2,162,000,000 out of Federal Funds and $28,800,000 out of the General Revenue Fund to provide reimbursements for the School Lunch, Breakfast, and After School Snack programs.

It is also the intent of the Legislature that the Texas Department of Agriculture administer the Child Nutrition Program. Included in the amounts appropriated elsewhere in this Act to the Texas Department of Agriculture for the 2006-07 biennium is $20,600,000 out of Federal Funds and $398,248 out of the General Revenue Fund in Strategy D.1.1, Support Nutrition Programs, to administer the Child Nutrition Program.

82. Development of Workplace and Workforce Literacy Curriculum. Out of Federal Funds appropriated above in Strategy A.2.5, Adult Education and Family Literacy, the Commissioner shall allocate an amount not to exceed $850,000 in fiscal year 2006 for the development of a demand-driven workplace literacy and basic skills curriculum. The Texas Workforce Commission shall provide resources, industry-specific information and expertise identified as necessary by the Texas Education Agency to support the development and implementation of the curriculum.

83. Assessment of Contract Controls. The State Auditor's Office (SAO) shall assess controls over contract management and procedures on payments for purchasing contracts at the Texas Education Agency (TEA). In the assessment, the SAO shall answer the following questions:

a. Does the TEA effectively monitor and control contract payments?

b. Does the TEA have the information necessary to support contract decision-making?

c. Has the TEA established and maintained a database that documents specific information about vendor contracts at all independent school districts throughout the State of Texas?

The SAO shall report its findings to the Legislature no later than December 1, 2006.

84. Programs to Encourage Certification to Teach Bilingual Education, English as a Second Language, or Spanish. From funds appropriated above that may be used for educator training or support in bilingual education, English as a second language, or Spanish, the Texas Education Agency, in consultation with the affected institutions of higher education and the Texas Higher Education Coordinating Board, shall develop and operate a program to assist students enrolled at institutions of higher education in educator preparation programs in bilingual education, English as a second language, or Spanish by providing financial incentives, such as tuition assistance, to encourage those students to become certified to teach bilingual education, English as a second language, or Spanish.

85. Intensive Reading Instruction and English Language Proficiency Pilot Program. From the funds appropriated for the Student Success Initiative and from state and Federal ESL/LEP funds, the Commissioner may set aside an amount not to exceed $1 million for establishing an intensive reading instruction and English language proficiency pilot program for schools that have failed to improve student performance in reading and English language proficiency. The pilot program shall require the use of neuroscience based, scientifically validated programs, interventions of instructional tools that are proven to accelerate learning, cognitive ability and English language proficiency. The pilot program shall provide for participating schools to perform assessments on participating students prior to entering the program, and upon completion of the program to measure improvements in both their reading and English language proficiency. A school identified as eligible to participate in the pilot program shall implement only those interventions, programs or instructional tools approved by the Commissioner.

86. Exam Locations. The State Board for Educator Certification shall continue to ensure that sites in the state of Texas that provide the main certification examination for educators (a.k.a. ExCET or TExES) are located such that there is a site within 50 miles of every Board-approved educator preparation program.

87. Integrated Reporting System. The State Board for Educator Certification, the Texas Education Agency, and the Higher Education Coordinating Board shall coordinate regarding sharing, integrating, and housing pre-kindergarten through grade 16 (P-16) public education data. The three agencies shall work together to ensure that common and related data held by each agency is maintained in standardized, compatible formats to enable the efficient exchange of information between agencies and for matching of individual student records for longitudinally-based studies and analysis. It is the intent of the Legislature that individual initiatives interact seamlessly across agency systems to facilitate efforts to integrate the relevant data from each agency into a longitudinal public education data resource to provide a widely accessible P-16 public education data warehouse.

88. Test Development. The State Board for Educator Certification shall continue to consider the use of standard exams that are not specific to Texas curricula to complement a core of Texas-specific exams and/or replace certain Texas-specific exams planned or under development. The board shall consider the following factors when determining whether a Texas-specific exam is necessary - the number of Texas educators likely to take the exam; the extent to which educators from states that use a standard exam pass similar Texas-specific exams; the similarity of content covered in a standard exam versus the planned Texas-specific exam, understanding that 100 percent of alignment is not necessary; and the relative cost to the state and to examinees of a standard exam versus a Texas-specific exam.

The State Board for Educator Certification is hereby authorized to expend funds appropriated in Strategy C.1.2, Certification Exam Administration, for test development or for the evaluation and purchase of standard exams, if the Board finds that a standard exam is appropriate.

89. Federal Funds for Test Development. In coordination with the Texas Education Agency, the State Board for Educator Certification shall seek federal funds to provide for the development of new certification examinations. Any federal funds received by the State Board for Educator Certification for this purpose are hereby appropriated to the agency.

90. Communication of New Rules. It is the intent of the Legislature that the State Board for Educator Certification communicate the adoption of new rules directly to school districts and institutions of higher education by electronic mail or regular mail in a timely manner. The Board will also post newly adopted rules on the Internet for review.

91. Reporting of Teacher Misconduct. From funds appropriated, the State Board for Educator Certification, the Texas Education Agency, and the University of Texas System shall coordinate to work with school districts to ensure timely and accurate reporting of teacher misconduct as required by statute or rule.

92. Sunset Contingency. Funds appropriated above in Goal C, for fiscal year 2007 for the State Board for Educator Certification are made contingent on the continuation of the State Board for Educator Certification by the Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

93. Review of Bilingual Education Certification Standards. The State Board for Educator Certification shall review the Bilingual Education certification examinations to determine whether the content and passing standard is appropriate. If the content or the passing standard is determined to be inappropriate, the State Board for Educator Certification shall take immediate steps to realign the examinations to the appropriate standard either through test redevelopment or other appropriate and cost-effective means. The State Board for Educator Certification is directed to make a report to the legislature on the findings of its review not later than January 31, 2006.

94. Items Funded by House Bill 10 or Similar Legislation. Contingent on the enactment of House Bill 10 or similar legislation increasing appropriations for the purchase of textbooks by $145,000,000 by the Seventy-ninth Legislature, Regular Session, the appropriation of State Textbook Fund 003 made above in Strategy A.1.1, FSP - Equalized Operations, shall be reduced by $145,000,000 in fiscal year 2006.

SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 12,368,081	$ 12,192,201
Federal Funds	2,288,260	2,288,260
Other Funds		
Appropriated Receipts	916,135	916,135
Interagency Contracts	174,377	174,377
Bond Proceeds - General Obligation Bonds	36,452,000	0
Subtotal, Other Funds	$ 37,542,512	$ 1,090,512
Total, Method of Financing	$ 52,198,853	$ 15,570,973
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	328.6	328.6
Schedule of Exempt Positions:		
Superintendent, Group 3	$95,000	$95,000

Items of Appropriation:		
A. Goal: ACADEMIC AND LIFE TRAINING		
Provide Necessary Skills/Knowledge to Students with Visual Impairments.		
A.1.1. Strategy: CLASSROOM INSTRUCTION Provide Well-balanced Curriculum Including Disability-specific Skills.	$ 3,574,201	$ 3,596,671
A.1.2. Strategy: RESIDENTIAL PROGRAM Provide Instruction in Independent Living and Social Skills.	$ 2,899,206	$ 2,918,815
A.1.3. Strategy: SUMMER AND SHORT PROGRAMS Provide Summer School and Short-term Programs to Meet Students' Needs.	$ 980,854	$ 974,972
A.1.4. Strategy: RELATED AND SUPPORT SERVICES Provide Regular and Short-term Related and Support Services.	$ 39,614,930	$ 2,835,581
Total, Goal A: ACADEMIC AND LIFE TRAINING	$ 47,069,191	$ 10,326,039
B. Goal: STATEWIDE RESOURCE CENTER		
Ensure Skills Necessary to Improve Students' Education and Services.		
B.1.1. Strategy: TECHNICAL ASSISTANCE Provide Technical Asst for Families/Programs Serving Visually Impaired.	$ 2,576,648	$ 2,576,647
C. Goal: EDUCATIONAL PROF SALARY INCREASES		
Estimated Educational Professional Salary Increases.		
C.1.1. Strategy: EDUC PROF SALARY INCREASES Estimated Educational Professional Salary Increases.	$ 94,949	$ 194,647
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: CENTRAL ADMINISTRATION	$ 979,081	$ 992,483
D.1.2. Strategy: OTHER SUPPORT SERVICES	$ 1,478,984	$ 1,481,157
Total, Goal D: INDIRECT ADMINISTRATION	$ 2,458,065	$ 2,473,640
Grand Total, SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED	$ 52,198,853	$ 15,570,973
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 11,949,864	$ 11,925,184
Other Personnel Costs	189,596	189,596
Professional Fees and Services	196,710	196,710
Fuels and Lubricants	38,141	38,141
Consumable Supplies	180,791	180,791
Utilities	585,297	585,297
Travel	129,279	129,279
Rent - Machine and Other	71,428	71,428
Other Operating Expense	1,886,787	1,886,788
Client Services	1,677	1,677
Food for Persons - Wards of State	236,497	236,497
Capital Expenditures	36,732,786	129,585
Total, Object-of-Expense Informational Listing	$ 52,198,853	$ 15,570,973
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 667,616	$ 680,968
Group Insurance	2,233,204	2,414,511
Social Security	931,582	950,214
Benefits Replacement	172,170	163,562
Subtotal, Employee Benefits	$ 4,004,572	$ 4,209,255

Debt Service		
Bond Debt Service	$ 454,460	$ 443,884
Lease Payments	46,623	60,753
Subtotal, Debt Service	$ 501,083	$ 504,637
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 4,505,655	$ 4,713,892

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the School for the Blind and Visually Impaired. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the School for the Blind and Visually Impaired. In order to achieve the objectives and service standards established by this Act, the School for the Blind and Visually Impaired shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: ACADEMIC AND LIFE TRAINING		
Outcome (Results/Impact):		
Percent of Student Learning Indicator Attained	100%	100%
Percent of Students Whose Responding Local School Districts Rated Their Learning Experience at Summer Programs as Very Satisfactory or Above	90%	90%
A.1.1. Strategy: CLASSROOM INSTRUCTION		
Output (Volume):		
Number of Students Enrolled in Day Programming During Regular School Year	148	148
Percent of Students Enrolled Who Have Multiple Disabilities	75%	75%
Efficiencies:		
Average Cost of Instructional Program Per Student Per Day	133	134
Explanatory:		
Average Length of Enrollment in Regular School Year Program (Months)	30	30
A.1.2. Strategy: RESIDENTIAL PROGRAM		
Output (Volume):		
Number of Students Enrolled in Residential Programming During Regular School Year	138	138
A.1.3. Strategy: SUMMER AND SHORT PROGRAMS		
Output (Volume):		
Number of Students Enrolled in Short-term Programs	140	140
Efficiencies:		
Average Cost of Special Programs Per Student	2,690	2,674
B. Goal: STATEWIDE RESOURCE CENTER		
Outcome (Results/Impact):		
Percent of Families, Professionals, and Paraprofessionals Rating as Very Satisfactory or Above the Improvement of Their Knowledge and Skills as a Result of the Services or Products Received from TSBVI	85%	85%
B.1.1. Strategy: TECHNICAL ASSISTANCE		
Output (Volume):		
Number of On-site Visits	160	160
Number of Video Conferencing Events Sponsored by TSBVI	19	21

2. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2006	2007
a. Construction of Buildings and Facilities		
(1) Replace Elementary Residential Complex	$ 4,173,499	$ 0
(2) Replace Indoor Swimming Pool and Replace or Renovate Recreation Center	4,859,268	0

(3) Construct Duplex Independent Living Facility	1,282,919	0
(4) Construct Four-Unit Studio Apartment	963,142	0
(5) Construct Playground	388,928	0
(6) Construct Elementary Physical Education/Therapy Building	$ 979,120	$ 0
Total, Construction of Buildings and Facilities	$ 12,646,876	$ 0
b. Repair or Rehabilitation of Buildings and Facilities		
(1) Deferred Maintenance, Masterplan Study and Covered Walkway	2,593,172	0
(2) Renovate Campus Buildings 501, 502, and 503	5,919,311	0
(3) Renovate Homemaking Facility	1,944,206	0
(4) Renovate and Expand Main Instructional Building	$ 13,348,435	$ 0
Total, Repair or Rehabilitation of Buildings and Facilities	$ 23,805,124	$ 0
c. Acquisition of Information Resource Technologies		
(1) Instructional Materials	70,000	70,000
(2) Technology Upgrade	$ 30,000	$ 30,000
Total, Acquisition of Information Resource Technologies	$ 100,000	$ 100,000
d. Transportation Items		
(1) School Transportation	$ 151,201	$ 0
Total, Capital Budget	$ 36,703,201	$ 100,000
Method of Financing (Capital Budget):		
General Revenue Fund	$ 251,201	$ 100,000
Bond Proceeds - General Obligation Bonds	36,452,000	0
Total, Method of Financing	$ 36,703,201	$ 100,000

3. **Teacher Preparation Consortium.** Out of the funds appropriated above in Strategy B.1.1, Technical Assistance, $900,000 in each year of the biennium is Federal CFDA 84.027, Special Education Grants. These funds shall be used to support professional preparation for teachers of students with visual impairments. The funds shall be expended under the provisions of a memorandum of understanding executed by Texas School for the Blind and Visually Impaired, Texas Tech University, and Stephen F. Austin University.

4. **Educational Professional Salary Increases.** The funds appropriated in Strategy C.1.1, Educational Professional Salary Increases, are estimated General Revenue and are contingent upon the increases granted to comparable educational professionals in the Austin Independent School District, pursuant to Texas Education Code § 30.024(b)(1). No later than November 1 of each year of the biennium, the Texas School for the Blind and Visually Impaired shall submit, in a form acceptable to the Legislative Budget Board and the Governor, a computation of the salary increases. The school is directed to include in each year of the subsequent biennium baseline budget request the actual amount expended for salary increases in the second year of the previous biennium.

5. **Unexpended Construction Balances.** Any unexpended construction, repair, or renovation balances from 2005 appropriations (estimated to be $0) are hereby appropriated to the Texas School for the Blind and Visually Impaired for the same purpose in the 2006-2007 biennium.

6. **Cash Flow Contingency.** Subject to the prior approval of the Governor and the Legislative Budget Board, the Texas School for the Blind and Visually Impaired is hereby authorized to transfer General Revenue funds in an amount not to exceed $500,000 from fiscal year 2007 to fiscal year 2006. This transfer is contingent upon the anticipated receipt of a like amount of federal reimbursement funds, and shall be used only for the purpose of temporary cash flow needs.

SCHOOL FOR THE DEAF

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 14,832,680	$ 14,894,571
Federal Funds	1,155,367	1,155,367
Other Funds		
Appropriated Receipts	3,342,786	3,342,786
Interagency Contracts	23,141	23,141
Bond Proceeds - General Obligation Bonds	1,729,500	0
Subtotal, Other Funds	$ 5,095,427	$ 3,365,927
Total, Method of Financing	$ 21,083,474	$ 19,415,865
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	448.5	448.5
Schedule of Exempt Positions:		
Superintendent, Group 3	$95,000	$95,000
Items of Appropriation:		
A. Goal: ACADEMIC, LIFE, AND WORK TRAINING		
Provide Training for Students to Become Productive Citizens.		
A.1.1. Strategy: CLASSROOM INSTRUCTION Provide Rigorous Educational Services in the Classroom.	$ 6,513,487	$ 6,513,487
A.1.2. Strategy: RESIDENTIAL PROGRAM Provide After-school Residential Programming.	$ 4,255,451	$ 3,390,701
A.1.3. Strategy: RELATED AND SUPPORT SERVICES Provide Counseling and Other Support Services.	$ 5,165,308	$ 4,300,557
A.1.4. Strategy: EXTENDED-YEAR SERVICES Provide Extended-year and Summer School Services.	$ 287,039	$ 295,693
Total, Goal A: ACADEMIC, LIFE, AND WORK TRAINING	$ 16,221,285	$ 14,500,438
B. Goal: OUTREACH AND RESOURCE SERVICES		
Promote Outreach and Resource Services.		
B.1.1. Strategy: TECHNICAL ASSISTANCE Provide Statewide Teacher Training and Technical Assistance.	$ 153,215	$ 174,293
B.1.2. Strategy: TSD SPECIALIZED SHORT-TERM PROGRAMS Provide Summer and School-year Short-term Programs.	$ 219,739	$ 187,537
B.1.3. Strategy: TECHNOLOGY OUTREACH Provide Distance Learning, Videoconferencing, and Technology Outreach.	$ 218,344	$ 127,899
Total, Goal B: OUTREACH AND RESOURCE SERVICES	$ 591,298	$ 489,729
C. Goal: EDUCATIONAL PROF SALARY INCREASES		
Estimated Educational Professional Salary Increases.		
C.1.1. Strategy: EDUC PROF SALARY INCREASES Estimated Educational Professional Salary Increases.	$ 147,422	$ 302,229
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: CENTRAL ADMINISTRATION	$ 1,019,035	$ 1,019,035
D.1.2. Strategy: OTHER SUPPORT SERVICES	$ 3,104,434	$ 3,104,434
Total, Goal D: INDIRECT ADMINISTRATION	$ 4,123,469	$ 4,123,469
Grand Total, SCHOOL FOR THE DEAF	$ 21,083,474	$ 19,415,865

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 14,605,595	$ 14,698,235
Other Personnel Costs	729,886	729,527
Professional Fees and Services	262,549	262,549
Fuels and Lubricants	50,041	50,041
Consumable Supplies	220,540	222,109
Utilities	924,496	907,393
Travel	125,907	126,051
Rent - Machine and Other	100,786	100,786
Other Operating Expense	1,413,465	1,373,465
Client Services	545,125	545,125
Food for Persons - Wards of State	225,584	225,584
Capital Expenditures	1,879,500	175,000
Total, Object-of-Expense Informational Listing	$ 21,083,474	$ 19,415,865
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 845,460	$ 862,370
Group Insurance	2,694,716	2,903,357
Social Security	1,127,129	1,149,672
Benefits Replacement	170,164	161,655
Subtotal, Employee Benefits	$ 4,837,469	$ 5,077,054
Debt Service		
Bond Debt Service	$ 636,332	$ 624,514
Lease Payments	7,398,706	7,479,830
Subtotal, Debt Service	$ 8,035,038	$ 8,104,344
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 12,872,507	$ 13,181,398

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the School for the Deaf. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the School for the Deaf. In order to achieve the objectives and service standards established by this Act, the School for the Deaf shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: ACADEMIC, LIFE, AND WORK TRAINING		
Outcome (Results/Impact):		
Percent of Academic Courses in Which Students Obtain a Passing Grade	96%	96%
A.1.1. Strategy: CLASSROOM INSTRUCTION		
Output (Volume):		
Number of Students Enrolled at Texas School for the Deaf	492	494
Number of Students Enrolled in the Special Needs Department	84	85
Efficiencies:		
Average Cost of Instructional Program Per Student Per Day	73	72
Explanatory:		
Average Length of Enrollment (By Months) in Regular Year Program	47	47
A.1.2. Strategy: RESIDENTIAL PROGRAM		
Output (Volume):		
Number of Residential Students	285	285
Efficiencies:		
Average Cost of Residential Program Per Student Per Night	42	42
A.1.3. Strategy: RELATED AND SUPPORT SERVICES		
Output (Volume):		
Number of Students Receiving Counseling	160	160
Number of Comprehensive Assessments Conducted for Current Students	166	166

Efficiencies:		
Average Cost of Related and Support Services Per Student	8,741	8,706
A.1.4. Strategy: EXTENDED-YEAR SERVICES		
Output (Volume):		
Number of Texas School for the Deaf Students Enrolled in Summer Programs	151	154
Number of Students Enrolled in Extended Year Services	60	60
Efficiencies:		
Average Cost of Summer Program Per Texas School for the Deaf Student	1,002.75	1,002.75
B. Goal: OUTREACH AND RESOURCE SERVICES		
B.1.1. Strategy: TECHNICAL ASSISTANCE		
Output (Volume):		
Number of Participants in Workshops and Training Seminars	4,350	4,350
B.1.2. Strategy: TSD SPECIALIZED SHORT-TERM PROGRAMS		
Output (Volume):		
Total Number of Non-Texas School for the Deaf Students Enrolled in Summer Programs	118	118

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2006	2007
a. Repair or Rehabilitation of Buildings and Facilities		
(1) Americans with Disabilities Act Compliance Projects	$ 913,500	$ 0
(2) Life Safety Code Projects	464,000	0
(3) Heating, Ventilating, and Air Conditioning Projects	187,000	0
(4) Roof Repair and Replacement	$ 165,000	$ 0
Total, Repair or Rehabilitation of Buildings and Facilities	$ 1,729,500	$ 0
b. Acquisition of Information Resource Technologies		
(1) Lease Payments to Upgrade and Replace Hardware (04-05 Acquisition)	50,000	25,000
(2) Lease Payments to Upgrade and Replace Hardware (06-07 Acquisition)	$ 50,000	$ 75,000
Total, Acquisition of Information Resource Technologies	$ 100,000	$ 100,000
c. Transportation Items		
(1) Lease Payments for 1 School Bus and 1 Van to Provide Student Transportation (04-05 Acquisition)	25,000	25,000
(2) Lease Payments for 1 School Bus and 1 Van to Provide Student Transportation (06-07 Acquisition)	$ 25,000	$ 50,000
Total, Transportation Items	$ 50,000	$ 75,000
Total, Capital Budget	$ 1,879,500	$ 175,000
Method of Financing (Capital Budget):		
General Revenue Fund	$ 150,000	$ 175,000
Bond Proceeds - General Obligation Bonds	1,729,500	0
Total, Method of Financing	$ 1,879,500	$ 175,000

3. **Classification of Residential Staff.** It is the intent of the Legislature that residential staff at the Texas School for the Deaf (including the "house parent" positions) shall be classified and compensated according to the Residential Specialist series as delineated in Article IX of this Act.

4. **Educational Professional Salary Increases.** The funds appropriated in Strategy C.1.1, Educational Professional Salary Increases, are estimated General Revenue and are contingent upon the increases granted to comparable educational professionals in the Austin Independent School District, pursuant to Texas Education Code § 30.055(b)(1). No later than November 1 of each year of the biennium, the Texas School for the Deaf shall submit, in a form acceptable to the Legislative Budget Board and the Governor, a computation of the salary increases. The school is directed to include in each year of the subsequent biennium baseline budget request the actual amount expended for salary increases in the second year of the previous biennium.

5. **Historically Underutilized Businesses.** Out of the funds appropriated above, the Texas School for the Deaf shall make a good faith effort to comply with the historically underutilized requirements set out in Chapter 2161 of the Texas Government Code. The State Auditor's Office and the Texas Building and Procurement Commission shall determine an agency's compliance with the provisions set out in Chapter 2161.

SPECIAL PROVISIONS FOR THE SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED AND SCHOOL FOR THE DEAF

1. **Services to Employees.** The governing boards may expend money for the provision of first aid or other minor medical attention for employees injured in the course and scope of their employment and for the repair and/or replacement of employees' items of personal property which are damaged or destroyed in the course and scope of their employment, so long as such items are medically prescribed equipment (e.g., eyeglasses, hearing aids, etc.).

2. **Emoluments.** The Superintendent is authorized to determine emoluments for certain positions provided that the provision of such emoluments is necessary to effectively carry out the job responsibilities of the position.

3. **Appropriation of Funds.** With respect to the following funds held outside the State Treasury, any balances remaining at the end of the fiscal years ending August 31, 2005 and 2006, plus all receipts deposited to each fund's credit and income received on the fund during the biennium, are appropriated for the continued purpose for which the fund was established subject to the approval of the respective governing board: the Expendable Trust Fund; the Student Trust Fund; the Student Activity Fund; and the Student Aid Fund.

   With respect to the following funds held within the State Treasury, any balances remaining at the end of the fiscal years ending August 31, 2005 and 2006, plus all receipts deposited to each fund's credit and income received on the fund during the biennium, are appropriated for the continued purpose for which the fund was established: Vocational Programs Fund; Technology Lending Fund; Curriculum Publications Fund; Independent School District Fund; State and County Available Fund and other funds brought into the State Treasury under Texas Government Code, Chapter 404.

   Funds received from sale of food and garbage and from the use of facilities of the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf by organizations and other entities, including the Recording for the Blind, Inc., and any daycare center provider using the facilities, are appropriated for the use of the respective school subject to the approval of the governing board.

4. **Use of Facilities.** The respective governing boards of the Texas School for the Blind and Visually Impaired and Texas School for the Deaf may allow organizations related to the schools the use of the facilities of the physical plant, provided that said sessions do not interfere with the regular operations of the schools.

5. **Petty Cash Fund.** The Texas School for the Blind and Visually Impaired and Texas School for the Deaf may establish a petty cash fund not to exceed $5,000 for each school out of the funds appropriated herein. These funds shall be maintained in cash or at a local bank and shall be used only for making emergency payments and small purchases and payments which will increase the efficiency of the operation, payments to client workers on a regular pay-day basis, and for use as

a change fund in the cashier's office, canteen, and other specific locations where financial activities of the Schools require a change fund. Purchases and payments from this fund are limited to $200 per item.

6. **Assessments for LEAs.** For any assessments on students from Local Education Agencies, the Texas School for the Blind and Visually Impaired and Texas School for the Deaf shall make a reasonable charge for these services to the Local Education Agencies. A reasonable effort to collect for the assessments will be made by the schools.

7. **Certification and Appropriation of Medicaid Reimbursement.** The Texas School for the Blind and Visually Impaired and the Texas School for the Deaf shall certify and/or transfer appropriated state funds to the Health and Human Services Commission or its designee for the state share of any Medicaid reimbursement for services provided to eligible students. The federal share of such reimbursement is appropriated to each respective school.

8. **Payments by School Districts.** All revenues collected from local school districts in excess of the funds appropriated above are hereby appropriated to the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf, respectively.

9. **Consideration for Grants from the Texas Education Agency.** For all grants of state or federal funds by the Texas Education Agency, the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf shall be considered independent school districts for purposes of eligibility determination, unless the Commissioner of Education and the school Superintendents mutually agree to an alternate consideration.

TEACHER RETIREMENT SYSTEM

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 1,546,853,590	$ 1,687,076,641
GR Dedicated - Estimated Other Educational and General Income Account No. 770	61,631,705	64,713,290
Teacher Retirement System Trust Account Fund No. 960	44,744,893	44,814,427
Total, Method of Financing	$ 1,653,230,188	$ 1,796,604,358
This bill pattern represents an estimated 2.8% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	436.0	436.0
Schedule of Exempt Positions:		
Executive Director	$184,800	$184,800
Chief Investment Officer	286,200	286,200
Investment Fund Director	250,008	250,008
Investment Fund Director	229,260	229,260
Investment Fund Director	189,396	189,396
Investment Fund Director	164,076	164,076
Items of Appropriation:		
A. Goal: TEACHER RETIREMENT SYSTEM		
To Administer the System as an Employee Benefit Trust.		
A.1.1. Strategy: TRS - PUBLIC EDUCATION RETIREMENT Retirement Contributions for Public Education Employees. Estimated.	$ 1,139,378,709	$ 1,184,953,857
A.1.2. Strategy: TRS - HIGHER EDUCATION RETIREMENT Retirement Contributions for Higher Education Employees. Estimated.	$ 259,466,436	$ 272,439,757
A.1.3. Strategy: ADMINISTRATIVE OPERATIONS	$ 43,354,219	$ 43,354,219

A.2.1. Strategy: RETIREE HEALTH - STATUTORY FUNDS Healthcare for Public Ed Retirees Funded by Statute. Estimated.	$ 210,780,824	$ 219,212,057
A.3.1. Strategy: RETIREE HEALTH - SUPPLEMENTAL FUNDS Healthcare for Public Ed Retirees Funded by Supplemental State Funds.	$ 0	$ 76,644,468
A.4.1. Strategy: ACTIVE HEALTH Administer Health Care Program for Public Education Employees.	$ 250,000	$ 0
Total, Goal A: TEACHER RETIREMENT SYSTEM	$ 1,653,230,188	$ 1,796,604,358
Grand Total, TEACHER RETIREMENT SYSTEM	$ 1,653,230,188	$ 1,796,604,358
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 22,370,000	$ 22,370,000
Other Personnel Costs	1,610,063,869	1,753,688,039
Professional Fees and Services	6,877,790	6,877,790
Fuels and Lubricants	1,870	1,870
Consumable Supplies	409,812	409,812
Utilities	700,721	700,721
Travel	588,685	588,685
Rent - Building	36,476	36,476
Rent - Machine and Other	624,350	624,350
Other Operating Expense	10,038,735	10,037,867
Capital Expenditures	1,517,880	1,268,748
Total, Object-of-Expense Informational Listing	$ 1,653,230,188	$ 1,796,604,358

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Teacher Retirement System. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Teacher Retirement System. In order to achieve the objectives and service standards established by this Act, the Teacher Retirement System shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: TEACHER RETIREMENT SYSTEM		
Outcome (Results/Impact):		
TRS Annual Operating Expense Per Active and Retired Member in Dollars (Excluding Investment Expenses)	25	24
Percent of TRS-Care Participants Rating TRS-Care Services as Satisfactory or Better	85%	85%
A.1.3. Strategy: ADMINISTRATIVE OPERATIONS		
Output (Volume):		
Number of TRS Benefit Applications Processed	87,050	94,014
Efficiencies:		
Percent of TRS Retirees Who Receive Their First Annuity within 31 Days of Their Effective Retirement Date	98%	98%
Average Customer Hold Time for Calls Received on Toll-free Number (In Minutes)	3	3
A.2.1. Strategy: RETIREE HEALTH - STATUTORY FUNDS		
Output (Volume):		
Dollar Amount of Participating Network Savings	350,000,000	375,000,000
Efficiencies:		
Percent of Claims Adjudicated within 14 Days of Receipt	93%	93%

2. **Capital Budget.** None of the funds appropriated above for Strategy A.1.3, Administrative Operations, may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes.

	2006	2007
Out of the Teacher Retirement System Trust Account Fund No. 960:		
a. Repair or Rehabilitation of Buildings and Facilities		
(1) Building Renovations 2006/07	$ 120,000	$ 120,000
(2) Retrofit Building Components to Achieve Energy Efficiency	$ 100,000	$ 100,000
Total, Repair or Rehabilitation of Buildings and Facilities	$ 220,000	$ 220,000
b. Acquisition of Information Resource Technologies		
(1) DASD Upgrade FY 2006/07	150,000	0
(2) Mainframe and Peripheral Upgrades FY 2006/07	320,000	220,000
(3) PC Workstation Upgrades FY 2006/07	210,000	210,000
(4) Telecommunications Upgrade FY 2006/07	350,000	350,000
(5) Legislation-Related Pension System Modifications FY 2007	$ 0	$ 200,000
Total, Acquisition of Information Resource Technologies	$ 1,030,000	$ 980,000
c. Acquisition of Capital Equipment and Items		
(1) Upgrade/replace equipment in Printing & Bindery, Mail Operations, and Security & Safety	$ 200,000	$ 0
Total, Capital Budget	$ 1,450,000	$ 1,200,000

3. **Updated Actuarial Valuation.** The Teacher Retirement System shall contract with an actuary to perform a limited actuarial valuation of the assets and liabilities of the Teacher Retirement System as of February 28 in those years when the Legislature meets in regular session. The purpose of the valuation shall be to determine the effect of investment, salary, and payroll experience on the unfunded liability, the amortization period, and the state contribution rate which results in a 30-year amortization period of the retirement system.

4. **State Contribution to Teacher Retirement Program.** The amounts specified above in A.1.1, TRS-Public Education Retirement, $1,139,378,709 in fiscal year 2006 and $1,184,953,857 in fiscal year 2007, and A.1.2, TRS-Higher Education Retirement, $259,466,436 in fiscal year 2006 and $272,439,757 in fiscal year 2007, are based on a state contribution of 6.00 percent of payroll for each fiscal year, estimated.

   Contingent on the passage of House Bill 10 or similar legislation and House Bill 3540 or similar legislation, the state contribution rate shall be 6.22 percent of payroll or a rate consistent with total appropriated funds for the purpose of the state contribution to TRS retirement for each fiscal year.

5. **State Contribution to Texas Public School Retired Employees Group Insurance Program.** The amounts specified above in A.2.1, Retiree Health-Statutory Funds, $210,780,824 in fiscal year 2006 and $219,212,057 in fiscal year 2007 are based on a state contribution rate of 1.00 percent of payroll for each fiscal year, estimated.

   The retirement system shall notify the Legislative Budget Board, the Governor, and its membership prior to establishing premiums, regarding the impact such premiums will have on retiree costs for TRS-Care insurance.

   It is the intent of the Legislature that the Teacher Retirement System control the cost of the retiree insurance program by not providing rate increases to health care providers and pharmacy providers during the 2006-2007 biennium without providing 60 days notice to the Legislative Budget Board.

6. **Excess Benefit Arrangement Account.** There is hereby appropriated to the Teacher Retirement System all funds transferred or deposited into the Excess Benefit Arrangement Account established in the General Revenue Fund for the purpose of paying benefits as authorized by Government Code § 825.517.

7. **Transfer of Other Educational and General Income.** The Comptroller of Public Accounts is hereby authorized to transfer the necessary appropriations made above in A.1.2, TRS-Higher Education Retirement from Other Educational and General Income to institutions of higher education to meet their obligations and comply with the proportionality policy as expressed in the Article IX provision entitled Salaries to be Proportional by Fund.

8. **Exempt Positions.** Notwithstanding the limitations contained in the Article IX provision entitled Scheduled Exempt Positions, the TRS Board of Trustees may determine the salaries of the positions listed above in the Schedule of Exempt Positions without limitation.

9. **Travel Expenditures.** Notwithstanding the limitations on travel expenditures contained in Article IX of this Act, the annual out-of-state travel cap for the Teacher Retirement System is hereby set at $425,000 for each year of the biennium. The additional authority is provided to allow TRS' investment professionals greater personal access to financial centers, investment experts, and investor information.

10. **Annual School District Contribution Rate to TRS-Care.** The annual contribution rate for school districts for fiscal years 2006 and 2007 shall be 0.55 percent of total payroll.

11. **Medicare Part D, Prescription Drug Benefit.** Out of the funds appropriated above in Strategy A.3.1, Retiree Health-Supplemental Funds, a reduction of $116,141,366 has been taken in fiscal year 2007 to reflect anticipated savings associated with the Medicare Part D, prescription drug benefit.

12. **Cost Savings Measures and Limitation on Retiree Premium Increase.** It is the intent of the Legislature that the Teacher Retirement System continue its cost containment efforts and that increases in payroll-based contributions to TRS-Care related to increases in payroll associated with state legislation be applied first to eliminate or to limit increases to retiree premiums and changes in plan design during the 2006-2007 biennium.

OPTIONAL RETIREMENT PROGRAM

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 93,956,033	$ 94,895,593
GR Dedicated - Estimated Other Educational and General Income Account No. 770	17,141,657	17,313,074
Total, Method of Financing	$ 111,097,690	$ 112,208,667
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: OPTIONAL RETIREMENT PROGRAM		
A.1.1. Strategy: OPTIONAL RETIREMENT PROGRAM Optional Retirement Program. Estimated.	$ 111,097,690	$ 112,208,667
Grand Total, OPTIONAL RETIREMENT PROGRAM	$ 111,097,690	$ 112,208,667
Object-of-Expense Informational Listing:		
Other Personnel Costs	$ 111,097,690	$ 112,208,667
Total, Object-of-Expense Informational Listing	$ 111,097,690	$ 112,208,667

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Optional Retirement Program. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Optional Retirement Program. In order to achieve the objectives and service standards established by this Act, the Optional Retirement Program shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: OPTIONAL RETIREMENT PROGRAM		
A.1.1. Strategy: OPTIONAL RETIREMENT PROGRAM		
Output (Volume):		
Number of ORP Participants	39,026	39,416

2. **State Contribution to Optional Retirement Program.** The amount specified above in A.1.1, Optional Retirement Program, is based on a state contribution rate of 6.0 percent of payroll for each fiscal year, estimated. Institutions of higher education and the Texas Education Agency, if applicable, are required to certify estimates of state contributions required for payment to the Comptroller, and the Comptroller shall allocate the state contributions to institutions and the Texas Education Agency pursuant to Government Code § 830.202.

3. **Use of Local Funds for Supplementing the General Revenue Appropriation to the Optional Retirement Program.** Institutions and agencies authorized under state law to provide the Optional Retirement Program to their employees are authorized to use local funds or other sources of funds to supplement the General Revenue Fund appropriation at a rate up to 2.5 percent of payroll.

4. **Transfer of Other Educational and General Income.** The Comptroller of Public Accounts is hereby authorized to transfer the necessary appropriations made above from Other Educational and General Income to institutions of higher education to meet their obligations and comply with the proportionality policy as expressed in Article IX of this Act.

HIGHER EDUCATION EMPLOYEES GROUP INSURANCE CONTRIBUTIONS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 455,616,109	$ 481,455,317
State Highway Fund No. 006	411,190	434,587
Total, Method of Financing	$ 456,027,299	$ 481,889,904
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: STATE CONTRIBUTION, UT SYSTEM		
Group Insurance, State Contribution, UT System.		
A.1.1. Strategy: UT - ARLINGTON	$ 8,890,396	$ 9,396,260
The University of Texas at Arlington.		
A.1.2. Strategy: UT - AUSTIN	$ 23,819,555	$ 25,174,888
The University of Texas at Austin.		
A.1.3. Strategy: UT - DALLAS	$ 4,316,768	$ 4,562,392
The University of Texas at Dallas.		
A.1.4. Strategy: UT - EL PASO	$ 7,068,527	$ 7,470,726
The University of Texas at El Paso.		
A.1.5. Strategy: UT - PAN AMERICAN	$ 5,145,007	$ 5,437,758
The University of Texas - Pan American.		
A.1.6. Strategy: UT - BROWNSVILLE	$ 1,607,051	$ 1,698,492
The University of Texas at Brownsville.		
A.1.7. Strategy: UT - PERMIAN BASIN	$ 1,056,169	$ 1,116,265
The University of Texas of the Permian Basin.		
A.1.8. Strategy: UT - SAN ANTONIO	$ 6,828,648	$ 7,217,198
The University of Texas at San Antonio.		
A.1.9. Strategy: UT - TYLER	$ 1,948,959	$ 2,059,855
The University of Texas at Tyler.		
A.1.10. Strategy: UT SW MEDICAL - DALLAS	$ 7,721,107	$ 8,160,438
The University of Texas Southwestern Medical Center at Dallas.		
A.1.11. Strategy: UT MEDICAL - GALVESTON	$ 37,279,220	$ 39,400,407
The University of Texas Medical Branch at Galveston.		
A.1.12. Strategy: UTHSC - HOUSTON	$ 10,303,199	$ 10,889,451
The University of Texas Health Science Center at Houston.		
A.1.13. Strategy: UTHSC - SAN ANTONIO	$ 11,604,584	$ 12,264,885
The University of Texas Health Science Center at San Antonio.		
A.1.14. Strategy: UT MD ANDERSON	$ 6,053,186	$ 6,397,612
The University of Texas M. D. Anderson Cancer Center.		
A.1.15. Strategy: UT HEALTH CENTER - TYLER	$ 3,523,586	$ 3,724,078
The University of Texas Health Center at Tyler.		
A.1.16. Strategy: TEXAS SOUTHMOST (UT)	$ 2,066,224	$ 2,183,792
Texas Southmost College (UT Share).		
A.1.17. Strategy: UT SYSTEM ADMINISTRATION	$ 48,601	$ 51,366
The University of Texas System Administration.		
Total, Goal A: STATE CONTRIBUTION, UT SYSTEM	$ 139,280,787	$ 147,205,863
B. Goal: STATE CONTRIBUTION, A&M SYSTEM		
Group Insurance, State Contribution, A&M System.		
B.1.1. Strategy: TEXAS A&M UNIVERSITY	$ 24,516,132	$ 25,911,100
B.1.2. Strategy: A&M SYSTEM HEALTH SCIENCE CENTER	$ 2,954,934	$ 3,123,070
Texas A&M University System Health Science Center.		

HIGHER EDUCATION EMPLOYEES GROUP INSURANCE CONTRIBUTIONS
(Continued)

B.1.3. Strategy: A&M - GALVESTON Texas A&M University at Galveston.	$ 1,034,682	$ 1,093,556
B.1.4. Strategy: PRAIRIE VIEW A&M Prairie View A&M University.	$ 3,811,846	$ 4,028,740
B.1.5. Strategy: TARLETON STATE UNIVERSITY	$ 2,858,273	$ 3,020,908
B.1.6. Strategy: A&M - CORPUS CHRISTI Texas A&M University - Corpus Christi.	$ 3,135,611	$ 3,314,028
B.1.7. Strategy: A&M - KINGSVILLE Texas A&M University - Kingsville.	$ 3,681,099	$ 3,890,554
B.1.8. Strategy: A&M - INTERNATIONAL Texas A&M International University.	$ 1,572,815	$ 1,662,308
B.1.9. Strategy: WEST TEXAS A&M West Texas A&M University.	$ 3,241,229	$ 3,425,655
B.1.10. Strategy: TEXAS A&M UNIVERSITY - COMMERCE	$ 3,940,108	$ 4,164,300
B.1.11. Strategy: TEXAS A&M UNIVERSITY - TEXARKANA	$ 709,811	$ 750,199
B.1.12. Strategy: AG EXPERIMENT STATION Texas Agricultural Experiment Station.	$ 6,534,831	$ 6,906,663
B.1.13. Strategy: COOPERATIVE EXTENSION Texas Cooperative Extension.	$ 9,257,731	$ 9,784,496
B.1.14. Strategy: ENG EXPERIMENT STATION Texas Engineering Experiment Station.	$ 2,585,945	$ 2,733,085
B.1.15. Strategy: TRANSPORTATION INSTITUTE Texas Transportation Institute.	$ 411,190	$ 434,587
B.1.16. Strategy: ENG EXTENSION SERVICE Texas Engineering Extension Service.	$ 229,144	$ 242,182
B.1.17. Strategy: TEXAS FOREST SERVICE	$ 2,198,840	$ 2,323,954
B.1.18. Strategy: VET MEDICAL DIAGNOSTIC LAB Texas Veterinary Medical Diagnostic Laboratory.	$ 410,026	$ 433,356
B.1.19. Strategy: A&M SYSTEM ADMINISTRATION Texas A&M University System Administration.	$ 32,145	$ 33,974
Total, Goal B: STATE CONTRIBUTION, A&M SYSTEM	$ 73,116,392	$ 77,276,715
C. Goal: STATE CONTRIBUTION, ERS Group Insurance, State Contribution, Employees Retirement System.		
C.1.1. Strategy: TEXAS FOOD & FIBERS COMM Texas Food and Fibers Commission.	$ 18,607	$ 19,666
C.1.2. Strategy: UNIVERSITY OF HOUSTON	$ 12,667,324	$ 13,388,095
C.1.3. Strategy: UH - CLEARLAKE University of Houston - Clear Lake.	$ 2,207,449	$ 2,333,052
C.1.4. Strategy: UH - DOWNTOWN University of Houston - Downtown.	$ 1,668,525	$ 1,763,464
C.1.5. Strategy: UH - VICTORIA University of Houston - Victoria.	$ 919,148	$ 971,447
C.1.6. Strategy: UH SYSTEM ADMINISTRATION The University of Houston System Administration.	$ 604,152	$ 638,528
C.1.7. Strategy: LAMAR UNIVERSITY - BEAUMONT	$ 4,494,715	$ 4,750,464
C.1.8. Strategy: LAMAR INSTITUTE OF TECHNOLOGY Lamar University Institute of Technology.	$ 521,891	$ 551,587
C.1.9. Strategy: LAMAR UNIVERSITY - ORANGE	$ 606,559	$ 641,072
C.1.10. Strategy: LAMAR UNIV - PORT ARTHUR Lamar University - Port Arthur.	$ 1,005,203	$ 1,062,399
C.1.11. Strategy: ANGELO STATE UNIVERSITY	$ 2,594,061	$ 2,741,664
C.1.12. Strategy: SAM HOUSTON STATE UNIV Sam Houston State University.	$ 5,003,211	$ 5,287,893
C.1.13. Strategy: TX STATE UNIVERSITY Texas State University.	$ 7,582,615	$ 8,014,066
C.1.14. Strategy: SUL ROSS STATE UNIVERSITY	$ 1,594,595	$ 1,685,328
C.1.15. Strategy: SUL ROSS STATE-RIO GRANDE COLLEGE Sul Ross State University - Rio Grande College.	$ 241,846	$ 255,607
C.1.16. Strategy: TEXAS STATE SYSTEM ADMIN Texas State University System Administration.	$ 66,030	$ 69,787

C.1.17. Strategy: MIDWESTERN STATE UNIV Midwestern State University.	$ 2,205,509	$ 2,331,003
C.1.18. Strategy: UNIVERSITY OF NORTH TEXAS	$ 11,590,964	$ 12,250,490
C.1.19. Strategy: UNT HEALTH SCIENCE CENTER University of North Texas Health Science Center at Fort Worth.	$ 3,105,478	$ 3,282,180
C.1.20. Strategy: STEPHEN F. AUSTIN Stephen F. Austin State University.	$ 4,898,057	$ 5,176,757
C.1.21. Strategy: TEXAS SOUTHERN UNIVERSITY	$ 3,794,882	$ 4,010,811
C.1.22. Strategy: TEXAS TECH UNIVERSITY	$ 14,988,075	$ 15,840,896
C.1.23. Strategy: TEXAS TECH HEALTH SCI CTR Texas Tech University Health Sciences Center.	$ 11,697,000	$ 12,362,559
C.1.24. Strategy: TEXAS WOMAN'S UNIVERSITY	$ 4,962,896	$ 5,245,284
C.1.25. Strategy: TSTC - HARLINGEN Texas State Technical College - Harlingen.	$ 1,609,038	$ 1,700,592
C.1.26. Strategy: TSTC - WEST TEXAS Texas State Technical College - West Texas.	$ 1,013,470	$ 1,071,137
C.1.27. Strategy: TSTC - WACO Texas State Technical College - Waco.	$ 2,190,889	$ 2,315,551
C.1.28. Strategy: TSTC - MARSHALL Texas State Technical College - Marshall.	$ 503,566	$ 532,219
C.1.29. Strategy: TSTC - SYSTEM ADMIN Texas State Technical College System Administration.	$ 2,685,868	$ 2,838,694
C.1.30. Strategy: PUB COMMUNITY / JR COLLEGES Public Community / Junior Colleges.	$ 135,088,497	$ 142,775,034
C.1.31. Strategy: SKIP CONTRIBUTIONS	$ 1,500,000	$ 1,500,000
Total, Goal C: STATE CONTRIBUTION, ERS	$ 243,630,120	$ 257,407,326
Grand Total, HIGHER EDUCATION EMPLOYEES GROUP INSURANCE CONTRIBUTIONS	$ 456,027,299	$ 481,889,904
Object-of-Expense Informational Listing:		
Other Operating Expense	$ 456,027,299	$ 481,889,904
Total, Object-of-Expense Informational Listing	$ 456,027,299	$ 481,889,904

1. State Contribution to Group Insurance for Higher Education Employees Participating in the Employees Retirement System Group Benefit Program. Funds identified above for group insurance are intended to fund:

a. the total cost of the basic life and health coverage for all active and retired employees; and

b. fifty percent of the total cost of health coverage for the spouses and dependent children of all active and retired employees who enroll in coverage categories which include a spouse and/or dependent children.

In no event shall the total amount of state contributions allocated to fund coverage in an optional health plan exceed the actuarially determined total amount of state contributions that would be required to fund basic health coverage for those active employees and retirees who have elected to participate in that optional health plan.

General Revenue funds appropriated herein for the State Kids Insurance Program (SKIP) are intended to provide a premium-sharing structure comparable to the Children's Health Insurance Program (CHIP). Institutions of higher education paying for health insurance costs from non-General Revenue funds shall provide the same levels of premium-sharing for SKIP enrollees as provided for those higher education employees with health insurance paid from General Revenue funds.

Funds appropriated for higher education employees' group insurance contributions may not be used for any other purpose.

It is further provided that institutions shall cooperate so that employees employed by more than one institution may be covered under one group policy and that said policy may be held jointly by two or more institutions and paid from funds appropriated to the institutions for payment of employee insurance premiums as set out above.

2. **The University of Texas System Group Health Insurance Contributions.** Funds identified above for group insurance are intended to fund the same portion of the costs of basic health coverage for all active and retired employees and their dependents as is provided above for higher education active and retired employees and dependents participating in the Employees Retirement System's Group Benefit Program.

   In no event shall the total amount of state contributions allocated to fund coverage in an optional health plan exceed the actuarially determined total amount of state contributions that would be required to fund basic health coverage for those active employees and retirees who have elected to participate in that optional health plan.

   Funds appropriated for higher education employees' group insurance contributions may not be used for any other purpose.

   The University of Texas System shall file a report with the Legislative Budget Board, the Governor and the Comptroller by September 15 of each year, detailing all group health insurance plans offered to system employees and retirees, including the benefit schedule, premium amounts, and employee/retiree contributions.

   Active and retired employees of The University of Texas System are authorized to use one-half of the "employee-only" state contribution amount for optional insurance. Optional insurance for the employees participating in the group insurance program shall be defined by The University of Texas System. Active and retired employees participating in these plans may only use one-half of the employee-only state contribution if they sign and submit a document to their employing institution indicating they have health insurance coverage from another source.

3. **Texas A&M System Group Health Insurance Contributions.** Funds identified above for group insurance are intended to fund the same portion of the costs of basic health coverage for all active and retired employees and their dependents as is provided above for higher education active and retired employees and dependents participating in the Employees Retirement System's Group Benefit Program.

   In no event shall the total amount of state contributions allocated to fund coverage in an optional health plan exceed the actuarially determined total amount of state contributions that would be required to fund basic health coverage for those active employees and retirees who have elected to participate in that optional health plan.

   Funds appropriated for higher education employees' group insurance contributions may not be used for any other purpose.

   The Texas A&M System shall file a report with the Legislative Budget Board, the Governor and the Comptroller by September 15 of each year, detailing all group health insurance plans offered to system employees and retirees, including the benefit schedule, premium amounts, and employee/retiree contributions.

   Active and retired employees of the Texas A&M System are authorized to use one-half of the "employee-only" state contribution amount for optional insurance. Optional insurance for the employees participating in the group insurance program shall be defined by the Texas A&M System. Active and retired employees participating in these plans may only use one-half of the employee-only state contribution if they sign and submit a document to their employing institution indicating they have health insurance coverage from another source.

4. Transfer Authority. Out of the funds appropriated above:

a. The Comptroller shall transfer monthly, one-twelfth of the amount appropriated from those institutions participating in the Employees Retirement System's Group Benefit Program to the Employees Life, Accident, and Health Insurance and Benefits Fund No. 973, for use by the Employees Retirement System for each higher education institution which participates in the group insurance program of the Employees Retirement System.

b. The Comptroller shall transfer monthly, one-twelfth of the amount appropriated from state contributions for institutions belonging to the University of Texas and Texas A&M Systems, to The University of Texas System Office and the Texas A&M University System Office, for use by each institution's group insurance program.

5. Specification of Appropriations. The amount of the appropriation made for Strategy C.1.30, Public Community/Junior Colleges, shall be allocated to each college in accordance with a report, specifying the exact amounts for each college, to be provided by the Legislative Budget Board to the Employees Retirement System.

6. Appropriations Transfers.

a. Funds appropriated above to institutions other than those belonging to The University of Texas System or the Texas A&M University System, may be transferred from one appropriation item to another at the discretion of the chief administrative officer of the Employees Retirement System for the purpose of applying appropriations in excess of actual general revenue group insurance premium costs at any of the higher education institutions named above to appropriation shortfalls for general revenue group insurance premiums at any of the higher education institutions named above. Funds appropriated above to components of The University of Texas System and the Texas A&M University System may be transferred from one component to another component within the same system at the discretion of the chief administrative officer of each system for the same purposes stated above.

b. The Employees Retirement System, The University of Texas System, and the Texas A&M University System shall file a report with the Legislative Budget Board, the Governor and the Comptroller by December 1 of each year, detailing any such transfers.

c. Out of the funds appropriated above in Strategy A.1.11, The University of Texas Medical Branch at Galveston, $2,178,268 in fiscal year 2006 and $2,302,211 in fiscal year 2007 is for the purpose of paying general revenue group insurance premiums for correctional managed health care employees participating in the Employees Retirement System Group Benefit Program. Out of the funds appropriated above in Strategy C.1.23, Texas Tech University Health Sciences Center, $3,421,908 in fiscal year 2006 and $3,616,614 in fiscal year 2007 is for the purpose of paying general revenue group insurance premiums for employees paid from managed health care contracts associated with Texas Youth Commission and Texas Department of Criminal Justice. Except for the transfer authority provided above in Subsection a, these amounts are sum certain.

HIGHER EDUCATION COORDINATING BOARD

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 376,614,850	$ 361,272,313
Earned Federal Funds	1,057,572	479,355
Subtotal, General Revenue Fund	$ 377,672,422	$ 361,751,668

General Revenue Fund - Dedicated		
Texas Collegiate License Plate Program Account No. 5015, estimated	100,000	50,000
Houston Livestock Show and Rodeo Scholarships Fund Account No. 5034, estimated	52,000	6,000
Girl Scout License Plates, estimated	17,000	10,000
Texas B-on-Time Student Loan Account, estimated	10,329,000	10,329,000
Scholarship Fund for Fifth Year Accounting Students Account No. 106	600,907	600,908
Medical School Tuition Set Aside Account No. 542	522,500	522,500
Subtotal, General Revenue Fund - Dedicated	$ 11,621,407	$ 11,518,408
Federal Funds	59,948,535	59,948,533
Other Funds		
Appropriated Receipts, estimated	4,160,958	4,160,958
Certificate of Authority Fees, estimated	27,000	27,000
Permanent Endowment Fund for the Baylor College of Medicine, estimated	1,125,000	1,125,000
Permanent Fund for the Higher Education Nursing, Allied Health and Other Health Related Programs, estimated	2,025,000	2,025,000
Permanent Fund for Minority Health Research and Education	1,125,000	1,125,000
Certification and Proprietary School Fees, estimated	157,874	157,874
Interagency Contracts - Transfer from Foundation School Fund No. 193, estimated	7,525,000	7,525,000
Student Loan Funds, estimated	11,331,178	8,976,954
Tax Reimbursement Grants, estimated	60,000	60,000
Subtotal, Other Funds	$ 27,537,010	$ 25,182,786
Total, Method of Financing	$ 476,779,374	$ 458,401,395
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	299.9	299.9
Schedule of Exempt Positions:		
Commissioner of Higher Education	$150,000	$150,000
Items of Appropriation:		
A. Goal: CLOSE THE GAPS IN HIGHER EDUCATION		
Close the Gaps in Participation, Success, Excellence, and Research.		
A.1.1. Strategy: PROMOTE PARTICIPATION AND SUCCESS Promote Participation and Success in Higher Education.	$ 3,267,332	$ 3,267,332
A.1.2. Strategy: HINSON-HAZLEWOOD LOAN PROGRAM Administer the Hinson-Hazlewood College Student Loan Program.	$ 4,934,028	$ 4,934,027
A.2.1. Strategy: CLOSE THE GAPS IN EXCELLENCE	$ 1,747,320	$ 1,747,320
A.2.2. Strategy: CLOSE THE GAPS IN RESEARCH	$ 360,179	$ 360,179
A.3.1. Strategy: CLOSE GAPS - PLANNING/INFORMATION Close the Gaps by Providing Planning and Information.	$ 2,261,543	$ 2,261,543
Total, Goal A: CLOSE THE GAPS IN HIGHER EDUCATION	$ 12,570,402	$ 12,570,401

B. Goal: CLOSE THE GAPS - AFFORDABILITY		
Close the Gaps by Improving Affordability.		
B.1.1. Strategy: TUITION EQUALIZATION GRANT PROGRAM	$ 105,974,655	$ 105,974,655
Tuition Equalization Grants (TEG) Program.		
B.1.2. Strategy: LICENSE PLATE SCHOLARSHIPS	$ 169,000	$ 66,000
License Plate Scholarships Program.		
B.1.3. Strategy: STATE MILITARY TUITION ASSISTANCE	$ 1,097,399	$ 997,398
State Military Tuition Payment Assistance.		
B.1.4. Strategy: FIFTH-YEAR ACCOUNTING STUDENTS	$ 553,407	$ 553,408
Fifth-year Accounting Students Program.		
B.1.5. Strategy: EARLY HS GRADUATION PROGRAM	$ 4,300,000	$ 4,300,000
Early High School Graduation Scholarship Program.		
B.1.6. Strategy: TANF SCHOLARSHIP PROGRAM	$ 225,000	$ 225,000
Temporary Assistance for Needy Families Scholarship Program.		
B.1.7. Strategy: EDUCATIONAL AIDE PROGRAM	$ 3,000,000	$ 3,000,000
B.1.8. Strategy: TEACH FOR TEXAS LOAN REPAYMENT	$ 4,521,443	$ 4,521,443
Teach for Texas Loan Repayment Assistance/Conditional Grant Program.		
B.1.9. Strategy: BORDER FACULTY LOAN REPAYMENT PGM	$ 197,813	$ 197,813
Border Faculty Loan Repayment Program.		
B.1.10. Strategy: OAG LAWYERS LOAN REPAYMENT PROGRAM	$ 486,556	$ 75,000
B.1.11. Strategy: STUDENT FINANCIAL AID PROGRAMS	$ 185,988,843	$ 185,391,843
B.1.12. Strategy: DOCTORAL INCENTIVE PROGRAM	$ 436,491	$ 436,492
Total, Goal B: CLOSE THE GAPS - AFFORDABILITY	$ 306,950,607	$ 305,739,052
C. Goal: CLOSE THE GAPS - RESEARCH		
Close the Gaps by Providing Trusteed Funds for Research.		
C.1.1. Strategy: ADVANCED RESEARCH PROGRAM	$ 8,381,844	$ UB
D. Goal: CLOSE THE GAPS - HEALTH PROGRAMS		
Close the Gaps by Providing Trusteed Funds for Health Care Education.		
D.1.1. Strategy: BAYLOR COLLEGE OF MEDICINE	$ 36,798,320	$ 36,798,320
D.1.2. Strategy: BAYLOR COLLEGE OF MEDICINE GME	$ 2,599,961	$ 2,599,962
Baylor College of Medicine Graduate Medical Education (GME).		
D.1.3. Strategy: FAMILY PRACTICE RESIDENCY PROGRAM	$ 8,732,155	$ 8,732,155
D.1.4. Strategy: PRECEPTORSHIP PROGRAM	$ 452,144	$ 452,145
D.1.5. Strategy: PRIMARY CARE RESIDENCY PROGRAM	$ 2,495,220	$ 2,495,220
D.1.6. Strategy: GRADUATE MEDICAL EDUCATION	$ 1,818,402	$ 1,818,402
Graduate Medical Education Program.		
D.1.7. Strategy: JOINT ADMISSION MEDICAL PROGRAM	$ 3,316,355	$ UB
D.1.8. Strategy: PHYSICIAN'S EDUCATION LOAN PROGRAM	$ 719,546	$ 719,547
Physician's Education Loan Repayment Program.		
D.1.9. Strategy: PROFESSIONAL NURSING AID	$ 918,565	$ 918,565
Financial Aid for Professional Nursing Students.		
D.1.10. Strategy: VOCATIONAL NURSING AID	$ 45,633	$ 45,633
Financial Aid for Licensed Vocational Nursing Students.		
D.1.11. Strategy: DENTIST'S EDUCATION LOAN PROGRAM	$ 106,477	$ 106,477
Dentist's Education Loan Repayment Program.		

D.1.12. Strategy: PROF NURSING SHORTAGE REDUCTION PRG Professional Nursing Shortage Reduction Program.	$ 3,000,000	$ 3,000,000
D.1.13. Strategy: ALZHEIMER'S DISEASE CENTERS Consortium of Alzheimer's Disease Centers.	$ 2,000,000	$ UB
Total, Goal D: CLOSE THE GAPS - HEALTH PROGRAMS	$ 63,002,778	$ 57,686,426
E. Goal: CLOSE GAPS - QUALITY/PARTICIPATION Close the Gaps by Providing Trusteed Funds to Improve Quality/Delivery.		
E.1.1. Strategy: STARLINK/VIRTUAL COLLEGE	$ 635,556	$ 635,556
E.1.2. Strategy: TEACHER EDUCATION Centers for Teacher Education.	$ 2,625,742	$ 2,625,742
E.1.3. Strategy: TWO-YEAR ENROLLMENT GROWTH Two-year Institution Enrollment Growth.	$ 2,259,393	$ 2,259,393
E.1.4. Strategy: NEW COMMUNITY COLLEGE CAMPUSES	$ 2,332,084	$ 1,218,083
E.1.5. Strategy: AFRICAN AMERICAN MUSEUM INTERNSHIP	$ 43,636	$ 43,636
E.1.6. Strategy: TECHNOLOGY WORKFORCE DEVELOPMENT	$ 3,861,758	$ 3,861,758
Total, Goal E: CLOSE GAPS - QUALITY/PARTICIPATION	$ 11,758,169	$ 10,644,168
F. Goal: FEDERAL GRANT PROGRAMS Close Gaps by Providing Federal Funding to Institutions and Students.		
F.1.1. Strategy: STUDENT FINANCIAL AID Student Financial Assistance Programs.	$ 6,203,617	$ 6,203,617
F.1.2. Strategy: TECHNICAL/VOCATIONAL PROGRAMS Technical-Vocational Education Programs.	$ 45,792,130	$ 45,792,128
F.1.3. Strategy: TEACHER QUALITY GRANTS PROGRAMS	$ 6,252,788	$ 6,252,788
F.1.4. Strategy: OTHER FEDERAL GRANTS Other Federal Grants Programs.	$ 1,700,000	$ 1,700,000
Total, Goal F: FEDERAL GRANT PROGRAMS	$ 59,948,535	$ 59,948,533
G. Goal: TOBACCO FUNDS		
G.1.1. Strategy: EARNINGS - MINORITY HEALTH Tobacco Earnings - Minority Health Res and Ed to HECB.	$ 1,125,000	$ 1,125,000
G.1.2. Strategy: EARNINGS - NURSING/ALLIED HEALTH Tobacco Earnings - Nursing, Allied Health, Other to HECB.	$ 2,025,000	$ 2,025,000
G.2.1. Strategy: EARNINGS - HECB FOR BAYLOR COLL MED Tobacco Earnings - HECB for Baylor College of Medicine.	$ 1,125,000	$ 1,125,000
Total, Goal G: TOBACCO FUNDS	$ 4,275,000	$ 4,275,000
H. Goal: INDIRECT ADMINISTRATION		
H.1.1. Strategy: CENTRAL ADMINISTRATION	$ 2,144,921	$ 2,144,924
H.1.2. Strategy: INFORMATION RESOURCES	$ 5,764,324	$ 3,410,098
H.1.3. Strategy: OTHER SUPPORT SERVICES	$ 1,982,794	$ 1,982,793
Total, Goal H: INDIRECT ADMINISTRATION	$ 9,892,039	$ 7,537,815
Grand Total, HIGHER EDUCATION COORDINATING BOARD	$ 476,779,374	$ 458,401,395

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 14,317,302	$ 14,373,909
Other Personnel Costs	427,507	433,785
Professional Fees and Services	284,344	284,344
Consumable Supplies	258,790	258,789
Utilities	378,694	378,695
Travel	233,259	233,259
Rent - Building	1,168,738	1,168,738
Rent - Machine and Other	825,198	825,198
Other Operating Expense	3,415,570	3,402,414
Client Services	123,880,752	123,266,197
Grants	328,586,196	313,176,999
Capital Expenditures	3,003,024	599,068
Total, Object-of-Expense Informational Listing	$ 476,779,374	$ 458,401,395
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 693,403	$ 707,271
Group Insurance	1,753,812	1,887,611
Social Security	1,060,602	1,081,814
Benefits Replacement	153,113	145,458
Subtotal, Employee Benefits	$ 3,660,930	$ 3,822,154
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 3,660,930	$ 3,822,154

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Higher Education Coordinating Board. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Higher Education Coordinating Board. In order to achieve the objectives and service standards established by this Act, the Higher Education Coordinating Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: CLOSE THE GAPS IN HIGHER EDUCATION		
Outcome (Results/Impact):		
Percent Increase in Fall Student Headcount Enrollment since Fall 2000	21%	24%
Percent Increase in Bachelor's Degrees, Associate's Degrees, and Certificates Awarded Since Those Awarded Fall 1999 Through Summer 2000	17%	19%
Percentage of University Students Graduating in Four Years	20.7%	20.8%
Percent of Public Two-year Institution Students Graduating in Three Years	15%	15%
Percentage of University Students Graduating within Six Years	53.3%	53.5%
A.1.1. Strategy: PROMOTE PARTICIPATION AND SUCCESS		
Output (Volume):		
Increase in Fall Student Headcount Enrollment since Fall 2000	214,175	244,771
Increase in the Number of Bachelor's Degrees, Associate's Degrees, and Certificates Reported Since Those Awarded Fall 1999 Through Summer 2000	19,763	22,088
Explanatory:		
Dollars Appropriated for Developmental Education	84,189,384	84,189,384
Dollars Appropriated for Developmental Education as a Percentage of Lower-division Instruction	5.21%	5.21%

A.1.2. Strategy: HINSON-HAZLEWOOD LOAN PROGRAM		
Efficiencies:		
Default Rate on Hinson-Hazlewood Loans	7.1%	7.1%
A.2.2. Strategy: CLOSE THE GAPS IN RESEARCH		
Output (Volume):		
Dollar Value of Federal Funding for Science and Engineering at Texas Universities and Health-related Institutions Relative to 1998 (in Millions)	1,425.5	1,471
B. Goal: CLOSE THE GAPS - AFFORDABILITY		
Outcome (Results/Impact):		
Percentage of Independent College Students Receiving Tuition Equalization Grant (TEG) Awards	28%	28%
Percentage of Students Receiving Financial Aid Employed Through Texas College Work Study Program	.7%	.7%
Percentage of Teach for Texas Loan Repayment Program Recipients Teaching Underserved Areas for Three Years	0%	80%
B.1.1. Strategy: TUITION EQUALIZATION GRANT PROGRAM		
Output (Volume):		
Percentage of Tuition Equalization Grant Recipients Who Are Minority Students	45%	45%
Percentage of Tuition Equalization Grants Recipients Who Earn Baccalaureate Degrees within Four Academic Years	50%	50%
B.1.11. Strategy: STUDENT FINANCIAL AID PROGRAMS		
Output (Volume):		
Number of Students Receiving TEXAS Grants	52,670	50,859
Percentage of TEXAS Grant Recipients Who Earn a Baccalaureate Degree within Four Academic Years	25%	25%
Percentage of TEXAS Grant Recipients Who Earn a Baccalaureate Degree Within Six Academic Years	50%	50%
C. Goal: CLOSE THE GAPS - RESEARCH		
C.1.1. Strategy: ADVANCED RESEARCH PROGRAM		
Output (Volume):		
Number of ARP Research Projects Funded	46	0
D. Goal: CLOSE THE GAPS - HEALTH PROGRAMS		
Outcome (Results/Impact):		
Percentage of Baylor College of Medicine Graduates Entering Texas Residency Programs	50%	50%
Percentage of Baylor College of Medicine Graduates Entering Primary Care Residency Programs	50%	50%
Percentage of Family Practice Residency Program Completers Practicing in Medically Underserved Areas or Health Professional Shortage Areas	6%	5.9%
Percentage of Family Practice Residency Program Completers Practicing in Texas	83.5%	83%
E. Goal: CLOSE GAPS - QUALITY/PARTICIPATION		
Outcome (Results/Impact):		
Pass Rate of TEXES/ExCET at Centers for Teacher Education	70%	70%
E.1.2. Strategy: TEACHER EDUCATION		
Output (Volume):		
Number of Graduates of Texas Association of Developing Colleges (TADC) Educator Preparation Programs	100	115

2. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2006	2007
a. Acquisition of Information Resource Technologies		
(1) PC Hardware Replacement Program and Upgrades	$ 151,861	$ 151,861
(2) Telecommunications Hardware Acquisitions and Upgrades	74,812	74,812
(3) Software Licensing Purchases and Upgrades	41,563	41,563
(4) Student Loan Information System Mainframe Migration Project	$ 2,668,000	$ 264,044
Total, Acquisition of Information Resource Technologies	$ 2,936,236	$ 532,280
Total, Capital Budget	$ 2,936,236	$ 532,280
Method of Financing (Capital Budget):		
General Revenue Fund	$ 268,236	$ 268,236
Student Loan Funds	2,668,000	264,044
Total, Method of Financing	$ 2,936,236	$ 532,280

3. **Commissioner's Salary.** The Coordinating Board is hereby authorized to utilize $77,851 per year from general revenue funds appropriated to Goal H, in 2006 and 2007 and any earned funds for the purpose of funding the salary of the Commissioner of Higher Education at a rate not to exceed $150,000 per year in 2006 and 2007.

4. **Use of Excess Registration Fees Authorization.** Any registration fee collected by the Coordinating Board to pay the expenses of a conference, seminar or meeting in excess of the actual costs of such conference, seminar or meeting may be used to pay the expenses of any other conference, seminar or meeting for which no registration fees were collected or for which registration fees collected were insufficient to cover the total expenses.

5. **Student Loan Program.** All moneys in the Texas Opportunity Plan Fund and the Texas College Student Loan Bonds Interest and Sinking Fund, the Student Loan Auxiliary Fund, and the Student Loan Revenue Fund are hereby appropriated to the Texas Higher Education Coordinating Board, for the purposes specified in Article III, §§ 50b and 50b-1, 50b-2, 50b-3, 50b-4 and 50b-5 of the Texas Constitution and Education Code §§ 52.01-52.90 and 56.121-56.135.

6. **Texas Public Educational Grants Program.** Unless a different percentage is set by passage of legislation amending the Texas Education Code, it is the intent of the Legislature that the amount of tuition to be set aside for the Texas Public Educational Grants Program shall be 15 percent in fiscal years 2006 and 2007.

7. **Physician's Education Loan Program.** The funds provided to Strategy D.1.8, Physician's Education Loan Program, are appropriated in accordance with Education Code §§ 61.531 - 61.539 for repayment of eligible student loans received by a physician who meets the stipulated requirements.

8. **Baylor College of Medicine.** From funds appropriated by this Act for the Baylor College of Medicine, the Coordinating Board shall allocate an amount per student enrolled in the college equal to the cost of medical education in the established public medical schools cited in Subchapter D, Chapter 61, Education Code. The cost of medical education per student at public medical schools as determined by the Coordinating Board shall include General Revenue appropriations for instruction and operations, infrastructure, and staff benefits allocated to undergraduate medical education.

9. Texas Success Initiative.

a. Developmental Education Coursework. Funds appropriated for developmental courses under Education Code § 51.3062, shall be expended only for those costs associated with providing developmental education courses including instruction, tutorial, evaluation, retraining of faculty, and other related costs. The funds shall not be used for the recruitment of students.

b. Intent Concerning Developmental Needs. It is the intent of the Legislature that all affected institutions of public higher education fully address developmental needs identified by the institutions through the Texas Success Initiative with appropriations made in this Act for the Developmental Education coursework and other available institutional funds.

10. Residency Eligibility. It is legislative intent that any student who is eligible for Texas resident tuition at a tax-supported institution is eligible for the Tuition Equalization Grants Program, provided all other requirements established by the Coordinating Board have been met by that student. None of the funds appropriated in this Act to the Coordinating Board for Tuition Equalization Grants may be expended for grants to non-resident students attending independent colleges or universities in Texas except for grants to National Merit Finalists.

11. Research Programs. The appropriations made by this Act for the Advanced Research Program shall be distributed in accordance with the provisions of Education Code, Chapter 142. However, no more than 70 percent of the funds allocated for each program shall be designated for The University of Texas and the Texas A&M University Systems in the 2006-07 biennium. Institutions receiving transfers of funds under this program shall report to the Coordinating Board in accordance with the provisions of Education Code § 142.005. Similarly, the Coordinating Board shall report to the Governor and the Legislative Budget Board. Funds allocated for this research program are exempt from Texas Building and Procurement Commission rules and regulations.

12. TEG Need Survey and Reporting Requirements. The Coordinating Board shall present the result of its most recent annual need survey for Tuition Equalization Grant (TEG) funds as part of its biennial appropriations request to the Legislative Budget Board and the Governor. The request shall include the number of eligible students and an estimate of the amount needed to fund fully the TEG program in the coming biennium. The Coordinating Board shall update this projection to include the most recent fall semester data prior to the convening of each regular session of the Legislature and shall provide this information to the Legislative Budget Board staff prior to Legislative Budget Board deliberations on the TEG appropriation. Each institution receiving tuition equalization grants shall furnish to the Coordinating Board any financial information requested.

13. Annual Financial Aid Report. The Coordinating Board shall present an annual report concerning student financial aid at Texas public and independent institutions of higher education. This report shall be provided to the Legislative Budget Board by August 1 of each calendar year.

14. Family Practice Rural and Public Health Rotations. Funds appropriated above for Family Practice Residency Programs, include up to $363,000 in 2006 and $363,000 in 2007 for one month rural rotation or one month public health rotation for family practice residents in accordance with the provision of Education Code § 51.918.

15. Dramatic Enrollment Growth Funding for Two Year Institutions. Funds appropriated above in Strategy E.1.3, Two-Year Enrollment Growth, are to be used only to assist Public Community/Junior Colleges, Texas State Technical College components, and Lamar State Colleges that experience dramatic rates of growth in contact hours during the 2006-07 biennium. Funds appropriated under this section shall be allocated according to a formula developed by the Texas Higher Education Coordinating Board based on the following criteria:

For fiscal year 2006, funding shall be provided for growth in contact hours at community college districts, TSTC components, or Lamar State Colleges which experience an increase in total contact hours in semester length courses of greater than 10 percent between Fall 2004 and Fall 2005 semesters. Funding shall be provided only for contact hour growth greater than 10 percent. For fiscal year 2007, funding shall be provided for growth in contact hours at community college districts, TSTC components, or Lamar State Colleges which experience an increase in total contact hours in semester length courses of greater than 20 percent between Fall 2004 and Fall 2006 semesters. Funding shall be provided only for contact hour growth greater than 20 percent.

16. **Earned Federal Funds.** Included in the amounts appropriated above are all unexpended balances of Earned Federal Funds remaining as of August 31, 2005, estimated to be $578,214 for use during the biennium beginning September 1, 2005. Any balances on hand at the end of fiscal year 2006 may be carried over to fiscal year 2007 and such funds are appropriated for fiscal year 2007. The authority to receive and expend earned federal fund balances in excess of those appropriated above is subject to the following limitation:

    At least 14 days prior to any use of any earned federal funds the Coordinating Board shall report the earned federal funds received and provide documentation of the proposed use of these funds to the Legislative Budget Board and the Governor.

17. **Graduate Medical Education.** Funds appropriated above in Strategy D.1.6, Graduate Medical Education, are for the purpose of supporting the educational costs of primary care graduate medical education programs. Each entity incurring the costs of faculty responsible for instruction or supervision of resident physicians in such accredited programs may receive funds in an amount not to exceed $12,500 in each fiscal year for each filled residency position. For the purposes of this rider, primary care shall include family practice, obstetrics/gynecology, general internal medicine, and general pediatrics. The first $1,735,421 in appropriated funds in any fiscal year shall be expended for eligible primary care residency positions. Appropriated funds in excess of $1,735,421 in any fiscal year shall be expended for each residency position filled by a graduate of a school of medicine or osteopathy accredited by the Liaison Committee on Medical Education or the American Osteopathic Association such that a primary care position shall receive 1.2 times the amount received by any other residency position. The Higher Education Coordinating Board shall promulgate rules for the equitable distribution of these funds.

18. **Cost Recovery for the Common Application Form.** The Texas Higher Education Coordinating Board is hereby authorized to collect funds from each general academic institution and each participating public two-year institution and participating independent institution to recover costs related to the electronic common application form. The amount collected from each institution shall be proportional to the number of applications received. The funds collected shall only recover direct costs and only be used for the purposes of the electronic common application form.

19. **Retention of Economically Disadvantaged Students.** The Higher Education Coordinating Board shall include in the annual performance report the percentage of economically disadvantaged freshmen retained at public institutions of higher education as defined by the Legislative Budget Board and the Governor in consultation with the State Auditor's Office.

20. **Teacher Education Centers.** Funds appropriated above in Strategy E.1.2, Teacher Education, are to be used for the purpose of supporting centers for teacher education at private, independent, general academic institutions that are component institutions of the Texas Association of Developing Colleges. Consideration shall be given to teacher education centers at Jarvis Christian College in Hawkins, Paul Quinn College in Dallas, Texas College in Tyler, Huston-Tillotson College in Austin, and Wiley College in Marshall. These funds may be used to enhance library resources and computer, mathematics and science laboratories. The board may require periodic submission of data and reports as the board considers necessary to assess the

overall performance of the centers. The board may obtain the services of a program planner to facilitate and coordinate the process of curriculum development and program redesign to improve teacher preparation at the participating institutions.

21. Disparity Study for Institutions of Higher Education. The disparity study conducted by the Comptroller of Public Accounts pursuant to General Appropriations Act, § 16, page I-24, Seventy-fifth Legislature, to determine whether past acts of discrimination by institutions of higher education have created any present effects of such past discrimination may be continued by the Texas Higher Education Coordinating Board. The Coordinating Board may maintain and update as necessary the database developed for the disparity study. The Texas Education Agency and each institution of higher education receiving appropriations may cooperate with the Coordinating Board to continue the disparity study and to provide data to maintain and update the database. The Coordinating Board, the Texas Education Agency, and each institution of higher education that participates in the study shall comply with all applicable state and federal laws governing the confidentiality and privacy of the data used in the study.

22. Information Access Initiative. The Higher Education Coordinating Board shall coordinate with the Texas Education Agency and the State Board for Educator Certification regarding sharing, integrating, and housing pre-kindergarten through grade 16 (P-16) public education data in implementing its Information Access Initiative. The three agencies shall work together to ensure that common and related data held by each agency is maintained in standardized, compatible formats to enable the efficient exchange of information between agencies and for matching of individual student records for longitudinally based studies and analysis. It is the intent of the Legislature that individual initiatives interact seamlessly across agency systems to facilitate efforts to integrate the relevant data from each agency into a longitudinal public education data resource to provide a widely accessible P-16 public education data warehouse.

23. Higher Education Assistance Program. Out of funds appropriated above, the Higher Education Coordinating Board shall administer and coordinate the Higher Education Assistance Program to:

a. Provide prospective students in high schools with college-going rates in the lowest 10 percent of all public high schools with information related to enrollment in public or private or independent institutions of higher education, including admissions and financial aid information; and

b. Assist prospective students in these sites with completing applications related to enrollment in higher education institutions, including admissions and financial aid applications.

The Coordinating Board shall provide the information and assistance required and it shall select an institution of higher education or other entity to provide the information and assistance required at each site. The Coordinating Board may contract with the institution to host enrollment events.

24. Teach for Texas Loan Repayment Assistance Program.

a. Of the funds appropriated above in Strategy B.1.8, Teach for Texas Loan Repayment Program, any unexpended balances on hand at the end of fiscal year 2006 are hereby appropriated for the same purposes in fiscal year 2007.

b. Any payments received from students are hereby appropriated for the same purposes as the original Teach for Texas Loan Repayment Assistance Program.

25. Border Faculty Loan Repayment Program. The Higher Education Coordinating Board may allocate additional funds from Strategy B.1.11, Student Financial Aid Programs, to the Border Faculty Loan Repayment Program, and any unexpended balances on hand at the end of fiscal year 2006 are hereby appropriated for the same purposes in fiscal year 2007.

26. Dentist's Education Loan Program. The funds provided to Strategy D.1.1, Dentist's Education Loan Program, are appropriated in accordance with Education Code, §§ 61.901 - 61.910, for repayment of eligible student loans received by a dentist who meets the stipulated requirements.

27. Graduation and Persistence Rates. The Coordinating Board shall report graduation and persistence rates, for each public general academic institution, to the Governor and Legislature no later than September 1, 2006. For each institution, the report shall include:

a. Six-year graduation rate (same institution) - percent of students who earned a baccalaureate or higher degree at a public general academic higher education institution within six years of becoming a full-time student at that institution.

b. Six-year graduation rate (another institution) - percent of students who earned a baccalaureate or higher degree at a public general academic higher education institution within six years of becoming a full-time student at another public higher education institution.

c. Six-year persistence rate (same institution) - percent of students who have not earned a baccalaureate or higher degree, but are still enrolled in the same Texas public general academic higher education institution six years after becoming a full-time student at that institution.

d. Six-year persistence rate (another institution) - percent of students who have not earned a baccalaureate or higher degree, but are still enrolled in a Texas public general academic higher education institution six years after becoming a full-time student at another Texas public higher education institution.

e. Composite graduation and persistence rate - sum of the graduation and persistence rates in subsections (a) through (d) above.

28. Strategic Plan for Teacher Certification. Out of funds appropriated above, the Higher Education Coordinating Board shall develop and implement a strategic plan to increase the number of certified teachers in the state to diminish the shortage of certified teachers in the classrooms. The Coordinating Board shall collaborate with the Texas Education Agency, the State Board for Educator Certification, the Texas Workforce Commission, the Governor, and the Legislature in development and implementation of the strategic plan. The P-16 Council shall oversee the implementation of the plan.

In order to facilitate implementation of the strategic plan for teacher certification, the Coordinating Board shall work with the Texas Education Agency, the State Board for Educator Certification, school districts, and professional educator associations to maintain a teacher certification web page. The web page shall convey information on traditional and alternative certification programs and related employment opportunities in such a format that resources are linked and data is easily accessible and navigable to those interested in pursuing a career in teaching.

29. Financial Aid Limits for Students Attending Independent Colleges and Universities. It is the intent of the Legislature that the state shall give priority in TEXAS Grant funding to students with the greatest financial need who attend public colleges and universities.

30. Diversity at Independent Colleges and Universities Which Receive TEG. Independent colleges and universities which enroll students receiving Tuition Equalization Grant funds appropriated by this Act shall provide annual reports to the Higher Education Coordinating Board regarding the diversity of their student body, faculty, executive committee, and governing boards. These reports shall be submitted by October 1 of each year.

31. Fifth-Year Accounting Students Scholarship Program. The funds provided to Strategy B.1.4, Fifth-Year Accounting Students, are appropriated in accordance with Education Code §§ 61.751 - 61.760 to provide scholarships to eligible fifth-year accounting students.

32. Tobacco Funds - Estimated Appropriation and Unexpended Balance. Included in the amounts appropriated above to the Texas Higher Education Coordinating Board are estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for the Baylor College of Medicine.

a. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, this Act may not be construed as appropriating funds to make up the difference.

b. All balances of estimated appropriations from the Permanent Endowment Fund for the Baylor College of Medicine and all balances from the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education, except for any General Revenue, at the close of the fiscal year ending August 31, 2005, and the income to said fund during the fiscal years beginning September 1, 2005, are hereby appropriated. Any unexpended appropriations made above as of August 31, 2006, are hereby appropriated for the same purposes for fiscal year 2007.

33. Tobacco Funds - Estimated Appropriation and Unexpended Balance. Included in the amounts appropriated above to the Texas Higher Education Coordinating Board are estimated appropriations of amounts available for distribution or investment returns out of the Permanent Fund for Minority Health Research and Education and the Permanent Fund for Nursing, Allied Health and Other Health Related Programs.

a. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, this Act may not be construed as appropriating funds to makeup the difference.

b. All balances of estimated appropriations from the Permanent Fund for Minority Health Research and Education and the Permanent Fund for Nursing, Allied Health and Other Health Related Programs, except for any General Revenue, at the close of the fiscal year ending August 31, 2005, and the income to said fund during the fiscal years beginning September 1, 2005, are hereby appropriated. Any unexpended appropriations made above as of August 31, 2006, are hereby appropriated for the same purposes for fiscal year 2007.

34. Reporting by Texas Higher Education Coordinating Board. It is the intent of the Legislature that the Texas Higher Education Coordinating Board include in its Legislative Appropriations Request for the 2008-09 biennium, information on actual expenditures and budgeted expenditures for the Baylor College of Medicine, which receives distributions from the Permanent Health Fund for Higher Education and the Permanent Endowment Fund for Baylor College of Medicine.

35. Texas College Work Study Program and Toward EXcellence, Access, and Success (TEXAS) Grant Program. Because of the positive effect of work study programs on student participation and success, funds appropriated above to Strategy B.1.11, Student Financial Aid Programs, are intended to maximize the extent to which state funds appropriated for student grants are awarded with criteria requiring a work study component.

36. Cancer Registry. Not later than December 1, 2005, the Texas Higher Education Coordinating Board shall collect from each health-related institution, including Baylor College of Medicine, and each general academic institution that conducts cancer-related research a total amount of $1,875,000. The Coordinating Board shall develop a methodology that assesses a proportional share of the cost for each institution. The Coordinating Board shall enter into an interagency cooperation agreement with the Texas Department of State Health Services to transfer the funds

to the Department for the purposes of enhancing the infrastructure of the state cancer registry and to fund a position to monitor contract compliance and quality assurance of the cancer registry.

37. Student Financial Aid Programs. The amounts appropriated above in Strategy B.1.11, Student Financial Aid Programs, shall be expended by the Higher Education Coordinating Board to provide student financial aid through the following programs: Texas B-On-Time, College Work Study, TEXAS Grant, and TEXAS Grant II.

a. Out of the funds appropriated above in Strategy B.1.11, Student Financial Aid Programs, an amount not less than $5,000,000 each year shall be allocated to the College Work Study Program and an amount not less than $4,500,000 each year shall be allocated to the TEXAS Grant II Program. The Higher Education Coordinating Board may allocate additional funds from the strategy to these two programs.

b. Out of the funds appropriated above in Strategy B.1.11, Student Financial Aid Programs, the Higher Education Coordinating Board shall allocate not less than $166,159,843 in fiscal year 2006 and $165,562,843 in fiscal year 2007 to the TEXAS Grant Program and $10,329,000 in fiscal year 2006 and $10,329,000 in fiscal year 2007 of the biennium to the B-on-Time Loan Program. The Higher Education Coordinating Board may allocate additional funds from the strategy to these two programs.

c. Any portion of this appropriation not expended in fiscal year 2006 may be expended for the same purposes in fiscal year 2007 and are hereby appropriated for that purpose. All unexpended balances of the TEXAS Grant program as of August 31, 2005, estimated to be $400,000, are appropriated for the same purposes for use during the biennium beginning September 1, 2006. The funds provided to the B-on-Time Program are appropriated in accordance with Education Code §§ 56.451-56.465 to provide eligible Texas students forgivable no-interest loans to attend colleges and universities in Texas. All balances in the General Revenue-Dedicated Texas B-on-Time Student Loan Account as of August 31, 2005, estimated to be $10,329,000, and all Texas B-on-Time Student Loan Account receipts received during the biennium are hereby appropriated to the Coordinating Board for the biennium ending August 31, 2007 for the same purpose. Any balances on hand at the end of fiscal year 2006 may be carried over to the fiscal year 2007 and any such funds are appropriated for fiscal year 2007 for the same purpose. Any portion of this appropriation not expended in fiscal year 2006 may be expended for the same purposes in fiscal year 2007 and are hereby appropriated for that purpose.

38. Metroplex Pharmacy Study. Out of the funds appropriated above, the Higher Education Coordinating Board shall conduct a study of the need for a new pharmacy school located in the Dallas/Fort Worth Metroplex area. As part of this study, the Board shall consider current and future shortages of pharmacists in the Metroplex area as well as the geographic distribution of current pharmacy programs. The Board shall report the results of its study no later than September 1, 2006.

39. State Military Assistance Program. All unexpended balances of the State Military Tuition Assistance Program as of August 31, 2005, estimated to be $100,000 are appropriated above for the same purpose for use during the biennium beginning September 1, 2006. Any balances on hand at the end of fiscal year 2006 may be carried over to fiscal year 2007 and such funds are appropriated for fiscal year 2007 for the same purpose.

40. New Community College Campuses. Out of the amount appropriated above in Strategy E.1.4, New Community College Campuses, the Coordinating Board shall set aside $293,664 for the biennium for a new college campus at Frank Phillips community college and $250,503 for the biennium for a new college campus at Northeast Texas community.

41. OAG Lawyer's Loan Repayment Program. The funds provided to the OAG Lawyer's Loan Repayment Program are appropriated in accordance with Education Code §§61.9721-61.9732 for providing education loan repayments for attorneys who agree to work for the Office of

Attorney General for one year. All balances in the General Revenue Fund that are dedicated tuition set asides under this program as of August 31, 2005, estimated to be $411,556, and all receipts received during the biennium are hereby appropriated to the Coordinating Board for the biennium ending August 31, 2007 for the same purpose. Any balances on hand at the end of fiscal year 2006 may be carried over to the fiscal year 2007 and any such funds are appropriated for fiscal year 2007 for the same purpose.

42. Girl Scout Scholarships. The funds provided to the Girl Scout Scholarships are appropriated in accordance with Transportation Code §§504.622 to provide grants to benefit the Girl Scouts. All balances in the General Revenue-Dedicated Girl Scout License Plates Account as of August 31, 2005, estimated to be $7,000, and all Girl Scout License Plates Account receipts received during the biennium are hereby appropriated to the Coordinating Board for the biennium ending August 31, 2007 for the same purpose. Any balances on hand at the end of fiscal year 2006 may be carried over to the fiscal year 2007 and any such funds are appropriated for fiscal year 2007 for the same purpose.

43. Houston Livestock Show and Rodeo Scholarships. The funds provided to the Houston Livestock Show and Rodeo Scholarships Program are appropriated in accordance with Transportation Code §§ 504.613 to make grants to benefit the Houston Livestock Show and Rodeo. All balances in the General Revenue-Dedicated Houston Livestock Show and Rodeo Scholarships Fund Account as of August 31, 2005, estimated to be $46,000, and all Houston Livestock Show and Rodeo Scholarships Fund Account receipts received during the biennium are hereby appropriated to the Coordinating Board for the biennium ending August 31, 2007 for the same purpose. Any balances on hand at the end of fiscal year 2006 may be carried over to the fiscal year 2007 and any such funds are appropriated for fiscal year 2007 for the same purpose.

44. Texas Collegiate License Plate Scholarships. The funds provided to the Texas Collegiate License Plate Scholarships program are appropriated in accordance with Transportation Code § 505.615 to provide scholarships for students who demonstrate a need for financial assistance. All balances in the General Revenue-Dedicated-Texas Collegiate License Plate Program Account as of August 31, 2005, not to exceed $50,000, and all Texas Collegiate License Plate Program Account receipts received during the biennium are hereby appropriated to the Coordinating Board for the biennium ending August 31, 2007 for the same purpose. Any balances on hand at the end of fiscal year 2006 may be carried over to fiscal year 2007 and such funds are appropriated for fiscal year 2007 for the same purpose.

45. Appropriations Transfers. Notwithstanding any other provisions of this bill, the Higher Education Coordinating Board may allow each institution to transfer the lesser of 10% or $10,000 between the Texas College Work-Study Program, TEXAS Grant Program, and the Tuition Equalization Grant Program.

46. African American Museum Internship. Funds appropriated above in Strategy E.1.5, African American Museum Professional Internship, are for the purpose of supporting an internship at the African American Museum in Dallas. The Higher Education Coordinating Board may contract with an institution of higher education to provide for the internship.

47. Professional Nursing Shortage Reduction Program. The funds appropriated under Strategy D.1.12 for the Professional Nursing Shortage Reduction Program (§ 61.9621-.9628, Education Code) are trusteed to the Texas Higher Education Coordinating Board to achieve the following outcomes: 1) increasing the number of graduates from professional nursing programs, 2) increasing the percentage of students in professional nursing programs that graduate within a reasonable time as determined by the board, and 3) increasing the number of graduates from master's and doctoral programs in nursing that join the faculty of a professional nursing program. Funds shall only be used to: 1) create additional nurse faculty positions, 2) provide temporary salary supplements for professional nursing faculty, and 3) engage qualified preceptors to expand faculty capacity. "Professional nursing program" has the meaning assigned by § 61.9621, Education Code. The funds appropriated shall be distributed in an equitable manner to institutions based on increases in numbers of nursing students graduating.

An institution is eligible to receive funds appropriated for fiscal year 2006 only if it commits for fiscal year 2006 to spend funds on its professional nursing program at least equal to the funds spent in fiscal year 2005 and for funds appropriated for fiscal year 2007 only if it commits for FY 2007 to spend funds equal at least to the funds spent in fiscal year 2006. Funds received under Strategy D.1.12 shall not be included in these calculations.

Five percent of the funds appropriated under Strategy D.1.12 are appropriated for administrative expenses as authorized by § 61.9628, Education Code.

The board shall have the authority to transfer funds from Strategy D.1.9, Professional Nursing Financial Aid, to Strategy D.1.12, Professional Nursing Shortage Reduction Program, for the purposes set out in this rider.

Any funds not expended in fiscal year 2006 may be expended in fiscal year 2007.

48. New Campus Funding for Navarro College's District Campus Center in Midlothian. Out of the amounts appropriated above in Strategy E.1.4, New Campus Funding, the Higher Education Coordinating Board shall set aside $1,910,000 in fiscal year 2006 and $796,000 in fiscal 2007 to fund contact hours generated from a new campus at Navarro College. Any amount remaining of the first year 2006 set aside may, with the approval of the Texas Higher Education Coordinating Board, be used for the same purpose in fiscal year 2007. The city of Midlothian shall convey the District Center to Navarro College upon payment of the City's indebtedness for construction of said Center out of Navarro College's lease payments for the Center.

49. New Campus Funding for Blinn College's Sealy Campus. Out of the amounts appropriated above in Strategy E.1.4, New Campus Funding, the Higher Education Coordinating Board shall set aside $150,000 in fiscal year 2006 and $150,000 in fiscal 2007 to fund contact hours generated from a new campus at Blinn College. Any amount remaining of the first year 2006 set aside may, with the approval of the Texas Higher Education Coordinating Board, be used for the same purpose in fiscal year 2007.

50. Starlink/Virtual College. General Revenue funds appropriated above in Strategy E.1.1, Starlink/Virtual College are for the purpose of supporting the STARLINK communications network and The Virtual College of Texas. The Higher Education Coordinating Board may contract with an institution of higher education to provide for the STARLINK communications network. The Board shall expend up to $500,000 in each fiscal year of the biennium to enhance the Virtual College of Texas. Any unexpended balances on hand at the end of the fiscal year 2006 are appropriated for the same purpose in fiscal year 2007.

51. Consortium of Alzheimer's Disease Centers. Included in the amounts appropriated above, $2,000,000 is appropriated in fiscal year 2006 to the Higher Education Coordinating Board to support the Consortium of Alzheimer's Disease Centers. The Coordinating Board shall contract with the Texas Council on Alzheimer's Disease and Related Disorders to direct the Consortium. Any unexpended balances at the end of fiscal year 2006 are hereby appropriated for the same purposes in fiscal year 2007.

52. Reporting on Student Attendance Near Military Facilities. It is the intent of the Legislature that the Texas Higher Education Coordinating Board include in its Legislative Appropriations Request for the 2008-09 biennium information regarding the average student attendance over a five year period of attendance for each Texas institution of higher education located in proximity to an active duty military facility. This reporting shall also note institutions where average student attendance for any year during this five year period deviates from the five year average by more that ten percentage points.

HIGHER EDUCATION FUND

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 175,000,000	$ 175,000,000
Total, Method of Financing	$ 175,000,000	$ 175,000,000
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: HIGHER EDUCATION FUND		
A.1.1. Strategy: HIGHER EDUCATION FUND	$ 175,000,000	$ 175,000,000
Grand Total, HIGHER EDUCATION FUND	$ 175,000,000	$ 175,000,000
Object-of-Expense Informational Listing:		
Other Operating Expense	$ 175,000,000	$ 175,000,000
Total, Object-of-Expense Informational Listing	$ 175,000,000	$ 175,000,000

1. **Unexpended Balances.** Any unexpended balances as of August 31, 2005 in the General Revenue Fund pursuant to the provision of Article VII, § 17(a) of the Texas Constitution, are hereby appropriated to the respective institutions for the biennium beginning September 1, 2005 for the same purposes.

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 781,389	$ 781,389
Permanent Endowment Fund Account No. 822, UT Regional Academic Health Center, estimated	940,000	940,000
Total, Method of Financing	$ 1,721,389	$ 1,721,389
Items of Appropriation:		
1. Educational and General State Support	$ 1,721,389	$ 1,721,389
Grand Total, THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION	$ 1,721,389	$ 1,721,389
This bill pattern represents an estimated 9.5% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	249.0	249.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: SYSTEM OFFICE OPERATIONS	$ 781,389	$ 781,389
B. Goal: TOBACCO FUNDS		
B.1.1. Strategy: TOBACCO EARNINGS - RAHC	$ 940,000	$ 940,000
Tobacco Earnings for the Lower Rio Grande Valley RAHC.		
Grand Total, THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION	$ 1,721,389	$ 1,721,389
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 781,389	$ 781,389
Other Operating Expense	940,000	940,000
Total, Object-of-Expense Informational Listing	$ 1,721,389	$ 1,721,389
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,587,075	$ 1,639,570
Group Insurance	47,513	50,601
Social Security	1,151,906	1,192,223
Subtotal, Employee Benefits	$ 2,786,494	$ 2,882,394
Debt Service		
Lease Payments	$ 5,845	$ 5,833
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,792,339	$ 2,888,227

2. Aircraft Authorized. The University of Texas System is authorized to acquire, operate and maintain, including replacing, one passenger airplane. Such airplane should be acquired by gift, if possible, but may be acquired by purchase subject to the authority under Government Code, Chapter 2205. All costs of acquisition, operation and maintenance, including replacement, may be paid out of the Available University Fund allocable to The University of Texas System. The University of Texas System is also authorized to lease on a short-term basis additional aircraft as may be needed from time to time.

3. Governing Board. Out of funds appropriated above, an amount not to exceed $100,000 in each year of the biennium shall be for all expenses associated with the travel, entertainment, and lodging of the governing board.

A separate record of the board's expenditures for these purposes shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. None of the funds appropriated above may be used for the travel, entertainment, and lodging expenses of the board except for the specific amount designated above.

4. Estimated Appropriation and Unexpended Balance.

a. Included in the amounts appropriated above are estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for the Lower Rio Grande Valley Regional Academic Health Center.

b. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, this Act may not be construed as appropriating funds to makeup the difference.

c. All balances of estimated appropriations from the Permanent Endowment Fund for the Lower Rio Grande Valley Regional Academic Health Center, except for any General Revenue, at the close of the fiscal year ending August 31, 2005, and the income to said fund during the fiscal years beginning September 1, 2005, are hereby appropriated. Any unexpended appropriations made above as of August 31, 2006, are hereby appropriated for the same purposes for fiscal year 2007.

5. Reporting of Teacher Misconduct. From funds appropriated, the State Board of Educator Certification, the Texas Education Agency, and The University of Texas System shall coordinate to work with school districts to ensure timely and accurate reporting of teacher misconduct as required under Texas Administrative Code, Title 19, Education § 249.14.

6. Long-term Leases. From the funds appropriated above, it is the intent of the Legislature that the University of Texas System develop a policy to recommend to the 80th Legislature that ensures that the same public disclosure, controls, projections, guarantees and requirements as contained in law, regulations and policy that apply to the sale of property will apply to the long-term lease of property. The University of Texas System is required to submit this policy recommendation to the Legislative Budget Board for suggestions and cooperative development of policies. The University of Texas System shall report finding of fact and suggestions for a comprehensive policy recommendation for long-term leases to each member of the Legislature before March 31, 2006.

AVAILABLE UNIVERSITY FUND

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
Available University Fund No. 011	$ 362,579,698	$ 392,685,092
Total, Method of Financing	$ 362,579,698	$ 392,685,092
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: MANAGE/ADMINISTER ENDOWMENT FUNDS		
Provide Management and Administrative Support for Endowment Funds.		
A.1.1. Strategy: TEXAS A&M UNIV SYSTEM ALLOCATION Texas A&M Univ. System Available Univ. Fund Allocation. Estimated.	$ 119,912,566	$ 129,729,364
A.1.2. Strategy: THE UNIV OF TEXAS SYSTEM ALLOCATION The Univ. of Texas System Available Univ. Fund Allocation. Estimated.	$ 242,667,132	$ 262,955,728
Total, Goal A: MANAGE/ADMINISTER ENDOWMENT FUNDS	$ 362,579,698	$ 392,685,092
Grand Total, AVAILABLE UNIVERSITY FUND	$ 362,579,698	$ 392,685,092
Object-of-Expense Informational Listing:		
Other Operating Expense	$ 362,579,698	$ 392,685,092
Total, Object-of-Expense Informational Listing	$ 362,579,698	$ 392,685,092

1. **Texas A&M University System Share.** There is hereby appropriated to the Texas A&M University System for the biennium ending August 31, 2007, that portion of the Available University Fund apportioned to it by Article VII, § 18(f) of the Texas Constitution, except the part of that portion appropriated by § 18 for the payment of principal and interest on bonds or notes issued thereunder by the Board of Regents of the Texas A&M University System, together with interest and any balance in the Texas A&M University Available Fund for any previous fiscal year. The Texas A&M University System is authorized to use a portion of its share of the Available University Fund for the matching of private grants for the endowment of scholarships, fellowships, library support, and academic positions at Texas A&M University and Prairie View A&M University.

2. **The University of Texas System Share.** There is hereby appropriated for the biennium ending August 31, 2007 that portion of the Available University Fund (AUF) apportioned to The University of Texas System by Article VII, § 18(f) of the Texas Constitution, together with interest and any balance in the AUF for any previous years, except that portion appropriated by § 18 for the payment of principal and interest on bonds or notes issued by the Board of Regents of The University of Texas System. This appropriation may be used for new construction, major repairs and rehabilitation, equipment, maintenance, operation, salaries, and support, including the matching of private grants for the endowment of scholarships, fellowships, library support, and academic positions for The University of Texas at Austin and for The University of Texas System Administration and is to be used as the Board of Regents of The University of Texas System may determine.

3. **Transfer Authorization.** The University of Texas System may transfer from the Available University Fund No. 011 into the Texas A&M University Available Fund No. 047 its respective portion.

4. **Reporting.**

   a. The University of Texas System Board of Regents and the Texas A&M University System Board of Regents shall report to the Legislature and the Governor no later than December 1 of each year the uses of the Available University Fund (AUF) for each system component and for the system office operations for the two previous years, the current year, and two future years (projected). Each report shall contain detailed information on the following:
      (1) debt service allocations, by component;
      (2) bond proceeds allocations, by component;
      (3) excellence allocations, by component or system office, and their purposes;
      (4) Available University Fund income, interest, beginning-and-end-of-year balances; and
      (5) the rationale used by the respective boards to distribute AUF funds.

   b. In addition, by December 1 of each year, authorized managers of permanent funds and endowments whose earnings are appropriated above shall submit an annual financial report which shall include, at a minimum, an income statement and balance sheet and a summary of the investment return of the fund during the preceding fiscal year. The annual financial report shall also contain:

      (1) a summary of all gains, losses and income from investments and an itemized list of all securities held for the fund on August 31;
      (2) any other information needed by the Governor or the Legislative Budget Board to clearly indicate the nature and extent of investments made of the fund and all income realized from the components of the fund.

      The annual financial report shall be distributed to the Governor and Legislative Budget Board by December 1 of each year of the biennium.

THE UNIVERSITY OF TEXAS AT ARLINGTON

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 84,783,133	$ 84,187,173
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	5,172,200	5,172,200
Estimated Statutory Tuition Increases Account No. 708	1,134,751	1,134,751
Estimated Other Educational and General Income Account No. 770	36,066,598	36,879,767
Subtotal, General Revenue Fund - Dedicated	$ 42,373,549	$ 43,186,718
Total, Method of Financing	$ 127,156,682	$ 127,373,891
Items of Appropriation:		
1. Educational and General State Support	$ 127,156,682	$ 127,373,891
Grand Total, THE UNIVERSITY OF TEXAS AT ARLINGTON	$ 127,156,682	$ 127,373,891
This bill pattern represents an estimated 47.3% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	2,147.8	2,147.8

1. Informational Listing of Appropriated Funds. The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 91,709,820	$ 91,709,820
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 1,986,588	$ 1,986,588
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 2,296,760	$ 2,427,446
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 302,187	$ 302,186
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 29,374	$ 29,374
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 4,582,839	$ 4,669,360
A.1.7. Strategy: EXCELLENCE FUNDING	$ 1,384,755	$ 1,377,500
Total, Goal A: INSTRUCTION/OPERATIONS	$ 102,292,323	$ 102,502,274
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 14,430,050	$ 14,430,050
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 3,838,924	$ 3,846,179
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 335,686	$ 335,686
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 18,604,660	$ 18,611,915
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: SCIENCE EDUCATION CENTER	$ 187,031	$ 187,031
C.2.1. Strategy: AUTOMATION AND ROBOTICS INSTITUTE	$ 1,245,064	$ 1,245,064
Automation and Robotics Research Institute.		

C.3.1. Strategy: RURAL HOSPITAL OUTREACH PROGRAM	$ 45,802	$ 45,802
C.3.2. Strategy: INSTITUTE OF URBAN STUDIES	$ 296,374	$ 296,374
C.3.3. Strategy: MEXICAN AMERICAN STUDIES	$ 41,562	$ 41,562
C.4.1. Strategy: AFRICA INTERNATIONAL EXCHANGE	$ 109,544	$ 109,544
C.4.2. Strategy: INSTITUTIONAL ENHANCEMENT	$ 2,570,122	$ 2,570,124
Total, Goal C: SPECIAL ITEM SUPPORT	$ 4,495,499	$ 4,495,501
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 1,764,200	$ 1,764,201
Grand Total, THE UNIVERSITY OF TEXAS AT ARLINGTON	$ 127,156,682	$ 127,373,891
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 51,499,308	$ 47,242,476
Other Personnel Costs	29,374	29,374
Faculty Salaries (Higher Education Only)	54,872,769	59,104,335
Fuels and Lubricants	29,195	27,535
Consumable Supplies	1,110,007	1,446,582
Utilities	5,982,012	5,771,740
Travel	63,406	59,721
Other Operating Expense	13,328,527	13,479,333
Client Services	125,981	125,981
Grants	23,941	0
Capital Expenditures	92,162	86,814
Total, Object-of-Expense Informational Listing	$ 127,156,682	$ 127,373,891
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 9,638,023	$ 9,956,812
Group Insurance	8,401,897	8,948,020
Social Security	6,995,320	7,240,156
Subtotal, Employee Benefits	$ 25,035,240	$ 26,144,988
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 25,035,240	$ 26,144,988

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for The University of Texas at Arlington. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of The University of Texas at Arlington. In order to achieve the objectives and service standards established by this Act, The University of Texas at Arlington shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	37.4%	37.8%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	16%	16.2%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	70.8%	71%
Certification Rate of Teacher Education Graduates	98.1%	98.1%

Percent of Baccalaureate Graduates Who Are First Generation College Graduates	55.6%	55.6%
Percent of Lower Division Courses Taught by Tenured Faculty	35%	35%
State Licensure Pass Rate of Engineering Graduates	84%	84%
State Licensure Pass Rate of Nursing Graduates	86.2%	86.2%
Dollar Value of External or Sponsored Research Funds (in Millions)	16.4	16.2
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	9.2%	9.2%

3. **Robotics Engineering Research Program Transferability Authority.** The University of Texas at Arlington is hereby authorized to transfer or utilize from funds appropriated above an amount not to exceed $500,000 to the Robotics Engineering Research Program in addition to the amount specified for that item. However, no funds may be transferred from any specified amount for faculty salaries, general scholarships, or minority scholarships and recruitment.

4. **Center for Mexican American Studies.** The University of Texas at Arlington is hereby authorized to transfer or utilize, from funds appropriated above, an amount not to exceed $300,000 for the operation of the Center for Mexican American Studies.

5. **Urban Studies Institute.** All funds collected by the Urban Studies Institute are hereby appropriated to The University of Texas at Arlington for the Urban Studies Institute. It is the intent of the Legislature that services provided by the Institute shall be provided at a reduced cost based upon financial need and the availability of like services.

THE UNIVERSITY OF TEXAS AT AUSTIN

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 252,037,365	$ 250,752,523
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	21,634,685	21,634,685
Estimated Statutory Tuition Increases Account No. 708	2,937,995	2,937,995
Estimated Other Educational and General Income Account No. 770	79,020,768	80,870,444
Subtotal, General Revenue Fund - Dedicated	$ 103,593,448	$ 105,443,124
Total, Method of Financing	$ 355,630,813	$ 356,195,647
Items of Appropriation:		
1. Educational and General State Support	$ 355,630,813	$ 356,195,647
Grand Total, THE UNIVERSITY OF TEXAS AT AUSTIN	$ 355,630,813	$ 356,195,647
This bill pattern represents an estimated 27.5% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	6,776.5	6,776.5

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 235,946,215	$ 235,946,215
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 6,055,680	$ 6,055,680
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 8,242,284	$ 8,711,270
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 1,135,627	$ 1,135,627
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 42,362	$ 42,362
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 12,944,350	$ 13,171,157
A.1.7. Strategy: FORMULA HOLD HARMLESS	$ 4,303,519	$ 4,172,560
Total, Goal A: INSTRUCTION/OPERATIONS	$ 268,670,037	$ 269,234,871
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 58,559,367	$ 58,559,367
Educational and General Space Support.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 5,972,031	$ 5,967,849
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 64,531,398	$ 64,527,216
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.2.1. Strategy: MARINE SCIENCE INSTITUTE	$ 605,303	$ 605,303
Marine Science Institute - Port Aransas.		
C.2.2. Strategy: INSTITUTE FOR GEOPHYSICS	$ 1,048,093	$ 1,048,093
C.2.3. Strategy: BUREAU OF ECONOMIC GEOLOGY	$ 2,856,849	$ 2,856,849
C.2.4. Strategy: BUREAU OF BUSINESS RESEARCH	$ 232,487	$ 232,487
C.2.5. Strategy: MCDONALD OBSERVATORY	$ 2,853,587	$ 2,853,587
C.2.6. Strategy: ADVANCED STUDIES IN ASTRONOMY	$ 576,008	$ 576,008
Center for Advanced Studies in Astronomy.		
C.3.1. Strategy: TEXAS MEMORIAL MUSEUM	$ 145,097	$ 145,097
C.3.2. Strategy: PUBLIC POLICY INSTITUTE	$ 192,215	$ 192,215
C.3.3. Strategy: POLICY DISPUTE RESOLUTION CENTER	$ 344,408	$ 344,408
Center for Public Policy Dispute Resolution.		
C.3.4. Strategy: LATINO WWII ORAL HISTORY	$ 43,750	$ 43,750
C.3.5. Strategy: GARNER MUSEUM	$ 43,750	$ 43,750
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 13,487,831	$ 13,492,013
Total, Goal C: SPECIAL ITEM SUPPORT	$ 22,429,378	$ 22,433,560
Grand Total, THE UNIVERSITY OF TEXAS AT AUSTIN	$ 355,630,813	$ 356,195,647
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 152,536,773	$ 156,953,469
Other Personnel Costs	2,476,910	2,722,746
Faculty Salaries (Higher Education Only)	156,544,923	158,075,685
Debt Service	5,972,031	5,967,849
Other Operating Expense	33,261,193	30,715,892
Grants	3,763,103	716,866
Capital Expenditures	1,075,880	1,043,140
Total, Object-of-Expense Informational Listing	$ 355,630,813	$ 356,195,647

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits		
Retirement	$ 31,347,454	$ 31,501,307
Group Insurance	25,247,386	26,589,224
Social Security	22,752,129	23,548,451
Subtotal, Employee Benefits	$ 79,346,969	$ 81,638,982
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 79,346,969	$ 81,638,982

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for The University of Texas at Austin. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of The University of Texas at Austin. In order to achieve the objectives and service standards established by this Act, The University of Texas at Austin shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	75%	75%
Percent of First-time, Full-time, Degree seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	50%	50%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	94%	94%
Certification Rate of Teacher Education Graduates	93.4%	93.4%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	19%	19%
Percent of Lower Division Courses Taught by Tenured Faculty	35.2%	35.2%
State Licensure Pass Rate of Law Graduates	93%	93%
State Licensure Pass Rate of Engineering Graduates	89.3%	89.3%
State Licensure Pass Rate of Nursing Graduates	97.3%	97.3%
State Licensure Pass Rate of Pharmacy Graduates	99%	99%
Dollar Value of External or Sponsored Research Funds (in Millions)	350	360
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	5.7%	5.7%

3. **Bureau of Economic Geology Contingency.** Contingent upon certification by the Comptroller of Public Accounts that increased activity by the Bureau of Economic Geology will generate at least $3,000,000 for the biennium in additional revenue to the General Revenue Fund, $1,500,000 in each year of the biennium is included in the appropriation above for the Bureau of Economic Geology.

4. **Public Policy Clinics.** Out of the funds appropriated above, up to $218,750 in each year of the biennium shall be used for public policy clinics in the Department of Government. The clinics shall be focused on public policy issues salient to the State of Texas and to be offered as graduate-level seminars to help maximize the partnership with the Tomas Rivera Center, the Center for Migration and Border Studies and other academic institutions. These funds shall be used to pay research fellowships, surveys, and other expenses associated with the clinics.

5. **The University of Texas at Austin School of Law Enrollment.** It is the intent of the Legislature that The University of Texas at Austin study the impact that enrollment levels have

on the quality of education at the University's Law School. The University shall make recommendations on the optimal enrollment level at which the school can provide the highest quality education. The University shall submit a report to the 80th Legislature, not later than January 1, 2007. It is the intent of the Legislature that a limitation on enrollment not adversely impact current funding levels.

6. **University Interscholastic League Financial Reporting.** As part of the financial report required in the Education Code § 33.083, the University Interscholastic League (UIL) shall provide the following financial information to the Governor, the presiding officer of each house of the legislature, and the Legislative Budget Board before November 20th each year. The report shall provide the following financial information in the format and order identified below for the preceding two fiscal years:

   1. Total revenues.
   2. Total expenditures
   3. Excess (Deficit) of revenue over expenditures.
   4. Total fund balance.
   5. Total interest income earned on fund balances belonging to UIL that are deposited with The University of Texas at Austin for the benefit of the league.
   6. Total member school district earnings from event rebates and other sources.
   7. Total UIL earnings from gate receipts, administrative charges, retained excess revenues from UIL managed events and other sources.
   8. Total University of Texas at Austin earnings incurred by The University of Texas at Austin in providing administrative services for The University of Texas at Austin in providing administrative services for the University Interscholastic League.

   This information shall be reported for all UIL funds, by all budget groups including but not limited to the General Fee, Music, Interscholastic League Press Conference, Athletic/Academic and Corporate budget groups, and by all event/tournament budgets. The UIL shall contract annually with an independent certified public accountant to audit this financial report. In lieu of pursuing a contract for independent audit services and at the discretion of the State Auditor, the State Auditor's Office may conduct the audit. Copies of this report shall be furnished on request to members of the legislature and shall be posted on the UIL's web site.

THE UNIVERSITY OF TEXAS AT DALLAS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 61,279,782	$ 60,595,844
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	3,793,000	3,793,000
Estimated Statutory Tuition Increases Account No. 708	564,947	564,947
Estimated Other Educational and General Income Account No. 770	23,009,063	23,704,678
Subtotal, General Revenue Fund - Dedicated	$ 27,367,010	$ 28,062,625
Total, Method of Financing	$ 88,646,792	$ 88,658,469
Items of Appropriation:		
1. Educational and General State Support	$ 88,646,792	$ 88,658,469
Grand Total, THE UNIVERSITY OF TEXAS AT DALLAS	$ 88,646,792	$ 88,658,469

This bill pattern represents an estimated 39.6% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE)-		
Appropriated Funds	1,382.4	1,382.4

1. Informational Listing of Appropriated Funds. The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 61,239,103	$ 61,239,103
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 973,370	$ 973,370
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 1,668,826	$ 1,763,782
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 186,499	$ 186,499
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 3,443	$ 3,443
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 2,337,759	$ 2,405,440
A.1.7. Strategy: ORGANIZED ACTIVITIES	$ 3,583,189	$ 3,583,189
A.1.8. Strategy: EXCELLENCE FUNDING	$ 32,924	$ 32,924
Total, Goal A: INSTRUCTION/OPERATIONS	$ 70,025,113	$ 70,187,750
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 9,361,093	$ 9,361,093
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 3,131,804	$ 3,130,844
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 140,006	$ 140,006
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 12,632,903	$ 12,631,943
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: CENTER FOR APPLIED BIOLOGY	$ 546,875	$ 546,875
C.1.2. Strategy: NANOTECHNOLOGY	$ 218,750	$ 218,750
C.2.1. Strategy: ACADEMIC BRIDGE PROGRAM	$ 218,750	$ 218,750
Intensive Summer Academic Bridge Program.		
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 3,189,257	$ 3,039,257
Total, Goal C: SPECIAL ITEM SUPPORT	$ 4,173,632	$ 4,023,632
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 1,815,144	$ 1,815,144
Grand Total, THE UNIVERSITY OF TEXAS AT DALLAS	$ 88,646,792	$ 88,658,469
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 29,521,471	$ 31,261,622
Other Personnel Costs	893,342	199,821
Faculty Salaries (Higher Education Only)	36,050,926	37,814,455
Professional Fees and Services	413,021	164,685
Fuels and Lubricants	48,287	41,027
Consumable Supplies	3,153,630	992,127
Utilities	1,770,612	2,722,520
Travel	100,032	249,929

Rent - Building	1,616	33
Rent - Machine and Other	137,812	22,321
Debt Service	3,132,046	3,130,844
Other Operating Expense	9,667,725	8,578,339
Grants	3,275,525	3,126,869
Capital Expenditures	480,747	353,877
Total, Object-of-Expense Informational Listing	$ 88,646,792	$ 88,658,469
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 5,417,488	$ 5,596,678
Group Insurance	4,600,149	4,899,158
Social Security	3,932,037	4,069,658
Subtotal, Employee Benefits	$ 13,949,674	$ 14,565,494
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 13,949,674	$ 14,565,494

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for The University of Texas at Dallas. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of The University of Texas at Dallas. In order to achieve the objectives and service standards established by this Act, The University of Texas at Dallas shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	56.2%	56.5%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	30.2%	30.3%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	83.9%	84.2%
Certification Rate of Teacher Education Graduates	100%	100%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	47%	47%
Percent of Lower Division Courses Taught by Tenured Faculty	21.6%	22%
Dollar Value of External or Sponsored Research Funds (in Millions)	23.1	23.2
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	8.1%	8.1%

3. **Center for Values in Medicine and Technology.** Out of the funds appropriated above in Strategy C.3.1, $150,000 in fiscal year 2006 shall be used for the establishment of the Center for Values in Medicine and Technology at The University of Texas at Dallas Graduate School of Arts and Humanities. The Center will (1) offer graduate level courses for students in the Humanities, students in Medicine, practicing physicians, and others involved in the Health Professions leading to a Certificate in Medicine and Technology; (2) it will sponsor annual public forums that will address specific technology-driven issues in Medicine; (3) it will join with the Institute of Interactive Arts and Engineering to develop more accurate, effective, and appealing ways to inform the general public about current issues in medicine and especially the

mutual impact of digital technology with diagnosis and treatment. Any unexpended balances as of August 31, 2005 in the appropriations made herein are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2006.

THE UNIVERSITY OF TEXAS AT EL PASO

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 63,283,637	$ 63,172,036
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	1,129,310	1,129,310
Estimated Statutory Tuition Increases Account No. 708	1,305,549	1,305,549
Estimated Other Educational and General Income Account No. 770	20,166,962	20,398,954
Subtotal, General Revenue Fund - Dedicated	$ 22,601,821	$ 22,833,813
Permanent Endowment Fund Account No. 817, UT El Paso, estimated	1,472,403	1,182,500
Total, Method of Financing	$ 87,357,861	$ 87,188,349
Items of Appropriation:		
1. Educational and General State Support	$ 87,357,861	$ 87,188,349
Grand Total, THE UNIVERSITY OF TEXAS AT EL PASO	$ 87,357,861	$ 87,188,349
This bill pattern represents an estimated 41.3% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	1,759.8	1,759.8

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 51,040,678	$ 51,040,678
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 1,742,496	$ 1,742,496
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 1,561,648	$ 1,650,506
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 255,983	$ 256,011
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 3,707	$ 3,708
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 3,023,438	$ 3,054,972
A.1.7. Strategy: EXCELLENCE FUNDING	$ 1,372,232	$ 1,372,386
Total, Goal A: INSTRUCTION/OPERATIONS	$ 59,000,182	$ 59,120,757
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 11,933,618	$ 11,933,618
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 2,589,465	$ 2,588,203

B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 260,441	$ 260,441
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 14,783,524	$ 14,782,262
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.2.1. Strategy: BORDER STUDIES INSTITUTE Inter-American and Border Studies Institute.	$ 81,421	$ 81,431
C.2.2. Strategy: ENVIRONMENTAL RESOURCE MANAGEMENT Center for Environmental Resource Management.	$ 217,104	$ 217,128
C.2.3. Strategy: CENTER FOR LAW AND BORDER STUDIES	$ 413,026	$ 413,072
C.3.1. Strategy: EL PASO CENTENNIAL MUSEUM	$ 113,033	$ 113,046
C.3.2. Strategy: RURAL NURSING HEALTH CARE Rural Nursing Health Care Services.	$ 59,596	$ 59,602
C.3.3. Strategy: MANUFACTURE/MATERIALS MANAGEMENT Institute for Manufacturing and Materials Management.	$ 83,023	$ 83,032
C.3.4. Strategy: ECONOMIC/ENTERPRISE DEVELOPMENT Texas Centers for Economic and Enterprise Development.	$ 794,347	$ 794,436
C.3.5. Strategy: ACADEMIC EXCELLENCE Collaborative for Academic Excellence.	$ 108,552	$ 108,564
C.3.6. Strategy: BORDER COMMUNITY HEALTH Border Community Health Education Institute.	$ 268,467	$ 268,497
C.3.7. Strategy: BORDER HEALTH RESEARCH	$ 289,118	$ 289,151
C.3.8. Strategy: US-MEXICO IMMIGRATION CENTER United States - Mexico Immigration Center.	$ 41,303	$ 41,307
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 7,808,608	$ 7,809,410
Total, Goal C: SPECIAL ITEM SUPPORT	$ 10,277,598	$ 10,278,676
D. Goal: TOBACCO FUNDS		
D.1.1. Strategy: TOBACCO EARNINGS - UTEP Tobacco Earnings for the University of Texas at El Paso.	$ 1,472,403	$ 1,182,500
E. Goal: RESEARCH DEVELOPMENT FUND		
E.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 1,824,154	$ 1,824,154
Grand Total, THE UNIVERSITY OF TEXAS AT EL PASO	$ 87,357,861	$ 87,188,349
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 29,097,607	$ 29,430,451
Other Personnel Costs	580,000	436,543
Faculty Salaries (Higher Education Only)	38,121,844	37,293,334
Debt Service	2,849,906	2,848,644
Other Operating Expense	16,163,819	16,699,596
Grants	51,669	0
Capital Expenditures	493,016	479,781
Total, Object-of-Expense Informational Listing	$ 87,357,861	$ 87,188,349

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits		
Retirement	$ 6,431,998	$ 6,644,744
Group Insurance	6,442,753	6,861,532
Social Security	4,668,373	4,831,766
Subtotal, Employee Benefits	$ 17,543,124	$ 18,338,042
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 17,543,124	$ 18,338,042

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for The University of Texas at El Paso. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of The University of Texas at El Paso. In order to achieve the objectives and service standards established by this Act, The University of Texas at El Paso shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	56.2%	56.5%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	30.2%	30.3%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	83.8%	84.2%
Certification Rate of Teacher Education Graduates	100%	100%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	73%	73%
Percent of Lower Division Courses Taught by Tenured Faculty	52%	52%
State Licensure Pass Rate of Engineering Graduates	95%	95%
State Licensure Pass Rate of Nursing Graduates	95.8%	89%
Dollar Value of External or Sponsored Research Funds (in Millions)	26	26
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	9.1%	9.3%

3. **Transfer of Consortium Funds.** Funds identified for the Texas Centers for Border Economic and Enterprise Development are to be distributed among the member institutions of the consortium by transfers from appropriations to The University of Texas at El Paso to The University of Texas-Pan American and Texas A&M International University. Such transfers are subject to the special and general provisions of this Act and are authorized as follows:

	2006	2007
Texas A&M International University:		
Institute for International Trade	$ 193,525	$ 193,525
The University of Texas - Pan American:		
Center for Entrepreneurship and Economic Development	$ 321,001	$ 321,001

4. Estimated Appropriation and Unexpended Balance.

a. Included in the amounts appropriated above are estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for The University of Texas at El Paso.

b. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated to the institution. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, this Act may not be construed as appropriating funds to makeup the difference.

c. All balances of estimated appropriations from the Permanent Endowment Fund for The University of Texas at El Paso, except for any General Revenue, at the close of the fiscal year ending August 31, 2005, and the income to said fund during the fiscal years beginning September 1, 2005, are hereby appropriated. Any unexpended appropriations made above as of August 31, 2006, are hereby appropriated to the institution for the same purposes for fiscal year 2006.

THE UNIVERSITY OF TEXAS - PAN AMERICAN

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 54,883,368	$ 54,929,367
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	683,276	683,276
Estimated Statutory Tuition Increases Account No. 708	885,514	885,514
Estimated Other Educational and General Income Account No. 770	19,643,695	19,691,839
Subtotal, General Revenue Fund - Dedicated	$ 21,212,485	$ 21,260,629
Interagency Contracts	321,001	321,001
Total, Method of Financing	$ 76,416,854	$ 76,510,997
Items of Appropriation:		
1. Educational and General State Support	$ 76,416,854	$ 76,510,997
Grand Total, THE UNIVERSITY OF TEXAS - PAN AMERICAN	$ 76,416,854	$ 76,510,997

This bill pattern represents an estimated 48.3% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE)-Appropriated Funds	1,475.2	1,475.2

1. Informational Listing of Appropriated Funds. The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 45,578,537	$ 45,578,537
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 1,224,671	$ 1,224,671
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 1,570,860	$ 1,660,242

A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 149,986	$ 149,986
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 3,465,183	$ 3,472,857
A.1.6. Strategy: EXCELLENCE FUNDING	$ 656,808	$ 656,807
Total, Goal A: INSTRUCTION/OPERATIONS	$ 52,646,045	$ 52,743,100
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 8,752,038	$ 8,752,038
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 4,322,613	$ 4,319,701
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 13,074,651	$ 13,071,739
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: PROF DEVELOPMENT/DISTANCE LEARNING	$ 207,813	$ 207,813
Professional Development/Distance Learning.		
C.1.2. Strategy: COOPERATIVE PHARMACY DOCTORATE	$ 249,375	$ 249,375
C.1.3. Strategy: STARR COUNTY UPPER LEVEL CENTER	$ 124,688	$ 124,688
C.2.1. Strategy: ECONOMIC DEVELOPMENT	$ 543,707	$ 543,707
Center for Entrepreneurship and Economic Development.		
C.2.2. Strategy: CENTER FOR MANUFACTURING	$ 208,042	$ 208,042
C.2.3. Strategy: UT SYSTEM K-12 COLLABORATION	$ 146,083	$ 146,083
UT System K-12 Collaboration Initiative.		
C.2.4. Strategy: TRADE & TECHNOLOGY/TELECOMM	$ 109,563	$ 109,563
Trade and Technology/Telecommunications.		
C.2.5. Strategy: DIABETES REGISTRY	$ 209,844	$ 209,844
C.2.6. Strategy: TEXAS/MEXICO BORDER HEALTH	$ 290,938	$ 290,938
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 7,974,084	$ 7,974,084
C.3.2. Strategy: TRANSITION TO COLLEGE	$ 415,625	$ 415,625
Successful Transition to College Project.		
Total, Goal C: SPECIAL ITEM SUPPORT	$ 10,479,762	$ 10,479,762
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 216,396	$ 216,396
Grand Total, THE UNIVERSITY OF TEXAS - PAN AMERICAN	$ 76,416,854	$ 76,510,997
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 26,153,001	$ 26,732,238
Other Personnel Costs	1,384,038	1,837,925
Faculty Salaries (Higher Education Only)	34,313,565	34,202,072
Travel	254,504	227,813
Debt Service	4,322,613	4,319,701
Other Operating Expense	4,785,270	3,875,188
Client Services	5,196,106	5,304,807
Grants	7,757	11,253
Total, Object-of-Expense Informational Listing	$ 76,416,854	$ 76,510,997
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 5,840,053	$ 6,033,220
Group Insurance	4,765,882	5,075,664

Social Security	4,238,737	4,387,093
Subtotal, Employee Benefits	$ 14,844,672	$ 15,495,977
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 14,844,672	$ 15,495,977

2. Performance Measure Targets. The following is a listing of the key performance target levels for The University of Texas - Pan American. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of The University of Texas - Pan American. In order to achieve the objectives and service standards established by this Act, The University of Texas - Pan American shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	30%	30.5%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	10.5%	11%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	69%	69.5%
Certification Rate of Teacher Education Graduates	85%	87.5%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	68%	69%
Percent of Lower Division Courses Taught by Tenured Faculty	42%	44%
State Licensure Pass Rate of Nursing Graduates	93.9%	93.9%
Dollar Value of External or Sponsored Research Funds (in Millions)	4.2	4.2
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	8.6%	8.6%

3. Center for Manufacturing. Included in the appropriation above to The University of Texas - Pan American in Strategy C.2.2, Center for Manufacturing, is $208,042 in each year of the biennium for the Center for Manufacturing contingent upon certification by the Comptroller of Public Accounts that increased activity by the center will generate at least $416,084 for the biennium in additional revenue to the General Revenue Fund.

THE UNIVERSITY OF TEXAS AT BROWNSVILLE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 20,590,518	$ 20,599,314
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	161,658	161,658
Estimated Statutory Tuition Increases Account No. 708	151,960	151,960

Estimated Other Educational and General Income Account No. 770	3,418,612	3,427,873
Subtotal, General Revenue Fund - Dedicated	$ 3,732,230	$ 3,741,491
Total, Method of Financing	$ 24,322,748	$ 24,340,805
Items of Appropriation:		
1. Educational and General State Support	$ 24,322,748	$ 24,340,805
Grand Total, THE UNIVERSITY OF TEXAS AT BROWNSVILLE	$ 24,322,748	$ 24,340,805
This bill pattern represents an estimated 24.2% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	438.7	438.7

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 8,761,752	$ 8,761,752
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 425,330	$ 425,330
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 151,148	$ 159,748
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 17,883	$ 17,883
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 540,881	$ 542,269
Total, Goal A: INSTRUCTION/OPERATIONS	$ 9,896,994	$ 9,906,982
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 2,853,401	$ 2,853,401
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 3,983,591	$ 3,991,658
B.1.3. Strategy: LEASE OF FACILITIES	$ 1,359,575	$ 1,359,576
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 8,196,567	$ 8,204,635
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.3.1. Strategy: ECONOMIC DEVELOPMENT Texas Center for Border Economic Development.	$ 250,000	$ 250,000
C.3.2. Strategy: K-16 COLLABORATION IN UTB SRV AREA K-16 Collaboration in the UTB Service Area.	$ 218,750	$ 218,750
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 5,562,743	$ 5,562,744
Total, Goal C: SPECIAL ITEM SUPPORT	$ 6,031,493	$ 6,031,494
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 197,694	$ 197,694
Grand Total, THE UNIVERSITY OF TEXAS AT BROWNSVILLE	$ 24,322,748	$ 24,340,805
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 3,235,124	$ 3,235,125
Other Personnel Costs	402,608	402,608

Faculty Salaries (Higher Education Only)	11,732,092	11,732,093
Professional Salaries - Faculty Equivalent (Higher Education Only)	861,351	861,351
Rent - Building	1,359,575	1,359,576
Debt Service	3,983,591	3,991,658
Other Operating Expense	1,995,944	2,004,543
Client Services	752,463	753,851
Total, Object-of-Expense Informational Listing	$ 24,322,748	$ 24,340,805
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,415,031	$ 1,461,835
Group Insurance	1,554,568	1,655,615
Social Security	1,027,036	1,062,982
Subtotal, Employee Benefits	$ 3,996,635	$ 4,180,432
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 3,996,635	$ 4,180,432

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for The University of Texas at Brownsville. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of The University of Texas at Brownsville. In order to achieve the objectives and service standards established by this Act, The University of Texas at Brownsville shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	92.9%	92.9%
Certification Rate of Teacher Education Graduates	85.7%	86.1%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	74.6%	74.6%
Percent of Lower Division Courses Taught by Tenured Faculty	6.3%	6.3%
Percent of Incoming Full-time Undergraduate Transfer Students Who Graduate within Four Years	96.2%	96.2%
Percent of Incoming Full-time Undergraduate Transfer Students Who Graduate within Two years	35%	35%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	9.8%	9.8%

3. **Texas Center for Border Economic Development.** Included in the appropriation above to The University of Texas at Brownsville in Strategy C.3.1, Economic Development, is $250,000 in each year of the biennium for the Texas Center for Border Economic Development contingent upon certification by the Comptroller of Public Accounts that increased activity by the center will generate at least $500,000 for the biennium in additional revenue to the General Revenue Fund.

THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 14,417,886	$ 14,414,594
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	230,840	230,840
Estimated Statutory Tuition Increases Account No. 708	165,241	165,241
Estimated Other Educational and General Income Account No. 770	3,896,773	3,911,035
Subtotal, General Revenue Fund - Dedicated	$ 4,292,854	$ 4,307,116
Total, Method of Financing	$ 18,710,740	$ 18,721,710
Items of Appropriation:		
1. Educational and General State Support	$ 18,710,740	$ 18,721,710
Grand Total, THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN	$ 18,710,740	$ 18,721,710
This bill pattern represents an estimated 52.5% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	268.3	268.3

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 8,054,749	$ 8,054,749
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 324,378	$ 324,378
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 277,722	$ 293,524
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 29,328	$ 29,327
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 520,200	$ 521,926
A.1.6. Strategy: EXCELLENCE FUNDING	$ 167,547	$ 167,547
Total, Goal A: INSTRUCTION/OPERATIONS	$ 9,373,924	$ 9,391,451
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 2,558,534	$ 2,558,534
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 1,817,759	$ 1,811,202
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 34,003	$ 34,003
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 4,410,296	$ 4,403,739
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.2.1. Strategy: CENTER FOR ENERGY	$ 262,101	$ 262,101
C.3.1. Strategy: PUBLIC LEADERSHIP INSTITUTE	$ 698,938	$ 698,938
John Ben Shepperd Public Leadership Institute.		
C.3.2. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	$ 127,234	$ 127,234
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 3,713,247	$ 3,713,247
Total, Goal C: SPECIAL ITEM SUPPORT	$ 4,801,520	$ 4,801,520

D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 125,000	$ 125,000
Grand Total, THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN	$ 18,710,740	$ 18,721,710
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 6,155,658	$ 6,237,931
Other Personnel Costs	155,901	170,053
Faculty Salaries (Higher Education Only)	6,457,411	6,613,390
Professional Salaries - Faculty Equivalent (Higher Education Only)	0	65,195
Professional Fees and Services	204,310	87,780
Fuels and Lubricants	14,551	14,434
Consumable Supplies	432,021	150,078
Utilities	1,396,911	1,302,301
Travel	75,729	60,713
Rent - Building	211	0
Rent - Machine and Other	13,166	4,520
Debt Service	1,851,762	1,845,205
Other Operating Expense	1,231,517	1,247,813
Client Services	520,200	521,926
Grants	70,666	243,238
Capital Expenditures	130,726	157,133
Total, Object-of-Expense Informational Listing	$ 18,710,740	$ 18,721,710
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,193,234	$ 1,232,701
Group Insurance	984,929	1,048,950
Social Security	866,054	896,366
Subtotal, Employee Benefits	$ 3,044,217	$ 3,178,017
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 3,044,217	$ 3,178,017

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for The University of Texas of the Permian Basin. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of The University of Texas of the Permian Basin. In order to achieve the objectives and service standards established by this Act, The University of Texas of the Permian Basin shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	35%	37%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	15%	16%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	68.9%	70%

Certification Rate of Teacher Education Graduates	84.8%	84.8%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	65.6%	65.6%
Percent of Lower Division Courses Taught by Tenured Faculty	54%	54%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	9.2%	9.2%

THE UNIVERSITY OF TEXAS AT SAN ANTONIO

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 81,393,469	$ 81,341,015
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	3,096,900	3,096,900
Estimated Statutory Tuition Increases Account No. 708	1,402,212	1,402,212
Estimated Other Educational and General Income Account No. 770	29,953,279	30,192,999
Subtotal, General Revenue Fund - Dedicated	$ 34,452,391	$ 34,692,111
Total, Method of Financing	$ 115,845,860	$ 116,033,126
Items of Appropriation:		
1. Educational and General State Support	$ 115,845,860	$ 116,033,126
Grand Total, THE UNIVERSITY OF TEXAS AT SAN ANTONIO	$ 115,845,860	$ 116,033,126
This bill pattern represents an estimated 37.6% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	1,881.0	1,881.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 69,880,090	$ 69,880,090
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 2,314,590	$ 2,314,590
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 2,682,055	$ 2,834,664
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 185,579	$ 185,579
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 340	$ 340
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 5,059,410	$ 5,094,067
A.1.7. Strategy: EXCELLENCE FUNDING	$ 2,257,017	$ 2,257,017
Total, Goal A: INSTRUCTION/OPERATIONS	$ 82,379,081	$ 82,566,347
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 13,082,410	$ 13,082,410

B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 6,869,228	$ 6,858,750
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 19,951,638	$ 19,941,160
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: TEXAS PRE-ENGINEERING PROGRAM	$ 557,190	$ 557,190
C.2.1. Strategy: CENTER FOR WATER RESEARCH	$ 131,250	$ 131,250
C.3.1. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	$ 3,179,898	$ 3,179,898
C.3.2. Strategy: INSTITUTE OF TEXAN CULTURES	$ 1,953,126	$ 1,953,126
C.4.1. Strategy: DOWNTOWN CAMPUS PHASE II	$ 1,312,500	$ 1,312,500
C.4.2. Strategy: INSTITUTIONAL ENHANCEMENT	$ 4,960,402	$ 4,970,880
C.4.3. Strategy: TEXAS STATE DATA CENTER	$ 327,398	$ 327,398
Total, Goal C: SPECIAL ITEM SUPPORT	$ 12,421,764	$ 12,432,242
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 1,093,377	$ 1,093,377
Grand Total, THE UNIVERSITY OF TEXAS AT SAN ANTONIO	$ 115,845,860	$ 116,033,126
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 46,352,819	$ 48,286,054
Other Personnel Costs	2,685,020	2,837,629
Faculty Salaries (Higher Education Only)	45,855,352	48,848,198
Utilities	7,669,703	2,731,375
Debt Service	6,869,228	6,858,750
Other Operating Expense	6,380,926	6,438,308
Grants	32,812	32,812
Total, Object-of-Expense Informational Listing	$ 115,845,860	$ 116,033,126
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 8,563,082	$ 8,846,317
Group Insurance	6,257,607	6,664,351
Social Security	6,215,124	6,432,653
Subtotal, Employee Benefits	$ 21,035,813	$ 21,943,321
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 21,035,813	$ 21,943,321

2. Performance Measure Targets. The following is a listing of the key performance target levels for The University of Texas at San Antonio. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of The University of Texas at San Antonio. In order to achieve the objectives and service standards established by this Act, The University of Texas at San Antonio shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	30.6%	31.3%

Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	8%	9%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	67.49%	68.45%
Certification Rate of Teacher Education Graduates	96.6%	96.6%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	59.5%	59.5%
Percent of Lower Division Courses Taught by Tenured Faculty	40.2%	41.6%
State Licensure Pass Rate of Engineering Graduates	82.3%	82.35%
Dollar Value of External or Sponsored Research Funds (in Millions)	14.88	15.9
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	9%	9%

3. **Institute of Texan Cultures.** Out of the funds appropriated above, it is the intent of the Legislature that The University of Texas at San Antonio spend up to $1,953,126 each year of the biennium for the Institute of Texan Cultures.

4. **Texas State Data Center.** Contingent Upon Certification: Texas State Data Center. Out of funds appropriated above in Strategy C.4.3, Texas State Data Center, $150,000 in fiscal year 2006 and $150,000 in fiscal year 2007 are appropriated from the General Revenue Fund for the operation of the Texas State Data Center at The University of Texas at San Antonio, contingent upon certification by the Comptroller of Public Accounts that increased activity resulting from the work of the Texas State Data Center will generate at least $300,000 for the biennium in additional revenue to the General Revenue Fund.

THE UNIVERSITY OF TEXAS AT TYLER

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 25,130,568	$ 25,226,216
General Revenue Fund - Dedicated		
Estimated Statutory Tuition Increases Account No. 708	272,075	272,075
Estimated Other Educational and General Income Account No. 770	5,687,377	5,710,823
Subtotal, General Revenue Fund - Dedicated	$ 5,959,452	$ 5,982,898
Total, Method of Financing	$ 31,090,020	$ 31,209,114
Items of Appropriation:		
1. Educational and General State Support	$ 31,090,020	$ 31,209,114
Grand Total, THE UNIVERSITY OF TEXAS AT TYLER	$ 31,090,020	$ 31,209,114
This bill pattern represents an estimated 54.8% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	427.5	427.5

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 15,827,159	$ 15,827,159
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 697,605	$ 697,605
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 503,522	$ 532,172
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 57,002	$ 57,002
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,268,534	$ 1,273,466
Total, Goal A: INSTRUCTION/OPERATIONS	$ 18,353,822	$ 18,387,404
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 3,084,407	$ 3,084,407
Educational and General Space Support.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 2,037,182	$ 2,043,725
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 60,128	$ 60,128
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 5,181,717	$ 5,188,260
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: 4-YEAR START UP OPERATIONS	$ 1,064,000	$ 1,142,969
C.1.2. Strategy: LONGVIEW CAMPUS	$ 1,145,151	$ 1,145,151
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 5,220,330	$ 5,220,330
Total, Goal C: SPECIAL ITEM SUPPORT	$ 7,429,481	$ 7,508,450
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 125,000	$ 125,000
Grand Total, THE UNIVERSITY OF TEXAS AT TYLER	$ 31,090,020	$ 31,209,114
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 7,130,873	$ 7,324,938
Other Personnel Costs	645,283	674,386
Faculty Salaries (Higher Education Only)	11,946,795	11,688,852
Professional Fees and Services	22,721	0
Consumable Supplies	184,362	249,536
Utilities	858,454	787,389
Travel	195,350	198,232
Rent - Machine and Other	5,151	0
Debt Service	2,097,310	2,103,853
Other Operating Expense	2,774,885	2,956,287
Grants	5,195,886	5,220,330
Capital Expenditures	32,950	5,311
Total, Object-of-Expense Informational Listing	$ 31,090,020	$ 31,209,114
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 2,046,063	$ 2,113,739
Group Insurance	1,749,138	1,862,832

Social Security	1,485,042	1,537,018
Subtotal, Employee Benefits	$ 5,280,243	$ 5,513,589
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 5,280,243	$ 5,513,589

2. Performance Measure Targets. The following is a listing of the key performance target levels for The University of Texas at Tyler. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of The University of Texas at Tyler. In order to achieve the objectives and service standards established by this Act, The University of Texas at Tyler shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree Within Six Academic Years	44.2%	44.2%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	26%	26%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	60%	60%
Certification Rate of Teacher Education Graduates	94%	94%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	48%	48%
Percent of Lower Division Courses Taught by Tenured Faculty	64%	64%
State Licensure Pass Rate of Nursing Graduates	98.9%	98.9%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	12%	12%

TEXAS A&M UNIVERSITY SYSTEM ADMINISTRATIVE AND GENERAL OFFICES

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 2,603,181	$ 528,535
GR Dedicated - Texas A&M University Mineral Income Account No. 096, estimated	1,088,742	2,439,976
Total, Method of Financing	$ 3,691,923	$ 2,968,511
Items of Appropriation:		
1. Educational and General State Support	$ 3,691,923	$ 2,968,511
Grand Total, TEXAS A&M UNIVERSITY SYSTEM ADMINISTRATIVE AND GENERAL OFFICES	$ 3,691,923	$ 2,968,511
This bill pattern represents an estimated 45.3% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	77.0	77.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: SYSTEM OFFICE OPERATIONS	$ 1,613,798	$ 2,968,511
B. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
B.1.1. Strategy: SCHOLARSHIPS	$ 2,078,125	$ 0
Grand Total, TEXAS A&M UNIVERSITY SYSTEM ADMINISTRATIVE AND GENERAL OFFICES	$ 3,691,923	$ 2,968,511
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,380,102	$ 2,709,831
Other Personnel Costs	65,835	72,886
Professional Fees and Services	47,215	52,271
Fuels and Lubricants	486	538
Consumable Supplies	17,133	18,968
Utilities	68,113	75,408
Travel	13,774	15,205
Rent - Building	244	270
Rent - Machine and Other	20,896	23,134
Client Services	2,078,125	0
Total, Object-of-Expense Informational Listing	$ 3,691,923	$ 2,968,511
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 32,987	$ 34,078
Group Insurance	41,613	44,318
Social Security	23,942	24,780
Subtotal, Employee Benefits	$ 98,542	$ 103,176
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 98,542	$ 103,176

2. **Governing Board.** Out of the funds appropriated above, an amount not to exceed $325,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

   A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

3. **Mineral Fund Appropriated.** Appropriated in the funds above to the Board of Regents of the Texas A&M University System are the funds in the Texas A&M University System Special Mineral Fund to be invested by said board in accordance with Education Code § 85.70. The income from said Fund is included in the appropriation above to the Board of Regents of the Texas A&M University System to be disbursed for the purposes provided for and in accordance with the provisions of the above citation. Mineral Funds are estimated to be $1,088,742 in fiscal year 2006 and $2,439,976 in fiscal year 2007.

TEXAS A&M UNIVERSITY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 219,401,048	$ 218,196,305
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	7,047,160	7,047,160
Estimated Statutory Tuition Increases Account No. 708	2,522,337	2,522,337
Estimated Other Educational and General Income Account No. 770	69,910,173	71,271,266
Subtotal, General Revenue Fund - Dedicated	$ 79,479,670	$ 80,840,763
Real Estate Fee Trust Account No. 969	2,661,938	2,150,000
Total, Method of Financing	$ 301,542,656	$ 301,187,068
Items of Appropriation:		
1. Educational and General State Support	$ 301,542,656	$ 301,187,068
Grand Total, TEXAS A&M UNIVERSITY	$ 301,542,656	$ 301,187,068
This bill pattern represents an estimated 33.2% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	5,372.4	5,372.4

1. Informational Listing of Appropriated Funds. The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 203,195,600	$ 203,195,600
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 5,050,955	$ 5,050,955
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 5,446,314	$ 5,756,209
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 2,025,818	$ 2,025,818
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 8,253,087	$ 8,407,410
A.1.6. Strategy: ORGANIZED ACTIVITIES	$ 7,889,469	$ 7,889,469
Total, Goal A: INSTRUCTION/OPERATIONS	$ 231,861,243	$ 232,325,461
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 39,959,203	$ 39,959,203
Educational and General Space Support.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 237,899	$ 237,574
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 40,197,102	$ 40,196,777
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.2.1. Strategy: CYCLOTRON INSTITUTE	$ 548,154	$ 548,154
C.2.2. Strategy: SEA GRANT PROGRAM	$ 359,678	$ 359,678
C.2.3. Strategy: ENERGY RESOURCES PROGRAM	$ 551,765	$ 551,765
C.2.4. Strategy: PUBLIC POLICY RESOURCE LABORATORY	$ 41,243	$ 41,243

C.2.5. Strategy: REAL ESTATE RESEARCH CENTER	$ 2,661,938	$ 2,150,000
C.3.1. Strategy: SCHOOL OF ARCHITECTURE	$ 750,274	$ 750,274
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 24,571,259	$ 24,263,716
Total, Goal C: SPECIAL ITEM SUPPORT	$ 29,484,311	$ 28,664,830
Grand Total, TEXAS A&M UNIVERSITY	$ 301,542,656	$ 301,187,068
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 92,719,472	$ 98,050,869
Other Personnel Costs	5,271,641	6,067,958
Faculty Salaries (Higher Education Only)	142,419,187	153,705,497
Professional Salaries - Faculty Equivalent (Higher Education Only)	2,302,576	211,176
Professional Fees and Services	550,070	698,689
Fuels and Lubricants	48,043	53,369
Consumable Supplies	937,626	1,023,585
Utilities	11,472,950	3,503,970
Travel	76,364	126,285
Rent - Building	22,351	50,569
Rent - Machine and Other	1,076,062	1,087,644
Debt Service	237,899	237,574
Other Operating Expense	26,164,327	18,476,762
Client Services	1,360,195	1,596,240
Grants	16,142,559	16,296,881
Capital Expenditures	741,334	0
Total, Object-of-Expense Informational Listing	$ 301,542,656	$ 301,187,068
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 23,593,250	$ 23,490,623
Group Insurance	24,144,547	27,810,368
Social Security	17,124,087	17,723,430
Subtotal, Employee Benefits	$ 64,861,884	$ 69,024,421
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 64,861,884	$ 69,024,421

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas A&M University. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas A&M University. In order to achieve the objectives and service standards established by this Act, the Texas A&M University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree Within Six Academic Years	75.7%	75.7%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	36.5%	36.5%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	89.4%	89.4%

Certification Rate of Teacher Education Graduates	98.8%	98.8%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	30%	30%
Percent of Lower Division Courses Taught by Tenured Faculty	33%	35%
State Licensure Pass Rate of Engineering Graduates	90%	90%
State Licensure Examination Pass Rate of Veterinary Medicine Graduates	100%	100%
Dollar Value of External or Sponsored Research Funds (In Millions)	96.8	112.8
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	4.38%	4.38%

3. **Real Estate Research Center.** Funds derived from the provisions of VTCS, Article 6573a, § 5.m, in support of the Real Estate Research Center at Texas A&M University, are appropriated above to said center for the purposes stipulated therein. No employee paid from funds appropriated by this Act shall be paid both a salary and compensatory per diem for concurrent service as a state employee and as a board or commission member.

TEXAS A&M UNIVERSITY AT GALVESTON

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 11,559,517	$ 11,497,707
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	30,000	30,000
Estimated Statutory Tuition Increases Account No. 708	87,586	87,586
Estimated Other Educational and General Income Account No. 770	3,237,820	3,331,405
Subtotal, General Revenue Fund - Dedicated	$ 3,355,406	$ 3,448,991
Total, Method of Financing	$ 14,914,923	$ 14,946,698
Items of Appropriation:		
1. Educational and General State Support	$ 14,914,923	$ 14,946,698
Grand Total, TEXAS A&M UNIVERSITY AT GALVESTON	$ 14,914,923	$ 14,946,698

This bill pattern represents an estimated 40.5% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE)-Appropriated Funds	249.9	249.9

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 4,616,697	$ 4,616,697
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 174,485	$ 174,485
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 249,176	$ 263,354

A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 83,698	$ 83,698
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 725	$ 725
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 361,536	$ 371,787
A.1.7. Strategy: EXCELLENCE FUNDING	$ 211,275	$ 211,275
Total, Goal A: INSTRUCTION/OPERATIONS	$ 5,697,592	$ 5,722,021
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 2,070,964	$ 2,070,964
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 826,447	$ 823,447
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 2,897,411	$ 2,894,411
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: MARITIME INSTRUCTION ENHANCEMENT	$ 2,056,445	$ 2,102,732
Maritime Instructional Enhancement.		
C.2.1. Strategy: COASTAL ZONE LABORATORY	$ 22,882	$ 22,882
C.2.2. Strategy: TEXAS INSTITUTE OF OCEANOGRAPHY	$ 469,326	$ 469,326
C.4.1. Strategy: DREDGING OF DOCK AREA	$ 35,941	$ 0
C.4.2. Strategy: SHIP OPERATION & MAINTENANCE	$ 902,100	$ 902,100
Ship Operation and Maintenance.		
C.4.3. Strategy: MARINE TERMINAL OPERATION	$ 402,227	$ 402,227
Marine Terminal Operations.		
C.4.4. Strategy: INSTITUTIONAL ENHANCEMENT	$ 2,165,678	$ 2,165,678
Total, Goal C: SPECIAL ITEM SUPPORT	$ 6,054,599	$ 6,064,945
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 265,321	$ 265,321
Grand Total, TEXAS A&M UNIVERSITY AT GALVESTON	$ 14,914,923	$ 14,946,698
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 4,453,545	$ 4,584,697
Other Personnel Costs	129,458	44,666
Faculty Salaries (Higher Education Only)	2,865,299	3,217,884
Professional Salaries - Faculty Equivalent (Higher Education Only)	153,776	0
Professional Fees and Services	5,216	2,298
Fuels and Lubricants	75,407	49,456
Consumable Supplies	25,545	23,687
Utilities	392,721	11,104
Travel	6,556	2,895
Rent - Building	101,408	166,539
Rent - Machine and Other	5,865	4,341
Debt Service	826,447	823,447
Other Operating Expense	1,089,313	1,028,955
Grants	2,686,239	2,883,997
Capital Expenditures	2,098,128	2,102,732
Total, Object-of-Expense Informational Listing	$ 14,914,923	$ 14,946,698

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits		
Retirement	$ 1,118,848	$ 1,155,856
Group Insurance	1,009,312	1,074,917
Social Security	812,065	840,488
Subtotal, Employee Benefits	$ 2,940,225	$ 3,071,261
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,940,225	$ 3,071,261

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas A&M University at Galveston. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas A&M University at Galveston. In order to achieve the objectives and service standards established by this Act, the Texas A&M University at Galveston shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	40%	42%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	15%	15%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	60%	60%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	35%	38.3%
Percent of Lower Division Courses Taught by Tenured Faculty	35.1%	35.1%
Dollar Value of External or Sponsored Research Funds (in Millions)	4.57	5.03
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	11.25%	11%

3. **Training Vessel.** No funds appropriated to Texas A&M University at Galveston may be expended for purchase of a training vessel.

PRAIRIE VIEW A&M UNIVERSITY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 53,917,232	$ 53,679,664
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	412,402	412,402
Estimated Statutory Tuition Increases Account No. 708	360,351	360,351
Estimated Other Educational and General Income Account No. 770	11,441,461	11,778,368

Center for Study and Prevention of Juvenile Crime and Delinquency Account No. 5029, estimated	1,764,901	2,072,889
Subtotal, General Revenue Fund - Dedicated	$ 13,979,115	$ 14,624,010
Total, Method of Financing	$ 67,896,347	$ 68,303,674
Items of Appropriation:		
1. Educational and General State Support	$ 67,896,347	$ 68,303,674
Grand Total, PRAIRIE VIEW A&M UNIVERSITY	$ 67,896,347	$ 68,303,674

This bill pattern represents an estimated 55.5% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE)-Appropriated Funds	927.1	927.1
Supplemental Appropriations Made in Riders:	$ 3,000,000	$ 0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 26,979,084	$ 26,979,084
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 1,046,084	$ 1,046,084
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 782,429	$ 826,949
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 208,890	$ 208,890
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 6,532	$ 6,532
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 2,225,501	$ 2,285,070
A.1.7. Strategy: EXCELLENCE FUNDING	$ 261,334	$ 261,334
Total, Goal A: INSTRUCTION/OPERATIONS	$ 31,509,854	$ 31,613,943
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 5,961,028	$ 5,961,028
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 7,094,082	$ 7,089,334
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 13,055,110	$ 13,050,362
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: STUDENT NURSE STIPENDS	$ 159,969	$ 159,970
C.1.2. Strategy: HONORS PROGRAM	$ 83,125	$ 83,125
C.2.1. Strategy: AGRICULTURE RESEARCH CENTER Cooperative Agriculture Research Center.	$ 751,693	$ 751,693
C.3.1. Strategy: EXTENSION AND PUBLIC SERVICE	$ 1,749,433	$ 1,749,432
C.3.2. Strategy: JUVENILE CRIME PREVENTION CENTER	$ 1,764,901	$ 2,072,889
C.3.3. Strategy: COMMUNITY DEVELOPMENT	$ 124,688	$ 124,687
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 4,894,182	$ 4,894,181
Total, Goal C: SPECIAL ITEM SUPPORT	$ 9,527,991	$ 9,835,977

D. Goal: TEXAS COMMITMENT-OCR PRIORITY PLAN		
Texas Commitment Office of Civil Rights Priority Plan.		
D.1.1. Strategy: OCR PRIORITY PLAN	$ 13,803,392	$ 13,803,392
Office of Civil Rights Priority Plan.		
Grand Total, PRAIRIE VIEW A&M UNIVERSITY	$ 67,896,347	$ 68,303,674
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 18,432,360	$ 20,413,683
Other Personnel Costs	1,039,101	43,787
Faculty Salaries (Higher Education Only)	22,738,094	24,443,092
Professional Salaries - Extension (Texas Agricultural Extension Svc)	461,015	571,923
Professional Fees and Services	579,123	260,626
Fuels and Lubricants	10,194	46,184
Consumable Supplies	504,686	201,421
Utilities	2,445,074	1,877,089
Travel	237,261	168,107
Rent - Building	1,091,368	948,317
Rent - Machine and Other	413,380	168,499
Debt Service	7,094,082	7,089,334
Other Operating Expense	10,786,888	7,974,449
Client Services	1,786,292	1,812,089
Grants	2,225,502	2,285,074
Capital Expenditures	1,051,927	0
Total, Object-of-Expense Informational Listing	$ 70,896,347	$ 68,303,674
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 4,341,157	$ 4,484,746
Group Insurance	3,595,486	3,829,193
Social Security	3,150,831	3,261,110
Subtotal, Employee Benefits	$ 11,087,474	$ 11,575,049
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 11,087,474	$ 11,575,049

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Prairie View A&M University. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Prairie View A&M University. In order to achieve the objectives and service standards established by this Act, the Prairie View A&M University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	37.5%	37.7%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	70%	70.1%
Certification Rate of Teacher Education Graduates	70%	76%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	57%	57%
Percent of Lower Division Courses Taught by Tenured Faculty	60%	60%
State Licensure Pass Rate of Engineering Graduates	60%	60%

State Licensure Pass Rate of Nursing Graduates	97%	97%
Dollar Value of External or Sponsored Research Funds (in Millions)	9.26	9.72
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	11.75%	11.75%

3. Texas Commitment - OCR Priority Plan. Out of the funds appropriated above in D. Goal: Texas Commitment - OCR Priority Plan, the following items are included in the Priority Plan:

	OCR Priority Plan Items	in millions 2006	2007
1.	University College and Project Access	$1.27	$1.38
2.	Student Development and Support Center	$1.01	$1.02
3.	Honors Endowed Scholarships	$1.11	$1.11
4.	Information Technology	$2.12	$2.65
5.	Accreditation	$0.95	$0.79
6.	College of Nursing	$0.95	$0.74
7.	College of Engineering	$0.37	$0.32
8.	MS Accounting	$0.24	$0.26
9.	MS/PhD Electrical Engineering	$0.84	$0.84
10.	Enhance Educator Preparation	$0.37	$0.36
11.	MS Architecture	$0.42	$0.37
12.	Four Endowed Chairs	$0.53	$0.53
13.	MS Information Systems	$0.53	$0.53
14.	Faculty Recruitment, Retention, and Development	$0.85	$0.69
15..	MS Computer Science	$0.32	$0.29
16.	PhD Juvenile Forensic Psychology	$0.64	$0.64
17	Texas Medical Academy	$1.28	$1.28
	TOTAL:	$13.8	$13.8

4. OCR Priority Plan Reporting Requirements. Prairie View A&M University shall work with the Texas A&M University System; Prairie View A&M University and the Texas A&M University System shall work with the Texas Higher Education Coordinating Board, the Governor, and the Legislative Budget Board regarding any proposed changes to the detailed plan, the benchmarks and performance measures adopted in accordance with the OCR Priority Plan. Prairie View A&M University shall report their progress regarding the OCR Priority Plan benchmarks, performance measures, and expenditures for the above items, semi-annually by January 30 and July 30 to the institution's Board of Regents, the Texas Higher Education Coordinating Board, the Governor, and the Legislative Budget Board. Any unexpended balances as of August 31, 2005, (estimated to be $3,000,000) appropriated by the Seventy-eighth Legislature for the OCR Priority Plan, are hereby appropriated to Prairie View A&M University for the biennium beginning September 1, 2005. It is legislative intent that any funds not spent during the 2006-2007 biennium be transferred to the 2008-2009 biennium without any reduction in future funding for the Office of Civil Rights Priority Plan.

5. Establishment of America's Promise School. Out of the funds appropriated above Prairie View A&M University will jointly operate an America's Promise School with Waller Independent School District. The school will be a full service pre-kindergarten through fourth grade community-centered elementary school based around the America's Promise concept, which includes the following five promises: (1) an ongoing relationship with a caring adult/mentor; (2) safe places and structured activities before and after school; (3) a healthy start, including nutritional and health-related services; (4) students developing marketable skills through effective education; and (5) opportunities for the students to serve and give back to the community.

6. OCR Multi-year Commitment. It is the intent of the Legislature that the funding identified above in the OCR Priority Plan be continued as a multi-year commitment by the Legislature.

TARLETON STATE UNIVERSITY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 31,663,870	$ 31,565,022
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	238,000	238,000
Estimated Statutory Tuition Increases Account No. 708	439,064	439,064
Estimated Other Educational and General Income Account No. 770	11,241,787	11,419,868
Subtotal, General Revenue Fund - Dedicated	$ 11,918,851	$ 12,096,932
Total, Method of Financing	$ 43,582,721	$ 43,661,954
Items of Appropriation:		
1. Educational and General State Support	$ 43,582,721	$ 43,661,954
Grand Total, TARLETON STATE UNIVERSITY	$ 43,582,721	$ 43,661,954
This bill pattern represents an estimated 46.1% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	734.6	734.6

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 25,231,869	$ 25,231,869
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 1,013,177	$ 1,013,177
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 962,274	$ 1,017,027
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 106,361	$ 106,362
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 19,687	$ 19,687
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,607,755	$ 1,632,231
A.1.7. Strategy: ORGANIZED ACTIVITIES	$ 412,077	$ 412,077
A.1.8. Strategy: EXCELLENCE FUNDING	$ 390,761	$ 390,761
Total, Goal A: INSTRUCTION/OPERATIONS	$ 29,743,961	$ 29,823,191
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 4,778,744	$ 4,778,744
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 2,921,901	$ 2,921,901
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 7,700,645	$ 7,700,645
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: CENTRAL TEXAS CENTER University System Center - Central Texas.	$ 884,493	$ 884,494
C.2.1. Strategy: ENVIRONMENTAL RESEARCH Institute for Applied Environmental Research.	$ 1,049,955	$ 1,049,956

C.2.2. Strategy: AGRICULTURE CENTER Tarleton Agriculture Center.	$ 246,083	$ 246,084
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 3,353,338	$ 3,353,338
Total, Goal C: SPECIAL ITEM SUPPORT	$ 5,533,869	$ 5,533,872
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 604,246	$ 604,246
Grand Total, TARLETON STATE UNIVERSITY	$ 43,582,721	$ 43,661,954
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 11,615,317	$ 12,133,494
Other Personnel Costs	398,902	407,401
Faculty Salaries (Higher Education Only)	17,597,029	17,345,298
Professional Salaries - Faculty Equivalent (Higher Education Only)	59,801	58,137
Professional Fees and Services	21,171	21,141
Fuels and Lubricants	38,397	36,889
Consumable Supplies	417,915	419,375
Utilities	2,031,586	1,862,987
Travel	177,614	168,734
Rent - Building	6,180	5,934
Rent - Machine and Other	114,631	96,985
Debt Service	2,921,901	2,921,901
Other Operating Expense	4,378,915	4,388,527
Grants	3,353,342	3,744,101
Capital Expenditures	450,020	51,050
Total, Object-of-Expense Informational Listing	$ 43,582,721	$ 43,661,954
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 3,042,524	$ 3,143,160
Group Insurance	2,899,651	3,088,128
Social Security	2,208,278	2,285,568
Subtotal, Employee Benefits	$ 8,150,453	$ 8,516,856
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 8,150,453	$ 8,516,856

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Tarleton State University. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Tarleton State University. In order to achieve the objectives and service standards established by this Act, the Tarleton State University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	46.5%	46.5%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	18%	18.5%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	66%	66%
Certification Rate of Teacher Education Graduates	93.2%	93.2%

Percent of Baccalaureate Graduates Who Are First Generation College Graduates	59.5%	60%
Percent of Lower Division Courses Taught by Tenured Faculty	43.7%	43.7%
State Licensure Pass Rate of Nursing Graduates	100%	100%
Dollar Value of External or Sponsored Research Funds (in Millions)	5.8	5.85
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	10.25%	10%

3. **Bosque River Monitoring Project.** The Institute for Applied Environmental Research shall conduct water quality monitoring for the Bosque River. The institute shall coordinate the collection and reporting of data to conform with Texas Commission on Environmental Quality protocols. The Institute shall report on the water quality in the Bosque River by July 1 and February 1 of each year to the commission. It is legislative intent that the water quality monitoring efforts of the Institute for Applied Environmental Research, Texas Commission on Environmental Quality, and other appropriate agencies and entities be cooperative and non-duplicative.

4. **Scholarship Match.** Out of the funds appropriated above, funds may be used to provide a match for funds collected by a one dollar per semester credit hour fee for a student endowment scholarship and internship adopted by student referendum, pursuant to Education Code § 56.242.

TEXAS A&M UNIVERSITY - CORPUS CHRISTI

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 43,527,894	$ 43,341,721
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	275,000	275,000
Estimated Statutory Tuition Increases Account No. 708	452,141	452,141
Estimated Other Educational and General Income Account No. 770	10,747,971	10,925,781
Subtotal, General Revenue Fund - Dedicated	$ 11,475,112	$ 11,652,922
Total, Method of Financing	$ 55,003,006	$ 54,994,643
Items of Appropriation:		
1. Educational and General State Support	$ 55,003,006	$ 54,994,643
Grand Total, TEXAS A&M UNIVERSITY - CORPUS CHRISTI	$ 55,003,006	$ 54,994,643
This bill pattern represents an estimated 57.7% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	794.5	794.5

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

TEXAS A&M UNIVERSITY - CORPUS CHRISTI
(Continued)

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 24,877,708	$ 24,877,708
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 1,229,335	$ 1,229,335
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 777,893	$ 822,155
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 99,014	$ 99,014
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 9,656	$ 9,656
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,596,303	$ 1,621,063
A.1.7. Strategy: EXCELLENCE FUNDING	$ 567,572	$ 567,572
Total, Goal A: INSTRUCTION/OPERATIONS	$ 29,157,481	$ 29,226,503
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 4,866,544	$ 4,866,544
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 8,900,177	$ 8,822,792
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 13,766,721	$ 13,689,336
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: SCHOOL NURSING PROGRAM School Nursing Program for Early Childhood Development Center.	$ 290,938	$ 290,938
C.1.2. Strategy: ENVIRONMENTAL LEARING CENTER Environmental Learning Center.	$ 166,250	$ 166,250
C.2.1. Strategy: CENTER FOR COASTAL STUDIES	$ 252,671	$ 252,671
C.2.2. Strategy: GULF OF MEXICO ENVIRONMENTAL LAB Gulf of Mexico Environment Research Laboratory.	$ 249,375	$ 249,375
C.3.1. Strategy: WATER RESOURCES CENTER	$ 62,547	$ 62,547
C.3.2. Strategy: ART MUSEUM	$ 329,324	$ 329,324
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 9,998,948	$ 9,998,948
Total, Goal C: SPECIAL ITEM SUPPORT	$ 11,350,053	$ 11,350,053
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 728,751	$ 728,751
Grand Total, TEXAS A&M UNIVERSITY - CORPUS CHRISTI	$ 55,003,006	$ 54,994,643
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 15,076,402	$ 15,715,997
Other Personnel Costs	75,404	65,390
Faculty Salaries (Higher Education Only)	20,293,463	20,958,681
Professional Salaries - Faculty Equivalent (Higher Education Only)	24,604	0
Professional Fees and Services	212,916	122,404
Fuels and Lubricants	202	125
Consumable Supplies	270,091	203,292
Utilities	1,905,879	2,016,317
Travel	59,511	49,339
Rent - Building	346	151
Rent - Machine and Other	396,940	409,755
Debt Service	8,900,177	8,822,792
Other Operating Expense	5,500,945	4,394,083
Client Services	1,603,040	1,628,576
Grants	27,557	29,871
Capital Expenditures	655,529	577,870
Total, Object-of-Expense Informational Listing	$ 55,003,006	$ 54,994,643

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits		
Retirement	$ 3,276,678	$ 3,385,058
Group Insurance	3,088,150	3,288,880
Social Security	2,378,227	2,461,465
Subtotal, Employee Benefits	$ 8,743,055	$ 9,135,403
Debt Service		
Lease Payments	$ 931,822	$ 1,066,428
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 9,674,877	$ 10,201,831

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas A&M University - Corpus Christi. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas A&M University - Corpus Christi. In order to achieve the objectives and service standards established by this Act, the Texas A&M University - Corpus Christi shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	41.5%	41.5%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	20%	20%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	70%	70%
Certification Rate of Teacher Education Graduates	99.1%	99.1%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	69.7%	69.7%
Percent of Lower Division Courses Taught by Tenured Faculty	45%	45%
State Licensure Pass Rate of Nursing Graduates	95.5%	95.5%
Dollar Value of External or Sponsored Research Funds (in Millions)	12	12
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	9.7%	9.7%

3. **Art Museum Contingency.** Out of the General Revenue funds appropriated above, $263,609 in each year of the biennium for the Art Museum is contingent upon the Art Museum receiving at least $527,218 each year from local gifts, grants, and donations for the purposes of the operations of the Art Museum. In the event that gifts, grants, or donations for each fiscal year total less than $527,218, the appropriation in each fiscal year is reduced to an amount equal to one-half of the total gifts, grants, and donations received in that fiscal year.

TEXAS A&M UNIVERSITY - KINGSVILLE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 36,431,436	$ 34,959,856
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	328,500	328,500
Estimated Statutory Tuition Increases Account No. 708	357,030	357,030
Estimated Other Educational and General Income Account No. 770	9,727,014	9,924,317
Subtotal, General Revenue Fund - Dedicated	$ 10,412,544	$ 10,609,847
Total, Method of Financing	$ 46,843,980	$ 45,569,703
Items of Appropriation:		
1. Educational and General State Support	$ 46,843,980	$ 45,569,703
Grand Total, TEXAS A&M UNIVERSITY - KINGSVILLE	$ 46,843,980	$ 45,569,703
This bill pattern represents an estimated 48.7% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	796.2	796.2

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 22,815,983	$ 22,815,983
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 878,194	$ 878,194
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 881,387	$ 931,537
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 180,586	$ 179,862
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 1,888	$ 1,880
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,291,884	$ 1,317,243
A.1.7. Strategy: ORGANIZED ACTIVITIES	$ 230,351	$ 230,351
A.1.8. Strategy: EXCELLENCE FUNDING	$ 518,644	$ 516,566
Total, Goal A: INSTRUCTION/OPERATIONS	$ 26,798,917	$ 26,871,616
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 4,430,909	$ 4,430,909
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 4,070,094	$ 4,035,427
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 8,501,003	$ 8,466,336
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: PHD IN ENGINEERING	$ 216,613	$ 0
C.1.2. Strategy: IRMA RANGEL COLLEGE OF PHARMACY	$ 275,689	$ 0
C.1.3. Strategy: SYSTEM CENTER - SAN ANTONIO	$ 2,047,975	$ 1,255,245
A & M - Kingsville System Center - San Antonio.		

C.2.1. Strategy: CITRUS CENTER	$ 667,045	$ 664,373
C.2.2. Strategy: WILDLIFE RESEARCH INSTITUTE	$ 279,000	$ 279,000
C.2.3. Strategy: INSTITUTE FOR RANCH MANAGEMENT	$ 255,000	$ 255,000
C.3.1. Strategy: JOHN E. CONNOR MUSEUM	$ 24,514	$ 24,415
C.3.2. Strategy: SOUTH TEXAS ARCHIVES	$ 98,460	$ 98,066
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 7,078,723	$ 7,054,611
Total, Goal C: SPECIAL ITEM SUPPORT	$ 10,943,019	$ 9,630,710
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 601,041	$ 601,041
Grand Total, TEXAS A&M UNIVERSITY - KINGSVILLE	$ 46,843,980	$ 45,569,703
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 12,597,118	$ 12,835,595
Other Personnel Costs	1,390,670	1,147,705
Faculty Salaries (Higher Education Only)	19,101,279	18,850,113
Professional Salaries - Faculty Equivalent (Higher Education Only)	447,674	410,362
Professional Fees and Services	74,020	35,294
Fuels and Lubricants	28,919	24,188
Consumable Supplies	406,195	229,081
Utilities	1,976,417	1,903,809
Travel	216,918	83,560
Rent - Building	78,572	72,705
Rent - Machine and Other	166,916	57,144
Debt Service	4,070,094	4,035,427
Other Operating Expense	4,033,237	3,694,350
Client Services	1,524,768	1,673,804
Grants	522,243	516,566
Capital Expenditures	208,940	0
Total, Object-of-Expense Informational Listing	$ 46,843,980	$ 45,569,703
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 3,274,008	$ 3,382,300
Group Insurance	3,604,281	3,838,559
Social Security	2,376,290	2,459,460
Subtotal, Employee Benefits	$ 9,254,579	$ 9,680,319
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 9,254,579	$ 9,680,319

2. Performance Measure Targets. The following is a listing of the key performance target levels for the Texas A&M University - Kingsville. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas A&M University - Kingsville. In order to achieve the objectives and service standards established by this Act, the Texas A&M University - Kingsville shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	32%	33%

Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	10%	10%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	66%	66%
Certification Rate of Teacher Education Graduates	70.1%	70.1%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	53%	53%
Percent of Lower Division Courses Taught by Tenured Faculty	60%	60%
State Licensure Pass Rate of Engineering Graduates	92.9%	92.9%
Dollar Value of External or Sponsored Research Funds (in Millions)	9	9
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	12%	12%

3. Contingency Appropriation: Wildlife Research Institute. Of the amounts appropriated above, $62,080 for Texas A&M University Kingsville Wildlife Research Institute and $510,000 for the Institute for Range Management is contingent upon certification by the Comptroller of Public Accounts that the activities of the Institutes will generate revenue to the General Revenue Fund sufficient to offset the appropriations. The Comptroller shall specify the supporting information to be provided by the Institute and may require independent verification of the information. If the Comptroller finds the information is sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriations up to the amount certified, not to exceed $572,080, shall be made available for the intended purposes.

TEXAS A&M INTERNATIONAL UNIVERSITY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 33,298,386	$ 33,247,488
General Revenue Fund - Dedicated		
Estimated Statutory Tuition Increases Account No. 708	198,339	198,339
Estimated Other Educational and General Income Account No. 770	4,822,371	4,900,983
Subtotal, General Revenue Fund - Dedicated	$ 5,020,710	$ 5,099,322
Interagency Contracts	193,525	193,525
Total, Method of Financing	$ 38,512,621	$ 38,540,335
Items of Appropriation:		
1. Educational and General State Support	$ 38,512,621	$ 38,540,335
Grand Total, TEXAS A&M INTERNATIONAL UNIVERSITY	$ 38,512,621	$ 38,540,335
This bill pattern represents an estimated 67.8% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	456.0	456.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 10,817,426	$ 10,817,426
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 505,232	$ 505,232
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 320,621	$ 338,864
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 35,187	$ 35,187
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 265	$ 265
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 607,852	$ 617,382
A.1.7. Strategy: EXCELLENCE FUNDING	$ 273,663	$ 273,664
Total, Goal A: INSTRUCTION/OPERATIONS	$ 12,560,246	$ 12,588,020
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 2,937,723	$ 2,937,723
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 13,464,201	$ 13,464,141
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 16,401,924	$ 16,401,864
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: PHD PROGRAM IN BUSINESS	$ 1,454,687	$ 1,454,687
C.2.1. Strategy: INSTITUTE FOR INTERNATIONAL TRADE	$ 269,712	$ 269,712
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 7,813,300	$ 7,813,300
Total, Goal C: SPECIAL ITEM SUPPORT	$ 9,537,699	$ 9,537,699
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 12,752	$ 12,752
Grand Total, TEXAS A&M INTERNATIONAL UNIVERSITY	$ 38,512,621	$ 38,540,335
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 9,179,438	$ 8,697,944
Other Personnel Costs	58,904	27,529
Faculty Salaries (Higher Education Only)	10,586,925	10,927,212
Professional Fees and Services	315,038	473,644
Fuels and Lubricants	10,400	9,097
Consumable Supplies	308,536	281,524
Utilities	650,842	680,277
Travel	154,256	176,206
Rent - Machine and Other	137,854	120,072
Debt Service	13,464,201	13,464,141
Other Operating Expense	2,397,418	2,525,554
Client Services	609,264	618,653
Grants	505,235	505,232
Capital Expenditures	134,310	33,250
Total, Object-of-Expense Informational Listing	$ 38,512,621	$ 38,540,335

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits		
Retirement	$ 1,981,027	$ 2,046,551
Group Insurance	1,731,031	1,843,548
Social Security	1,437,838	1,488,162
Subtotal, Employee Benefits	$ 5,149,896	$ 5,378,261
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 5,149,896	$ 5,378,261

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas A&M International University. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas A&M International University. In order to achieve the objectives and service standards established by this Act, the Texas A&M International University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	37%	38%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	12%	13%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	70%	70%
Certification Rate of Teacher Education Graduates	88%	88%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	73%	73%
Percent of Lower Division Courses Taught by Tenured Faculty	53%	53%
Dollar Value of External or Sponsored Research Funds (in Millions)	.2	.2
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	13%	13%

WEST TEXAS A&M UNIVERSITY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 28,106,333	$ 28,029,425
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	200,000	200,000
Estimated Statutory Tuition Increases Account No. 708	481,582	481,582
Estimated Other Educational and General Income Account No. 770	9,049,476	9,178,897
Subtotal, General Revenue Fund - Dedicated	$ 9,731,058	$ 9,860,479
Total, Method of Financing	$ 37,837,391	$ 37,889,904

Items of Appropriation:		
1. Educational and General State Support	$ 37,837,391	$ 37,889,904
Grand Total, WEST TEXAS A&M UNIVERSITY	$ 37,837,391	$ 37,889,904

This bill pattern represents an estimated 46.7% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE)-		
Appropriated Funds	657.3	657.3

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 20,530,308	$ 20,530,308
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 907,573	$ 907,573
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 899,173	$ 950,336
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 155,640	$ 155,640
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 1,563	$ 1,563
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,221,713	$ 1,237,943
A.1.7. Strategy: ORGANIZED ACTIVITIES	$ 91,885	$ 91,885
A.1.8. Strategy: EXCELLENCE FUNDING	$ 565,089	$ 565,089
Total, Goal A: INSTRUCTION/OPERATIONS	$ 24,372,944	$ 24,440,337
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 4,048,168	$ 4,048,168
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 2,674,504	$ 2,671,527
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 91,580	$ 91,580
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 6,814,252	$ 6,811,275
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.2.1. Strategy: KILLGORE RESEARCH CENTER	$ 41,591	$ 41,591
C.2.2. Strategy: WIND ENERGY RESEARCH	$ 91,438	$ 99,750
C.2.3. Strategy: INDUSTRY SUPPORT & DEVELOPMENT	$ 831,250	$ 831,250
Agriculture Industry Support and Development.		
C.2.4. Strategy: INTEGRATED PEST MANAGEMENT	$ 124,687	$ 124,687
Integrated Pest Management.		
C.3.1. Strategy: PANHANDLE-PLAINS MUSEUM	$ 523,464	$ 500,272
Panhandle-Plains Historical Museum.		
C.3.2. Strategy: RURAL AGRI-BUSINESS	$ 750,000	$ 750,000
Rural Agri-Business Incubator & Accelerator.		
C.3.3. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	$ 170,099	$ 170,099
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 3,866,157	$ 3,869,134
Total, Goal C: SPECIAL ITEM SUPPORT	$ 6,398,686	$ 6,386,783
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 251,509	$ 251,509
Grand Total, WEST TEXAS A&M UNIVERSITY	$ 37,837,391	$ 37,889,904

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 9,732,885	$ 9,871,629
Other Personnel Costs	415,794	414,163
Faculty Salaries (Higher Education Only)	15,759,919	15,762,137
Professional Salaries - Faculty Equivalent (Higher Education Only)	14,880	14,880
Professional Fees and Services	805,762	805,767
Fuels and Lubricants	26,583	26,583
Consumable Supplies	426,415	426,764
Utilities	1,561,083	1,561,182
Travel	219,620	219,879
Rent - Building	43,331	43,331
Rent - Machine and Other	80,924	80,940
Debt Service	2,674,504	2,671,527
Other Operating Expense	3,434,862	3,333,658
Client Services	1,749,007	1,765,643
Grants	700,168	700,167
Capital Expenditures	191,654	191,654
Total, Object-of-Expense Informational Listing	$ 37,837,391	$ 37,889,904
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 2,464,880	$ 2,546,409
Group Insurance	3,125,221	3,328,361
Social Security	1,789,021	1,851,637
Subtotal, Employee Benefits	$ 7,379,122	$ 7,726,407
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 7,379,122	$ 7,726,407

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the West Texas A&M University. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the West Texas A&M University. In order to achieve the objectives and service standards established by this Act, the West Texas A&M University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	36%	36%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	13%	13%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	67%	67%
Certification Rate of Teacher Education Graduates	89.7%	89.7%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	52%	52%
Percent of Lower Division Courses Taught by Tenured Faculty	48.5%	48.5%
State Licensure Pass Rate of Nursing Graduates	100%	100%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	8%	8%

3. **Rural Agricultural/Business Incubator and Accelerator.** Contingent upon certification by the Comptroller of Public Accounts that increased activity by the Rural Agricultural/Business Incubator and Accelerator will generate at least $1,500,000 additional revenue to the General Revenue Fund, $750,000 in each year of the biennium is included in the appropriation above for the Rural Agricultural/Business Incubator and Accelerator. It is the intent of the Legislature that state funds provided to the Rural Agricultural/Business Incubator and Accelerator be used by the center to attract federal funds on a dollar-for-dollar basis.

TEXAS A&M UNIVERSITY - COMMERCE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 30,448,462	$ 30,428,623
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	975,000	975,000
Estimated Statutory Tuition Increases Account No. 708	497,209	497,209
Estimated Other Educational and General Income Account No. 770	10,158,921	10,263,948
Subtotal, General Revenue Fund - Dedicated	$ 11,631,130	$ 11,736,157
Total, Method of Financing	$ 42,079,592	$ 42,164,780
Items of Appropriation:		
1. Educational and General State Support	$ 42,079,592	$ 42,164,780
Grand Total, TEXAS A&M UNIVERSITY - COMMERCE	$ 42,079,592	$ 42,164,780
This bill pattern represents an estimated 51% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	821.0	821.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 28,253,621	$ 28,253,621
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 694,821	$ 694,821
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 1,168,523	$ 1,235,012
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 111,895	$ 115,252
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	$ 27,945	$ 28,615
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,619,883	$ 1,634,555
A.1.7. Strategy: ORGANIZED ACTIVITIES	$ 144,991	$ 144,991
A.1.8. Strategy: EXCELLENCE FUNDING	$ 532,884	$ 532,884
Total, Goal A: INSTRUCTION/OPERATIONS	$ 32,554,563	$ 32,639,751

B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 4,623,139	$ 4,623,139
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 1,287,350	$ 1,287,350
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 5,910,489	$ 5,910,489
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: INDUSTRIAL ENGINEERING PROGRAM Bachelor of Science Degree Program in Industrial Engineering.	$ 426,716	$ 426,716
C.2.1. Strategy: EDUCATIONAL CONSORTIUM Northeast Texas Educational Partnership Consortium.	$ 656,475	$ 656,475
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 2,507,318	$ 2,507,318
Total, Goal C: SPECIAL ITEM SUPPORT	$ 3,590,509	$ 3,590,509
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 24,031	$ 24,031
Grand Total, TEXAS A&M UNIVERSITY - COMMERCE	$ 42,079,592	$ 42,164,780
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 14,346,709	$ 14,031,360
Other Personnel Costs	238,339	244,883
Faculty Salaries (Higher Education Only)	17,387,386	17,918,464
Professional Salaries - Faculty Equivalent (Higher Education Only)	1,276	370
Professional Fees and Services	2,409	14,412
Consumable Supplies	67,818	63,085
Utilities	1,806,112	1,896,868
Travel	74,284	21,374
Rent - Building	579	0
Rent - Machine and Other	39,168	33,321
Debt Service	1,287,350	1,287,350
Other Operating Expense	3,713,848	3,553,927
Grants	3,063,766	3,040,202
Capital Expenditures	50,548	59,164
Total, Object-of-Expense Informational Listing	$ 42,079,592	$ 42,164,780
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 3,366,691	$ 3,478,048
Group Insurance	3,770,083	4,015,139
Social Security	2,443,559	2,529,084
Subtotal, Employee Benefits	$ 9,580,333	$ 10,022,271
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 9,580,333	$ 10,022,271

2. Performance Measure Targets. The following is a listing of the key performance target levels for the Texas A&M University - Commerce. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas A&M University - Commerce. In order to achieve the objectives

and service standards established by this Act, the Texas A&M University - Commerce shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	38.3%	38.3%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	17%	17%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	70%	70%
Certification Rate of Teacher Education Graduates	92.5%	92.5%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	46.56%	46.72%
Percent of Lower Division Courses Taught by Tenured Faculty	49%	50%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	10.5%	10.5%

TEXAS A&M UNIVERSITY - TEXARKANA

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 10,092,063	$ 10,093,374
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	164,720	164,720
Estimated Statutory Tuition Increases Account No. 708	178,831	178,831
Estimated Other Educational and General Income Account No. 770	2,140,275	2,147,825
Subtotal, General Revenue Fund - Dedicated	$ 2,483,826	$ 2,491,376
Total, Method of Financing	$ 12,575,889	$ 12,584,750
Items of Appropriation:		
1. Educational and General State Support	$ 12,575,889	$ 12,584,750
Grand Total, TEXAS A&M UNIVERSITY - TEXARKANA	$ 12,575,889	$ 12,584,750
This bill pattern represents an estimated 78.6% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	144.6	144.6

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 4,356,075	$ 4,356,075
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 176,311	$ 176,311
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 120,555	$ 127,415
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 258,027	$ 258,864
A.1.5. Strategy: FORMULA HOLD HARMLESS	$ 340,317	$ 340,317
A.1.6. Strategy: EXCELLENCE FUNDING	$ 95,868	$ 95,416
Total, Goal A: INSTRUCTION/OPERATIONS	$ 5,347,153	$ 5,354,398
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 1,478,408	$ 1,478,408
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 1,825,793	$ 1,826,957
B.1.3. Strategy: LEASE OF FACILITIES	$ 1,209	$ 1,203
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 3,305,410	$ 3,306,568
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: ACADEMIC PROGRAMS	$ 1,058,991	$ 1,059,168
C.2.1. Strategy: NE TEXAS EDUCATION PARTNERSHIP	$ 54,315	$ 54,324
Northeast Texas Education Partnership.		
C.3.1. Strategy: LOWER-DIVISION TRANSITION FUNDING	$ 108,930	$ 108,948
C.3.2. Strategy: INSTITUTIONAL ENHANCEMENT	$ 2,701,090	$ 2,701,344
Total, Goal C: SPECIAL ITEM SUPPORT	$ 3,923,326	$ 3,923,784
Grand Total, TEXAS A&M UNIVERSITY - TEXARKANA	$ 12,575,889	$ 12,584,750
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 3,006,450	$ 3,237,949
Other Personnel Costs	251,280	294,404
Faculty Salaries (Higher Education Only)	4,648,732	5,115,714
Professional Fees and Services	31,000	17,885
Consumable Supplies	72,582	23,137
Utilities	155,737	117,072
Travel	87,115	56,915
Rent - Building	3,749	3,595
Rent - Machine and Other	73,328	28,492
Debt Service	1,825,793	1,826,957
Other Operating Expense	1,492,755	1,155,469
Client Services	381,354	267,800
Grants	353,897	354,282
Capital Expenditures	192,117	85,079
Total, Object-of-Expense Informational Listing	$ 12,575,889	$ 12,584,750
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 767,150	$ 792,525
Group Insurance	719,435	766,198
Social Security	556,801	576,289
Subtotal, Employee Benefits	$ 2,043,386	$ 2,135,012
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,043,386	$ 2,135,012

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas A&M University - Texarkana. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas A&M University - Texarkana. In order to achieve the objectives and service standards established by this Act, the Texas A&M University - Texarkana shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Certification Rate of Teacher Education Graduates	97.9%	97.9%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	66.4%	66.4%
Percent of Incoming Full-time Undergraduate Transfer Students Who Graduate within Two Years	50%	50%
Persistence Rate of First-time, Full-time, Degree-seeking Transfer Students after One Academic Year (Upper-level Institutions Only)	82%	83%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	22%	22%

3. **Scholarship Match.** Out of the funds appropriated above, funds may be used to provide a match for funds collected by a two dollar per semester credit hour fee for a student endowment scholarship and internship program adopted by student referendum, pursuant to Education Code § 56.242.

UNIVERSITY OF HOUSTON SYSTEM ADMINISTRATION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 2,341,126	$ 2,344,558
Total, Method of Financing	$ 2,341,126	$ 2,344,558
Items of Appropriation:		
1. Educational and General State Support	$ 2,341,126	$ 2,344,558
Grand Total, UNIVERSITY OF HOUSTON SYSTEM ADMINISTRATION	$ 2,341,126	$ 2,344,558

This bill pattern represents an estimated 16.6% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE)-Appropriated Funds	81.8	81.8

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: SYSTEM OFFICE OPERATIONS	$ 1,761,391	$ 1,764,822

B. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
B.1.1. Strategy: NASA PROGRAMS High School Cooperative Education Program w/NASA & Tech Outreach Pgm.	$ 579,735	$ 579,736
Grand Total, UNIVERSITY OF HOUSTON SYSTEM ADMINISTRATION	$ 2,341,126	$ 2,344,558
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,922,282	$ 1,925,640
Other Personnel Costs	23,159	23,204
Other Operating Expense	395,685	395,714
Total, Object-of-Expense Informational Listing	$ 2,341,126	$ 2,344,558
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 630,217	$ 651,062
Group Insurance	555,073	591,153
Social Security	457,414	473,424
Subtotal, Employee Benefits	$ 1,642,704	$ 1,715,639
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,642,704	$ 1,715,639

2. Governing Board. Out of the funds appropriated above, an amount not to exceed $175,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

UNIVERSITY OF HOUSTON

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 142,896,950	$ 141,983,879
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	13,777,800	13,777,800
Estimated Statutory Tuition Increases Account No. 708	1,267,794	1,267,794
Estimated Other Educational and General Income Account No. 770	45,781,929	47,039,491
Subtotal, General Revenue Fund - Dedicated	$ 60,827,523	$ 62,085,085
Total, Method of Financing	$ 203,724,473	$ 204,068,964
Items of Appropriation:		
1. Educational and General State Support	$ 203,724,473	$ 204,068,964
Grand Total, UNIVERSITY OF HOUSTON	$ 203,724,473	$ 204,068,964
This bill pattern represents an estimated 36.8% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	3,157.7	3,157.7

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 130,421,901	$ 130,421,901
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 3,192,910	$ 3,192,910
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 3,869,479	$ 4,089,652
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 491,131	$ 491,131
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 6,516,135	$ 6,651,458
A.1.6. Strategy: ORGANIZED ACTIVITIES	$ 1,205,000	$ 1,205,000
A.1.7. Strategy: EXCELLENCE FUNDING	$ 3,999,193	$ 3,999,193
Total, Goal A: INSTRUCTION/OPERATIONS	$ 149,695,749	$ 150,051,245
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 25,290,429	$ 25,290,429
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 6,674,510	$ 6,660,045
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 436,515	$ 439,885
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 32,401,454	$ 32,390,359
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.2.1. Strategy: LEARNING AND COMPUTATION CENTER	$ 1,935,805	$ 1,935,805
C.2.2. Strategy: SPACE EXPLORATION	$ 349,986	$ 349,986
Houston Partnership for Space Exploration.		
C.2.3. Strategy: COMMERCIAL DEVELOPMENT OF SPACE	$ 400,901	$ 400,901
Center for Commercial Development of Space: Space Vacuum Epitaxy Ctr.		

C.2.4. Strategy: SUPERCONDUCTIVITY CENTER	$ 3,607,625	$ 3,607,625
C.3.1. Strategy: SMALL BUSINESS DEVELOPMENT University of Houston Small Business Development Center.	$ 2,581,459	$ 2,581,549
C.3.2. Strategy: HEALTH LAW & POLICY INSTITUTE Health Law and Policy Institute.	$ 290,937	$ 290,937
C.3.3. Strategy: CENTER FOR PUBLIC POLICY	$ 249,375	$ 249,375
C.3.4. Strategy: PARTNERSHIPS-SUPPORT PUBLIC SCHOOLS Partnerships to Support Public Schools.	$ 1,369,247	$ 1,369,247
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 3,204,306	$ 3,204,306
C.4.2. Strategy: FACULTY EXCELLENCE	$ 2,500,000	$ 2,500,000
Total, Goal C: SPECIAL ITEM SUPPORT	$ 16,489,641	$ 16,489,731
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 5,137,629	$ 5,137,629
Grand Total, UNIVERSITY OF HOUSTON	$ 203,724,473	$ 204,068,964
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 80,023,584	$ 79,348,310
Other Personnel Costs	2,301,118	2,319,340
Faculty Salaries (Higher Education Only)	80,996,502	81,600,155
Professional Fees and Services	403,969	406,816
Fuels and Lubricants	16,543	16,553
Consumable Supplies	1,184,111	1,188,623
Utilities	1,508,239	1,517,498
Travel	162,870	163,718
Rent - Building	156,288	156,738
Rent - Machine and Other	346,928	349,087
Debt Service	6,674,510	6,660,045
Other Operating Expense	23,473,813	23,848,851
Client Services	1,882,452	1,897,930
Grants	3,204,308	3,204,309
Capital Expenditures	1,389,238	1,390,991
Total, Object-of-Expense Informational Listing	$ 203,724,473	$ 204,068,964
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 16,297,659	$ 16,836,724
Group Insurance	12,418,065	13,225,239
Social Security	11,828,914	12,242,926
Subtotal, Employee Benefits	$ 40,544,638	$ 42,304,889
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 40,544,638	$ 42,304,889

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the University of Houston. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the University of Houston. In order to achieve the objectives and service standards established by this Act, the University of Houston shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	40%	41%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	12.2%	12.4%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	82.2%	82.2%
Certification Rate of Teacher Education Graduates	82.4%	82.4%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	37.1%	37.1%
Percent of Lower Division Courses Taught by Tenured Faculty	36.2%	36.2%
State Licensure Pass Rate of Law Graduates	98.2%	98.2%
State Licensure Pass Rate of Engineering Graduates	83%	83%
State Licensure Pass Rate of Pharmacy Graduates	100%	100%
Dollar Value of External or Sponsored Research Funds (in Millions)	50.7	51.5
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	7.88%	7.88%

UNIVERSITY OF HOUSTON - CLEAR LAKE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 28,118,954	$ 27,956,490
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	2,662,824	2,662,824
Estimated Statutory Tuition Increases Account No. 708	306,063	306,063
Estimated Other Educational and General Income Account No. 770	8,481,111	8,690,633
Subtotal, General Revenue Fund - Dedicated	$ 11,449,998	$ 11,659,520
Total, Method of Financing	$ 39,568,952	$ 39,616,010
Items of Appropriation:		
1. Educational and General State Support	$ 39,568,952	$ 39,616,010
Grand Total, UNIVERSITY OF HOUSTON - CLEAR LAKE	$ 39,568,952	$ 39,616,010

This bill pattern represents an estimated 60.7% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE)-Appropriated Funds	606.6	606.6

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 27,472,847	$ 27,472,847
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 480,219	$ 480,219
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 604,523	$ 638,921
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 261,652	$ 261,652
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,159,685	$ 1,181,111
A.1.6. Strategy: EXCELLENCE FUNDING	$ 624,405	$ 624,405
Total, Goal A: INSTRUCTION/OPERATIONS	$ 30,603,331	$ 30,659,155
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 3,646,266	$ 3,646,266
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 2,294,225	$ 2,286,156
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 97,000	$ 97,000
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 6,037,491	$ 6,029,422
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.2.1. Strategy: HIGH TECHNOLOGIES LABORATORY	$ 57,546	$ 57,546
C.2.2. Strategy: ENVIRONMENTAL STUDIES PARTNERSHIP	$ 415,626	$ 415,626
Houston Partnership for Environmental Studies.		
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 2,138,888	$ 2,138,191
Total, Goal C: SPECIAL ITEM SUPPORT	$ 2,612,060	$ 2,611,363
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 316,070	$ 316,070
Grand Total, UNIVERSITY OF HOUSTON - CLEAR LAKE	$ 39,568,952	$ 39,616,010
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 12,149,447	$ 12,713,121
Other Personnel Costs	446,103	448,895
Faculty Salaries (Higher Education Only)	15,422,665	16,161,179
Professional Fees and Services	68,297	71,348
Fuels and Lubricants	22,992	23,425
Consumable Supplies	248,888	267,342
Utilities	1,292,011	628,129
Travel	57,444	53,511
Rent - Machine and Other	80,345	80,267
Debt Service	2,294,225	2,286,156
Other Operating Expense	4,345,110	4,120,041
Client Services	305,029	0
Grants	2,763,293	2,762,596
Capital Expenditures	73,103	0
Total, Object-of-Expense Informational Listing	$ 39,568,952	$ 39,616,010
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 3,143,005	$ 3,246,964
Group Insurance	2,130,820	2,269,324

Social Security	2,281,207	2,361,050
Subtotal, Employee Benefits	$ 7,555,032	$ 7,877,338
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 7,555,032	$ 7,877,338

2. Performance Measure Targets. The following is a listing of the key performance target levels for the University of Houston - Clear Lake. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the University of Houston - Clear Lake. In order to achieve the objectives and service standards established by this Act, the University of Houston - Clear Lake shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Certification Rate of Teacher Education Graduates	80.5%	80.5%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	50.8%	50.8%
Dollar Value of External or Sponsored Research Funds (in Millions)	1.2	1.2
Percent of Incoming Full-time Undergraduate Transfer Students Who Graduate within Four Years	75%	75%
Percent of Incoming Full-time Undergraduate Transfer Students Who Graduate within Two Years	42%	42%
Persistence Rate of First-time, Full-time, Degree-seeking Transfer Students after One Academic Year (Upper-level Institutions Only)	85%	85%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	16.1%	16.1%

UNIVERSITY OF HOUSTON - DOWNTOWN

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 24,483,791	$ 24,922,667
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	29,640	29,640
Estimated Statutory Tuition Increases Account No. 708	417,452	417,452
Estimated Other Educational and General Income Account No. 770	11,717,147	11,949,718
Subtotal, General Revenue Fund - Dedicated	$ 12,164,239	$ 12,396,810
Total, Method of Financing	$ 36,648,030	$ 37,319,477
Items of Appropriation:		
1. Educational and General State Support	$ 36,648,030	$ 37,319,477
Grand Total, UNIVERSITY OF HOUSTON - DOWNTOWN	$ 36,648,030	$ 37,319,477

This bill pattern represents an estimated 45.3% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE)-		
Appropriated Funds	511.7	511.7

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 21,742,314	$ 21,742,314
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 1,012,493	$ 1,012,493
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 704,956	$ 745,068
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 211,935	$ 211,935
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,695,541	$ 1,726,875
A.1.6. Strategy: EXCELLENCE FUNDING	$ 883,159	$ 883,159
Total, Goal A: INSTRUCTION/OPERATIONS	$ 26,250,398	$ 26,321,844
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 4,558,923	$ 4,558,923
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 3,155,644	$ 3,789,744
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 149,655	$ 149,655
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 7,864,222	$ 8,498,322
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.2.1. Strategy: COMMUNITY DEVELOPMENT PROJECT	$ 332,500	$ 332,500
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 2,136,825	$ 2,102,726
Total, Goal C: SPECIAL ITEM SUPPORT	$ 2,469,325	$ 2,435,226
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 64,085	$ 64,085
Grand Total, UNIVERSITY OF HOUSTON - DOWNTOWN	$ 36,648,030	$ 37,319,477

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 13,699,755	$ 13,475,183
Other Personnel Costs	9,356	4,537
Faculty Salaries (Higher Education Only)	15,741,444	15,936,736
Professional Fees and Services	332,500	332,500
Debt Service	3,155,644	3,789,744
Other Operating Expense	2,826,172	2,897,618
Grants	883,159	883,159
Total, Object-of-Expense Informational Listing	$ 36,648,030	$ 37,319,477

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits		
Retirement	$ 2,738,904	$ 2,829,497
Group Insurance	1,734,086	1,846,802

Social Security	1,987,909	2,057,486
Subtotal, Employee Benefits	$ 6,460,899	$ 6,733,785
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 6,460,899	$ 6,733,785

2. Performance Measure Targets. The following is a listing of the key performance target levels for the University of Houston - Downtown. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the University of Houston - Downtown. In order to achieve the objectives and service standards established by this Act, the University of Houston - Downtown shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	19.2%	19.22%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	4%	4%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	67.9%	67.9%
Certification Rate of Teacher Education Graduates	96.2%	96.2%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	65%	65%
Percent of Lower Division Courses Taught by Tenured Faculty	41.63%	41.63%
Dollar Value of External or Sponsored Research Funds (in Millions)	.75	.9
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	16.8%	16.8%

UNIVERSITY OF HOUSTON - VICTORIA

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 12,021,778	$ 12,021,839
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	1,032,912	1,032,912
Estimated Statutory Tuition Increases Account No. 708	89,847	89,847
Estimated Other Educational and General Income Account No. 770	1,770,227	1,783,678
Subtotal, General Revenue Fund - Dedicated	$ 2,892,986	$ 2,906,437
Total, Method of Financing	$ 14,914,764	$ 14,928,276
Items of Appropriation:		
1. Educational and General State Support	$ 14,914,764	$ 14,928,276
Grand Total, UNIVERSITY OF HOUSTON - VICTORIA	$ 14,914,764	$ 14,928,276

This bill pattern represents an estimated 71% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE)- Appropriated Funds	245.2	245.2

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 7,751,093	$ 7,751,093
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 243,267	$ 243,267
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 200,625	$ 212,040
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 87,696	$ 87,696
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 440,929	$ 443,027
A.1.6. Strategy: EXCELLENCE FUNDING	$ 255,301	$ 255,301
Total, Goal A: INSTRUCTION/OPERATIONS	$ 8,978,911	$ 8,992,424
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 2,032,130	$ 2,032,130
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 1,695,787	$ 1,697,558
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 34,675	$ 34,675
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 3,762,592	$ 3,764,363
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.2.1. Strategy: CENTER FOR REGIONAL OUTREACH CENTER	$ 249,375	$ 249,375
Center for Regional Outreach.		
C.2.2. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	$ 195,500	$ 195,500
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 1,728,386	$ 1,726,614
Total, Goal C: SPECIAL ITEM SUPPORT	$ 2,173,261	$ 2,171,489
Grand Total, UNIVERSITY OF HOUSTON - VICTORIA	$ 14,914,764	$ 14,928,276

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 5,538,401	$ 6,068,293
Other Personnel Costs	26,285	17,805
Faculty Salaries (Higher Education Only)	3,774,362	3,678,907
Debt Service	1,730,462	1,732,233
Other Operating Expense	2,116,868	1,704,424
Grants	1,728,386	1,726,614
Total, Object-of-Expense Informational Listing	$ 14,914,764	$ 14,928,276

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits		
Retirement	$ 1,106,285	$ 1,142,876
Group Insurance	827,333	881,110

Social Security	802,946	831,049
Subtotal, Employee Benefits	$ 2,736,564	$ 2,855,035
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,736,564	$ 2,855,035

2. Performance Measure Targets. The following is a listing of the key performance target levels for the University of Houston - Victoria. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the University of Houston - Victoria. In order to achieve the objectives and service standards established by this Act, the University of Houston - Victoria shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Certification Rate of Teacher Education Graduates	86.4%	86.4%
Percentage of Baccalaureate Graduates Who Are First Generation College Graduates	40%	40%
Percent of Incoming Full-time Undergraduate Transfer Students Who Graduate within Four Years	75%	75%
Percent of Incoming Full-time Undergraduate Transfer Students Who Graduate within Two Years	55%	55%
Persistence Rate of First-time, Full-time, Degree-seeking Other Transfer Students after One Academic Year (Upper-level Institutions Only)	80%	80%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	13.2%	13.2%

MIDWESTERN STATE UNIVERSITY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 18,448,281	$ 18,194,568
General Revenue Fund - Dedicated		
Midwestern University Special Mineral Account No. 412, estimated	24,000	2,000
Estimated Board Authorized Tuition Increases Account No. 704	320,000	320,000
Estimated Statutory Tuition Increases Account No. 708	311,202	311,202
Estimated Other Educational and General Income Account No. 770	7,756,480	7,983,361
Subtotal, General Revenue Fund - Dedicated	$ 8,411,682	$ 8,616,563
Total, Method of Financing	$ 26,859,963	$ 26,811,131
Items of Appropriation:		
1. Educational and General State Support	$ 26,859,963	$ 26,811,131
Grand Total, MIDWESTERN STATE UNIVERSITY	$ 26,859,963	$ 26,811,131

This bill pattern represents an estimated 48.3% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE)-		
Appropriated Funds	493.6	493.6

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 16,722,001	$ 16,722,001
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 907,183	$ 907,183
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 524,709	$ 554,565
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 120,000	$ 120,000
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,200,491	$ 1,232,424
A.1.6. Strategy: EXCELLENCE FUNDING	$ 136,968	$ 156,412
Total, Goal A: INSTRUCTION/OPERATIONS	$ 19,611,352	$ 19,692,585
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 3,275,719	$ 3,275,719
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 1,375,621	$ 1,381,556
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 4,651,340	$ 4,657,275
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	$ 113,399	$ 113,399
C.2.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 2,474,402	$ 2,338,402
Total, Goal C: SPECIAL ITEM SUPPORT	$ 2,587,801	$ 2,451,801
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 9,470	$ 9,470
Grand Total, MIDWESTERN STATE UNIVERSITY	$ 26,859,963	$ 26,811,131

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 8,288,437	$ 8,248,691
Other Personnel Costs	379,842	355,944
Faculty Salaries (Higher Education Only)	12,472,545	12,537,773
Consumable Supplies	2,495	1,583
Debt Service	1,375,621	1,381,556
Other Operating Expense	1,866,296	1,947,182
Grants	2,474,403	2,338,402
Capital Expenditures	324	0
Total, Object-of-Expense Informational Listing	$ 26,859,963	$ 26,811,131

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 2,233,302	$ 2,307,171
Group Insurance	2,180,986	2,322,750

Social Security	1,620,940	1,677,673
Subtotal, Employee Benefits	$ 6,035,228	$ 6,307,594
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 6,035,228	$ 6,307,594

2. Performance Measure Targets. The following is a listing of the key performance target levels for the Midwestern State University. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Midwestern State University. In order to achieve the objectives and service standards established by this Act, the Midwestern State University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	39.08%	39.08%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	11%	11%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	67.3%	67.3%
Certification Rate of Teacher Education Graduates	99.1%	99.1%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	62.7%	62.7%
Percent of Lower Division Courses Taught by Tenured Faculty	57.6%	57.6%
State Licensure Pass Rate of Nursing Graduates	89.7%	89.7%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	7.5%	7.5%

3. Governing Board. Out of the funds appropriated above, an amount not to exceed $35,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

4. Appropriation of Special Mineral Fund. The balance of funds on hand for the year ending August 31, 2005 (estimated to be $22,000), in the Midwestern State University Special Mineral Fund No. 412 and any income during the biennium beginning September 1, 2005, deposited to that fund are appropriated in the funds above to Midwestern State University for the general operations of the university. Mineral Funds are estimated to be $2,000 in fiscal year 2006 and $2,000 in fiscal year 2007.

UNIVERSITY OF NORTH TEXAS SYSTEM ADMINISTRATION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 6,429,696	$ 7,429,696
Total, Method of Financing	$ 6,429,696	$ 7,429,696
Items of Appropriation:		
1. Educational and General State Support	$ 6,429,696	$ 7,429,696
Grand Total, UNIVERSITY OF NORTH TEXAS SYSTEM ADMINISTRATION	$ 6,429,696	$ 7,429,696
This bill pattern represents an estimated 93.1% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	178.6	178.6
Number of FTEs in Riders:	7.0	14.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: SYSTEM OFFICE OPERATIONS	$ 1,183,970	$ 1,183,970
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: TUITION REVENUE BOND RETIREMENT	$ 2,153,000	$ 2,153,000
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: UNT SYSTEM CENTER AT DALLAS	$ 2,518,021	$ 3,518,021
C.1.2. Strategy: N. TEXAS AREA UNIV FEDERATION North Texas Area Universities Federation of North Texas Universities.	$ 574,705	$ 574,705
Total, Goal C: SPECIAL ITEM SUPPORT	$ 3,092,726	$ 4,092,726
Grand Total, UNIVERSITY OF NORTH TEXAS SYSTEM ADMINISTRATION	$ 6,429,696	$ 7,429,696
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 3,210,334	$ 4,210,335
Professional Fees and Services	8,775	8,775
Utilities	4,500	4,500
Rent - Building	749,385	749,384
Rent - Machine and Other	6,160	6,160
Debt Service	2,153,000	2,153,000
Other Operating Expense	297,542	297,542
Total, Object-of-Expense Informational Listing	$ 6,429,696	$ 7,429,696
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 327,980	$ 338,828

Social Security	238,049	246,381
Subtotal, Employee Benefits	$ 566,029	$ 585,209
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 566,029	$ 585,209

2. **Governing Board.** Out of the funds appropriated above, an amount not to exceed $53,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

   A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

3. **Federation of North Texas Area Universities.** The Comptroller of Public Accounts shall pay all warrants drawn on the identified strategy of the Federation of North Texas Area Universities for expenses incurred on federation business regardless of which member institution of the federation the payee is an employee.

4. **Courses Offered at the University of North Texas System Center at Dallas.** The University of North Texas System shall use an amount not to exceed $500,000 annually from funds received for instruction at the University of North Texas and the University of North Texas System Center at Dallas to support additional course offerings at the System Center. Such additional course offerings shall include increases in the number of courses offered during normal business hours and additional sections of courses required for completion of specific degrees offered at the System Center.

5. **Additional Faculty at the University of North Texas System Center at Dallas.** Out of the funds appropriated above in Strategy C.1.1. UNT System Center at Dallas, the University of North Texas System shall use an amount not to exceed $1,000,000 in fiscal year 2006 and $2,000,000 in fiscal year 2007 to support up to 14 additional faculty and appropriate staff to support additional course offerings at the University of North Texas System Center at Dallas. The 14 faculty lines shall be based at the System Center but may offer instruction at any institution in the University of North Texas System. The number of Full-Time Equivalents for the University of North Texas System is hereby increased by 7 in fiscal year 2006 and 14 in fiscal year 2007.

UNIVERSITY OF NORTH TEXAS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 95,089,665	$ 94,415,595
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	4,573,114	4,573,114
Estimated Statutory Tuition Increases Account No. 708	1,513,346	1,513,346
Estimated Other Educational and General Income Account No. 770	40,955,851	41,899,567
Subtotal, General Revenue Fund - Dedicated	$ 47,042,311	$ 47,986,027
Total, Method of Financing	$ 142,131,976	$ 142,401,622

Items of Appropriation:		
1. Educational and General State Support	$ 142,131,976	$ 142,401,622
Grand Total, UNIVERSITY OF NORTH TEXAS	$ 142,131,976	$ 142,401,622
This bill pattern represents an estimated 37.6% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	3,062.4	3,062.4

1. Informational Listing of Appropriated Funds. The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 96,837,446	$ 96,837,446
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 3,141,355	$ 3,141,355
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 2,717,541	$ 2,872,169
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 398,850	$ 398,850
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 5,793,134	$ 5,908,156
A.1.6. Strategy: ORGANIZED ACTIVITIES	$ 285,560	$ 285,560
A.1.7. Strategy: EXCELLENCE FUNDING	$ 882,587	$ 871,717
Total, Goal A: INSTRUCTION/OPERATIONS	$ 110,056,473	$ 110,315,253
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 19,152,386	$ 19,152,386
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 5,763,304	$ 5,774,174
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 412,365	$ 412,365
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 25,328,055	$ 25,338,925
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: TEXAS ACADEMY OF MATH AND SCIENCE	$ 1,420,324	$ 1,420,323
C.2.1. Strategy: INSTITUTE OF APPLIED SCIENCES	$ 58,428	$ 58,427
C.3.1. Strategy: EMERGENCY MANAGEMENT CENTER	$ 46,923	$ 46,922
Center for Studies in Emergency Management.		
C.3.2. Strategy: ED CENTER FOR VOLUNTEERISM	$ 80,820	$ 80,820
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 4,019,582	$ 4,019,581
Total, Goal C: SPECIAL ITEM SUPPORT	$ 5,626,077	$ 5,626,073
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 1,121,371	$ 1,121,371
Grand Total, UNIVERSITY OF NORTH TEXAS	$ 142,131,976	$ 142,401,622
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 29,880,628	$ 21,470,126
Other Personnel Costs	1,774,472	1,849,796
Faculty Salaries (Higher Education Only)	68,192,573	74,569,962
Professional Salaries - Faculty Equivalent (Higher Education Only)	39,429	40,166
Professional Fees and Services	71,719	40,127
Fuels and Lubricants	52,090	19,324
Consumable Supplies	176,928	134,844

Utilities	8,415,660	9,320,375
Travel	7,035	5,863
Rent - Building	3,991	3,879
Rent - Machine and Other	161,420	167,262
Debt Service	2,648,769	2,626,599
Other Operating Expense	12,005,563	13,313,603
Client Services	6,715,503	6,869,591
Grants	10,665,474	10,665,474
Capital Expenditures	1,320,722	1,304,631
Total, Object-of-Expense Informational Listing	$ 142,131,976	$ 142,401,622
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 12,191,531	$ 12,594,780
Group Insurance	11,465,777	12,211,052
Social Security	8,848,668	9,158,371
Subtotal, Employee Benefits	$ 32,505,976	$ 33,964,203
Debt Service		
Lease Payments	$ 20,271	$ 20,345
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 32,526,247	$ 33,984,548

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the University of North Texas. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the University of North Texas. In order to achieve the objectives and service standards established by this Act, the University of North Texas shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	40%	40%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	14%	14%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	78%	78%
Certification Rate of Teacher Education Graduates	99%	99%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	47.1%	47.1%
Percent of Lower Division Courses Taught by Tenured Faculty	28.5%	28.5%
Dollar Value of External or Sponsored Research Funds (in Millions)	13.5	14.5
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	7.5%	7.5%

3. **Academic or Policy Research Program.** The Board of Regents of the University of North Texas is hereby authorized to use available funds or to enter into contracts, accept grants or matching grants for the purpose of establishing an academic or policy research program in conjunction with the Federal Emergency Management Agency (FEMA).

4. Texas Academy of Mathematics and Science. Notwithstanding any other provision of this Act, the University of North Texas may not transfer money appropriated under Strategy C.1.1, for the purpose of funding the Texas Academy of Mathematics and Science, for another purpose.

STEPHEN F. AUSTIN STATE UNIVERSITY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 40,097,036	$ 40,050,079
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	572,620	572,620
Estimated Statutory Tuition Increases Account No. 708	604,110	604,110
Estimated Other Educational and General Income Account No. 770	14,257,735	14,387,624
Subtotal, General Revenue Fund - Dedicated	$ 15,434,465	$ 15,564,354
Total, Method of Financing	$ 55,531,501	$ 55,614,433
Items of Appropriation:		
1. Educational and General State Support	$ 55,531,501	$ 55,614,433
Grand Total, STEPHEN F. AUSTIN STATE UNIVERSITY	$ 55,531,501	$ 55,614,433
This bill pattern represents an estimated 47.1% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	1,084.5	1,084.5

1. Informational Listing of Appropriated Funds. The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 32,325,514	$ 32,325,514
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 1,693,074	$ 1,693,074
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 954,617	$ 1,008,935
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 2,297,520	$ 2,317,042
A.1.5. Strategy: ORGANIZED ACTIVITIES	$ 529,958	$ 529,958
A.1.6. Strategy: EXCELLENCE FUNDING	$ 334,233	$ 334,233
Total, Goal A: INSTRUCTION/OPERATIONS	$ 38,134,916	$ 38,208,756
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 7,178,086	$ 7,178,086
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 1,517,026	$ 1,526,118
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 158,000	$ 158,000
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 8,853,112	$ 8,862,204

C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: RURAL NURSING INITIATIVE	$ 843,260	$ 843,260
C.2.1. Strategy: APPLIED FORESTRY STUDIES CENTER	$ 740,604	$ 740,604
Center for Applied Studies in Forestry.		
C.3.1. Strategy: STONE FORT MUSEUM & RESEARCH CENTER	$ 141,166	$ 141,166
Stone Fort Museum and Research Center of East Texas.		
C.3.2. Strategy: SOIL PLANT & WATER ANALYSIS LAB	$ 80,527	$ 80,527
Soil Plant and Water Analysis Laboratory.		
C.3.3. Strategy: APPLIED POULTRY STUDIES & RESEARCH	$ 75,946	$ 75,946
Applied Poultry Studies and Research.		
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 6,390,379	$ 6,390,379
Total, Goal C: SPECIAL ITEM SUPPORT	$ 8,271,882	$ 8,271,882
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 271,591	$ 271,591
Grand Total, STEPHEN F. AUSTIN STATE UNIVERSITY	$ 55,531,501	$ 55,614,433
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 20,235,274	$ 19,300,215
Other Personnel Costs	692,483	1,027,745
Faculty Salaries (Higher Education Only)	24,794,625	25,755,787
Professional Salaries - Faculty Equivalent (Higher Education Only)	767,016	764,467
Fuels and Lubricants	5,467	5,467
Consumable Supplies	78,630	78,630
Utilities	2,367,648	2,367,648
Rent - Building	177	177
Debt Service	1,673,616	1,684,118
Other Operating Expense	2,284,811	1,978,904
Client Services	2,297,520	2,317,042
Grants	334,234	334,233
Total, Object-of-Expense Informational Listing	$ 55,531,501	$ 55,614,433
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 4,605,217	$ 4,757,541
Group Insurance	4,972,065	5,295,249
Social Security	3,342,487	3,459,474
Subtotal, Employee Benefits	$ 12,919,769	$ 13,512,264
Debt Service		
Lease Payments	$ 12,448	$ 12,437
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 12,932,217	$ 13,524,701

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Stephen F. Austin State University. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Stephen F. Austin State University. In order to achieve the objectives and

service standards established by this Act, the Stephen F. Austin State University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	37.5%	37.5%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	16.5%	17%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	68%	68%
Certification Rate of Teacher Education Graduates	96%	96%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	46.4%	46.4%
Percent of Lower Division Courses Taught by Tenured Faculty	59.1%	59.1%
State Licensure Pass Rate of Nursing Graduates	95%	95%
Dollar Value of External or Sponsored Research Funds (in Millions)	4.2	4.2
A.1.1. Strategy: OPERATIONS SUPPORT		
Output (Volume):		
Percent of Texas public university freshmen from a fourteen-county area of East Texas who attend SFA	32.5%	33%
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	9.3%	9.3%

3. **Governing Board.** Out of the funds appropriated above, an amount not to exceed $30,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

   A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

4. **Appropriation of Special Mineral Fund.** The balance of funds on hand for the year ending August 31, 2005 (estimated to be $0), in the Stephen F. Austin Special Mineral Fund No. 241 and any income during the biennium beginning September 1, 2005, deposited to that fund are appropriated in the funds above to Stephen F. Austin University for the general operations of the university. No additional Mineral Funds are expected for the 2006-07 biennium.

TEXAS SOUTHERN UNIVERSITY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 56,080,734	$ 55,738,530
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	3,527,972	3,527,972
Estimated Statutory Tuition Increases Account No. 708	527,635	527,635

Estimated Other Educational and General Income Account No. 770	18,948,477	19,408,194
Subtotal, General Revenue Fund - Dedicated	$ 23,004,084	$ 23,463,801
Total, Method of Financing	$ 79,084,818	$ 79,202,331
Items of Appropriation:		
1. Educational and General State Support	$ 79,084,818	$ 79,202,331
Grand Total, TEXAS SOUTHERN UNIVERSITY	$ 79,084,818	$ 79,202,331
This bill pattern represents an estimated 47.1% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	1,040.0	1,040.0
Supplemental Appropriations Made in Riders:	$ 1,600,000	$ 0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 36,140,387	$ 36,140,387
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 894,645	$ 894,645
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 985,900	$ 1,041,998
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 194,318	$ 189,950
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 3,092,972	$ 3,154,387
A.1.6. Strategy: ORGANIZED ACTIVITIES	$ 56,446	$ 56,446
A.1.7. Strategy: EXCELLENCE FUNDING	$ 952,829	$ 952,829
Total, Goal A: INSTRUCTION/OPERATIONS	$ 42,317,497	$ 42,430,642
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 8,350,811	$ 8,350,811
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 8,028,274	$ 8,024,939
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 118,085	$ 118,085
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 16,497,170	$ 16,493,835
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: THURGOOD MARSHALL SCHOOL OF LAW	$ 484,592	$ 484,592
C.1.2. Strategy: ACCREDITATION - BUSINESS Accreditation Continuation - Business.	$ 72,156	$ 72,156
C.1.3. Strategy: ACCREDITATION - PHARMACY Accreditation Continuation - Pharmacy.	$ 72,779	$ 72,779
C.1.4. Strategy: ACCREDITATION - EDUCATION Accreditation Continuation - Education.	$ 91,175	$ 91,175
C.2.1. Strategy: MICKEY LELAND CENTER Mickey Leland Center on World Hunger and Peace.	$ 70,509	$ 70,509
C.2.2. Strategy: URBAN REDEVELOPMENT/RENEWAL Urban Redevelopment and Renewal.	$ 87,500	$ 87,500
C.2.3. Strategy: TEXAS SUMMER ACADEMY	$ 437,500	$ 437,500

C.3.1. Strategy: MIS/FISCAL OPERATIONS Integrated Plan to Improve MIS and Fiscal Operations.	$ 144,279	$ 144,279
C.3.2. Strategy: INSTITUTIONAL ENHANCEMENT	$ 7,412,371	$ 7,420,074
Total, Goal C: SPECIAL ITEM SUPPORT	$ 8,872,861	$ 8,880,564
D. Goal: TEXAS COMMITMENT-OCR PRIORITY PLAN Texas Commitment - OCR Priority Plan.		
D.1.1. Strategy: OCR PRIORITY PLAN Office of Civil Rights Priority Plan.	$ 10,937,500	$ 10,937,500
E. Goal: RESEARCH DEVELOPMENT FUND		
E.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 459,790	$ 459,790
Grand Total, TEXAS SOUTHERN UNIVERSITY	$ 79,084,818	$ 79,202,331
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 20,226,396	$ 20,810,952
Other Personnel Costs	780,080	692,371
Faculty Salaries (Higher Education Only)	19,466,420	20,197,325
Professional Fees and Services	1,239,396	1,274,003
Fuels and Lubricants	44,270	25,102
Consumable Supplies	150,736	151,102
Utilities	2,270,834	3,610,568
Travel	156,990	152,946
Rent - Building	574	0
Rent - Machine and Other	19,860	0
Debt Service	10,984,494	8,143,024
Other Operating Expense	5,269,547	4,195,858
Client Services	3,169,684	3,212,817
Grants	16,785,092	16,622,818
Capital Expenditures	120,445	113,445
Total, Object-of-Expense Informational Listing	$ 80,684,818	$ 79,202,331
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 4,864,980	$ 5,025,895
Group Insurance	3,927,109	4,182,371
Social Security	3,531,024	3,654,610
Subtotal, Employee Benefits	$ 12,323,113	$ 12,862,876
Debt Service		
Lease Payments	$ 5,492	$ 5,511
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 12,328,605	$ 12,868,387

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Southern University. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas Southern University. In order to achieve the objectives and service standards established by this Act, the Texas Southern University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	19%	20%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	9%	10%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	67%	68%
Certification Rate of Teacher Education Graduates	62%	62%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	51.7%	51.7%
Percent of Lower Division Courses Taught by Tenured Faculty	37.1%	37.1%
State Licensure Pass Rate of Law Graduates	64.5%	64.5%
State Licensure Pass Rate of Pharmacy Graduates	93.5%	93.5%
Dollar Value of External or Sponsored Research Funds (in Millions)	4.6	4.6
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	11.7%	11.7%

3. Thurgood Marshall School of Law. In addition to general revenue funds identified above for the operation and maintenance of the Thurgood Marshall School of Law, all tuition and fee revenues generated through enrollment in the School of Law, including Texas Public Education Grants and Emergency Loans under Education Code, Chapter 56 (Student Financial Aid Assistance), shall be allocated for use by the School of Law and may only be expended for purposes related to the operation and maintenance of the School of Law and its students.

4. Governing Board. Out of the funds appropriated above, an amount not to exceed $30,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

5. Texas Commitment - OCR Priority Plan. Out of the funds appropriated above in D. Goal: Texas Commitment - OCR Priority Plan, the following items are included in the Priority Plan:

OCR Priority Plan Items	in millions 2006	2007
1. Meet State Auditor's Office Requirements	$ 0.72	$0.57
2. Academic Planning	$ 0.11	$0.09
3. Development Office	$ 0.77	$0.61
4. Facilities Planning	$ 0.16	$0.13
5. Information Technology	$ 1.28	$1.01
6. Human Resources	$ 0.61	$0.48
7. Student Enrollment	$ 0.28	$0.22
8. Summer and First Year Student Support Program	$ 1.11	$0.88
9. Basic Skills Program	$ 0.49	$0.39
10. Endowed Honors and Institutional Scholarships	$ 1.28	$1.01
11. Accreditation of Programs	$ 0.28	$0.22
12. Enhance Law, Pharmacy, Business and Educator Preparation Programs	$ 1.72	$1.36

13. MA/PhD Urban Planning and Environmental Policy	$ 0.84	$0.66
14. MS Health Care Administration	$ 0.56	$0.44
15. MS in Computer Science	$ 0.39	$0.31
16. MS/PhD in Biomedical and Pharmaceutical Sciences	$ 0.56	$0.44
17. Four Endowed Chairs	$ 1.11	$0.88
18. Re-establish School of Public Affairs	$ 0.56	$0.44
19. Child Care Center	$ 0.77	$0.61
20. MSW Social Work	$ 0.28	$0.22
Total	$ 10.94	$ 10.94*

*May not add due to rounding.

6. **OCR Priority Plan Reporting Requirements.** Texas Southern University shall work with the Texas Higher Education Coordinating Board, the Governor, and the Legislative Budget Board regarding any proposed changes to the detailed plan, the benchmarks, and performance measures adopted in accordance with the OCR Priority Plan. Texas Southern University shall report their progress regarding the OCR Priority Plan benchmarks, performance measures, and expenditures for the above items, semi-annually by December 31 and June 30 to the institution's Board of Regents, the Texas Higher Education Coordinating Board, the Governor, and the Legislative Budget Board. Any unexpended balances as of August 31, 2005, (estimated to be $1,600,000), appropriated by the Seventy-eighth Legislature for the OCR Priority Plan, are hereby appropriated to Texas Southern University for the biennium beginning September 1, 2005. It is legislative intent that any funds not spent during the 2006-07 biennium be transferred to the 2008-09 biennium without any reduction in future funding for the Office of Civil Rights Priority Plan.

7. **OCR Multi-year Commitment.** It is the intent of the Legislature that the funding identified above in the OCR Priority Plan be continued as a multi-year commitment by the Legislature.

TEXAS TECH UNIVERSITY SYSTEM ADMINISTRATION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 415,546	$ 414,547
Total, Method of Financing	$ 415,546	$ 414,547
Items of Appropriation:		
1. Educational and General State Support	$ 415,546	$ 414,547
Grand Total, TEXAS TECH UNIVERSITY SYSTEM ADMINISTRATION	$ 415,546	$ 414,547
This bill pattern represents an estimated 2.3% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	160.2	160.2

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: SYSTEM OFFICE OPERATIONS	$ 415,546	$ 414,547
Grand Total, TEXAS TECH UNIVERSITY SYSTEM ADMINISTRATION	$ 415,546	$ 414,547
Object-of-Expense Informational Listing:		
Professional Salaries - Faculty Equivalent (Higher Education Only)	$ 23,283	$ 17,706
Professional Fees and Services	25,108	6,656
Consumable Supplies	23,649	14,503
Utilities	45,355	27,625
Travel	47,577	44,800
Rent - Building	1,010	417
Rent - Machine and Other	4,571	572
Other Operating Expense	244,993	302,268
Total, Object-of-Expense Informational Listing	$ 415,546	$ 414,547
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 751,196	$ 776,042
Social Security	545,221	564,304
Subtotal, Employee Benefits	$ 1,296,417	$ 1,340,346
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,296,417	$ 1,340,346

2. Governing Board. Out of the funds appropriated above, an amount not to exceed $125,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

TEXAS TECH UNIVERSITY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 124,113,169	$ 123,705,936
General Revenue Fund - Dedicated		
Texas Tech University Special Mineral Account No. 269, estimated	79,822	19,000
Estimated Board Authorized Tuition Increases Account No. 704	6,465,170	6,465,170

Estimated Statutory Tuition Increases Account No. 708	1,407,619	1,407,619
Estimated Other Educational and General Income Account No. 770	37,801,873	38,424,729
Subtotal, General Revenue Fund - Dedicated	$ 45,754,484	$ 46,316,518
Total, Method of Financing	$ 169,867,653	$ 170,022,454
Items of Appropriation:		
1. Educational and General State Support	$ 169,867,653	$ 170,022,454
Grand Total, TEXAS TECH UNIVERSITY	$ 169,867,653	$ 170,022,454
This bill pattern represents an estimated 36.2% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	3,020.4	3,020.4

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 105,874,643	$ 105,874,643
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 3,420,528	$ 3,420,528
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 2,785,233	$ 2,943,713
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 636,441	$ 636,441
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 5,395,219	$ 5,470,107
A.1.6. Strategy: ORGANIZED ACTIVITIES	$ 219,815	$ 219,815
A.1.7. Strategy: EXCELLENCE FUNDING	$ 3,065,304	$ 3,065,304
Total, Goal A: INSTRUCTION/OPERATIONS	$ 121,397,183	$ 121,630,551
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 21,877,579	$ 21,877,579
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 5,739,227	$ 5,731,201
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 129,720	$ 120,000
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 27,746,526	$ 27,728,780
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: LIBRARY ARCHIVAL SUPPORT	$ 592,399	$ 592,398
C.2.1. Strategy: AGRICULTURAL RESEARCH Research to Enhance Ag Production & Add Value to Ag Products in Texas.	$ 1,803,958	$ 1,803,959
C.2.2. Strategy: ENERGY RESEARCH Research in Energy Production and Environmental Protection in Texas.	$ 764,422	$ 764,422
C.2.3. Strategy: EMERGING TECHNOLOGIES RESEARCH Research in Emerging Technologies and Economic Development in Texas.	$ 430,597	$ 430,596
C.3.1. Strategy: JUNCTION ANNEX OPERATION	$ 286,398	$ 286,399
C.3.2. Strategy: HILL COUNTRY EDUCATIONAL NETWORK	$ 637,500	$ 637,500
C.3.3. Strategy: SMALL BUSINESS DEVELOPMENT Small Business Development Center.	$ 1,077,293	$ 1,077,293

C.3.4. Strategy: MUSEUMS & CENTERS Museums and Historical, Cultural, and Educational Centers.	$ 1,530,469	$ 1,530,469
C.3.5. Strategy: CENTER FOR FINANCIAL RESPONSIBILITY	$ 189,567	$ 189,568
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 7,912,372	$ 7,851,550
C.4.2. Strategy: FACULTY EXCELLENCE	$ 2,500,000	$ 2,500,000
Total, Goal C: SPECIAL ITEM SUPPORT	$ 17,724,975	$ 17,664,154
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 2,998,969	$ 2,998,969
Grand Total, TEXAS TECH UNIVERSITY	$ 169,867,653	$ 170,022,454
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 45,098,424	$ 45,719,447
Other Personnel Costs	747,340	764,705
Faculty Salaries (Higher Education Only)	85,301,062	84,904,825
Professional Fees and Services	4,174,288	3,977,214
Consumable Supplies	2,708,521	2,226,801
Utilities	12,853,470	13,316,376
Travel	326,096	326,460
Debt Service	5,868,947	5,851,201
Other Operating Expense	12,471,898	12,638,335
Grants	152,354	131,613
Capital Expenditures	165,253	165,477
Total, Object-of-Expense Informational Listing	$ 169,867,653	$ 170,022,454
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 12,421,686	$ 12,832,548
Group Insurance	14,827,364	15,791,142
Social Security	9,015,715	9,331,265
Subtotal, Employee Benefits	$ 36,264,765	$ 37,954,955
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 36,264,765	$ 37,954,955

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Tech University. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas Tech University. In order to achieve the objectives and service standards established by this Act, the Texas Tech University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	54.4%	54.4%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	23%	23%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	84%	84%
Certification Rate of Teacher Education Graduates	87.7%	87.7%

Percent of Baccalaureate Graduates Who Are First Generation College Graduates	17.4%	17.4%
Percent of Lower Division Courses Taught by Tenured Faculty	31%	31%
State Licensure Pass Rate of Law Graduates	90%	90%
State Licensure Pass Rate of Engineering Graduates	90%	90%
Dollar Value of External or Sponsored Research Funds (in Millions)	29	29
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	6.1%	6.1%

3. **Texas Tech University Museum.** Out of funds appropriated above in Strategy C.3.4. for the Museums and Historical, Cultural and Educational Centers, $533,565 in fiscal year 2006 and $433,565 in fiscal year 2007 shall be allocated to the Ranching Heritage Center, and $266,859 in each fiscal year shall be allocated to the Lubbock Lake Landmark.

4. **Appropriation of Special Mineral Fund.** The balance of funds on hand for the year ending August 31, 2005, (estimated to be $6,000) in the Texas Tech University Special Mineral Fund No. 269 and any income during the biennium beginning September 1, 2005, deposited to that fund are appropriated in the funds above to Texas Tech University for the general operations of the university. Mineral Funds are estimated to be $73,822 in fiscal year 2006 and $19,000 in fiscal year 2007.

TEXAS WOMAN'S UNIVERSITY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 54,821,549	$ 54,728,308
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	2,970,687	2,970,687
Estimated Statutory Tuition Increases Account No. 708	552,276	552,276
Estimated Other Educational and General Income Account No. 770	10,959,255	11,118,266
Subtotal, General Revenue Fund - Dedicated	$ 14,482,218	$ 14,641,229
Total, Method of Financing	$ 69,303,767	$ 69,369,537
Items of Appropriation:		
1. Educational and General State Support	$ 69,303,767	$ 69,369,537
Grand Total, TEXAS WOMAN'S UNIVERSITY	$ 69,303,767	$ 69,369,537
This bill pattern represents an estimated 64.6% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	1,039.1	1,039.1

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 48,102,037	$ 48,102,037
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 834,587	$ 834,587

A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 738,380	$ 780,394
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 355,000	$ 355,000
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 2,053,073	$ 2,076,829
A.1.6. Strategy: EXCELLENCE FUNDING	$ 1,130,324	$ 1,130,324
Total, Goal A: INSTRUCTION/OPERATIONS	$ 53,213,401	$ 53,279,171
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 6,357,849	$ 6,357,849
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 2,753,735	$ 2,752,135
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 123,845	$ 123,845
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 9,235,429	$ 9,233,829
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: TX MED CNTR LIBRARY ASSESSMENT	$ 175,301	$ 175,301
Texas Medical Center Library Assessment.		
C.2.1. Strategy: NUTRITION RESEARCH PROGRAM	$ 40,000	$ 40,000
Human Nutrition Research Development Program.		
C.2.2. Strategy: WOMEN'S HEALTH RESEARCH CENTER	$ 167,005	$ 167,005
Center for Research on Women's Health.		
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 6,296,677	$ 6,298,277
Total, Goal C: SPECIAL ITEM SUPPORT	$ 6,678,983	$ 6,680,583
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 175,954	$ 175,954
Grand Total, TEXAS WOMAN'S UNIVERSITY	$ 69,303,767	$ 69,369,537
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 18,791,505	$ 18,509,048
Other Personnel Costs	650,542	647,580
Faculty Salaries (Higher Education Only)	28,205,408	28,387,274
Professional Salaries - Faculty Equivalent (Higher Education Only)	207,738	177,753
Professional Fees and Services	197,450	154,409
Fuels and Lubricants	30,653	29,343
Consumable Supplies	202,088	178,356
Utilities	2,585,622	2,513,150
Travel	154,854	167,113
Rent - Building	2,640	2,755
Rent - Machine and Other	358,059	414,204
Debt Service	2,753,735	2,752,135
Other Operating Expense	5,646,526	5,539,396
Grants	8,261,588	8,263,188
Capital Expenditures	1,255,359	1,633,833
Total, Object-of-Expense Informational Listing	$ 69,303,767	$ 69,369,537
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 4,369,357	$ 4,513,878
Group Insurance	5,105,164	5,437,000

Social Security	3,171,299	3,282,294
Subtotal, Employee Benefits	$ 12,645,820	$ 13,233,172
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 12,645,820	$ 13,233,172

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Woman's University. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas Woman's University. In order to achieve the objectives and service standards established by this Act, the Texas Woman's University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	41.4%	41.1%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	20%	20%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	76.5%	76.5%
Certification Rate of Teacher Education Graduates	90.7%	90.7%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	66.6%	66.6%
Percent of Lower Division Courses Taught by Tenured Faculty	45%	45%
State Licensure Pass Rate of Nursing Graduates	99.5%	99.5%
Dollar Value of External or Sponsored Research Funds (in Millions)	2	2
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	7.3%	7.3%

3. **Governing Board.** Out of the funds appropriated above, an amount not to exceed $35,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

BOARD OF REGENTS, TEXAS STATE UNIVERSITY SYSTEM CENTRAL OFFICE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 1,133,248	$ 1,133,248
Total, Method of Financing	$ 1,133,248	$ 1,133,248

Items of Appropriation:		
1. Educational and General State Support	$ 1,133,248	$ 1,133,248
Grand Total, BOARD OF REGENTS, TEXAS STATE UNIVERSITY SYSTEM CENTRAL OFFICE	$ 1,133,248	$ 1,133,248
This bill pattern represents an estimated 67.3% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	12.6	12.6

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS Provide Instructional and Operations Support.		
A.1.1. Strategy: SYSTEM OFFICE OPERATIONS	$ 1,133,248	$ 1,133,248
Grand Total, BOARD OF REGENTS, TEXAS STATE UNIVERSITY SYSTEM CENTRAL OFFICE	$ 1,133,248	$ 1,133,248
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 971,653	$ 973,348
Other Personnel Costs	19,800	19,800
Travel	100,597	98,902
Other Operating Expense	36,198	36,198
Capital Expenditures	5,000	5,000
Total, Object-of-Expense Informational Listing	$ 1,133,248	$ 1,133,248
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 102,315	$ 105,699
Group Insurance	70,610	75,200
Social Security	74,260	76,860
Subtotal, Employee Benefits	$ 247,185	$ 257,759
Debt Service		
Lease Payments	$ 76,782	$ 77,062
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 323,967	$ 334,821

2. **Governing Board.** Out of the funds appropriated above, an amount not to exceed $85,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

   A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

3. **Audit of Base Period Contact Hours.** The hours used in the contact hour base period to fund the Lamar State Colleges are subject to audit for accuracy by the State Auditor according to an audit plan developed in consultation with the Texas Higher Education Coordinating Board, the Legislative Budget Board and community, technical, and state colleges and the appropriation amounts adjusted accordingly by the Comptroller of Public Accounts at the direction of the Legislative Budget Board. The total amount appropriated to the two year institution's contact hour formula shall be redistributed to all institutions funded by the formula based on contact hours. The calculation of revised appropriation amounts shall allow each institution an error rate of up to 2 percent of the total contact hour formula appropriations to that institution for the biennium. Adjustments shall be made to appropriated amounts in accordance with adjustments of estimated contact hours to actual certified contact hours, even if the total error rate is less than 2 percent of the total amount appropriated to the institution for the biennium.

4. **Transferability.** The Board of Regents of the Texas State University System is authorized to transfer and utilize funds appropriated to Sul Ross State University and Sul Ross State University-Rio Grande College between the campuses if necessary to accomplish the capital improvement goals of the University.

ANGELO STATE UNIVERSITY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 24,959,737	$ 25,016,765
General Revenue Fund - Dedicated		
Estimated Statutory Tuition Increases Account No. 708	364,128	364,128
Estimated Other Educational and General Income Account No. 770	7,907,661	7,982,615
Subtotal, General Revenue Fund - Dedicated	$ 8,271,789	$ 8,346,743
Total, Method of Financing	$ 33,231,526	$ 33,363,508
Items of Appropriation:		
1. Educational and General State Support	$ 33,231,526	$ 33,363,508
Grand Total, ANGELO STATE UNIVERSITY	$ 33,231,526	$ 33,363,508
This bill pattern represents an estimated 48.1% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	574.2	574.2

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 15,931,041	$ 15,931,041
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 949,339	$ 949,339
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 575,451	$ 608,194
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,218,922	$ 1,230,243
A.1.5. Strategy: FORMULA HOLD HARMLESS	$ 195,432	$ 195,432
A.1.6. Strategy: ORGANIZED ACTIVITIES	$ 126,251	$ 126,251

A.1.7. Strategy: EXCELLENCE FUNDING	$ 598,217	$ 598,217
Total, Goal A: INSTRUCTION/OPERATIONS	$ 19,594,653	$ 19,638,717
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 3,636,954	$ 3,636,954
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 4,132,080	$ 4,132,080
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 69,000	$ 69,000
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 7,838,034	$ 7,838,034
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: SCHOOL-BASED CLINICS	$ 46,550	$ 46,550
C.1.2. Strategy: CENTER FOR ACADEMIC EXCELLENCE	$ 415,625	$ 415,625
C.2.1. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	$ 122,064	$ 122,064
C.2.2. Strategy: CENTER FOR FINE ARTS	$ 53,427	$ 53,427
C.2.3. Strategy: MGT/INSTRUCTION/RESEARCH CENTER	$ 245,813	$ 245,813
Management, Instruction, and Research Center.		
C.2.4. Strategy: WEST TEXAS TRAINING CENTER	$ 204,140	$ 204,140
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 4,673,538	$ 4,761,456
Total, Goal C: SPECIAL ITEM SUPPORT	$ 5,761,157	$ 5,849,075
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 37,682	$ 37,682
Grand Total, ANGELO STATE UNIVERSITY	$ 33,231,526	$ 33,363,508
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 8,608,093	$ 9,395,850
Other Personnel Costs	2,213,550	216,249
Faculty Salaries (Higher Education Only)	11,955,339	13,914,386
Professional Fees and Services	23,827	14,179
Fuels and Lubricants	95,241	70,914
Consumable Supplies	185,498	195,164
Utilities	2,371,121	1,898,188
Travel	106,304	66,887
Rent - Building	1,561	4,470
Rent - Machine and Other	52,577	42,945
Debt Service	4,132,080	4,132,080
Other Operating Expense	3,348,191	3,270,203
Grants	40,105	91,655
Capital Expenditures	98,039	50,338
Total, Object-of-Expense Informational Listing	$ 33,231,526	$ 33,363,508
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 2,298,808	$ 2,374,844
Group Insurance	2,955,877	3,148,009
Social Security	1,668,485	1,726,882
Subtotal, Employee Benefits	$ 6,923,170	$ 7,249,735
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 6,923,170	$ 7,249,735

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Angelo State University. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Angelo State University. In order to achieve the objectives and service standards established by this Act, the Angelo State University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	36%	37%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	19%	20%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	65%	66%
Certification Rate of Teacher Education Graduates	84%	84%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	53.5%	53.5%
Percent of Lower Division Courses Taught by Tenured Faculty	55%	55%
State Licensure Pass Rate of Nursing Graduates	92.8%	92.8%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	10.4%	10.4%

LAMAR UNIVERSITY - BEAUMONT

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 33,466,599	$ 33,265,345
General Revenue Fund - Dedicated		
Estimated Statutory Tuition Increases Account No. 708	487,557	487,557
Estimated Other Educational and General Income Account No. 770	12,793,597	13,086,301
Subtotal, General Revenue Fund - Dedicated	$ 13,281,154	$ 13,573,858
Total, Method of Financing	$ 46,747,753	$ 46,839,203
Items of Appropriation:		
1. Educational and General State Support	$ 46,747,753	$ 46,839,203
Grand Total, LAMAR UNIVERSITY - BEAUMONT	$ 46,747,753	$ 46,839,203
This bill pattern represents an estimated 48.5% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	932.0	932.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 28,919,524	$ 28,919,524
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 1,382,266	$ 1,382,266
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 802,228	$ 847,875
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 335,091	$ 335,091
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 2,107,092	$ 2,152,894
A.1.6. Strategy: EXCELLENCE FUNDING	$ 220,420	$ 220,421
Total, Goal A: INSTRUCTION/OPERATIONS	$ 33,766,621	$ 33,858,071
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 6,239,840	$ 6,239,840
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 2,243,907	$ 2,244,225
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 105,430	$ 105,430
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 8,589,177	$ 8,589,495
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: ACADEMY IN HUMANITIES LEADERSHIP	$ 285,184	$ 285,184
Texas Academy of Leadership in the Humanities.		
C.2.1. Strategy: HAZARDOUS SUBSTANCE RESEARCH CENTER	$ 401,907	$ 401,907
Gulf Coast Hazardous Substance Research Center.		
C.2.2. Strategy: AIR QUALITY INITIATIVE	$ 581,875	$ 581,875
Air Quality Initiative: Texas Hazardous Waste Research Center.		
C.3.1. Strategy: SPINDLETOP MUSEUM EDUC'AL ACTIVITY	$ 27,321	$ 27,321
Spindletop Museum Educational Activities.		
C.3.2. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	$ 109,016	$ 109,016
C.3.3. Strategy: COMMUNITY OUTREACH EXPANSION	$ 72,941	$ 72,941
Public Service/Community Outreach Expansion.		
C.3.4. Strategy: SPINDLETOP TEACHING CENTER	$ 124,688	$ 124,688
Spindletop Center for Excellence in Teaching Technology.		
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 2,562,596	$ 2,562,278
Total, Goal C: SPECIAL ITEM SUPPORT	$ 4,165,528	$ 4,165,210
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 226,427	$ 226,427
Grand Total, LAMAR UNIVERSITY - BEAUMONT	$ 46,747,753	$ 46,839,203
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 4,982,720	$ 4,648,244
Other Personnel Costs	6,067,165	5,956,239
Faculty Salaries (Higher Education Only)	21,904,537	22,438,883
Professional Fees and Services	779,113	784,676
Fuels and Lubricants	84,143	85,448
Consumable Supplies	497,818	509,071
Utilities	419,395	425,927
Travel	30,397	30,734
Rent - Building	242	247
Rent - Machine and Other	156,079	143,502
Debt Service	2,243,907	2,244,225
Other Operating Expense	7,397,811	7,366,961

Grants	2,107,093	2,152,894
Capital Expenditures	77,333	52,152
Total, Object-of-Expense Informational Listing	$ 46,747,753	$ 46,839,203
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 4,091,573	$ 4,226,907
Group Insurance	4,366,139	4,649,938
Social Security	2,969,682	3,073,621
Subtotal, Employee Benefits	$ 11,427,394	$ 11,950,466
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 11,427,394	$ 11,950,466

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Lamar University - Beaumont. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Lamar University - Beaumont. In order to achieve the objectives and service standards established by this Act, the Lamar University - Beaumont shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	32%	34%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	14%	16%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	72%	73%
Certification Rate of Teacher Education Graduates	85%	86%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	46.3%	47%
Percent of Lower Division Courses Taught by Tenured Faculty	63.5%	65%
State Licensure Pass Rate of Engineering Graduates	95%	95%
State Licensure Pass Rate of Nursing Graduates	94.5%	94.5%
Dollar Value of External or Sponsored Research Funds (in Millions)	2.25	2.25
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	11.8%	11.8%

LAMAR INSTITUTE OF TECHNOLOGY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 8,642,209	$ 8,952,501
General Revenue Fund - Dedicated		
Estimated Statutory Tuition Increases Account No. 708	107,460	107,460

Estimated Other Educational and General Income Account No. 770	2,345,187	2,345,187
Subtotal, General Revenue Fund - Dedicated	$ 2,452,647	$ 2,452,647
Total, Method of Financing	$ 11,094,856	$ 11,405,148
Items of Appropriation:		
1. Educational and General State Support	$ 11,094,856	$ 11,405,148
Grand Total, LAMAR INSTITUTE OF TECHNOLOGY	$ 11,094,856	$ 11,405,148
This bill pattern represents an estimated 59.6% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	171.0	171.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: ACADEMIC EDUCATION	$ 3,078,881	$ 3,070,801
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 4,405,034	$ 4,405,034
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 149,610	$ 158,123
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 437,906	$ 437,906
Total, Goal A: INSTRUCTION/OPERATIONS	$ 8,071,431	$ 8,071,864
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 1,407,904	$ 1,407,904
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 552,844	$ 552,789
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 28,000	$ 28,000
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 1,988,748	$ 1,988,693
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: WORKFORCE LITERACY	$ 54,092	$ 54,092
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 980,585	$ 1,290,499
Total, Goal C: SPECIAL ITEM SUPPORT	$ 1,034,677	$ 1,344,591
Grand Total, LAMAR INSTITUTE OF TECHNOLOGY	$ 11,094,856	$ 11,405,148
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 2,354,164	$ 2,361,839
Other Personnel Costs	149,610	158,123
Faculty Salaries (Higher Education Only)	4,504,364	4,488,860
Debt Service	580,844	580,789
Other Operating Expense	2,953,743	3,242,225
Grants	437,907	437,906
Capital Expenditures	114,224	135,406
Total, Object-of-Expense Informational Listing	$ 11,094,856	$ 11,405,148

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 752,986	$ 777,892
Group Insurance	546,622	582,152
Social Security	546,521	565,649
Subtotal, Employee Benefits	$ 1,846,129	$ 1,925,693
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,846,129	$ 1,925,693

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Lamar Institute of Technology. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Lamar Institute of Technology. In order to achieve the objectives and service standards established by this Act, the Lamar Institute of Technology shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percentage of Courses Completed	93.9%	93.9%
Percent of Contact Hours Taught by Full-time Faculty	80.8%	80.8%
Percentage of Developmental Education Students Who Pass Skills Assessment Test	20.4%	20.4%
A.1.1. Strategy: ACADEMIC EDUCATION		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	13%	13%

LAMAR UNIVERSITY - ORANGE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 6,246,349	$ 6,237,622
General Revenue Fund - Dedicated		
Estimated Statutory Tuition Increases Account No. 708	78,100	78,100
Estimated Other Educational and General Income Account No. 770	2,119,120	2,184,882
Subtotal, General Revenue Fund - Dedicated	$ 2,197,220	$ 2,262,982
Total, Method of Financing	$ 8,443,569	$ 8,500,604
Items of Appropriation:		
1. Educational and General State Support	$ 8,443,569	$ 8,500,604
Grand Total, LAMAR UNIVERSITY - ORANGE	$ 8,443,569	$ 8,500,604
This bill pattern represents an estimated 62.5% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	132.0	132.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: ACADEMIC EDUCATION	$ 3,294,367	$ 3,333,403
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 1,508,092	$ 1,508,092
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 108,246	$ 114,405
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 396,814	$ 408,653
Total, Goal A: INSTRUCTION/OPERATIONS	$ 5,307,519	$ 5,364,553
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 1,139,895	$ 1,139,895
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 444,683	$ 460,740
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 22,395	$ 22,395
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 1,606,973	$ 1,623,030
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 1,529,077	$ 1,513,021
Grand Total, LAMAR UNIVERSITY - ORANGE	$ 8,443,569	$ 8,500,604
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 3,257,675	$ 3,524,086
Other Personnel Costs	135,466	83,945
Faculty Salaries (Higher Education Only)	2,395,114	2,616,346
Professional Fees and Services	8,066	6,109
Consumable Supplies	152,351	115,379
Utilities	283,426	214,645
Travel	21,663	16,406
Rent - Machine and Other	50,420	38,184
Debt Service	444,683	460,740
Other Operating Expense	1,402,874	1,196,584
Grants	118,410	50,800
Capital Expenditures	173,421	177,380
Total, Object-of-Expense Informational Listing	$ 8,443,569	$ 8,500,604
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 532,865	$ 550,490
Group Insurance	611,926	651,701
Social Security	386,756	400,292
Subtotal, Employee Benefits	$ 1,531,547	$ 1,602,483
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,531,547	$ 1,602,483

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Lamar University - Orange. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Lamar University - Orange. In order to achieve the objectives and service

standards established by this Act, the Lamar University - Orange shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of Courses Completed	89%	89%
Number of Students Who Transfer to a University	390	390
Percent of Contact Hours Taught by Full-time Faculty	79%	79%
Percentage of Developmental Education Students Who Pass Skills Assessment Test	12%	12%
A.1.1. Strategy: ACADEMIC EDUCATION		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	14.4%	14.4%

LAMAR UNIVERSITY - PORT ARTHUR

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 8,495,475	$ 9,001,088
General Revenue Fund - Dedicated		
Estimated Statutory Tuition Increases Account No. 708	98,554	98,554
Estimated Other Educational and General Income Account No. 770	2,200,939	2,220,200
Subtotal, General Revenue Fund - Dedicated	$ 2,299,493	$ 2,318,754
Total, Method of Financing	$ 10,794,968	$ 11,319,842
Items of Appropriation:		
1. Educational and General State Support	$ 10,794,968	$ 11,319,842
Grand Total, LAMAR UNIVERSITY - PORT ARTHUR	$ 10,794,968	$ 11,319,842
This bill pattern represents an estimated 58.9% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	243.5	243.5

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: ACADEMIC EDUCATION	$ 3,671,535	$ 3,674,921
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,888,579	$ 2,888,579
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 178,471	$ 188,626
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 529,967	$ 534,259
A.1.5. Strategy: EXCELLENCE FUNDING	$ 0	$ 202,301
Total, Goal A: INSTRUCTION/OPERATIONS	$ 7,268,552	$ 7,488,686

B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 1,462,420	$ 1,462,420
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 782,696	$ 780,945
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 28,000	$ 28,000
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 2,273,116	$ 2,271,365
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.2.1. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	$ 134,904	$ 134,904
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 1,118,396	$ 1,424,887
Total, Goal C: SPECIAL ITEM SUPPORT	$ 1,253,300	$ 1,559,791
Grand Total, LAMAR UNIVERSITY - PORT ARTHUR	$ 10,794,968	$ 11,319,842
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 4,048,759	$ 4,179,233
Faculty Salaries (Higher Education Only)	4,460,378	4,893,538
Utilities	575,553	609,290
Debt Service	810,696	808,945
Other Operating Expense	369,615	294,577
Client Services	529,967	534,259
Total, Object-of-Expense Informational Listing	$ 10,794,968	$ 11,319,842
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 907,208	$ 937,215
Group Insurance	1,027,012	1,093,768
Social Security	658,456	681,502
Subtotal, Employee Benefits	$ 2,592,676	$ 2,712,485
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,592,676	$ 2,712,485

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Lamar University - Port Arthur. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Lamar University - Port Arthur. In order to achieve the objectives and service standards established by this Act, the Lamar University - Port Arthur shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of Courses Completed	92.49%	92.49%
Number of Students Who Transfer to a University	499	499
Percent of Contact Hours Taught by Full-time Faculty	82.1%	82.1%
Percentage of Developmental Education Students Who Pass Skills Assessment Test	8%	8%
A.1.1. Strategy: ACADEMIC EDUCATION		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	15.47%	15.47%

SAM HOUSTON STATE UNIVERSITY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 39,460,598	$ 39,303,827
General Revenue Fund - Dedicated		
Law Enforcement Management Institute Account No. 581, estimated	7,805,842	3,628,050
Estimated Board Authorized Tuition Increases Account No. 704	653,272	653,272
Estimated Statutory Tuition Increases Account No. 708	793,929	793,929
Estimated Other Educational and General Income Account No. 770	19,419,335	19,504,328
Correctional Management Institute of Texas Account No. 5083, estimated	1,468,522	1,814,025
Subtotal, General Revenue Fund - Dedicated	$ 30,140,900	$ 26,393,604
Total, Method of Financing	$ 69,601,498	$ 65,697,431
Items of Appropriation:		
1. Educational and General State Support	$ 69,601,498	$ 65,697,431
Grand Total, SAM HOUSTON STATE UNIVERSITY	$ 69,601,498	$ 65,697,431
This bill pattern represents an estimated 42.9% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	961.5	961.5

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 39,214,504	$ 39,214,113
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 1,984,122	$ 1,984,103
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 816,482	$ 862,940
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 268,488	$ 268,488
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 2,729,648	$ 2,741,078
A.1.6. Strategy: ORGANIZED ACTIVITIES	$ 78,660	$ 78,660
A.1.7. Strategy: EXCELLENCE FUNDING	$ 719,551	$ 713,558
Total, Goal A: INSTRUCTION/OPERATIONS	$ 45,811,455	$ 45,862,940
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 8,034,654	$ 8,034,574
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 2,084,160	$ 2,080,339
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 10,118,814	$ 10,114,913
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: ACADEMIC ENRICHMENT CENTER	$ 124,688	$ 124,687
Academic Enrichment Center/Advisement Center.		
C.3.1. Strategy: SAM HOUSTON MUSEUM	$ 366,115	$ 366,115

C.3.2. Strategy: BUSINESS & ECONOMIC DEVELOPMENT CTR Center for Business and Economic Development.	$ 164,582	$ 164,582
C.3.3. Strategy: LAW ENFORCEMENT MGT INSTITUTE Bill Blackwood Law Enforcement Management Institute of Texas. Est.	$ 7,805,842	$ 3,628,050
C.3.4. Strategy: CORRECTIONAL MANAGEMENT INSTITUTE Criminal Justice Correctional Management Institute of Texas.	$ 1,468,522	$ 1,814,025
C.3.5. Strategy: CRIME VICTIMS' INSTITUTE	$ 274,458	$ 290,854
C.4.1. Strategy: ENVIRONMENTAL STUDIES INSTITUTE Institute of Environmental Studies.	$ 145,666	$ 145,666
C.4.2. Strategy: INSTITUTIONAL ENHANCEMENT	$ 3,116,126	$ 2,980,369
Total, Goal C: SPECIAL ITEM SUPPORT	$ 13,465,999	$ 9,514,348
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 205,230	$ 205,230
Grand Total, SAM HOUSTON STATE UNIVERSITY	$ 69,601,498	$ 65,697,431
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 20,795,471	$ 19,772,772
Other Personnel Costs	3,324,065	3,235,491
Faculty Salaries (Higher Education Only)	26,532,942	25,651,513
Professional Fees and Services	2,174,857	1,264,122
Fuels and Lubricants	22,105	21,666
Consumable Supplies	700,863	707,626
Utilities	867,062	717,430
Travel	101,879	75,965
Rent - Building	688,596	376,720
Rent - Machine and Other	112,713	134,697
Debt Service	2,892,159	2,398,589
Other Operating Expense	7,451,410	7,404,807
Grants	3,835,679	3,693,929
Capital Expenditures	101,697	242,104
Total, Object-of-Expense Informational Listing	$ 69,601,498	$ 65,697,431
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 4,509,316	$ 4,658,467
Group Insurance	4,922,224	5,242,168
Social Security	3,272,882	3,387,433
Subtotal, Employee Benefits	$ 12,704,422	$ 13,288,068
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 12,704,422	$ 13,288,068

2. Performance Measure Targets. The following is a listing of the key performance target levels for the Sam Houston State University. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Sam Houston State University. In order to achieve the objectives and service standards established by this Act, the Sam Houston State University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	40%	40%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	14%	14%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	69%	69%
Certification Rate of Teacher Education Graduates	94.2%	94.2%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	50.7%	50.7%
Percent of Lower Division Courses Taught by Tenured Faculty	58.5%	58.5%
Dollar Value of External or Sponsored Research Funds (in Millions)	1.7	1.7
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	12.6%	12.6%

3. Unexpended Balances, CJ-CMIT and LEMIT. Any unexpended balances from appropriations for the fiscal year beginning September 1, 2005, in the Criminal Justice Correctional Management Institute of Texas Fund (GR Dedicated Fund 5083) and the Law Enforcement Management Institute of Texas Fund (GR Dedicated Fund 581), estimated to be $4,154,617 (and included above in the Method of Financing) for fiscal year 2006, for Fund 581, remaining as of August 31, 2006, are appropriated for the same purpose for the fiscal year beginning September 1, 2006.

TEXAS STATE UNIVERSITY - SAN MARCOS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 76,342,758	$ 76,325,846
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	3,277,000	3,277,000
Estimated Statutory Tuition Increases Account No. 708	1,454,787	1,454,787
Estimated Other Educational and General Income Account No. 770	32,811,240	32,971,568
Subtotal, General Revenue Fund - Dedicated	$ 37,543,027	$ 37,703,355
Total, Method of Financing	$ 113,885,785	$ 114,029,201
Items of Appropriation:		
1. Educational and General State Support	$ 113,885,785	$ 114,029,201
Grand Total, TEXAS STATE UNIVERSITY - SAN MARCOS	$ 113,885,785	$ 114,029,201
This bill pattern represents an estimated 40.1% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	1,941.0	1,941.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 75,175,082	$ 75,175,082
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 2,936,665	$ 2,936,665
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 2,135,495	$ 2,257,005
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 674,221	$ 674,221
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 5,164,832	$ 5,186,738
A.1.6. Strategy: ORGANIZED ACTIVITIES	$ 748,935	$ 748,935
A.1.7. Strategy: EXCELLENCE FUNDING	$ 2,345,347	$ 2,345,347
Total, Goal A: INSTRUCTION/OPERATIONS	$ 89,180,577	$ 89,323,993
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 15,201,606	$ 15,201,606
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 5,572,374	$ 5,581,789
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	$ 350,205	$ 350,205
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 21,124,185	$ 21,133,600
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: GEOGRAPHY EDUCATION Improvement of Geography Education.	$ 43,750	$ 43,750
C.1.2. Strategy: ROUND ROCK HIGHER EDUCATION CENTER	$ 350,000	$ 350,000
C.2.1. Strategy: EDWARDS AQUIFER RESEARCH CENTER Edwards Aquifer Research and Data Center.	$ 216,266	$ 216,266
C.2.2. Strategy: TEXAS LONG-TERM CARE INST Texas Long-term Care Institute.	$ 146,832	$ 146,832
C.2.3. Strategy: SEMICONDUCTOR INITIATIVE Semiconductor Manufacturing and Research Initiative.	$ 87,500	$ 87,500
C.3.1. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	$ 171,461	$ 171,461
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 1,908,359	$ 1,898,944
Total, Goal C: SPECIAL ITEM SUPPORT	$ 2,924,168	$ 2,914,753
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 656,855	$ 656,855
Grand Total, TEXAS STATE UNIVERSITY - SAN MARCOS	$ 113,885,785	$ 114,029,201
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 31,626,460	$ 31,319,365
Faculty Salaries (Higher Education Only)	54,999,473	54,957,713
Consumable Supplies	132,829	132,800
Utilities	7,429,084	8,069,667
Travel	23,520	18,027
Rent - Building	32,951	33,556
Rent - Machine and Other	7,919	7,919
Debt Service	5,572,374	5,581,789
Other Operating Expense	11,569,524	11,418,849

Grants	2,416,035	2,413,900
Capital Expenditures	75,616	75,616
Total, Object-of-Expense Informational Listing	$ 113,885,785	$ 114,029,201
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 8,780,521	$ 9,070,948
Group Insurance	7,439,364	7,922,923
Social Security	6,372,942	6,595,995
Subtotal, Employee Benefits	$ 22,592,827	$ 23,589,866
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 22,592,827	$ 23,589,866

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas State University - San Marcos. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas State University - San Marcos. In order to achieve the objectives and service standards established by this Act, the Texas State University - San Marcos shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	50.3%	53%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	24.7%	25.7%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	83.2%	85%
Certification Rate of Teacher Education Graduates	88%	88%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	46.1%	46.1%
Percent of Lower Division Courses Taught by Tenured Faculty	47.3%	47.3%
Dollar Value of External or Sponsored Research Funds (in Millions)	16.2	17.7
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	10.8%	10.8%

3. **Freeman Ranch.** Out of the amounts appropriated above in informational item A.1.6, Organized Activities, $115,089 in each year of the biennium shall be used for the Freeman Ranch.

SUL ROSS STATE UNIVERSITY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 14,874,328	$ 14,859,880
General Revenue Fund - Dedicated		
Estimated Statutory Tuition Increases Account No. 708	100,554	100,554
Estimated Other Educational and General Income Account No. 770	2,413,539	2,435,490
Subtotal, General Revenue Fund - Dedicated	$ 2,514,093	$ 2,536,044
Total, Method of Financing	$ 17,388,421	$ 17,395,924
Items of Appropriation:		
1. Educational and General State Support	$ 17,388,421	$ 17,395,924
Grand Total, SUL ROSS STATE UNIVERSITY	$ 17,388,421	$ 17,395,924
This bill pattern represents an estimated 59% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	340.7	340.7

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 5,479,992	$ 5,479,992
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 253,102	$ 253,102
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 144,438	$ 152,657
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 36,795	$ 36,795
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 355,434	$ 358,674
A.1.6. Strategy: ORGANIZED ACTIVITIES	$ 124,884	$ 124,884
A.1.7. Strategy: EXCELLENCE FUNDING	$ 213,460	$ 212,626
Total, Goal A: INSTRUCTION/OPERATIONS	$ 6,608,105	$ 6,618,730
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 3,062,912	$ 3,062,912
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 2,781,569	$ 2,778,447
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 5,844,481	$ 5,841,359
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.2.1. Strategy: CHIHUAHUAN DESERT RESEARCH	$ 25,000	$ 25,000
C.2.2. Strategy: CENTER FOR BIG BEND STUDIES	$ 165,000	$ 165,000
C.3.1. Strategy: SUL ROSS MUSEUM Sul Ross State University Museum.	$ 113,063	$ 113,063
C.3.2. Strategy: BIG BEND SMALL BUSINESS DEVT CENTER Big Bend Region Minority and Small Business Development Center.	$ 121,696	$ 121,696
C.3.3. Strategy: CRIMINAL JUSTICE ACADEMY	$ 74,164	$ 74,164
C.3.4. Strategy: BIG BEND ARCHIVES Archives of the Big Bend.	$ 90,000	$ 90,000

C.3.5. Strategy: RURAL HISPANIC LEADERSHIP	$ 50,000	$ 50,000
C.3.6. Strategy: MUSEUM OF THE BIG BEND	$ 30,000	$ 30,000
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 4,211,906	$ 4,211,906
Total, Goal C: SPECIAL ITEM SUPPORT	$ 4,880,829	$ 4,880,829
D. Goal: RESEARCH DEVELOPMENT FUND		
D.1.1. Strategy: RESEARCH DEVELOPMENT FUND	$ 55,006	$ 55,006
Grand Total, SUL ROSS STATE UNIVERSITY	$ 17,388,421	$ 17,395,924
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 6,507,920	$ 6,320,122
Other Personnel Costs	137,342	132,854
Faculty Salaries (Higher Education Only)	4,345,229	4,553,384
Professional Salaries - Faculty Equivalent (Higher Education Only)	304,362	307,256
Professional Fees and Services	22,822	18,231
Fuels and Lubricants	26,853	46,198
Consumable Supplies	233,123	296,805
Utilities	1,015,202	1,048,806
Travel	171,272	157,672
Rent - Building	1,775	1,676
Rent - Machine and Other	102,239	97,353
Debt Service	2,781,569	2,778,447
Other Operating Expense	1,246,941	1,168,756
Client Services	453,138	436,724
Capital Expenditures	38,634	31,640
Total, Object-of-Expense Informational Listing	$ 17,388,421	$ 17,395,924
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,483,474	$ 1,532,542
Group Insurance	1,708,695	1,819,760
Social Security	867,829	898,203
Subtotal, Employee Benefits	$ 4,059,998	$ 4,250,505
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 4,059,998	$ 4,250,505

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Sul Ross State University. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Sul Ross State University. In order to achieve the objectives and service standards established by this Act, the Sul Ross State University shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	22%	22%
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Four Academic Years	5.7%	5.7%
Persistence Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	60%	60%
Certification Rate of Teacher Education Graduates	70%	70%

Percent of Baccalaureate Graduates Who Are First Generation College Graduates	65%	65%
Percent of Lower Division Courses Taught by Tenured Faculty	54.1%	54.1%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	14.2%	14.2%

SUL ROSS STATE UNIVERSITY RIO GRANDE COLLEGE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 5,228,454	$ 5,228,651
GR Dedicated - Estimated Statutory Tuition Increases Account No. 708	51,308	51,308
GR Dedicated - Estimated Other Educational and General Income Account No. 770	1,078,848	1,080,871
Total, Method of Financing	$ 6,358,610	$ 6,360,830
Items of Appropriation:		
1. Educational and General State Support	$ 6,358,610	$ 6,360,830
Grand Total, SUL ROSS STATE UNIVERSITY RIO GRANDE COLLEGE	$ 6,358,610	$ 6,360,830
This bill pattern represents an estimated 68.5% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	82.3	82.3

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: OPERATIONS SUPPORT	$ 2,389,718	$ 2,389,718
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	$ 124,328	$ 124,328
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 33,613	$ 35,526
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	$ 20,328	$ 20,328
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 170,976	$ 171,284
A.1.6. Strategy: EXCELLENCE FUNDING	$ 41,035	$ 41,035
Total, Goal A: INSTRUCTION/OPERATIONS	$ 2,779,998	$ 2,782,219
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 761,933	$ 761,933
B.1.2. Strategy: LEASE OF FACILITIES	$ 228,017	$ 228,017
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 989,950	$ 989,950
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.3.1. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	$ 152,580	$ 152,580

C.3.2. Strategy: DOLPH BRISCOE INSTITUTE Dolph Briscoe Institute for Local Government.	$ 41,500	$ 41,500
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 2,394,582	$ 2,394,581
Total, Goal C: SPECIAL ITEM SUPPORT	$ 2,588,662	$ 2,588,661
Grand Total, SUL ROSS STATE UNIVERSITY RIO GRANDE COLLEGE	$ 6,358,610	$ 6,360,830
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,582,697	$ 1,877,575
Other Personnel Costs	16,895	16,654
Faculty Salaries (Higher Education Only)	2,400,373	2,403,002
Professional Fees and Services	280	258
Consumable Supplies	39,603	33,164
Utilities	141,613	121,101
Travel	150,395	123,198
Rent - Building	843,500	1,050,921
Rent - Machine and Other	6,405	5,044
Other Operating Expense	943,370	504,200
Client Services	170,976	171,284
Grants	368	231
Capital Expenditures	62,135	54,198
Total, Object-of-Expense Informational Listing	$ 6,358,610	$ 6,360,830
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 163,829	$ 169,564
Group Insurance	271,483	289,129
Social Security	208,883	216,194
Subtotal, Employee Benefits	$ 644,195	$ 674,887
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 644,195	$ 674,887

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Sul Ross State University Rio Grande College. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Sul Ross State University Rio Grande College. In order to achieve the objectives and service standards established by this Act, the Sul Ross State University Rio Grande College shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Certification Rate of Teacher Education Graduates	97.4%	97.4%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	86.4%	86.4%
Percent of Incoming Full-time Undergraduate Transfer Students Who Graduate within Four Years	80%	80%
Percent of Incoming Full-time Undergraduate Transfer Students Who Graduate within Two Years	35%	35%
Persistence Rate of First-time, Full-time, Degree-seeking Transfer Students after One Academic Year (Upper-level Institutions Only)	73.7%	73.7%
A.1.1. Strategy: OPERATIONS SUPPORT		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	10.6%	10.6%

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 129,489,252	$ 129,519,176
GR Dedicated - Estimated Other Educational and General Income Account No. 770	27,483,199	27,655,386
Other Funds		
Permanent Health Fund for Higher Education, estimated	2,079,000	2,079,000
Permanent Endowment Fund, UT Southwestern Medical Center at Dallas, estimated	2,250,000	2,250,000
Subtotal, Other Funds	$ 4,329,000	$ 4,329,000
Total, Method of Financing	$ 161,301,451	$ 161,503,562
Items of Appropriation:		
1. Educational and General State Support	$ 161,301,451	$ 161,503,562
Grand Total, THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS	$ 161,301,451	$ 161,503,562
This bill pattern represents an estimated 18.2% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	1,809.4	1,809.4

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: MEDICAL EDUCATION	$ 46,162,006	$ 46,162,006
A.1.2. Strategy: BIOMEDICAL SCIENCES TRAINING	$ 10,247,587	$ 10,247,587
Graduate Training in Biomedical Sciences.		
A.1.3. Strategy: ALLIED HEALTH PROFESSIONS TRAINING	$ 4,933,437	$ 4,933,437
A.1.4. Strategy: GRADUATE MEDICAL EDUCATION	$ 2,907,536	$ 2,907,536
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 3,120,885	$ 3,323,742
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	$ 270,010	$ 263,600
A.2.3. Strategy: UNEMPLOYMENT INSURANCE	$ 43,600	$ 43,600
A.3.1. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,061,943	$ 1,051,764
A.3.2. Strategy: MEDICAL LOANS	$ 99,429	$ 99,429
Total, Goal A: INSTRUCTION/OPERATIONS	$ 68,846,433	$ 69,032,701
B. Goal: PROVIDE RESEARCH SUPPORT		
B.1.1. Strategy: RESEARCH ENHANCEMENT	$ 6,846,095	$ 6,846,095
C. Goal: PROVIDE INFRASTRUCTURE SUPPORT		
C.1.1. Strategy: E&G SPACE SUPPORT	$ 24,957,036	$ 24,957,036
C.2.1. Strategy: TUITION REVENUE BOND RETIREMENT	$ 9,948,986	$ 9,949,999
C.2.2. Strategy: DEBT SVC- NORTH CAMPUS EXPANSION	$ 17,194,998	$ 17,210,841
Debt Service - North Campus Expansion.		
Total, Goal C: PROVIDE INFRASTRUCTURE SUPPORT	$ 52,101,020	$ 52,117,876

D. Goal: PROVIDE SPECIAL ITEM SUPPORT		
D.2.1. Strategy: PRIMARY CARE RESIDENCY TRAINING Primary Care Residency Training Program.	$ 768,967	$ 768,910
D.3.1. Strategy: INSTITUTE FOR NOBEL/NA BIO RESEARCH Institute for Nobel/National-Academy Biomedical Research.	$ 5,538,067	$ 5,537,658
D.3.2. Strategy: INNOVATIONS IN MED TECHNOLOGY Institute for Innovations in Medical Technology.	$ 6,230,338	$ 6,229,878
D.3.3. Strategy: METROPLEX COMP MED IMAGING CENTER Metroplex Comprehensive Medical Imaging Center.	$ 7,500,000	$ 7,500,000
D.4.1. Strategy: REGIONAL BURN CARE CENTER	$ 72,784	$ 72,779
D.4.2. Strategy: CENTER FOR TREATMENT OF SICKLE CELL Center for Treatment and Research on Sickle Cell Disease.	$ 1,000,000	$ 1,000,000
D.5.1. Strategy: SCIENCE TEACHER ACCESS TO RESOURCES Program for Science Teacher Access to Resources (STARS).	$ 425,213	$ 425,182
D.6.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 7,643,534	$ 7,643,483
Total, Goal D: PROVIDE SPECIAL ITEM SUPPORT	$ 29,178,903	$ 29,177,890
E. Goal: TOBACCO FUNDS		
E.1.1. Strategy: TOBACCO EARNINGS - UT SWMC DALLAS Tobacco Earnings for UT Southwestern Medical Center at Dallas.	$ 2,250,000	$ 2,250,000
E.1.2. Strategy: TOBACCO - PERMANENT HEALTH FUND Tobacco Earnings from the Permanent Health Fund for Higher Education.	$ 2,079,000	$ 2,079,000
Total, Goal E: TOBACCO FUNDS	$ 4,329,000	$ 4,329,000
Grand Total, THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS	$ 161,301,451	$ 161,503,562
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 56,120,916	$ 55,729,894
Other Personnel Costs	1,678,888	1,703,895
Faculty Salaries (Higher Education Only)	43,072,591	42,434,048
Professional Salaries - Faculty Equivalent (Higher Education Only)	148,247	130,118
Fuels and Lubricants	13,497	12,989
Consumable Supplies	272	238
Utilities	7,399,730	7,612,702
Rent - Machine and Other	24,799	23,866
Debt Service	29,325,566	29,245,075
Other Operating Expense	22,411,013	23,540,536
Grants	1,105,932	1,070,201
Total, Object-of-Expense Informational Listing	$ 161,301,451	$ 161,503,562
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 6,489,831	$ 6,704,490
Group Insurance	6,999,997	7,454,997

Social Security	4,710,349	4,875,211
Subtotal, Employee Benefits	$ 18,200,177	$ 19,034,698
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 18,200,177	$ 19,034,698

2. Performance Measure Targets. The following is a listing of the key performance target levels for The University of Texas Southwestern Medical Center at Dallas. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of The University of Texas Southwestern Medical Center at Dallas. In order to achieve the objectives and service standards established by this Act, The University of Texas Southwestern Medical Center at Dallas shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of Medical School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	98%	98%
Percent of Medical School Graduates Practicing Primary Care in Texas	23%	23%
Percent of Allied Health Graduates Passing the Certification/Licensure Exam on the First Attempt	91%	91%
Percent of Allied Health Graduates Who Are Licensed or Certified in Texas	92%	92%
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	6%	6%
A.1.1. Strategy: MEDICAL EDUCATION		
Output (Volume):		
Number of Combined MD/PhD Graduates	10	10
Explanatory:		
Minority Admissions as a Percent of Total First-year Admissions (All Schools)	11%	11%
Minority MD Admissions as a Percent of Total MD Admissions	19%	19%
Minority MD or DO Residents as a Percent of Total MD or DO Residents	10%	10%
Percent of Medical School Graduates Entering a Primary Care Residency	50%	50%
B. Goal: PROVIDE RESEARCH SUPPORT		
Outcome (Results/Impact):		
Total External Research Expenditures	301,150,791	318,311,897
D. Goal: PROVIDE SPECIAL ITEM SUPPORT		
D.5.1. Strategy: SCIENCE TEACHER ACCESS TO RESOURCES		
Output (Volume):		
Number of High School and Middle School Teachers Completing a STARS Program	700	720

3. Estimated Appropriation and Unexpended Balance. Included in the amounts appropriated above are: (1) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for The University of Texas Southwestern Medical Center at Dallas and (2) estimated appropriations of the institution's estimated allocation of amounts available for distribution out of the Permanent Health Fund for Higher Education.

a. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated to the institution. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, this Act may not be construed as appropriating funds to makeup the difference.

b. All balances of estimated appropriations from the Permanent Endowment Fund for The University of Texas Southwestern Medical Center at Dallas and of the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education, except for any General Revenue, at the close of the fiscal year ending August 31, 2005, and the income to said fund during the fiscal years beginning September 1, 2005, are hereby appropriated. Any unexpended appropriations made above as of August 31, 2006, are hereby appropriated to the institution for the same purposes for fiscal year 2007.

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 219,131,945	$ 219,159,087
General Revenue Fund - Dedicated		
Estimated Other Educational and General Income Account No. 770	9,839,533	9,956,392
Advisory Commission on Emergency Communications Account No. 5007	75,000	75,000
Subtotal, General Revenue Fund - Dedicated	$ 9,914,533	$ 10,031,392
Other Funds		
Health-Related Institutions Patient Income, estimated	308,469,436	308,469,436
Interagency Contracts	10,000,000	10,000,000
Permanent Health Fund for Higher Education, estimated	1,912,365	1,912,365
Permanent Endowment Fund, UT Medical Branch at Galveston, estimated	1,125,000	1,125,000
Subtotal, Other Funds	$ 321,506,801	$ 321,506,801
Total, Method of Financing	$ 550,553,279	$ 550,697,280
Items of Appropriation:		
1. Educational and General State Support	$ 550,553,279	$ 550,697,280
Grand Total, THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON	$ 550,553,279	$ 550,697,280
This bill pattern represents an estimated 63.2% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	5,846.7	5,846.7

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: MEDICAL EDUCATION	$ 57,958,492	$ 57,958,492
A.1.2. Strategy: BIOMEDICAL SCIENCES TRAINING	$ 5,722,428	$ 5,722,428
Graduate Training in Biomedical Sciences.		
A.1.3. Strategy: ALLIED HEALTH PROFESSIONS TRAINING	$ 6,786,033	$ 6,786,033
A.1.4. Strategy: NURSING EDUCATION	$ 8,527,082	$ 8,527,082
A.1.5. Strategy: GRADUATE MEDICAL EDUCATION	$ 1,268,743	$ 1,268,743
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 20,724,612	$ 20,868,612
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	$ 1,226,415	$ 1,226,415
A.2.3. Strategy: UNEMPLOYMENT INSURANCE	$ 418,776	$ 418,776
A.3.1. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 953,100	$ 953,100
A.3.2. Strategy: MEDICAL LOANS	$ 110,000	$ 110,000
Total, Goal A: INSTRUCTION/OPERATIONS	$ 103,695,681	$ 103,839,681
B. Goal: PROVIDE RESEARCH SUPPORT		
B.1.1. Strategy: RESEARCH ENHANCEMENT	$ 3,707,047	$ 3,707,047
C. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
C.1.1. Strategy: E&G SPACE SUPPORT	$ 21,678,127	$ 21,678,127
C.2.1. Strategy: TUITION REVENUE BOND RETIREMENT	$ 1,765,636	$ 1,761,586
C.2.2. Strategy: CAPITAL PROJECTS	$ 29,791,519	$ 29,791,519
Total, Goal C: INFRASTRUCTURE SUPPORT	$ 53,235,282	$ 53,231,232
D. Goal: PROVIDE HEALTH CARE SUPPORT		
D.1.1. Strategy: MEDICAL BRANCH HOSPITALS	$ 372,800,433	$ 372,800,433
E. Goal: PROVIDE SPECIAL ITEM SUPPORT		
E.1.1. Strategy: HYPERBARIC TREATMENT AND RESEARCH	$ 87,719	$ 87,719
E.2.1. Strategy: CHRONIC HOME DIALYSIS CENTER	$ 1,842,314	$ 1,842,315
E.2.2. Strategy: PRIMARY CARE PHYSICIAN SERVICES	$ 6,373,306	$ 6,373,306
E.2.3. Strategy: EAST TEXAS HEALTH EDUCATION CENTERS	$ 2,005,846	$ 2,005,846
East Texas Area Health Education Centers.		
E.2.4. Strategy: SUPPORT FOR INDIGENT CARE	$ 3,508,761	$ 3,508,761
E.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 259,525	$ 263,575
Total, Goal E: PROVIDE SPECIAL ITEM SUPPORT	$ 14,077,471	$ 14,081,522
F. Goal: TOBACCO FUNDS		
F.1.1. Strategy: TOBACCO EARNINGS - UTMB-GALVESTON	$ 1,125,000	$ 1,125,000
Tobacco Earnings for the UT Medical Branch at Galveston.		
F.1.2. Strategy: TOBACCO - PERMANENT HEALTH FUND	$ 1,912,365	$ 1,912,365
Tobacco Earnings from the Permanent Health Fund for Higher Education.		
Total, Goal F: TOBACCO FUNDS	$ 3,037,365	$ 3,037,365
Grand Total, THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON	$ 550,553,279	$ 550,697,280

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 238,918,835	$ 242,950,120
Other Personnel Costs	9,234,469	7,224,641
Faculty Salaries (Higher Education Only)	38,575,636	35,399,753
Professional Fees and Services	5,767,383	5,595,767
Fuels and Lubricants	163,173	132,850
Consumable Supplies	2,628,668	3,159,041
Utilities	24,288,189	22,644,675
Travel	12,515	30,155
Rent - Building	1,858,076	1,745,983
Rent - Machine and Other	4,996,036	4,296,612
Debt Service	8,035,355	11,085,203
Other Operating Expense	216,074,944	216,432,480
Total, Object-of-Expense Informational Listing	$ 550,553,279	$ 550,697,280
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 28,651,309	$ 29,598,986
Group Insurance	32,432,193	34,540,286
Social Security	20,795,248	21,523,082
Subtotal, Employee Benefits	$ 81,878,750	$ 85,662,354
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 81,878,750	$ 85,662,354

2. Performance Measure Targets. The following is a listing of the key performance target levels for The University of Texas Medical Branch at Galveston. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of The University of Texas Medical Branch at Galveston. In order to achieve the objectives and service standards established by this Act, The University of Texas Medical Branch at Galveston shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of Medical School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	90%	90%
Percent of Medical School Graduates Practicing Primary Care in Texas	28%	28%
Percent of Allied Health Graduates Passing the Certification/Licensure Exam on the First Attempt	90%	90%
Percent of Allied Health Graduates Who Are Licensed or Certified in Texas	90%	90%
Percent of Bachelor of Science in Nursing Graduates Passing the National Licensing Exam on the First Attempt in Texas	93%	93%
Percent of Bachelor of Science in Nursing Graduates Who Are Licensed in Texas	95%	95%
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	4%	4%
A.1.1. Strategy: MEDICAL EDUCATION		
Explanatory:		
Minority Admissions as a Percent of Total First-year Admissions (All Schools)	25%	26%
Minority MD Admissions as a Percent of Total MD Admissions	25%	25%
Percent of Medical School Graduates Entering a Primary Care Residency	44%	44%

A.1.4. Strategy: NURSING EDUCATION		
Explanatory:		
Percent of Master of Science in Nursing Graduates Granted Advanced Practice Status in Texas	90%	90%
B. Goal: PROVIDE RESEARCH SUPPORT		
Outcome (Results/Impact):		
Total External Research Expenditures	165,000,000	173,000,000
D. Goal: PROVIDE HEALTH CARE SUPPORT		
Outcome (Results/Impact):		
Percent of Medical Residency Completers Practicing in Texas	50%	50%
Total Gross Patient Charges for Unsponsored Charity Care Provided in State-owned Facilities	354,827,000	372,568,000
Total Gross Patient Charges (Excluding Unsponsored Charity Care) Provided in State-owned Facilities	860,658,000	903,691,000
D.1.1. Strategy: MEDICAL BRANCH HOSPITALS		
Output (Volume):		
Total Number of Outpatient Visits	826,546	826,546
Total Number of Inpatient Days	194,642	194,642
Explanatory:		
Minority MD or DO Residents as a Percent of Total MD or DO Residents	18%	18%

3. **Appropriation of Charges and Fees.** There is hereby appropriated to The University of Texas Medical Branch at Galveston all charges and fees collected for the general expenses of the medical branch hospitals, including maintenance, support, and salaries of employees for the fiscal years ending August 31, 2006 and 2007.

4. **Rates, Donations and Gifts.** The Board of Regents of The University of Texas System shall fix reasonable rates to be charged and collected by hospitals, and may make and enter into contracts for the hospitalization of the indigent sick and accept donations and gifts for the support and maintenance of the hospitals and may utilize up to $5 million per annum of local income to match any gift made to endowments provided, however, such match will not result in any reduction in the level of services for patients or any requirement for general revenue replacement. Any project initiated under this authorization shall not be structured in such a manner that will require future specific appropriation of general revenue. Provided, however, that this provision shall not be construed so as to authorize, without the prior and specific approval of the Legislature, the acceptance of real property which would require an appropriation by the Legislature for maintenance, repair, or construction of buildings.

5. **Helicopter Operation.** The University of Texas Medical Branch at Galveston is authorized to lease and operate a helicopter for the purpose of transporting critically ill or emergency patients to the medical branch hospitals. No state funds are to be used for the operation of this helicopter, except where the patient served is indigent or through an interagency contract with another state agency, or unless costs are reimbursed from insurance proceeds.

6. **Transfers of Appropriations - State Owned Hospitals.** The University of Texas Medical Branch at Galveston shall transfer from non-Medicaid state appropriated funds $95,978,309 in fiscal year 2006 and $95,978,309 in fiscal year 2007 to the Health and Human Services Commission. The timing and form of such transfers shall be determined by the Comptroller of Public Accounts in consultation with the Health and Human Services Commission. The Legislative Budget Board is authorized to adjust the amounts of such transfers as necessary to match available federal funds.

7. **Appropriation of Costs for Health Care to Inmates.** None of the funds appropriated above shall be expended to provide or support the provision of health care to inmates of the Texas Department of Criminal Justice (TDCJ). It is the intent of the Legislature that all costs for providing health care to inmates of the TDCJ including costs of operating TDCJ hospital facilities in Galveston County and Lubbock County shall be paid from appropriations made to the TDCJ and from any financial reserves from contracts with TDCJ that are held by the

university for the correctional health care services. Appropriations made to the TDCJ for the provision of inmate health care services shall be expended in accordance with Government Code, Chapter 501, Subchapter E.

8. **Support of Student and Resident Training Programs.** The University of Texas Medical Branch at Galveston may spend any revenue appropriated to the institution by this Act or from other available funds for the support and development of student and resident training programs in Austin, including the payment of compensation, travel costs, costs for leased premises, and other operating expenses.

9. **Estimated Appropriation and Unexpended Balance.** Included in the amounts appropriated above are: (1) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for The University of Texas Medical Branch at Galveston and (2) estimated appropriations of the institution's estimated allocation of amounts available for distribution out of the Permanent Health Fund for Higher Education.

   a. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated to the institution. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, this Act may not be construed as appropriating funds to makeup the difference.

   b. All balances of estimated appropriations from the Permanent Endowment Fund for The University of Texas Medical Branch at Galveston and of the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education, except for any General Revenue, at the close of the fiscal year ending August 31, 2005, and the income to said fund during the fiscal years beginning September 1, 2005, are hereby appropriated. Any unexpended appropriations made above as of August 31, 2006, are hereby appropriated to the institution for the same purpose for fiscal year 2007.

10. **Regional Emergency Medical Dispatch Resource Center Pilot Program.** Out of funds appropriated above in Strategy E.2.3, East Texas Health Education Centers, $75,000 in funds from the Advisory Commission on Emergency Communications Account No. 5007 shall be allocated, in each fiscal year of the 2006-07 biennium, to support the regional emergency medical dispatch resource center pilot program to be carried out by East Texas Area Health Education Center of The University of Texas Medical Branch at Galveston, which is also authorized to seek additional grant funding for the program.

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 130,813,191	$ 130,761,160
GR Dedicated - Estimated Other Educational and General Income Account No. 770	10,982,826	11,195,161
Other Funds		
Permanent Health Fund for Higher Education, estimated	1,712,655	1,712,655
Permanent Endowment Fund, UTHSC Houston, estimated	1,125,000	1,125,000
Health-Related Institutions Patient Income, estimated	3,264,072	3,265,550
Subtotal, Other Funds	$ 6,101,727	$ 6,103,205
Total, Method of Financing	$ 147,897,744	$ 148,059,526

Items of Appropriation:		
1. Educational and General State Support	$ 147,897,744	$ 148,059,526
Grand Total, THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON	$ 147,897,744	$ 148,059,526
This bill pattern represents an estimated 27.4% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	1,896.0	1,896.0

1. Informational Listing of Appropriated Funds. The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: MEDICAL EDUCATION	$ 43,555,681	$ 43,555,917
A.1.2. Strategy: DENTAL EDUCATION	$ 15,747,544	$ 15,747,630
A.1.3. Strategy: BIOMEDICAL SCIENCES TRAINING	$ 6,685,700	$ 6,685,736
Graduate Training in Biomedical Sciences.		
A.1.4. Strategy: ALLIED HEALTH PROFESSIONS TRAINING	$ 2,337,120	$ 2,337,133
A.1.5. Strategy: NURSING EDUCATION	$ 9,353,178	$ 9,353,228
A.1.6. Strategy: GRADUATE TRAINING IN PUBLIC HEALTH	$ 12,765,164	$ 12,765,233
A.1.7. Strategy: GRADUATE MEDICAL EDUCATION	$ 1,766,148	$ 1,766,148
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 2,835,269	$ 3,009,297
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	$ 554,608	$ 554,608
A.2.3. Strategy: UNEMPLOYMENT INSURANCE	$ 54,072	$ 54,072
A.3.1. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,283,500	$ 1,296,287
A.3.2. Strategy: MEDICAL LOANS	$ 131,759	$ 133,072
Total, Goal A: INSTRUCTION/OPERATIONS	$ 97,069,743	$ 97,258,361
B. Goal: PROVIDE RESEARCH SUPPORT		
B.1.1. Strategy: RESEARCH ENHANCEMENT	$ 4,008,679	$ 4,008,679
C. Goal: PROVIDE INFRASTRUCTURE SUPPORT		
C.1.1. Strategy: E&G SPACE SUPPORT	$ 18,015,722	$ 18,015,819
C.2.1. Strategy: TUITION REVENUE BOND RETIREMENT	$ 9,216,617	$ 9,210,827
Total, Goal C: PROVIDE INFRASTRUCTURE SUPPORT	$ 27,232,339	$ 27,226,646
D. Goal: PROVIDE HEALTH CARE SUPPORT		
D.1.1. Strategy: DENTAL CLINIC OPERATIONS	$ 3,348,464	$ 3,327,322
E. Goal: PROVIDE SPECIAL ITEM SUPPORT		
E.1.1. Strategy: REGIONAL ACADEMIC HLTH CTR-PUBHLTH	$ 454,889	$ 454,889
Regional Academic Health Center - Public Health.		
E.2.1. Strategy: HEART DISEASE/STROKE RESEARCH	$ 4,320,110	$ 4,320,110
Heart Disease and Stroke Research.		
E.2.2. Strategy: BIOTECHNOLOGY PROGRAM	$ 606,612	$ 606,612
E.3.1. Strategy: HARRIS COUNTY HOSPITAL DISTRICT	$ 2,637,251	$ 2,637,251

E.3.2. Strategy: SERVICE DELIVERY VALLEY/BORDER Service Delivery in the Valley/Border Region.	$ 343,472	$ 343,471
E.5.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 5,038,530	$ 5,038,530
Total, Goal E: PROVIDE SPECIAL ITEM SUPPORT	$ 13,400,864	$ 13,400,863
F. Goal: TOBACCO FUNDS		
F.1.1. Strategy: TOBACCO EARNINGS - UTHSC-HOUSTON Tobacco Earnings for the UT Health Science Center at Houston.	$ 1,125,000	$ 1,125,000
F.1.2. Strategy: TOBACCO - PERMANENT HEALTH FUND Tobacco Earnings from the Permanent Health Fund for Higher Education.	$ 1,712,655	$ 1,712,655
Total, Goal F: TOBACCO FUNDS	$ 2,837,655	$ 2,837,655
Grand Total, THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON	$ 147,897,744	$ 148,059,526
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 50,337,292	$ 48,362,796
Other Personnel Costs	1,105,514	1,023,693
Faculty Salaries (Higher Education Only)	49,569,140	45,351,792
Professional Fees and Services	1,067,756	1,047,946
Fuels and Lubricants	2,741	2,771
Consumable Supplies	2,317,921	2,365,769
Utilities	7,808,375	8,438,651
Travel	254,491	262,925
Rent - Building	2,048,194	2,105,741
Rent - Machine and Other	528,792	507,229
Debt Service	9,216,617	9,210,827
Other Operating Expense	21,856,053	26,069,435
Grants	1,784,858	3,309,951
Total, Object-of-Expense Informational Listing	$ 147,897,744	$ 148,059,526
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 9,025,359	$ 9,323,883
Group Insurance	8,550,305	9,106,075
Social Security	6,550,646	6,779,918
Subtotal, Employee Benefits	$ 24,126,310	$ 25,209,876
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 24,126,310	$ 25,209,876

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for The University of Texas Health Science Center at Houston. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of The University of Texas Health Science Center at Houston. In order to achieve the objectives and service standards established by this Act, The University of Texas Health Science Center at Houston shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of Medical School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	91%	91%
Percent of Medical School Graduates Practicing Primary Care in Texas	40%	40%
Percent of Dental School Graduates Admitted to an Advanced Education Program in General Dentistry	12%	12%
Percent of Dental School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	96%	96%
Percent of Dental School Graduates Who Are Licensed in Texas	90%	90%
Percent of Allied Health Graduates Passing the Certification/Licensure Exam on the First Attempt	96%	96%
Percent of Allied Health Graduates Who Are Licensed or Certified in Texas	90%	90%
Percent of Public Health School Graduates Who Are Employed in Texas	69%	69%
Percent of Bachelor of Science in Nursing Graduates Passing the National Licensing Exam on the First Attempt in Texas	95%	95%
Percent of Bachelor of Science in Nursing Graduates Who Are Licensed in Texas	92%	92%
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	9.5%	9.5%
A.1.1. Strategy: MEDICAL EDUCATION		
Explanatory:		
Minority Admissions as a Percent of Total First-year Admissions (All Schools)	21%	21%
Minority MD Admissions as a Percent of Total MD Admissions	15%	15%
Minority MD or DO Residents as a Percent of Total MD or DO Residents	20%	20%
A.1.2. Strategy: DENTAL EDUCATION		
Explanatory:		
Minority Admissions as a Percent of Total Dental School Admissions	15%	15%
B. Goal: PROVIDE RESEARCH SUPPORT		
Outcome (Results/Impact):		
Total External Research Expenditures	154,940,000	161,137,000
D. Goal: PROVIDE HEALTH CARE SUPPORT		
Outcome (Results/Impact):		
Total Gross Patient Charges for Unsponsored Charity Care Provided in State-owned Facilities	28,000,000	30,000,000
Total Gross Patient Charges (Excluding Unsponsored Charity Care) Provided in State-owned Facilities	18,500,000	18,500,000

3. **Texas Heart Institute.** Out of the funds appropriated above, The University of Texas Health Sciences Center at Houston shall allocate up to $894,133 in each year of the 2006-07 biennium to the Texas Heart Institute for gene therapy and up to $399,086 in each year of the 2006-07 biennium to the Texas Heart Institute for cardiovascular research.

4. **Estimated Appropriation and Unexpended Balance.** Included in the amounts appropriated above are: (1) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for The University of Texas Health Science Center at Houston and (2) estimated appropriations of the institution's estimated allocation of amounts available for distribution out of the Permanent Health Fund for Higher Education.

   a. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated to the institution. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, this Act may not be construed as appropriating funds to makeup the difference.

b. All balances of estimated appropriations from the Permanent Endowment fund for The University of Texas Health Science Center at Houston and of the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education, except for any General Revenue, at the close of the fiscal year ending August 31, 2005, and the income to said fund during the fiscal years beginning September 1, 2005, are hereby appropriated. Any unexpended appropriations made above as of August 31, 2006, are hereby appropriated to the institution for the same purposes for fiscal year 2007.

5. Unexpended Balances Between Fiscal Years: Regional Academic Health Center - Public Health. Any unexpended balances as of August 31, 2006, from the appropriations identified in Strategy E.1.1, Regional Academic Health Center-Public Health, are hereby appropriated to The University of Texas Health Science Center at Houston for the same purpose for the fiscal year beginning September 1, 2006.

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 127,890,447	$ 127,146,206
GR Dedicated - Estimated Other Educational and General Income Account No. 770	11,419,107	11,613,792
Other Funds		
Permanent Health Fund for Higher Education, estimated	1,571,220	1,571,220
Permanent Endowment Fund, UTHSC San Antonio, estimated	9,000,000	9,000,000
Health-Related Institutions Patient Income, estimated	1,077,261	1,076,016
Subtotal, Other Funds	$ 11,648,481	$ 11,647,236
Total, Method of Financing	$ 150,958,035	$ 150,407,234
Items of Appropriation:		
1. Educational and General State Support	$ 150,958,035	$ 150,407,234
Grand Total, THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO	$ 150,958,035	$ 150,407,234
This bill pattern represents an estimated 32% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	2,253.7	2,253.7

1. Informational Listing of Appropriated Funds. The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS Provide Instructional and Operations Support.		
A.1.1. Strategy: MEDICAL EDUCATION	$ 43,653,861	$ 43,653,176
A.1.2. Strategy: DENTAL EDUCATION	$ 20,148,667	$ 20,148,351
A.1.3. Strategy: BIOMEDICAL SCIENCES TRAINING Graduate Training in Biomedical Sciences.	$ 3,734,206	$ 3,734,148
A.1.4. Strategy: ALLIED HEALTH PROFESSIONS TRAINING	$ 7,619,920	$ 7,619,801
A.1.5. Strategy: NURSING EDUCATION	$ 7,242,134	$ 7,242,020

A.1.6. Strategy: GRADUATE MEDICAL EDUCATION	$ 1,518,647	$ 1,518,647
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 3,240,289	$ 3,449,836
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	$ 324,680	$ 324,680
A.2.3. Strategy: UNEMPLOYMENT INSURANCE	$ 147,824	$ 147,824
A.3.1. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 1,348,126	$ 1,348,126
A.3.2. Strategy: MEDICAL LOANS	$ 152,000	$ 152,000
Total, Goal A: INSTRUCTION/OPERATIONS	$ 89,130,354	$ 89,338,609
B. Goal: PROVIDE RESEARCH SUPPORT		
B.1.1. Strategy: RESEARCH ENHANCEMENT	$ 3,571,274	$ 3,571,274
C. Goal: PROVIDE INFRASTRUCTURE SUPPORT		
C.1.1. Strategy: E&G SPACE SUPPORT	$ 16,224,992	$ 16,224,738
C.2.1. Strategy: TUITION REVENUE BOND RETIREMENT	$ 6,368,324	$ 6,377,722
Total, Goal C: PROVIDE INFRASTRUCTURE SUPPORT	$ 22,593,316	$ 22,602,460
D. Goal: PROVIDE HEALTH CARE SUPPORT		
D.1.1. Strategy: DENTAL CLINIC OPERATIONS	$ 2,945,319	$ 2,920,874
E. Goal: PROVIDE SPECIAL ITEM SUPPORT		
E.1.1. Strategy: SOUTH TEXAS PROFESSIONAL EDUCATION South Texas Border Region Health Professional Education.	$ 4,239,341	$ 3,495,591
E.1.2. Strategy: REGIONAL ACADEMIC HEALTH CENTER	$ 8,437,500	$ 8,437,500
E.1.3. Strategy: LAREDO EXTENSION CAMPUS	$ 1,050,000	$ 1,050,000
E.1.4. Strategy: OUTREACH SUPPORT-SOUTH TX PROGRAMS Institutional Support for South Texas Programs.	$ 1,750,000	$ 1,750,000
E.2.1. Strategy: FAMILY PRACTICE RESIDENCY TRAINING Family Practice Residency Training Program.	$ 565,180	$ 565,175
E.2.2. Strategy: PODIATRY RESIDENCY TRAINING Podiatry Residency Training Program.	$ 177,273	$ 177,273
E.3.1. Strategy: MYCOBACTERIAL-MYCOLOGY RESEARCH LAB	$ 192,006	$ 192,006
E.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 5,735,252	$ 5,735,252
Total, Goal E: PROVIDE SPECIAL ITEM SUPPORT	$ 22,146,552	$ 21,402,797
F. Goal: TOBACCO FUNDS		
F.1.1. Strategy: TOBACCO EARNINGS - UTHSC SA Tobacco Earnings for the UT Health Science Center at San Antonio.	$ 9,000,000	$ 9,000,000
F.1.2. Strategy: TOBACCO - PERMANENT HEALTH FUND Tobacco Earnings from the Permanent Health Fund for Higher Education.	$ 1,571,220	$ 1,571,220
Total, Goal F: TOBACCO FUNDS	$ 10,571,220	$ 10,571,220
Grand Total, THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO	$ 150,958,035	$ 150,407,234
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 50,316,005	$ 48,174,140
Other Personnel Costs	7,917,485	8,519,030
Faculty Salaries (Higher Education Only)	53,279,536	52,089,161
Utilities	6,174,134	6,209,490

Travel	335,789	307,881
Debt Service	10,502,725	9,232,355
Other Operating Expense	20,376,843	23,031,211
Client Services	110,017	107,671
Grants	1,945,501	2,736,295
Total, Object-of-Expense Informational Listing	$ 150,958,035	$ 150,407,234
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 8,438,249	$ 8,717,354
Group Insurance	16,324,866	17,385,982
Social Security	6,124,519	6,338,877
Subtotal, Employee Benefits	$ 30,887,634	$ 32,442,213
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 30,887,634	$ 32,442,213

2. Performance Measure Targets. The following is a listing of the key performance target levels for The University of Texas Health Science Center at San Antonio. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of The University of Texas Health Science Center at San Antonio. In order to achieve the objectives and service standards established by this Act, The University of Texas Health Science Center at San Antonio shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of Medical School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	92%	92%
Percent of Medical School Graduates Practicing Primary Care in Texas	30%	30%
Percent of Dental School Graduates Admitted to an Advanced Education Program in General Dentistry	26%	26%
Percent of Dental School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	94%	94%
Percent of Dental School Graduates Who Are Licensed in Texas	87%	87%
Percent of Allied Health Graduates Passing the Certification/Licensure Exam on the First Attempt	95%	95%
Percent of Allied Health Graduates Who Are Licensed or Certified in Texas	95%	95%
Percent of Bachelor of Science in Nursing Graduates Passing the National Licensing Exam on the First Attempt in Texas	90%	90%
Percent of Bachelor of Science in Nursing Graduates Who Are Licensed in Texas	85%	85%
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	7.5%	7.5%
A.1.1. Strategy: MEDICAL EDUCATION		
Explanatory:		
Minority Admissions as a Percent of Total First-year Admissions (All Schools)	32%	32%
Minority MD Admissions as a Percent of Total MD Admissions	20%	20%
Minority MD or DO Residents as a Percent of Total MD or DO Residents	24%	24%

Percent of Medical School Graduates Entering a Primary Care Residency	4%	4%
A.1.2. Strategy: DENTAL EDUCATION		
Explanatory:		
Minority Admissions as a Percent of Total Dental School Admissions	17%	17%
A.1.5. Strategy: NURSING EDUCATION		
Explanatory:		
Percent of Master of Science in Nursing Graduates Granted Advanced Practice Status in Texas	85%	85%
B. Goal: PROVIDE RESEARCH SUPPORT		
Outcome (Results/Impact):		
Total External Research Expenditures	120,000,000	125,000,000
E. Goal: PROVIDE SPECIAL ITEM SUPPORT		
E.1.1. Strategy: SOUTH TEXAS PROFESSIONAL EDUCATION		
Output (Volume):		
Number of Medical and Dental Students and Postbaccalaureate Allied Health, Nursing, and Graduate Students Participating in Programs in South Texas Area	1,300	1,400
Number of Resident Physicians and Dentists Participating in Programs in South Texas Area	136	144

3. **South Texas/Border Region Health Professional Education.** Out of funds appropriated above to The University of Texas Health Science Center at San Antonio in Strategy E.1.1, South Texas Professional Education (STPE), the institution shall allocate up to $4,239,341 for the fiscal year ending August 31, 2006, and up to $3,495,591 for the fiscal year ending August 31, 2007, and incorporate, by the end of the 2006-07 biennium, STPE funds and related programmatic activities into the daily operations of its campuses, designated as the Regional Academic Health Center (RAHC), the Laredo Campus Extension and the main campus to support expanding graduate medical education, including family practice resident training programs, and other health professional education in the Lower Rio Grande Valley, Middle Rio Grande Border Area, the Winter Garden Area, the Coastal Bend Area, and the South Central Texas Regions areas.

   a. Any unexpended balances remaining in the appropriations identified from the fiscal year ending August 31, 2006, are appropriated to The University of Texas Health Science Center at San Antonio for their original purposes and shall be used with funds appropriated by this provision for the fiscal year ending August 31, 2007, to continue to expand health professional programs and medical residency programs; provide needed support for direct medical education and continue any needed infrastructure development. Hospital and clinic facilities for teaching and training purposes will be provided and maintained at no expense to the state.

   b. A report by The University of Texas Health Science Center at San Antonio shall be filed with the Legislative Budget Board and the Office of the Governor on or before December 1, 2006, concerning the use of the funds appropriated by this section and the extent to which the purposes specified by this section have been achieved.

4. **Unexpended Balances Between Fiscal Years: Regional Academic Health Center (RAHC).** Any unexpended balances as of August 31, 2006, from the appropriations identified in Strategy E.1.2, Regional Academic Health Center-Medical, are hereby appropriated to The University of Texas Health Science Center at San Antonio for the same purpose for the fiscal year beginning September 1, 2006.

5. **Unexpended Balances Between Fiscal Years: Laredo Extension Campus.** Any unexpended balances as of August 31, 2006, from the appropriations identified in Strategy E.1.3, Laredo Extension Campus, are hereby appropriated to The University of Texas Health Science Center at San Antonio for the same purpose for the fiscal year beginning September 1, 2006.

6. **Estimated Appropriation and Unexpended Balance.** Included in the amounts appropriated above are: (1) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for The University of Texas Health Science Center at San Antonio and (2) estimated appropriations of the institution's estimated allocation of amounts available for distribution out of the Permanent Health Fund for High Education.

   a. Amounts for distribution or investment returns in excess of the amounts estimated above are also appropriated to the institution. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, this Act may not be construed as appropriating funds to makeup the difference.

   b. All balances of estimated appropriations from the Permanent Endowment Fund for The University of Texas Health Science Center at San Antonio and of the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education, except for any General Revenue, at the close of the fiscal year ending August 31, 2005, and the income to said fund during the fiscal years beginning September 1, 2005, are hereby appropriated. Any unexpended appropriations made above as of August 31, 2006, are hereby appropriated to the institution for the same purposes for fiscal year 2007.

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 144,418,169	$ 144,354,129
GR Dedicated - Estimated Other Educational and General Income Account No. 770	13,996,842	16,125,201
Other Funds		
Permanent Health Fund for Higher Education, estimated	1,656,270	1,656,270
Permanent Endowment Fund, UT MD Anderson Cancer Center, estimated	4,500,000	4,500,000
Health-Related Institutions Patient Income, estimated	1,322,898,976	1,493,965,602
Subtotal, Other Funds	$ 1,329,055,246	$ 1,500,121,872
Total, Method of Financing	$ 1,487,470,257	$ 1,660,601,202
Items of Appropriation:		
1. Educational and General State Support	$ 1,487,470,257	$ 1,660,601,202
Grand Total, THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER	$ 1,487,470,257	$ 1,660,601,202
This bill pattern represents an estimated 73.3% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	10,665.7	10,665.7

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: ALLIED HEALTH PROFESSIONS TRAINING	$ 10,073,877	$ 11,108,536
A.1.2. Strategy: GRADUATE MEDICAL EDUCATION	$ 209,054	$ 209,054
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 53,300,981	$ 56,995,135
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	$ 1,133,190	$ 1,266,922
A.2.3. Strategy: UNEMPLOYMENT INSURANCE	$ 947,768	$ 1,059,618
A.3.1. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 36,292	$ 43,550
Total, Goal A: INSTRUCTION/OPERATIONS	$ 65,701,162	$ 70,682,815
B. Goal: PROVIDE RESEARCH SUPPORT		
B.1.1. Strategy: RESEARCH ENHANCEMENT	$ 6,837,684	$ 6,837,684
B.1.2. Strategy: SCIENCE PARK OPERATIONS	$ 4,503,689	$ 4,503,688
Total, Goal B: PROVIDE RESEARCH SUPPORT	$ 11,341,373	$ 11,341,372
C. Goal: PROVIDE INFRASTRUCTURE SUPPORT		
C.1.1. Strategy: E&G SPACE SUPPORT	$ 90,701,877	$ 100,017,603
C.2.1. Strategy: TUITION REVENUE BOND RETIREMENT	$ 3,262,066	$ 3,260,816
C.2.2. Strategy: LONG-TERM CAPITAL PROGRAM	$ 50,000,000	$ 50,000,000
C.2.3. Strategy: LONG-TERM CAPITAL EQUIPMENT	$ 36,000,000	$ 36,000,000
Total, Goal C: PROVIDE INFRASTRUCTURE SUPPORT	$ 179,963,943	$ 189,278,419
D. Goal: PROVIDE HEALTH CARE SUPPORT		
D.1.1. Strategy: PATIENT CARE ACTIVITIES	$ 1,221,813,759	$ 1,380,648,576
E. Goal: PROVIDE SPECIAL ITEM SUPPORT		
E.1.1. Strategy: RESEARCH SUPPORT	$ 1,662,500	$ 1,662,500
E.2.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 831,250	$ 831,250
Total, Goal E: PROVIDE SPECIAL ITEM SUPPORT	$ 2,493,750	$ 2,493,750
F. Goal: TOBACCO FUNDS		
F.1.1. Strategy: TOBACCO EARNINGS - UT MD ANDERSON	$ 4,500,000	$ 4,500,000
Tobacco Earnings for the University of Texas MD Anderson Cancer Center.		
F.1.2. Strategy: TOBACCO - PERMANENT HEALTH FUND	$ 1,656,270	$ 1,656,270
Tobacco Earnings from the Permanent Health Fund for Higher Education.		
Total, Goal F: TOBACCO FUNDS	$ 6,156,270	$ 6,156,270
Grand Total, THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER	$ 1,487,470,257	$ 1,660,601,202
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 603,208,800	$ 695,372,267
Other Personnel Costs	584,658	622,954
Faculty Salaries (Higher Education Only)	67,174,326	78,363,722
Professional Fees and Services	130,526	126,177
Consumable Supplies	902,608	946,332
Utilities	40,574,496	45,327,077
Travel	91,295	47,472
Debt Service	3,262,066	3,260,816

Other Operating Expense	676,007,622	743,126,481
Grants	95,533,860	93,407,904
Total, Object-of-Expense Informational Listing	$ 1,487,470,257	$ 1,660,601,202
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 6,641,613	$ 6,861,292
Group Insurance	6,071,339	6,465,976
Social Security	4,820,512	4,989,230
Subtotal, Employee Benefits	$ 17,533,464	$ 18,316,498
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 17,533,464	$ 18,316,498

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for The University of Texas M.D. Anderson Cancer Center. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of The University of Texas M.D. Anderson Cancer Center. In order to achieve the objectives and service standards established by this Act, The University of Texas M.D. Anderson Cancer Center shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of Allied Health Graduates Passing the Certification/Licensure Exam on the First Attempt	100%	100%
Percent of Allied Health Graduates Who Are Licensed or Certified in Texas	90%	90%
B. Goal: PROVIDE RESEARCH SUPPORT		
Outcome (Results/Impact):		
Total External Research Expenditures	212,388,489	223,007,914
D. Goal: PROVIDE HEALTH CARE SUPPORT		
Outcome (Results/Impact):		
Percent of Medical Residency Completers Practicing in Texas	39%	39%
Total Gross Charges for Unsponsored Charity Care Provided in State-owned Facilities	271,970,000	309,498,000
Total Gross Patient Charges (Excluding Unsponsored Charity Care) Provided in State-owned Facilities	2,599,553,000	3,065,575,000
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	8.5%	8.5%
D.1.1. Strategy: PATIENT CARE ACTIVITIES		
Output (Volume):		
Total Number of Outpatient Visits	693,900	748,718
Total Number of Inpatient Days	166,026	172,451
Explanatory:		
Minority MD or DO Residents as a Percent of Total MD or DO Residents	15%	15%

3. **Special Project Funding.** Notwithstanding other provisions of this article, the Board of Regents of The University of Texas System is hereby authorized, subject to approval by the Texas Higher Education Coordinating Board: (1) to expend such amounts of its Permanent University Fund bond proceeds and/or other bond proceeds and such amounts of its other available moneys as may be necessary to fund the following project either in whole or in part; (2) to accept gifts, grants, and matching grants to fund such project either in whole or in part; and (3) to acquire, construct, alter, add to, repair, rehabilitate, equip and/or furnish such project

for The University of Texas M. D. Anderson Cancer Center: (a) research facilities (b) emergency center relocation; (c) facilities at Smithville and Bastrop; (d) faculty office building and parking; (e) parking for research buildings; (f) administrative support building and parking.

4. **Transfers of Appropriations - State Owned Hospitals.** The University of Texas M. D. Anderson Cancer Center shall transfer from non-Medicaid state appropriated funds $90,400,960 in fiscal year 2006 and $90,400,960 in fiscal year 2007 to the Health and Human Services Commission. The timing and form of such transfers shall be determined by the Comptroller of Public Accounts in consultation with the Health and Human Services Commission. The Legislative Budget Board is authorized to adjust the amounts of such transfers as necessary to match available federal funds. The transfers, however, shall be made not less frequently than monthly.

5. **Animal Facilities and Programs.** The animal facilities and programs of the Department of Veterinary Sciences at The University of Texas M. D. Anderson Cancer Center (UTMDACC) - Bastrop shall be regulated and inspected by the United States Department of Agriculture, Animal and Plant Health Inspection Services, pursuant to the Federal Animal Welfare Act. The UTMDACC - Bastrop Department of Veterinary Sciences shall comply with the regulations and is under the oversight of the United States Public Health Service/National Institutes of Health Office of Laboratory Animal Welfare. The UTMDACC - Bastrop Department of Veterinary Sciences shall be independently accredited for animal care programs and facilities by the Council on Accreditation of the Association for Assessment and Accreditation of Laboratory Animal Care (AAALAC International). The Department shall be accredited by this body. It shall also be inspected regularly and its programs reviewed biannually by the UTMDACC Institutional Animal Care and Use Committee.

6. **Estimated Appropriation and Unexpended Balance.** Included in the amounts appropriated above are: (1) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for The University of Texas M.D. Anderson Cancer Center and (2) estimated appropriations of the institution's estimated allocation of amounts available for distribution out of the Permanent Health Fund for Higher Education.

   a. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated to the institution. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, this Act may not be construed as appropriating funds to makeup the difference.

   b. All balances of estimated appropriations from the Permanent Endowment Fund for The University of Texas M.D. Anderson Cancer Center and of the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education, except for any General Revenue, at the close of the fiscal year ending August 31, 2005, and the income to said fund during the fiscal years beginning September 1, 2005, are hereby appropriated. Any unexpended appropriations made above as of August 31, 2006, are hereby appropriated to the institution for the same purposes for fiscal year 2007.

7. **Best Business Practices.** It is the intent of the Legislature that The University of Texas M.D. Anderson Cancer Center shall adopt appropriate measures to initiate the most cost-effective practices when delivering unreimbursed services to financially and medically indigent Texans. The intent of these practices is to allow for funds to be used in a manner, which would allow for greater benefits for the patients, the state, and the institution.

THE UNIVERSITY OF TEXAS HEALTH CENTER AT TYLER

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 32,944,734	$ 32,944,736
GR Dedicated - Estimated Other Educational and General Income Account No. 770	303,502	371,087
Other Funds		
Permanent Health Fund for Higher Education, estimated	1,163,689	1,163,689
Permanent Endowment Fund, UT HSC Tyler, estimated	1,125,000	1,125,000
Health-Related Institutions Patient Income, estimated	51,017,545	51,464,380
Subtotal, Other Funds	$ 53,306,234	$ 53,753,069
Total, Method of Financing	$ 86,554,470	$ 87,068,892
Items of Appropriation:		
1. Educational and General State Support	$ 86,554,470	$ 87,068,892
Grand Total, THE UNIVERSITY OF TEXAS HEALTH CENTER AT TYLER	$ 86,554,470	$ 87,068,892
This bill pattern represents an estimated 70.1% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	938.5	938.5

1. Informational Listing of Appropriated Funds. The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: PROVIDE INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: MEDICAL EDUCATION & RESEARCH ITEMS	$ 1,583,750	$ 1,583,751
Medical Education, Infectious Disease Control, and Research.		
A.1.2. Strategy: GRADUATE MEDICAL EDUCATION	$ 55,267	$ 55,267
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 4,017,077	$ 4,138,926
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	$ 172,383	$ 237,498
A.2.3. Strategy: UNEMPLOYMENT INSURANCE	$ 92,890	$ 92,876
Total, Goal A: PROVIDE INSTRUCTION/OPERATIONS	$ 5,921,367	$ 6,108,318
B. Goal: PROVIDE RESEARCH SUPPORT		
B.1.1. Strategy: RESEARCH ENHANCEMENT	$ 1,589,477	$ 1,589,477
C. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
C.1.1. Strategy: E&G SPACE SUPPORT	$ 2,123,103	$ 2,128,138
C.2.1. Strategy: TUITION REVENUE BOND RETIREMENT	$ 874,631	$ 871,631
Total, Goal C: INFRASTRUCTURE SUPPORT	$ 2,997,734	$ 2,999,769
D. Goal: PROVIDE HEALTH CARE SUPPORT		
D.1.1. Strategy: PATIENT CARE ACTIVITIES	$ 68,366,669	$ 68,692,105
E. Goal: PROVIDE SPECIAL ITEM SUPPORT		
E.1.1. Strategy: NORTHEAST TEXAS INITIATIVE	$ 2,000,000	$ 2,000,000

E.2.1. Strategy: FAMILY PRACTICE RESIDENCY TRAINING Family Practice Residency Training Program.	$ 1,203,034	$ 1,203,034
E.3.1. Strategy: SUPPORT FOR INDIGENT CARE	$ 1,312,500	$ 1,312,500
E.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 875,000	$ 875,000
Total, Goal E: PROVIDE SPECIAL ITEM SUPPORT	$ 5,390,534	$ 5,390,534
F. Goal: TOBACCO FUNDS		
F.1.1. Strategy: TOBACCO EARNINGS - UT HC AT TYLER Tobacco Earnings for the University of Texas Health Center at Tyler.	$ 1,125,000	$ 1,125,000
F.1.2. Strategy: TOBACCO - PERMANENT HEALTH FUND Tobacco Earnings from the Permanent Health Fund for Higher Education.	$ 1,163,689	$ 1,163,689
Total, Goal F: TOBACCO FUNDS	$ 2,288,689	$ 2,288,689
Grand Total, THE UNIVERSITY OF TEXAS HEALTH CENTER AT TYLER	$ 86,554,470	$ 87,068,892
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 31,750,221	$ 31,423,294
Other Personnel Costs	6,246,212	5,774,411
Faculty Salaries (Higher Education Only)	7,227,600	7,259,360
Professional Fees and Services	6,763,139	5,884,376
Fuels and Lubricants	10,351	11,072
Consumable Supplies	703,916	635,629
Utilities	581,285	607,432
Travel	222,648	217,976
Rent - Building	18,752	15,829
Rent - Machine and Other	583,950	169,794
Debt Service	874,631	871,631
Other Operating Expense	30,888,180	33,604,760
Grants	683,585	593,328
Total, Object-of-Expense Informational Listing	$ 86,554,470	$ 87,068,892
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,818,725	$ 1,878,881
Group Insurance	3,272,452	3,485,162
Social Security	1,320,038	1,366,240
Subtotal, Employee Benefits	$ 6,411,215	$ 6,730,283
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 6,411,215	$ 6,730,283

2. Performance Measure Targets. The following is a listing of the key performance target levels for The University of Texas Health Center at Tyler. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of The University of Texas Health Center at Tyler. In order to achieve the objectives and service standards established by this Act, The University of Texas Health Center at Tyler shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
B. Goal: PROVIDE RESEARCH SUPPORT		
Outcome (Results/Impact):		
Total External Research Expenditures	5,000,000	5,150,000
D. Goal: PROVIDE HEALTH CARE SUPPORT		
Outcome (Results/Impact):		
Percent of Medical Residency Completers Practicing in Texas	77%	78%
Total Gross Charges for Unsponsored Charity Care Provided in State-owned Facilities	7,150,300	72,041,100
Total Gross Patient Charges (Excluding Unsponsored Charity Care) Provided in State-owned Facilities	25,513,219	25,640,785
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	5.85%	5.85%
D.1.1. Strategy: PATIENT CARE ACTIVITIES		
Output (Volume):		
Total Number of Outpatient Visits	109,443	110,538
Total Number of Inpatient Days	29,604	29,900
Explanatory:		
Minority MD or DO Residents as a Percent of Total MD or DO Residents	17%	17%

3. **Rates, Donations and Gifts.** The Board of Regents of The University of Texas System shall fix reasonable rates to be charged and collected from pay patients of the center, and may make and enter into contracts for the hospitalization of the indigent sick and accept donations and gifts for the support and maintenance of the center; provided, however, that this provision should not be construed so as to authorize, without prior and specific approval of the Legislature, acceptance of real property which would require an appropriation by the Legislature for maintenance, repair, or construction of buildings.

4. **Transfers of Appropriations - State Owned Hospitals.** The University of Texas Health Center at Tyler shall transfer from non-Medicaid state appropriated funds $16,389,361 in fiscal year 2006 and $16,389,361 in fiscal year 2007 to the Health and Human Services Commission. The timing and form of such transfers shall be determined by the Comptroller of Public Accounts in consultation with the Health and Human Services Commission. The Legislative Budget Board is authorized to adjust the amounts of such transfers as necessary to match available federal funds.

5. **Estimated Appropriation and Unexpended Balance.** Included in the amounts appropriated above are: (1) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for The University of Texas Health Center at Tyler and (2) estimated appropriations of the institution's estimated allocation of amounts available for distribution out of the Permanent Health Fund for Higher Education.

   a. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated to the institution. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, this Act may not be construed as appropriating funds to makeup the difference.

   b. All balances of estimated appropriations from the Permanent Endowment Fund for The University of Texas Health Center at Tyler and of the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education, except for any General Revenue, at the close of the fiscal year ending August 31, 2005, and the income to said fund during the fiscal years beginning September 1, 2005, are hereby appropriated. Any unexpended appropriations made above as of August 31, 2006, are hereby appropriated to the institution for the same purposes for fiscal year 2007.

TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 63,021,969	$ 61,192,199
GR Dedicated - Estimated Other Educational and General Income Account No. 770	4,673,720	4,703,677
Other Funds		
Permanent Health Fund for Higher Education, estimated	1,184,951	1,184,951
Permanent Endowment Fund, Texas A&M University HSC, estimated	1,125,000	1,125,000
Health-Related Institutions Patient Income, estimated	5,999,716	5,999,716
Subtotal, Other Funds	$ 8,309,667	$ 8,309,667
Total, Method of Financing	$ 76,005,356	$ 74,205,543
Items of Appropriation:		
1. Educational and General State Support	$ 76,005,356	$ 74,205,543
Grand Total, TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER	$ 76,005,356	$ 74,205,543
This bill pattern represents an estimated 67.7% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	834.4	834.4

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: MEDICAL EDUCATION	$ 17,909,111	$ 17,908,323
A.1.2. Strategy: DENTAL EDUCATION	$ 22,682,828	$ 22,681,829
A.1.3. Strategy: DENTAL HYGIENE EDUCATION	$ 727,654	$ 727,622
A.1.4. Strategy: BIOMEDICAL SCIENCES TRAINING Graduate Training in Biomedical Sciences.	$ 3,153,534	$ 3,153,395
A.1.5. Strategy: RURAL PUBLIC HEALTH TRAINING Graduate Training in Rural Public Health.	$ 3,730,013	$ 3,729,849
A.1.6. Strategy: GRADUATE MEDICAL EDUCATION	$ 704,056	$ 704,056
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 599,341	$ 638,299
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	$ 94,175	$ 94,266
A.2.3. Strategy: UNEMPLOYMENT INSURANCE	$ 48,418	$ 48,497
A.3.1. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 551,156	$ 551,156
A.3.2. Strategy: MEDICAL LOANS	$ 74,000	$ 74,000
Total, Goal A: INSTRUCTION/OPERATIONS	$ 50,274,286	$ 50,311,292
B. Goal: PROVIDE RESEARCH SUPPORT		
B.1.1. Strategy: RESEARCH ENHANCEMENT	$ 2,423,267	$ 2,423,267
C. Goal: PROVIDE INFRASTRUCTURE SUPPORT		
C.1.1. Strategy: E&G SPACE SUPPORT	$ 7,054,531	$ 7,054,220
C.2.1. Strategy: TUITION REVENUE BOND RETIREMENT	$ 1,779,562	$ 1,774,377
Total, Goal C: PROVIDE INFRASTRUCTURE SUPPORT	$ 8,834,093	$ 8,828,597

D. Goal: PROVIDE HEALTH CARE SUPPORT		
D.1.1. Strategy: DENTAL CLINIC OPERATIONS	$ 5,277,149	$ 5,274,840
E. Goal: PROVIDE SPECIAL ITEM SUPPORT		
E.1.1. Strategy: COASTAL BEND HEALTH EDUCATION CTR Coastal Bend Health Education Center.	$ 2,918,850	$ 1,317,588
E.1.2. Strategy: S. TEXAS RURAL PUBLIC HEALTH CTR South Texas Center for Rural Public Health.	$ 951,280	$ 875,363
E.2.1. Strategy: MULTICAMPUS INST ENHANCEMENT Multicampus (2) Institutional Enhancement.	$ 3,016,480	$ 2,864,645
Total, Goal E: PROVIDE SPECIAL ITEM SUPPORT	$ 6,886,610	$ 5,057,596
F. Goal: TOBACCO FUNDS		
F.1.1. Strategy: TOBACCO EARNINGS - TAMU SYSTEM HSC Tobacco Earnings for Texas A&M University System Health Science Center.	$ 1,125,000	$ 1,125,000
F.1.2. Strategy: TOBACCO - PERMANENT HEALTH FUND Tobacco Earnings from the Permanent Health Fund for Higher Education.	$ 1,184,951	$ 1,184,951
Total, Goal F: TOBACCO FUNDS	$ 2,309,951	$ 2,309,951
Grand Total, TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER	$ 76,005,356	$ 74,205,543
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 28,187,668	$ 26,488,226
Other Personnel Costs	1,656,018	1,607,117
Faculty Salaries (Higher Education Only)	19,445,258	20,276,977
Professional Salaries - Faculty Equivalent (Higher Education Only)	2,061,204	2,033,427
Professional Fees and Services	479,109	227,891
Fuels and Lubricants	7,582	7,086
Consumable Supplies	706,197	658,849
Utilities	1,263,070	1,184,059
Travel	205,821	162,301
Rent - Building	544,879	514,864
Rent - Machine and Other	205,220	174,265
Debt Service	1,779,562	1,774,377
Other Operating Expense	18,128,259	17,750,541
Client Services	257,021	244,566
Grants	1,078,488	1,100,997
Total, Object-of-Expense Informational Listing	$ 76,005,356	$ 74,205,543
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 3,868,553	$ 3,996,510
Group Insurance	2,860,666	3,046,610
Social Security	2,807,813	2,906,087
Subtotal, Employee Benefits	$ 9,537,032	$ 9,949,207
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 9,537,032	$ 9,949,207

2. Performance Measure Targets. The following is a listing of the key performance target levels for the Texas A&M University System Health Science Center. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas A&M University System Health Science Center. In order to achieve the objectives and service standards established by this Act, the Texas A&M University System Health Science Center shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of Medical School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	92%	92%
Percent of Medical School Graduates Practicing Primary Care in Texas	50%	50%
Percent of Dental School Graduates Admitted to an Advanced Education Program in General Dentistry	10%	10%
Percent of Dental School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	90%	90%
Percent of Dental School Graduates Who Are Licensed in Texas	75%	75%
Percent of Allied Health Graduates Passing the Certification/Licensure Exam on the First Attempt	90%	90%
Percent of Allied Health Graduates Who Are Licensed or Certified in Texas	70%	70%
Percent of Rural Public Health School Graduates Who Are Employed in Texas	50%	50%
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	12%	12%
A.1.1. Strategy: MEDICAL EDUCATION		
Explanatory:		
Minority Admissions as a Percent of Total First-year Admissions (All Schools)	19%	20%
Minority MD Admissions as a Percent of Total MD Admissions	19%	22%
Minority MD or DO Residents as a Percent of Total MD or DO Residents	14%	15%
Percent of Medical School Graduates Entering a Primary Care Residency	30%	30%
A.1.2. Strategy: DENTAL EDUCATION		
Explanatory:		
Minority Admissions as a Percent of Total Dental School Admissions	19%	20%
B. Goal: PROVIDE RESEARCH SUPPORT		
Outcome (Results/Impact):		
Total External Research Expenditures	42,380,000	44,500,000

3. Medical Program. Texas A&M University System Health Science Center is hereby authorized to unite with Scott & White Clinic, Scott & White Memorial Hospital, and the Scott, Sherwood, and Brindley Foundation as its long-term primary partners for high quality clinical education and research for the benefit of the citizens of Texas. Texas A&M University System Health Science Center is additionally authorized to collaborate with the Central Texas Veterans' Health Care System, Darnall Army Community Hospital, and Driscoll Children's Hospital. Research conducted by Texas A&M University System Health Science Center faculty under the contract with its primary clinical partner to provide clinical education and research services shall be considered in the formula calculations for the Research Enhancement and E&G Space Support strategies.

4. Cardiovascular Research Institute. Out of the amounts appropriated above, Texas A&M University System Health Science Center shall expend up to $2,055,000 in fiscal year 2006 and up to $2,305,000 in fiscal year 2007 for Cardiovascular Research Institute activities conducted

primarily at the health science center facilities in Temple. It is the intent of the Legislature that these funds would be in addition to the amounts allocated to the Temple campus for the normal operation and maintenance of programs and facilities during the biennium.

5. **Coastal Bend Health Education Center.** Out of funds appropriated above to Texas A&M University System Health Science Center in Strategy E.1.1, Coastal Bend Health Education Center, the institution shall allocate up to $568,340 in fiscal year 2006 and up to $505,192 in fiscal year 2007 to operate a local area network among coastal distance education sites, provide electronic library access, and develop allied health programs with area general academic institutions.

6. **Estimated Appropriation and Unexpended Balance.** Included in the amounts appropriated above are: (1) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for Texas A&M University System Health Science Center and (2) estimated appropriations of the institution's estimated allocation of amounts available for distribution out of the Permanent Health Fund for Higher Education.

   a. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated to the institution. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, this Act may not be construed as appropriating funds to makeup the difference.

   b. All balances of estimated appropriations from the Permanent Endowment Fund for Texas A&M University System Health Science Center and of the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education, except for any General Revenue, at the close of the fiscal year ending August 31, 2005, and the income to said fund during the fiscal years beginning September 1, 2005, are hereby appropriated. Any unexpended appropriations made above as of August 31, 2006, are hereby appropriated to the institution for the same purposes for fiscal year 2007.

7. **Research on Acute Neurological Injuries.** Out of funds appropriated above, Texas A&M University System Health Science Center may allocate up to $1,000,000 in each fiscal year of the biennium to conduct joint research endeavors with other scientists from Baylor College of Medicine, The University of Texas Health Science Center at Houston, and The University of Texas Medical Branch at Galveston to develop treatments to repair acute neurological injuries such as those caused by trauma and strokes.

UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER AT FORT WORTH

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 48,481,790	$ 48,483,181
GR Dedicated - Estimated Other Educational and General Income Account No. 770	4,313,305	4,334,078
Other Funds		
Permanent Health Fund for Higher Education, estimated	1,155,420	1,155,420
Permanent Endowment Fund, UNTHSC at Fort Worth, estimated	1,125,000	1,125,000
Subtotal, Other Funds	$ 2,280,420	$ 2,280,420
Total, Method of Financing	$ 55,075,515	$ 55,097,679

Items of Appropriation:		
1. Educational and General State Support	$ 55,075,515	$ 55,097,679
Grand Total, UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER AT FORT WORTH	$ 55,075,515	$ 55,097,679
This bill pattern represents an estimated 48.2% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	683.2	683.2

1. Informational Listing of Appropriated Funds. The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: MEDICAL EDUCATION	$ 26,161,951	$ 26,161,951
A.1.2. Strategy: BIOMEDICAL SCIENCES TRAINING	$ 2,407,440	$ 2,407,440
Graduate Training in Biomedical Sciences.		
A.1.3. Strategy: GRADUATE TRAINING IN PUBLIC HEALTH	$ 3,728,459	$ 3,728,459
A.1.4. Strategy: PHYSICIAN ASSISTANT PROGRAM	$ 2,399,790	$ 2,399,790
A.1.5. Strategy: GRADUATE MEDICAL EDUCATION	$ 309,977	$ 309,977
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 341,005	$ 363,170
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	$ 221,594	$ 221,594
A.2.3. Strategy: UNEMPLOYMENT INSURANCE	$ 31,477	$ 31,477
A.3.1. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 562,269	$ 562,269
A.3.2. Strategy: MEDICAL LOANS	$ 67,138	$ 67,138
Total, Goal A: INSTRUCTION/OPERATIONS	$ 36,231,100	$ 36,253,265
B. Goal: PROVIDE RESEARCH SUPPORT		
B.1.1. Strategy: RESEARCH ENHANCEMENT	$ 1,732,567	$ 1,732,567
C. Goal: PROVIDE INFRASTRUCTURE SUPPORT		
C.1.1. Strategy: E&G SPACE SUPPORT	$ 3,842,574	$ 3,842,574
C.2.1. Strategy: TUITION REVENUE BOND RETIREMENT	$ 4,583,495	$ 4,581,557
C.2.2. Strategy: LEASE OF FACILITIES	$ 108,310	$ 108,310
Total, Goal C: PROVIDE INFRASTRUCTURE SUPPORT	$ 8,534,379	$ 8,532,441
D. Goal: PROVIDE SPECIAL ITEM SUPPORT		
D.3.1. Strategy: ALZHEIMER'S DIAG &TREATMENT CENTER	$ 431,744	$ 432,044
Alzheimer's Diagnostic and Treatment Center.		
D.4.1. Strategy: DNA LABORATORY	$ 1,482,921	$ 1,483,955
D.4.2. Strategy: ECON DEV & TECH COMMERCIALIZATION	$ 1,550,000	$ 1,550,000
Economic Development & Technology Commercialization.		
D.5.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 2,832,384	$ 2,832,987
Total, Goal D: PROVIDE SPECIAL ITEM SUPPORT	$ 6,297,049	$ 6,298,986
E. Goal: TOBACCO FUNDS		
E.1.1. Strategy: TOBACCO EARNINGS - UNT HSC FT WORTH	$ 1,125,000	$ 1,125,000
Tobacco Earnings for the UNT Health Science Center at Fort Worth.		

E.1.2. Strategy: TOBACCO - PERMANENT FUND Tobacco Earnings from the Permanent Health Fund for Higher Education.	$ 1,155,420	$ 1,155,420
Total, Goal E: TOBACCO FUNDS	$ 2,280,420	$ 2,280,420
Grand Total, UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER AT FORT WORTH	$ 55,075,515	$ 55,097,679
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 17,718,731	$ 18,479,282
Other Personnel Costs	2,875,528	2,841,730
Faculty Salaries (Higher Education Only)	14,190,766	14,987,133
Professional Salaries - Faculty Equivalent (Higher Education Only)	3,399,360	2,830,236
Professional Fees and Services	677,046	601,886
Consumable Supplies	1,327,833	1,327,833
Utilities	1,605,468	1,605,468
Travel	200,531	200,531
Rent - Building	111,312	108,310
Rent - Machine and Other	5,067	5,067
Debt Service	4,635,188	4,581,557
Other Operating Expense	6,778,681	5,978,645
Grants	1,550,004	1,550,001
Total, Object-of-Expense Informational Listing	$ 55,075,515	$ 55,097,679
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 3,122,308	$ 3,225,582
Group Insurance	3,198,592	3,406,501
Social Security	2,266,185	2,345,502
Subtotal, Employee Benefits	$ 8,587,085	$ 8,977,585
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 8,587,085	$ 8,977,585

2. Performance Measure Targets. The following is a listing of the key performance target levels for the University of North Texas Health Science Center at Fort Worth. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the University of North Texas Health Science Center at Fort Worth. In order to achieve the objectives and service standards established by this Act, the University of North Texas Health Science Center at Fort Worth shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of Medical School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	95%	95%
Percent of Medical School Graduates Practicing Primary Care in Texas	38.7%	38.7%
Percent of Graduates in Family Practice in Texas	26.4%	26.4%
Percent of Graduates Entering a Family Practice Residency	30%	30%
Percent of Allied Health Graduates Passing the Certification/Licensure Exam on the First Attempt	95%	95%

Percent of Allied Health Graduates Who Are Licensed or Certified in Texas	90.3%	90.3%
Percent of Public Health School Graduates Who Are Employed in Texas	80%	80%
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	12%	12%
A.1.1. Strategy: MEDICAL EDUCATION		
Explanatory:		
Minority Admissions as a Percent of Total First-year Admissions (All Schools)	20%	20%
Minority Admissions as a Percent of Total DO Admissions	10%	10%
Minority MD or DO Residents as a Percent of Total MD or DO Residents	9%	9%
Percent of Medical School Graduates Entering a Primary Care Residency	71%	71%
B. Goal: PROVIDE RESEARCH SUPPORT		
Outcome (Results/Impact):		
Total External Research Expenditures	16,075,000	17,650,000

3. **Forensic Laboratory.** The University of North Texas Health Science Center at Fort Worth is authorized to conduct all blood and DNA tests associated with paternity testing for the Office of the Attorney General at a monetary rate not to exceed the monetary rate at which the Attorney General could obtain the service elsewhere to the extent permitted under federal law and regulations. The income derived from this testing is to be spent only on the Forensic Laboratory. In addition, the services of the Forensic Laboratory are available to other entities or interested parties approved by the University of North Texas Health Science Center at Fort Worth.

4. **Parking Garage Debt Service.** Funds appropriated in Strategy C.2.1, Tuition Revenue Bond Retirement, may be used to retire bonds authorized by the Seventy-sixth Legislature to construct a campus parking garage. Parking fee revenue generated by this facility will be accounted for and reported to the Legislative Budget Board. The fee revenue, minus operational and maintenance costs, will be counted in the appropriations process to offset the costs of servicing debt associated with this facility.

5. **Estimated Appropriation and Unexpended Balance.** Included in the amounts appropriated above are: (1) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for the University of North Texas Health Science Center at Fort Worth and (2) estimated appropriations of the institution's estimated allocation of amounts available for distribution out of the Permanent Health Fund for Higher Education.

   a. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated to the institution. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, this Act may not be construed as appropriating funds to makeup the difference.

   b. All balances of estimated appropriations from the Permanent Endowment Fund for the University of North Texas Health Science Center at Fort Worth and of the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education, except for any General Revenue, at the close of the fiscal year ending August 31, 2005, and the income to said fund during the fiscal years beginning September 1, 2005, are hereby appropriated. Any unexpended appropriations made above as of August 31, 2006, are hereby appropriated to the institution for the same purposes for fiscal year 2007.

6. **Contingency Appropriations: Economic Development & Technology Commercialization.** Of the amounts appropriated above in Strategy D.4.2., Economic Development & Technology Commercialization, $3,100,000 for the University of North Texas Health Science Center is contingent upon the certification by the Comptroller of Public Accounts that the joint activities of the collaboration of the University of North Texas Health Science Center and the City of Fort Worth will generate revenue to the General Revenue Fund sufficient to offset the appropriation. The Comptroller shall specify the supporting information to be provided by the collaboration

and may require independent verification of the information. If the Comptroller finds the information in sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingency appropriation up to the amount certified, not to exceed $3,100,000, shall be made available for the intended purpose.

TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 107,668,996	$ 107,830,063
GR Dedicated - Estimated Other Educational and General Income Account No. 770	5,618,348	5,630,800
Other Funds		
Permanent Health Fund for Higher Education, estimated	1,398,600	1,398,600
Permanent Endowment Fund, Texas Tech HSC El Paso, estimated	1,125,000	1,125,000
Permanent Endowment Fund, Texas Tech HSC, Other, estimated	1,125,000	1,125,000
Subtotal, Other Funds	$ 3,648,600	$ 3,648,600
Total, Method of Financing	$ 116,935,944	$ 117,109,463
Items of Appropriation:		
1. Educational and General State Support	$ 116,935,944	$ 117,109,463
Grand Total, TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER	$ 116,935,944	$ 117,109,463
This bill pattern represents an estimated 26% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	1,583.2	1,583.2

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: MEDICAL EDUCATION	$ 30,695,463	$ 30,695,463
A.1.2. Strategy: BIOMEDICAL SCIENCES TRAINING	$ 2,739,145	$ 2,739,145
Graduate Training in Biomedical Sciences.		
A.1.3. Strategy: ALLIED HEALTH PROFESSIONS TRAINING	$ 11,645,081	$ 11,645,081
A.1.4. Strategy: NURSING EDUCATION	$ 7,005,480	$ 7,005,480
A.1.5. Strategy: PHARMACY EDUCATION	$ 10,967,649	$ 10,967,649
A.1.6. Strategy: GRADUATE MEDICAL EDUCATION	$ 1,160,611	$ 1,160,611
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 608,062	$ 647,586
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	$ 648,934	$ 648,934
A.3.1. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 822,058	$ 822,058
A.3.2. Strategy: MEDICAL LOANS	$ 68,060	$ 68,060
Total, Goal A: INSTRUCTION/OPERATIONS	$ 66,360,543	$ 66,400,067
B. Goal: PROVIDE RESEARCH SUPPORT		
B.1.1. Strategy: RESEARCH ENHANCEMENT	$ 1,755,156	$ 1,755,156

C. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
C.1.1. Strategy: E&G SPACE SUPPORT	$ 10,612,392	$ 10,612,392
C.2.1. Strategy: TUITION REVENUE BOND RETIREMENT	$ 10,893,217	$ 11,027,214
Total, Goal C: INFRASTRUCTURE SUPPORT	$ 21,505,609	$ 21,639,606
D. Goal: PROVIDE SPECIAL ITEM SUPPORT		
D.1.1. Strategy: SOUTH TEXAS PROFESSIONAL EDUCATION	$ 906,228	$ 906,228
South Texas Border Region Health Professional Education.		
D.1.2. Strategy: BORDER SUPPORT - ACADEMIC EXPANSION	$ 3,888,891	$ 3,888,891
Border Health Care Support - Academic Expansion.		
D.1.3. Strategy: ACADEMIC SUPPORT-BORDER DEVELOPMENT	$ 393,470	$ 393,470
Academic Operations Support - Border Region Development.		
D.1.4. Strategy: INTEGRATED HEALTH NETWORK	$ 1,324,895	$ 1,324,895
D.1.5. Strategy: MEDICAL EDUCATION - ODESSA	$ 1,559,966	$ 1,559,964
D.1.6. Strategy: EL PASO - MEDICAL	$ 2,500,000	$ 2,500,000
D.1.7. Strategy: MED RESID & PHYS ASST PGM EXPANSION	$ 1,500,000	$ 1,500,000
Medical Residency and Physician Assistant Program Expansion.		
D.2.1. Strategy: FAMILY/COMMUNITY MEDICINE RESIDENCY	$ 600,915	$ 600,915
Family and Community Medicine Residency Training Programs.		
D.2.2. Strategy: MIDLAND SURGICAL RESIDENCY TRAINING	$ 134,014	$ 134,014
Midland Surgical Residency Training Program.		
D.2.3. Strategy: MIDLAND CARDIOLOGY RESIDENCY	$ 307,785	$ 307,785
Midland Cardiology Residency Training Program.		
D.2.4. Strategy: BORDER HEALTH - RESIDENT SUPPORT	$ 387,773	$ 387,773
Border Health Care Support - Resident Support.		
D.3.1. Strategy: DIABETES RESEARCH CENTER	$ 289,140	$ 289,140
D.4.1. Strategy: RURAL HEALTH CARE	$ 1,022,164	$ 1,022,164
D.5.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 8,850,795	$ 8,850,795
Multicampus (4) Institutional Enhancement.		
Total, Goal D: PROVIDE SPECIAL ITEM SUPPORT	$ 23,666,036	$ 23,666,034
E. Goal: TOBACCO FUNDS		
E.1.1. Strategy: TOBACCO EARNINGS TX TECH HSC ELPASO	$ 1,125,000	$ 1,125,000
Tobacco Earnings - Texas Tech Univ Health Sciences Center (El Paso).		
E.1.2. Strategy: TOBACCO EARNINGS TX TECH UNIV HSC	$ 1,125,000	$ 1,125,000
Tobacco Earnings for Texas Tech University Health Sciences Center.		
E.1.3. Strategy: TOBACCO - PERMANENT HEALTH FUND	$ 1,398,600	$ 1,398,600
Tobacco Earnings from the Permanent Health Fund for Higher Education.		
Total, Goal E: TOBACCO FUNDS	$ 3,648,600	$ 3,648,600
Grand Total, TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER	$ 116,935,944	$ 117,109,463

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 40,713,060	$ 48,108,222
Other Personnel Costs	1,431,269	869,491
Faculty Salaries (Higher Education Only)	40,003,576	41,313,664
Professional Fees and Services	3,962,428	3,015,214
Fuels and Lubricants	29,282	18,510
Consumable Supplies	3,147,823	2,073,103
Utilities	2,551,788	1,971,421
Travel	472,912	227,539
Rent - Building	66,206	29,514
Rent - Machine and Other	148,606	67,552
Debt Service	10,893,217	11,027,214
Other Operating Expense	12,333,245	7,777,353
Client Services	384,895	222,603
Grants	797,637	388,063
Total, Object-of-Expense Informational Listing	$ 116,935,944	$ 117,109,463
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 9,778,681	$ 10,102,123
Group Insurance	11,426,600	12,169,329
Social Security	7,097,410	7,345,820
Subtotal, Employee Benefits	$ 28,302,691	$ 29,617,272
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 28,302,691	$ 29,617,272

2. Performance Measure Targets. The following is a listing of the key performance target levels for the Texas Tech University Health Sciences Center. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas Tech University Health Sciences Center. In order to achieve the objectives and service standards established by this Act, the Texas Tech University Health Sciences Center shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of Medical School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	91%	91%
Percent of Medical School Graduates Practicing Primary Care in Texas	39%	39%
Percent of Allied Health Graduates Passing the Certification/Licensure Exam on the First Attempt	83%	83%
Percent of Allied Health Graduates Who Are Licensed or Certified in Texas	89%	89%
Percent of Bachelor of Science in Nursing Graduates Passing the National Licensing Exam on the First Attempt in Texas	85%	85%
Percent of Bachelor of Science in Nursing Graduates Who Are Licensed in Texas	93%	93%
Percent of Pharmacy School Graduates Passing the National Licensing Exam on the First Attempt	95%	95%
Percent of Pharmacy School Graduates Who Are Licensed in Texas	84%	84%
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	3.75%	3.75%

A.1.1. Strategy: MEDICAL EDUCATION		
Explanatory:		
Minority Admissions as a Percent of Total First-year Admissions (All Schools)	15.48%	15.71%
Minority MD Admissions as a Percent of Total MD Admissions	14.29%	15%
Minority MD or DO Residents as a Percent of Total MD or DO Residents	30.36%	32.05%
Percent of Medical School Graduates Entering a Primary Care Residency	45%	45%
A.1.4. Strategy: NURSING EDUCATION		
Explanatory:		
Percent of Master of Science in Nursing Graduates Granted Advanced Practice Status in Texas	80%	80%
B. Goal: PROVIDE RESEARCH SUPPORT		
Outcome (Results/Impact):		
Total External Research Expenditures	12,000,000	13,000,000
D. Goal: PROVIDE SPECIAL ITEM SUPPORT		
D.1.4. Strategy: INTEGRATED HEALTH NETWORK		
Output (Volume):		
Annual Event Hours of Distance Education	110,000	113,000

3. **South Texas/Border Region Health Professional Education.** Out of the amounts appropriated above to Texas Tech University Health Sciences Center in Strategy D.1.1, South Texas Professional Education, is the amount of $871,129 for the fiscal year ending August 31, 2006 and $774,337 for the fiscal year ending August 31, 2007 for use by the Regional Academic Health Center in El Paso for infrastructure support, faculty salaries, maintenance and operation, and library resources.

   a. Any unexpended balances remaining in the appropriations identified in this section as of August 31, 2006, are appropriated to Texas Tech University Health Sciences Center for their original purposes and shall be used with funds appropriated by this section for the fiscal year ending August 31, 2007.

   b. A report by the Texas Tech University Health Sciences Center shall be filed with the Legislative Budget Board and the Governor on or before December 1, 2006, concerning the use of the funds appropriated by this section and the extent to which the purposes specified by this section have been achieved.

4. **Appropriation of Costs for Health Care to Inmates.** None of the funds appropriated above shall be expended to provide or support the provision of health care to inmates of the Texas Department of Criminal Justice (TDCJ). It is the intent of the Legislature that all costs for providing health care to inmates of the TDCJ including costs of operating TDCJ hospital facilities in Galveston County and Lubbock County shall be paid from appropriations made to the TDCJ and from any financial reserves from contracts with TDCJ that are held by the university for the correctional health care services. Appropriations made to the TDCJ for the provision of inmate health care services shall be expended in accordance with Government Code, Chapter 501, Subchapter E.

5. **El Paso Center for Border Health Research.** It is the intent of the Legislature that the El Paso Center for Border Health Research is a collaboration between The University of Texas at El Paso and the Texas Tech University Health Sciences Center and is one component of the Paso del Norte Regional Health Institute. The El Paso Center for Border Health Research will be located in El Paso and will be concerned with the Texas border region. It shall conduct research, in areas not limited to, but focusing on and including, infectious diseases such as tuberculosis, Hispanic health issues such as diabetes and hypertension, border environmental health issues such as those associated with water and air quality, and children's health.

6. **Medical School Enrollment.** Upon accreditation and approval by the Texas Higher Education Coordinating Board, Texas Tech University Health Sciences Center School of Medicine is authorized to admit annually an additional 20 medical students until the School of Medicine's

first year enrollment reaches 200. It is the intent of the Legislature that this increase in enrollment be taken into account when preparing the appropriation recommendations for the Eightieth Legislature.

7. Estimated Appropriation and Unexpended Balance. Included in the amounts appropriated above are: (1) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for the Texas Tech University Health Sciences Center at El Paso, (2) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for the Texas Tech University Health Sciences Center at locations other than El Paso and (3) estimated appropriations of the institution's estimated allocation of amounts available for distribution out of the Permanent Health Fund for Higher Education.

a. Amounts available for distribution or investment returns in excess of the amounts estimated are also appropriated to the institution. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, this Act may not be construed as appropriating funds to makeup the difference.

b. All balances of estimated appropriations from the Permanent Endowment Fund for the Texas Tech University Health Sciences Center at El Paso, Permanent Endowment Fund for the Texas Tech University Health Sciences Center at locations other than El Paso, and of the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education, except for any General Revenue, at the close of the fiscal year ending August 31, 2005, and the income to said fund during the fiscal years beginning September 1, 2005 are hereby appropriated. Any unexpended appropriations made above as of August 31, 2006, are hereby appropriated to the institution for the same purposes for fiscal year 2007.

8. El Paso - Four Year Medical School. The Texas Tech University Health Sciences Center at El Paso is authorized to initiate curriculum design and development, basic science faculty recruitment, and commencement of organization and other processes necessary to attain accreditation of a four-year medical school by the Liaison Committee on Medical Education. The Texas Tech University Health Sciences Center at El Paso shall seek the support of the El Paso community, El Paso area foundations, units of local government and any other individuals, groups and entities that may support and contribute to the development and establishment of an El Paso Four Year Medical School.

PUBLIC COMMUNITY/JUNIOR COLLEGES

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 813,635,413	$ 813,635,416
Total, Method of Financing	$ 813,635,413	$ 813,635,416
Items of Appropriation:		
1. Educational and General State Support	$ 813,635,413	$ 813,635,416
Grand Total, PUBLIC COMMUNITY/JUNIOR COLLEGES	$ 813,635,413	$ 813,635,416

This bill pattern represents an estimated 32% of this agency's estimated total available funds for the biennium.

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: ALAMO COMMUNITY COLLEGE		
A.1.1. Strategy: ACADEMIC EDUCATION	$ 45,501,698	$ 45,501,698
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 19,866,938	$ 19,866,938
Total, Goal A: ALAMO COMMUNITY COLLEGE	$ 65,368,636	$ 65,368,636
B. Goal: ALVIN COMMUNITY COLLEGE		
B.1.1. Strategy: ACADEMIC EDUCATION	$ 4,032,149	$ 4,032,149
B.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 4,032,149	$ 4,032,149
Total, Goal B: ALVIN COMMUNITY COLLEGE	$ 8,064,298	$ 8,064,298
C. Goal: AMARILLO COLLEGE		
C.2.1. Strategy: ACADEMIC EDUCATION	$ 8,561,591	$ 8,561,591
C.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 8,250,094	$ 8,250,094
Total, Goal C: AMARILLO COLLEGE	$ 16,811,685	$ 16,811,685
D. Goal: ANGELINA COLLEGE		
D.1.1. Strategy: ACADEMIC EDUCATION	$ 4,503,242	$ 4,503,242
D.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 3,895,114	$ 3,895,114
Total, Goal D: ANGELINA COLLEGE	$ 8,398,356	$ 8,398,356
E. Goal: AUSTIN COMMUNITY COLLEGE		
E.1.1. Strategy: ACADEMIC EDUCATION	$ 25,823,833	$ 25,823,833
E.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 11,251,288	$ 11,251,288
Total, Goal E: AUSTIN COMMUNITY COLLEGE	$ 37,075,121	$ 37,075,121
F. Goal: BLINN COLLEGE		
F.1.1. Strategy: STAR OF THE REPUBLIC MUSEUM	$ 331,248	$ 331,248
F.2.1. Strategy: ACADEMIC EDUCATION	$ 15,834,968	$ 15,834,968
F.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 3,037,146	$ 3,037,146
Total, Goal F: BLINN COLLEGE	$ 19,203,362	$ 19,203,362

G. Goal: BRAZOSPORT COLLEGE		
G.1.1. Strategy: ACADEMIC EDUCATION	$ 3,440,599	$ 3,440,599
G.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,640,053	$ 2,640,053
Total, Goal G: BRAZOSPORT COLLEGE	$ 6,080,652	$ 6,080,652
H. Goal: CENTRAL TEXAS COLLEGE		
H.1.1. Strategy: ACADEMIC EDUCATION	$ 10,670,027	$ 10,670,027
H.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 8,692,101	$ 8,692,101
Total, Goal H: CENTRAL TEXAS COLLEGE	$ 19,362,128	$ 19,362,128
I. Goal: CISCO JUNIOR COLLEGE		
I.1.1. Strategy: ACADEMIC EDUCATION	$ 3,567,580	$ 3,567,580
I.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 1,601,851	$ 1,601,851
Total, Goal I: CISCO JUNIOR COLLEGE	$ 5,169,431	$ 5,169,431
J. Goal: CLARENDON COLLEGE		
J.1.1. Strategy: ACADEMIC EDUCATION	$ 1,532,148	$ 1,532,148
J.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 554,609	$ 554,609
Total, Goal J: CLARENDON COLLEGE	$ 2,086,757	$ 2,086,757
K. Goal: COASTAL BEND COLLEGE		
K.1.1. Strategy: ACADEMIC EDUCATION	$ 2,900,621	$ 2,900,621
K.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 3,905,601	$ 3,905,601
Total, Goal K: COASTAL BEND COLLEGE	$ 6,806,222	$ 6,806,222
L. Goal: COLLEGE OF THE MAINLAND		
L.1.1. Strategy: ACADEMIC EDUCATION	$ 3,877,017	$ 3,877,017
L.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,476,687	$ 2,476,687
Total, Goal L: COLLEGE OF THE MAINLAND	$ 6,353,704	$ 6,353,704
M. Goal: COLLIN COUNTY CC Collin County Community College.		
M.1.1. Strategy: ACADEMIC EDUCATION	$ 18,404,621	$ 18,404,621
M.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 6,581,385	$ 6,581,385
Total, Goal M: COLLIN COUNTY CC	$ 24,986,006	$ 24,986,006
N. Goal: DALLAS COUNTY CC Dallas County Community College.		
N.1.1. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	$ 1,365,210	$ 1,365,210
N.2.1. Strategy: ACADEMIC EDUCATION	$ 50,104,815	$ 50,104,816
N.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 34,776,791	$ 34,776,791
Total, Goal N: DALLAS COUNTY CC	$ 86,246,816	$ 86,246,817
O. Goal: DEL MAR COLLEGE		
O.1.1. Strategy: ACADEMIC EDUCATION	$ 9,943,292	$ 9,943,292
O.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 8,685,479	$ 8,685,479
Total, Goal O: DEL MAR COLLEGE	$ 18,628,771	$ 18,628,771
P. Goal: EL PASO COMMUNITY COLLEGE		
P.1.1. Strategy: ACADEMIC EDUCATION	$ 23,574,168	$ 23,574,168
P.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 8,068,215	$ 8,068,215
Total, Goal P: EL PASO COMMUNITY COLLEGE	$ 31,642,383	$ 31,642,383

Q. Goal: FRANK PHILLIPS COLLEGE		
Q.1.1. Strategy: ACADEMIC EDUCATION	$ 1,249,926	$ 1,249,926
Q.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 1,488,950	$ 1,488,950
Total, Goal Q: FRANK PHILLIPS COLLEGE	$ 2,738,876	$ 2,738,876
R. Goal: GALVESTON COLLEGE		
R.1.1. Strategy: ACADEMIC EDUCATION	$ 2,527,575	$ 2,527,575
R.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,192,826	$ 2,192,826
Total, Goal R: GALVESTON COLLEGE	$ 4,720,401	$ 4,720,401
S. Goal: GRAYSON COUNTY COLLEGE		
S.1.1. Strategy: ACADEMIC EDUCATION	$ 3,324,146	$ 3,324,146
S.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 3,196,259	$ 3,196,259
Total, Goal S: GRAYSON COUNTY COLLEGE	$ 6,520,405	$ 6,520,405
T. Goal: HILL COLLEGE		
T.1.1. Strategy: HERITAGE MUSEUM/GENEALOGY CENTER Heritage Museum and Genealogy Center.	$ 360,000	$ 360,001
T.2.1. Strategy: ACADEMIC EDUCATION	$ 2,925,658	$ 2,925,658
T.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,609,191	$ 2,609,191
Total, Goal T: HILL COLLEGE	$ 5,894,849	$ 5,894,850
U. Goal: HOUSTON COMMUNITY COLLEGE		
U.1.1. Strategy: ACADEMIC EDUCATION	$ 34,281,767	$ 34,281,767
U.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 26,951,351	$ 26,951,351
Total, Goal U: HOUSTON COMMUNITY COLLEGE	$ 61,233,118	$ 61,233,118
V. Goal: HOWARD COLLEGE		
V.1.1. Strategy: SOUTHWEST INSTITUTE FOR THE DEAF Southwest Collegiate Institute for the Deaf.	$ 2,734,649	$ 2,734,649
V.2.1. Strategy: ACADEMIC EDUCATION	$ 2,387,951	$ 2,387,951
V.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 5,565,243	$ 5,565,243
Total, Goal V: HOWARD COLLEGE	$ 10,687,843	$ 10,687,843
W. Goal: KILGORE COLLEGE		
W.1.1. Strategy: ACADEMIC EDUCATION	$ 5,534,776	$ 5,534,776
W.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 4,622,207	$ 4,622,207
Total, Goal W: KILGORE COLLEGE	$ 10,156,983	$ 10,156,983
X. Goal: LAREDO COMMUNITY COLLEGE		
X.1.1. Strategy: IMPORT/EXPORT TRNG CTR Regional Import/Export Training Center.	$ 210,887	$ 210,888
X.2.1. Strategy: ACADEMIC EDUCATION	$ 7,459,926	$ 7,459,926
X.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 5,165,411	$ 5,165,411
Total, Goal X: LAREDO COMMUNITY COLLEGE	$ 12,836,224	$ 12,836,225
Y. Goal: LEE COLLEGE		
Y.1.1. Strategy: ACADEMIC EDUCATION	$ 4,598,711	$ 4,598,711
Y.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 5,461,353	$ 5,461,353
Total, Goal Y: LEE COLLEGE	$ 10,060,064	$ 10,060,064

Z. Goal: MCLENNAN COMMUNITY COLLEGE		
Z.1.1. Strategy: ACADEMIC EDUCATION	$ 7,274,547	$ 7,274,547
Z.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 6,003,319	$ 6,003,319
Total, Goal Z: MCLENNAN COMMUNITY COLLEGE	$ 13,277,866	$ 13,277,866
AA. Goal: MIDLAND COLLEGE		
AA.1.1. Strategy: AMERICAN AIRPOWER HERITAGE MUSEUM	$ 498,702	$ 498,702
AA.2.1. Strategy: ACADEMIC EDUCATION	$ 6,285,588	$ 6,285,588
AA.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 3,681,649	$ 3,681,649
Total, Goal AA: MIDLAND COLLEGE	$ 10,465,939	$ 10,465,939
AB. Goal: NAVARRO COLLEGE		
AB.1.1. Strategy: ACADEMIC EDUCATION	$ 6,709,441	$ 6,709,441
AB.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 3,871,085	$ 3,871,085
Total, Goal AB: NAVARRO COLLEGE	$ 10,580,526	$ 10,580,526
AC. Goal: NORTH CENTRAL TX COLLEGE		
North Central Texas College.		
AC.1.1. Strategy: ACADEMIC EDUCATION	$ 5,403,057	$ 5,403,057
AC.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,400,849	$ 2,400,849
Total, Goal AC: NORTH CENTRAL TX COLLEGE	$ 7,803,906	$ 7,803,906
AD. Goal: NORTH HARRIS MONTGOMERY CC		
North Harris Montgomery Community College.		
AD.1.1. Strategy: ACADEMIC EDUCATION	$ 34,638,451	$ 34,638,451
AD.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 14,516,876	$ 14,516,876
Total, Goal AD: NORTH HARRIS MONTGOMERY CC	$ 49,155,327	$ 49,155,327
AE. Goal: NORTHEAST TEXAS CC		
Northeast Texas Community College.		
AE.2.1. Strategy: ACADEMIC EDUCATION	$ 2,585,824	$ 2,585,824
AE.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 1,250,746	$ 1,250,746
Total, Goal AE: NORTHEAST TEXAS CC	$ 3,836,570	$ 3,836,570
AF. Goal: ODESSA COLLEGE		
AF.1.1. Strategy: ACADEMIC EDUCATION	$ 3,737,680	$ 3,737,680
AF.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 4,883,401	$ 4,883,401
Total, Goal AF: ODESSA COLLEGE	$ 8,621,081	$ 8,621,081
AG. Goal: PANOLA COLLEGE		
AG.1.1. Strategy: ACADEMIC EDUCATION	$ 1,758,250	$ 1,758,250
AG.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 1,536,454	$ 1,536,454
Total, Goal AG: PANOLA COLLEGE	$ 3,294,704	$ 3,294,704

AH. Goal: PARIS JUNIOR COLLEGE		
AH.1.1. Strategy: ACADEMIC EDUCATION	$ 4,807,643	$ 4,807,643
AH.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,691,865	$ 2,691,865
Total, Goal AH: PARIS JUNIOR COLLEGE	$ 7,499,508	$ 7,499,508
AI. Goal: RANGER COLLEGE		
AI.1.1. Strategy: ACADEMIC EDUCATION	$ 1,221,341	$ 1,221,341
AI.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 865,415	$ 865,415
Total, Goal AI: RANGER COLLEGE	$ 2,086,756	$ 2,086,756
AJ. Goal: SAN JACINTO COLLEGE		
AJ.1.1. Strategy: ACADEMIC EDUCATION	$ 20,553,736	$ 20,553,736
AJ.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 14,613,457	$ 14,613,457
Total, Goal AJ: SAN JACINTO COLLEGE	$ 35,167,193	$ 35,167,193
AK. Goal: SOUTH PLAINS COLLEGE		
AK.1.1. Strategy: ACADEMIC EDUCATION	$ 9,010,834	$ 9,010,834
AK.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 5,361,424	$ 5,361,424
Total, Goal AK: SOUTH PLAINS COLLEGE	$ 14,372,258	$ 14,372,258
AL. Goal: SOUTH TX COLLEGE South Texas College.		
AL.1.1. Strategy: ACADEMIC EDUCATION	$ 15,443,833	$ 15,443,833
AL.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 8,518,388	$ 8,518,388
Total, Goal AL: SOUTH TX COLLEGE	$ 23,962,221	$ 23,962,221
AM. Goal: SW TEXAS JUNIOR COLLEGE Southwest Texas Junior College.		
AM.1.1. Strategy: ACADEMIC EDUCATION	$ 5,285,594	$ 5,285,594
AM.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,466,941	$ 2,466,941
Total, Goal AM: SW TEXAS JUNIOR COLLEGE	$ 7,752,535	$ 7,752,535
AN. Goal: TARRANT COUNTY COLLEGE		
AN.1.1. Strategy: ACADEMIC EDUCATION	$ 32,473,520	$ 32,473,520
AN.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 10,898,708	$ 10,898,708
Total, Goal AN: TARRANT COUNTY COLLEGE	$ 43,372,228	$ 43,372,228
AO. Goal: TEMPLE COLLEGE		
AO.1.1. Strategy: ACADEMIC EDUCATION	$ 3,712,172	$ 3,712,172
AO.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,443,035	$ 2,443,035
Total, Goal AO: TEMPLE COLLEGE	$ 6,155,207	$ 6,155,207
AP. Goal: TEXARKANA COLLEGE		
AP.1.1. Strategy: ACADEMIC EDUCATION	$ 4,058,480	$ 4,058,480
AP.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 4,885,569	$ 4,885,569
Total, Goal AP: TEXARKANA COLLEGE	$ 8,944,049	$ 8,944,049

AQ. Goal: TEXAS SOUTHMOST COLLEGE		
AQ.1.1. Strategy: ACADEMIC EDUCATION	$ 8,365,826	$ 8,365,826
AQ.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 3,923,655	$ 3,923,655
Total, Goal AQ: TEXAS SOUTHMOST COLLEGE	$ 12,289,481	$ 12,289,481
AR. Goal: TRINITY VALLEY CC		
Trinity Valley Community College.		
AR.1.1. Strategy: ACADEMIC EDUCATION	$ 5,379,020	$ 5,379,020
AR.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 5,692,386	$ 5,692,386
Total, Goal AR: TRINITY VALLEY CC	$ 11,071,406	$ 11,071,406
AS. Goal: TYLER JUNIOR COLLEGE		
AS.1.1. Strategy: ACADEMIC EDUCATION	$ 10,532,559	$ 10,532,559
AS.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 5,443,694	$ 5,443,694
Total, Goal AS: TYLER JUNIOR COLLEGE	$ 15,976,253	$ 15,976,253
AT. Goal: VERNON COLLEGE		
AT.1.1. Strategy: ACADEMIC EDUCATION	$ 1,863,447	$ 1,863,447
AT.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 3,582,563	$ 3,582,563
Total, Goal AT: VERNON COLLEGE	$ 5,446,010	$ 5,446,010
AU. Goal: VICTORIA COLLEGE		
AU.2.1. Strategy: ACADEMIC EDUCATION	$ 3,326,941	$ 3,326,941
AU.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 3,482,175	$ 3,482,175
Total, Goal AU: VICTORIA COLLEGE	$ 6,809,116	$ 6,809,116
AV. Goal: WEATHERFORD COLLEGE		
AV.1.1. Strategy: ACADEMIC EDUCATION	$ 4,104,744	$ 4,104,744
AV.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 3,627,941	$ 3,627,941
Total, Goal AV: WEATHERFORD COLLEGE	$ 7,732,685	$ 7,732,685
AW. Goal: WESTERN TEXAS COLLEGE		
AW.1.1. Strategy: ACADEMIC EDUCATION	$ 1,510,553	$ 1,510,553
AW.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 1,206,028	$ 1,206,028
Total, Goal AW: WESTERN TEXAS COLLEGE	$ 2,716,581	$ 2,716,581
AX. Goal: WHARTON COUNTY JR COLLEGE		
Wharton County Junior College.		
AX.1.1. Strategy: ACADEMIC EDUCATION	$ 5,526,036	$ 5,526,036
AX.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,586,880	$ 2,586,880
Total, Goal AX: WHARTON COUNTY JR COLLEGE	$ 8,112,916	$ 8,112,916
Grand Total, PUBLIC COMMUNITY/JUNIOR COLLEGES	$ 813,635,413	$ 813,635,416
Object-of-Expense Informational Listing:		
Other Operating Expense	$ 813,635,413	$ 813,635,416
Total, Object-of-Expense Informational Listing	$ 813,635,413	$ 813,635,416

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits		
Retirement	$ 67,931,604	$ 72,007,501
Group Insurance	86,584,702	92,212,708
Subtotal, Employee Benefits	$ 154,516,306	$ 164,220,209
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 154,516,306	$ 164,220,209

2. **Administration of Appropriated Funds.** Funds appropriated above shall be administered by the Texas Higher Education Coordinating Board.

3. **Appropriation Eligibility.** To be eligible for and to receive an appropriation a public community/junior college must be certified as required by Education Code, Chapter 61, § 61.063, and comply with the following provisions:

   a. The Texas Higher Education Coordinating Board shall 1) determine whether each eligible public community/junior college has complied with all the provisions of this section; 2) determine each college's list of approved courses; and 3) certify its findings and such lists to the State Auditor not later than October 1 of each fiscal year. Each public community/junior college shall make such reports to the Texas Higher Education Coordinating Board as may be required, classified in accordance with the rules and regulations issued by the Board.

   b. On or before the dates for reporting official enrollments each semester to the Texas Higher Education Coordinating Board, each college will collect in full from each student that is to be counted for state aid purposes the amounts set as tuition by the respective governing boards. Valid contracts with the United States government for instruction of eligible military personnel, and valid contracts with private business and public service-type organizations or institutions such as hospitals, may be considered as collections thereunder, but subject to adjustments after final payment thereof. Financial aid awards processed by the financial aid office but not yet issued to the student shall be considered as collections thereunder but subject to adjustments after final payment thereof.

   c. Each community/junior college must use a registration and financial reporting system which is sufficient to satisfy the audit requirements of the State Auditor and furnish any reports and information as the auditor may require.

   d. Each community/junior college must file by December 1 of each fiscal year directly with the Governor, Legislative Budget Board, the Legislative Reference Library, and the Texas Higher Education Coordinating Board, a copy of an annual operating budget, and subsequent amendments thereto, approved by the community/junior college governing board. The operating budget shall be in such form and manner as may be prescribed by the board and/or agency with the advice of the State Auditor providing, however, that each report include departmental operating budgets by function and salaries and emoluments for faculty and staff listed by position.

4. **Approved Elements of Expenditure.** The expenditures by a public community/junior college of any funds received by it under these provisions headed "Public Community/Junior Colleges" shall be limited to the payment of the following elements of cost: instruction, academic support, student services, institutional support, organized activities, and staff benefits associated with salaries paid from general revenue. It is specifically provided, however, that in addition to the purposes enumerated herein, the funds appropriated above for special items may be expended for salaries, wages, travel, capital outlay and other necessary operating expenses. It is specifically provided that funds appropriated above may not be used for the operation of intercollegiate athletics.

5. **Audit of Compliance.** The compliance of each public community/junior college with the requirements set forth in the paragraphs above shall be ascertained by the State Auditor who shall also audit the pertinent books and records of each college as necessary.

6. **Vouchers for Disbursement of Appropriated Funds.** Vouchers for disbursement of the sums appropriated hereinabove shall be prepared by the Texas Higher Education Coordinating Board on the basis of the provisions in the paragraphs above and the warrants issued in payment thereof shall be issued in compliance with Education Code, § 130.0031.

   Funds appropriated above to Howard County College for the operation of the Southwest Collegiate Institute for the Deaf shall be distributed in accordance with the installment schedule for Category 1 junior colleges.

   The total amount of funds appropriated above in each year of the biennium to Midland College in Strategy AA.1.1, American Airpower Heritage Museum, should be distributed on September 1 of the year funds are appropriated.

   In submitting vouchers for disbursement of the funds herein appropriated, the Texas Higher Education Coordinating Board, shall certify to the State Comptroller of Public Accounts that each school listed has qualified and is entitled to receive such funds under the provisions set forth in this Act under the heading "Public Community/Junior Colleges."

7. **Unobligated Balances.** At the close of each fiscal year each community/junior college shall report to the Coordinating Board the amount of state allocations which have not been obligated within each line item and shall return that amount to the State Treasury for deposit in the General Revenue Fund.

8. **Adjustment of Contact Hours.** The hours used in the contact hour base period are subject to audit for accuracy by the State Auditor according to an audit plan developed in consultation with the Texas Higher Education Coordinating Board, the Legislative Budget Board and community, technical, and state colleges, and the dollar amounts adjusted accordingly by the Texas Higher Education Coordinating Board at the direction of the Legislative Budget Board. The amounts appropriated separately to each of the two-year institutions' contact hour formulas shall be redistributed using the formula amounts appropriated to community colleges, Texas State Technical Colleges and two-year Lamar institutions based on certified contact hours as calculated separately for community colleges, Texas State Technical Colleges and the two-year Lamar institutions. The calculation of revised appropriation amounts shall allow each institution an error rate of up to 2 percent of the total contact hour formula appropriations to that institution for the biennium. Adjustments shall be made to appropriated amounts in accordance with adjustments of estimated contact hours to actual contact hours, even if the total error rate is less than 2 percent of the total contact hour formula amount appropriated to that institution for the biennium. No college shall have its dollar allocation adjusted to a level below its 2004-05 formula base. Institutions where sampling errors are identified may request a comprehensive institutional audit at institutional expense.

9. **Separation of Funds.** The funds appropriated by the State shall be maintained separately by community/junior colleges from other sources of income.

10. **Supplanting of Federal Funds Prohibited.** It is legislative intent that state funds not be used to supplant federal funds for the Workforce Investment Act programs conducted by community/junior colleges.

11. **Residency of Texas Department of Criminal Justice Inmates.** All inmates of the Texas Department of Criminal Justice are, for educational purposes only, residents of the State of Texas.

12. **Regional Import/Export Training Center.** Appropriations of $43,750 each year made above are contingent upon certification by the Comptroller of Public Accounts that increased economic activity associated with the Regional Import/Export Training Center and the Laredo Community

College will generate at least $87,500 for the biennium in additional revenue to the General Revenue Fund. It is the intent of the Legislature that state funds provided to the Regional Import/Export Training Center be used by the center to attract federal funds on a dollar-for-dollar basis.

13. **Informational Listing of Other Appropriations.** In addition to the funds appropriated above, general revenue is appropriated elsewhere in this Act for the use of the Public Community/Junior Colleges as follows:

    a. Out of the general revenue funds appropriated to the Higher Education Employees Group Insurance Contributions, $277,863,531 is intended for the use of public community colleges, subject to the provisions associated with that appropriation.

    b. Out of the general revenue funds appropriated to the Teacher's Retirement System, an estimated $79,122,808 is appropriated for the state matching contribution for public community college employees.

    c. Out of the general revenue funds appropriated to the Optional Retirement Program, an estimated $60,816,297 is appropriated for the state matching contribution for public community college employees.

14. **Reporting Requirement.** Public Community/Junior Colleges shall file with the Comptroller of Public Accounts and the State Auditor, a Benefits Proportional By Fund Report by November 20th for the preceding year ending August 31. The report shall be in a format developed by the Comptroller in consultation with the Legislative Budget Board, the Texas Higher Educaiton Coordinating Board and State Auditor's Office.

15. **Proportionality for Public Community/Junior Colleges.** It is the intent of the Legislature that during fiscal years 2006 and 2007 the Legislative Budget Board use the funds appropriated by this Act to be in a position to implement proportionality for public community colleges starting in the 2008-09 biennium.

16. **Financial Information Reporting Requirement.** Each community college shall provide to the Texas Higher Education Coordinating Board financial data related to the operation of each community college using the specific content and format prescribed by the Coordinating Board. Each community college shall provide the report no later than January 1st of each year.

17. **Reporting Requirement for Ranger College.** It is the intent of the Legislature to consider linking future appropriations to Ranger College above those amounts generated strictly by formula to overall growth in Ranger College's contact hours as reported to the Texas Higher Education Coordinating Board. To this end, Ranger College shall develop a plan to increase institution contact hours during the 2006-2007 biennium. Ranger College shall submit a report detailing the progress of this plan to the Coordinating Board no later than November 1, 2006.

18. **Midland Community College Astronomy Education.** Included in the amounts appropriated above in Strategy AA.2.1., Academic Education, Midland Community College is $600,000 in each year of the biennium for the purpose of providing astronomy education for Midland Community College.

19. **Funding for Bachelor's Degree Pilot Program at Certain Community Colleges.** Included in the amounts appropriated above in Strategies G.1.1, Academic Education, Brazosport College, AA.2.1, Academic Education, Midland Community College and AL.1.1, Academic Education, South Texas College is $500,000 in fiscal year 2006 and $500,000 in fiscal year 2007 for each college for the purpose of supporting each college's bachelor's degree pilot program.

20. **Funding for the Hidalgo Advanced Technology and Training Development Center at South Texas College.** Included in the amounts appropriated above in Strategy AL.1.1, Academic Education, South Texas College is $250,000 in each year of the biennium to fund the creation of the Hidalgo Advanced Technology and Training Center at South Texas College.

TEXAS STATE TECHNICAL COLLEGE SYSTEM ADMINISTRATION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 3,525,459	$ 3,538,360
GR Dedicated - Estimated Other Educational and General Income Account No. 770	157,654	157,882
Total, Method of Financing	$ 3,683,113	$ 3,696,242
Items of Appropriation:		
1. Educational and General State Support	$ 3,683,113	$ 3,696,242
Grand Total, TEXAS STATE TECHNICAL COLLEGE SYSTEM ADMINISTRATION	$ 3,683,113	$ 3,696,242
This bill pattern represents an estimated 94.1% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	47.4	47.4

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: FORECASTING & CURRICULUM DVLPMENT	$ 250,000	$ 250,000
Forecasting and Curriculum Development.		
A.1.2. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 8,621	$ 9,112
A.1.3. Strategy: SYSTEM OFFICE OPERATIONS	$ 2,984,302	$ 2,996,655
A.1.4. Strategy: TECHNICAL TRAINING PARTNERSHIP	$ 415,625	$ 415,625
Technical Training Partnerships with Community Colleges.		
A.1.5. Strategy: WORKERS' COMPENSATION INSURANCE	$ 24,565	$ 24,850
Total, Goal A: INSTRUCTION/OPERATIONS	$ 3,683,113	$ 3,696,242
Grand Total, TEXAS STATE TECHNICAL COLLEGE SYSTEM ADMINISTRATION	$ 3,683,113	$ 3,696,242
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 2,440,524	$ 2,440,524
Other Personnel Costs	64,240	64,240
Faculty Salaries (Higher Education Only)	272,000	272,000
Professional Fees and Services	130,000	130,000
Fuels and Lubricants	2,500	2,500
Consumable Supplies	42,200	42,200
Utilities	37,000	37,000
Travel	48,200	49,200
Rent - Building	4,700	4,700
Rent - Machine and Other	12,000	12,500
Other Operating Expense	529,749	532,378
Capital Expenditures	100,000	109,000
Total, Object-of-Expense Informational Listing	$ 3,683,113	$ 3,696,242

TEXAS STATE TECHNICAL COLLEGE SYSTEM ADMINISTRATION
(Continued)

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits		
Retirement	$ 5,515,721	$ 5,698,161
Group Insurance	173,048	184,296
Social Security	136,113	140,877
Subtotal, Employee Benefits	$ 5,824,882	$ 6,023,334
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 5,824,882	$ 6,023,334

2. **Coordination with Community/Junior Colleges.** In accordance with Education Code Chapter 135, prior to establishing a program in an area which is within a community/junior college district, the Texas State Technical College must receive authorization to offer such educational, technical or vocational programs from the Texas Higher Education Coordinating Board.

3. **Governing Board.** Out of the funds appropriated above, an amount not to exceed $49,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging and expenses of state employees who provide services for the governing board.

   A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

4. **Expenditure Reporting for System Administration and Extension Centers.** Prior to each legislative session the Texas State Technical College System Administration shall file with the House Appropriations Committee, the Senate Finance Committee, the Legislative Budget Board, and the Governor a report detailing expenditures for system administration and the extension centers at Abilene, Brownwood, and Breckenridge. The report shall compare actual expenditures to funds appropriated for those purposes and shall cover the current and previous two biennia.

TEXAS STATE TECHNICAL COLLEGE - HARLINGEN

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 16,755,723	$ 16,820,354
GR Dedicated - Estimated Other Educational and General Income Account No. 770	5,515,951	5,788,039
Total, Method of Financing	$ 22,271,674	$ 22,608,393
Items of Appropriation:		
1. Educational and General State Support	$ 22,271,674	$ 22,608,393
Grand Total, TEXAS STATE TECHNICAL COLLEGE - HARLINGEN	$ 22,271,674	$ 22,608,393

This bill pattern represents an estimated 65.6% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE)-		
Appropriated Funds	424.2	424.2

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: ACADEMIC EDUCATION	$ 5,962,551	$ 6,026,547
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 10,798,615	$ 10,940,446
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 335,955	$ 355,071
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 735,367	$ 735,372
A.1.5. Strategy: WORKERS' COMPENSATION INSURANCE	$ 82,672	$ 78,500
Total, Goal A: INSTRUCTION/OPERATIONS	$ 17,915,160	$ 18,135,936
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 2,902,362	$ 2,902,362
Educational and General Space Support.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 263,693	$ 262,146
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 3,166,055	$ 3,164,508
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 1,190,459	$ 1,307,949
Grand Total, TEXAS STATE TECHNICAL COLLEGE - HARLINGEN	$ 22,271,674	$ 22,608,393
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 280,092	$ 365,379
Other Personnel Costs	10,108	10,400
Faculty Salaries (Higher Education Only)	853,262	853,262
Professional Salaries - Faculty Equivalent (Higher Education Only)	36,228	36,228
Professional Fees and Services	38,550	28,000
Fuels and Lubricants	30,550	30,000
Consumable Supplies	237,000	226,000
Utilities	1,116,500	1,156,000
Travel	96,128	92,592
Rent - Building	2,000	2,500
Rent - Machine and Other	79,786	91,000
Debt Service	263,693	262,146
Other Operating Expense	18,492,410	18,719,514
Client Services	735,367	735,372
Total, Object-of-Expense Informational Listing	$ 22,271,674	$ 22,608,393
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 960,800	$ 994,428
Group Insurance	1,503,659	1,601,397

Social Security	1,225,021	1,267,896
Subtotal, Employee Benefits	$ 3,689,480	$ 3,863,721
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 3,689,480	$ 3,863,721

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas State Technical College - Harlingen. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas State Technical College - Harlingen. In order to achieve the objectives and service standards established by this Act, the Texas State Technical College - Harlingen shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree or Certificate-seeking Students Graduated within Three Years with Either an Associate of Applied Science Degree or a Certificate	36%	36%
Annual Headcount Enrollment	9,397	9,679
Number of Associate Degrees and Certificates Awarded Annually	540	550
Number of Minority Students Graduated Annually	470	470
A.1.1. Strategy: ACADEMIC EDUCATION		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	8.1%	8.1%

TEXAS STATE TECHNICAL COLLEGE - WEST TEXAS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 11,212,451	$ 11,356,174
GR Dedicated - Estimated Other Educational and General Income Account No. 770	2,916,445	2,972,327
Total, Method of Financing	$ 14,128,896	$ 14,328,501
Items of Appropriation:		
1. Educational and General State Support	$ 14,128,896	$ 14,328,501
Grand Total, TEXAS STATE TECHNICAL COLLEGE - WEST TEXAS	$ 14,128,896	$ 14,328,501
This bill pattern represents an estimated 77.2% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	247.8	247.8

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

TEXAS STATE TECHNICAL COLLEGE - WEST TEXAS
(Continued)

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: ACADEMIC EDUCATION	$ 715,870	$ 716,107
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 4,565,380	$ 4,568,229
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 167,534	$ 177,067
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 356,130	$ 398,650
A.1.5. Strategy: ABILENE ACADEMIC/VOCATIONAL ED	$ 2,903,697	$ 2,903,675
Abilene Academic/Vocational Education.		
A.1.6. Strategy: BROWNWOOD ACADEMIC/VOCATIONAL ED	$ 1,226,313	$ 1,226,314
Brownwood Academic/Vocational Education.		
A.1.7. Strategy: RURAL TECH ACADEMIC/VOCATIONAL ED	$ 848,054	$ 848,054
Rural Tech Center Academic/Vocational Education.		
A.1.8. Strategy: WORKERS' COMPENSATION INSURANCE	$ 86,992	$ 86,992
Total, Goal A: INSTRUCTION/OPERATIONS	$ 10,869,970	$ 10,925,088
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 1,643,877	$ 1,643,877
Educational and General Space Support.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 177,993	$ 176,948
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 1,821,870	$ 1,820,825
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 1,437,056	$ 1,582,588
Grand Total, TEXAS STATE TECHNICAL COLLEGE - WEST TEXAS	$ 14,128,896	$ 14,328,501
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 652,677	$ 657,677
Other Personnel Costs	268,946	278,479
Faculty Salaries (Higher Education Only)	769,959	798,736
Professional Salaries - Faculty Equivalent (Higher Education Only)	0	25,000
Professional Fees and Services	194,740	195,398
Fuels and Lubricants	24,829	26,247
Consumable Supplies	100,380	101,728
Utilities	819,518	847,147
Travel	83,723	105,196
Rent - Building	2,945	2,945
Rent - Machine and Other	100,422	99,238
Debt Service	177,993	176,948
Other Operating Expense	10,576,634	10,584,740
Client Services	356,130	398,650
Capital Expenditures	0	30,372
Total, Object-of-Expense Informational Listing	$ 14,128,896	$ 14,328,501
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 558,897	$ 578,458
Group Insurance	974,774	1,038,134

Social Security	712,593	737,534
Subtotal, Employee Benefits	$ 2,246,264	$ 2,354,126
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,246,264	$ 2,354,126

2. Performance Measure Targets. The following is a listing of the key performance target levels for the Texas State Technical College - West Texas. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas State Technical College - West Texas. In order to achieve the objectives and service standards established by this Act, the Texas State Technical College - West Texas shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree or Certificate-seeking Students Graduated within Three Years with Either an Associate of Applied Science Degree or a Certificate	52%	52%
Annual Headcount Enrollment	6,967	6,967
Number of Associate Degrees and Certificates Awarded Annually	510	520
Number of Minority Students Graduated Annually	180	180
A.1.1. Strategy: ACADEMIC EDUCATION		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	10.2%	10.2%

TEXAS STATE TECHNICAL COLLEGE - MARSHALL

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 4,288,983	$ 4,299,188
GR Dedicated - Estimated Other Educational and General Income Account No. 770	996,026	922,382
Total, Method of Financing	$ 5,285,009	$ 5,221,570
Items of Appropriation:		
1. Educational and General State Support	$ 5,285,009	$ 5,221,570
Grand Total, TEXAS STATE TECHNICAL COLLEGE - MARSHALL	$ 5,285,009	$ 5,221,570
This bill pattern represents an estimated 76.1% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	94.2	94.2

1. Informational Listing of Appropriated Funds. The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: ACADEMIC EDUCATION	$ 717,412	$ 704,351
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 2,421,974	$ 2,370,736
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 55,004	$ 58,134
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 122,492	$ 123,202
A.1.5. Strategy: WORKERS' COMPENSATION INSURANCE	$ 8,000	$ 8,000
Total, Goal A: INSTRUCTION/OPERATIONS	$ 3,324,882	$ 3,264,423
B. Goal: INFRASTRUCTURE SUPPORT		
Provide Infrastructure Support.		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 726,145	$ 726,145
Educational and General Space Support.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 138,439	$ 137,627
Total, Goal B: INFRASTRUCTURE SUPPORT	$ 864,584	$ 863,772
C. Goal: SPECIAL ITEM SUPPORT		
Provide Special Item Support.		
C.1.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 1,095,543	$ 1,093,375
Grand Total, TEXAS STATE TECHNICAL COLLEGE - MARSHALL	$ 5,285,009	$ 5,221,570
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 2,198,565	$ 2,032,382
Other Personnel Costs	26,312	27,556
Faculty Salaries (Higher Education Only)	1,514,804	1,615,851
Professional Salaries - Faculty Equivalent (Higher Education Only)	101,367	82,847
Professional Fees and Services	19,593	18,259
Fuels and Lubricants	7,575	7,405
Consumable Supplies	74,759	71,865
Utilities	137,589	147,210
Travel	25,740	29,919
Rent - Building	386	0
Rent - Machine and Other	23,333	22,932
Debt Service	249,901	239,562
Other Operating Expense	745,983	802,580
Client Services	122,492	123,202
Capital Expenditures	36,610	0
Total, Object-of-Expense Informational Listing	$ 5,285,009	$ 5,221,570
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 210,371	$ 217,734
Group Insurance	359,390	382,750
Social Security	268,223	277,611
Subtotal, Employee Benefits	$ 837,984	$ 878,095
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 837,984	$ 878,095

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas State Technical College - Marshall. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas State Technical College - Marshall. In order to achieve

the objectives and service standards established by this Act, the Texas State Technical College - Marshall shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree or Certificate-seeking Students Graduated within Three Years with Either an Associate of Applied Science Degree or a Certificate	44%	44%
Annual Headcount Enrollment	1,945	1,945
Number of Associate Degrees and Certificates Awarded Annually	142	145
Number of Minority Students Graduated Annually	42	42
A.1.1. Strategy: ACADEMIC EDUCATION		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	12.6%	12.6%

TEXAS STATE TECHNICAL COLLEGE - WACO

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 24,545,169	$ 24,192,478
GR Dedicated - Estimated Other Educational and General Income Account No. 770	6,752,561	7,371,913
Total, Method of Financing	$ 31,297,730	$ 31,564,391
Items of Appropriation:		
1. Educational and General State Support	$ 31,297,730	$ 31,564,391
Grand Total, TEXAS STATE TECHNICAL COLLEGE - WACO	$ 31,297,730	$ 31,564,391
This bill pattern represents an estimated 72.4% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	572.0	572.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide Instructional and Operations Support.		
A.1.1. Strategy: ACADEMIC EDUCATION	$ 4,199,666	$ 4,241,291
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	$ 19,779,964	$ 20,152,723
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	$ 397,799	$ 420,434
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	$ 923,211	$ 1,019,070
A.1.5. Strategy: WORKERS' COMPENSATION INSURANCE	$ 125,425	$ 125,425
Total, Goal A: INSTRUCTION/OPERATIONS	$ 25,426,065	$ 25,958,943
B. Goal: PROVIDE INFRASTRUCTURE SUPPORT		
B.1.1. Strategy: E&G SPACE SUPPORT	$ 4,099,097	$ 4,099,097
Educational and General Space Support.		

B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	$ 263,693	$ 262,146
Total, Goal B: PROVIDE INFRASTRUCTURE SUPPORT	$ 4,362,790	$ 4,361,243
C. Goal: PROVIDE SPECIAL ITEM SUPPORT		
C.1.1. Strategy: INSTITUTIONAL ENHANCEMENT	$ 1,508,875	$ 1,244,205
Grand Total, TEXAS STATE TECHNICAL COLLEGE - WACO	$ 31,297,730	$ 31,564,391
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 966,984	$ 706,780
Other Personnel Costs	26,187	26,187
Faculty Salaries (Higher Education Only)	285,612	285,612
Professional Salaries - Faculty Equivalent (Higher Education Only)	60,000	60,000
Professional Fees and Services	15,000	15,000
Fuels and Lubricants	500	500
Consumable Supplies	15,000	10,000
Utilities	15,000	10,000
Travel	12,685	7,685
Rent - Machine and Other	4,000	4,000
Debt Service	263,693	262,146
Other Operating Expense	28,609,858	29,067,411
Client Services	948,211	1,034,070
Capital Expenditures	75,000	75,000
Total, Object-of-Expense Informational Listing	$ 31,297,730	$ 31,564,391
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,303,046	$ 1,348,653
Group Insurance	4,581,433	4,879,226
Social Security	1,661,384	1,719,533
Subtotal, Employee Benefits	$ 7,545,863	$ 7,947,412
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 7,545,863	$ 7,947,412

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas State Technical College - Waco. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas State Technical College - Waco. In order to achieve the objectives and service standards established by this Act, the Texas State Technical College - Waco shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: INSTRUCTION/OPERATIONS		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree or Certificate-seeking Students Graduated within Three Years with Either an Associate of Applied Science Degree or a Certificate	36.5%	36.5%
Annual Headcount Enrollment	6,557	6,557
Number of Associate Degrees and Certificates Awarded Annually	1,077	1,077
Number of Minority Students Graduated Annually	221	221

A.1.1. Strategy: ACADEMIC EDUCATION		
Efficiencies:		
Administrative Cost as a Percent of Total Expenditures	7.5%	7.5%

SPECIAL PROVISIONS RELATING ONLY TO COMPONENTS OF TEXAS STATE TECHNICAL COLLEGE

1. Expenditure of Educational and General Funds. Recognizing that Texas State Technical College may have the opportunity and should be encouraged to attract private contributions, grants, or contracts, and to enter into agreements with private businesses and other agencies of government for purposes not specifically contained in the strategy items above that might require matching funds from TSTC, the Board of Regents of Texas State Technical College is hereby authorized to expend its remaining educational and general funds to meet contribution, contract, or grant-matching requirements only for the following purposes:

a. planning and implementing a large-scale job-training program in conjunction with private business and other state agencies;

b. acquiring facilities and equipment to carry out a large-scale industrial training program in conjunction with a major employer; and

c. additional space and mechanical systems or renovation of existing buildings in accordance with the Campus Master Plans and subject to approval by the Texas Higher Education Coordinating Board.

2. Financial Records. The financial records and reports of the Texas State Technical College shall classify accounts in accordance with the recommendation of the National Committee on the Preparation of a Manual on College and University Business Administration, as set forth in Volume I of "College and University Business Administration," published by the American Council on Education with a copyright date of 1952, and subsequent published revisions with such modifications as may be developed and provided by the Comptroller of Public Accounts, or as may be required to conform with specific provisions of the Appropriation Acts of the Legislature. The accounts of the Texas State Technical College shall be maintained and audited in accordance with the approved reporting system. The Texas State Technical College shall deliver to the Texas Higher Education Coordinating Board, any such program reports as it may deem necessary in accordance with its rules and regulations.

3. Enrollment Records and Reports. To be eligible to receive the appropriations hereinabove, the Texas State Technical College shall maintain separately for each campus and each extension center such enrollment records and report such enrollment data as required by the Texas Higher Education Coordinating Board. These enrollment reports shall be submitted in the form and on the date required.

The above reports shall be certified to the Comptroller of Public Accounts no later than the date required by the Coordinating Board, and each term copies of the above certified enrollment reports shall be sent to the Coordinating Board, Legislative Budget Board, Governor, State Auditor and Legislative Reference Library.

The State Auditor shall verify the certified enrollment data submitted to the agencies listed above as part of the audit of the Texas State Technical College.

The Texas State Technical College shall offer only such courses as are economically justified in the considered judgment of the Board of Regents. The Board of Regents shall adopt policies specifying the conditions under which classes of less than 10 students by headcount are to be considered necessary and justifiable. The Board of Regents shall direct the chancellor or other officials to review enrollment data prior to the designated Coordinating Board census date and take all necessary actions to ensure that the small classes offered on each campus are only those that conform with established policies on small classes. Each school term, each campus shall

prepare for submission to the Board of Regents a small class report showing the department, course number, title of course and the name of the instructor. The Board of Regents shall review enrollment reports certified to the Comptroller of Public Accounts, the campus small class reports and other enrollment records as necessary to ensure that the classes offered are economically justified and are in compliance with Board of Regents' policy.

4. **Certification of Compliance.** Expenditure of the funds appropriated hereinabove is contingent upon annual certification by the chancellor of the Texas State Technical College to the Comptroller of Public Accounts that the Texas State Technical College is in compliance with these provisions regarding budgets, accounting procedures and enrollment.

5. **Approved Geographic Locations.** None of the funds appropriated above to the Texas State Technical College shall be expended in promoting, developing or creating a campus or extension center at any other location in the state except as specified in Education Code § 135.02.

6. **Temporary Special Courses.** Out of funds appropriated by contact hour generation hereinabove to the Texas State Technical College in pre-apprenticeship, related training for apprentices and specialized training for journeymen and compensatory training for pre-apprenticeship and apprenticeship enrollees, and plant expansion and new plant start-up training program no more than $50,000 per year may be spent wherever the need exists within the state in conjunction with curriculum approval by the Texas Higher Education Coordinating Board. Such expenditure of funds for these special courses are temporary in nature and outside the provision of Education Code § 135.04.

7. **Aircraft Pilot Training Programs.** Funds may be used for the operation, maintenance or lease of aircraft for use in the Aircraft Pilot Training programs subject to the requirement that excess costs of flight instruction be recovered by an assessment of charge to student pilots. This income shall be separately accounted for and credited as a reduction in expenditure in the Aircraft Pilot Training Program.

8. **Approval of Plans by Foundations.** Any use of the Texas State Technical College's assets or facilities including, but not limited to, buildings, equipment or employees by existing foundations or for the promotion of foundations shall require prior approval of the Board of Regents. Approval is contingent upon receipt by the Board of Regents of a satisfactory annual plan of operation. At a minimum, this plan must specify the proposed use of any Texas State Technical College facilities, equipment, and personnel; payments made directly to Texas State Technical College personnel for services provided or expenses incurred; and donations of funds to the Texas State Technical College for designated purposes. All funds donated by foundations to the Texas State Technical College shall be received and accounted for in the same manner as all other Texas State Technical College funds. After Board of Regents approval, the plan shall be filed with the Legislative Budget Board.

9. **Audit of Base Contact Hours.** The hours used in the contact hour base period to fund Texas State Technical College are subject to audit for accuracy by the State Auditor according to an audit plan developed in consultation with the Texas Higher Education Coordinating Board, the Legislative Budget Board, and community, technical, and state colleges and the appropriation amounts adjusted accordingly by the Comptroller of Public Accounts. The total amount appropriated to the two-year institutions' contact hour formula shall be redistributed to all institutions funded by the formula based on certified contact hours. The calculation of revised appropriation amounts shall allow each institution an error rate of up to 2 percent of the total contact hour formula appropriations to that institution for the biennium. Adjustments shall be made to appropriated amounts in accordance with adjustments of estimated contact hours to actual certified contact hours, even if the total error rate is less than 2 percent of the total contact hour formula amount appropriated to that institution for the biennium.

10. Campus President Salaries. Out of the funds appropriated to each campus of Texas State Technical College, an amount not to exceed $63,654 in 2006 and $63,654 in 2007 may be expended for the salary of a president. All presidents may receive in addition to the above amounts a house, utilities, and/or supplement from private sources. If an institutionally owned house is not available an amount not to exceed $7,200 per year from the appropriations above, and additional funds from gifts and grants where required, may be provided in lieu of house and utilities.

11. Chancellor Salary. Out of the funds appropriated, transferred, or contracted to the system office, an amount not to exceed $70,231 in 2006 and $70,231 in 2007 may be expended for the salary of a chancellor. The chancellor may receive in addition to the above amount a house, utilities, and/or supplement from private sources. If a system owned house is not available an amount not to exceed $7,200 per year from the system office appropriation and additional funds from gifts and grants where required, may be provided in lieu of house and utilities.

12. Flight Log Reporting Requirements. Texas State Technical College shall provide the following travel log information about a state-operated aircraft each time the aircraft is flown:

a. a mission statement, which may appear as a selection to be identified from general categories appearing on the form;

b. the name, state agency represented, destination, and signature of each person who is a passenger or crew member of the aircraft;

c. the date of each flight;

d. a detailed and specific description of the official business purpose of each flight; and

e. other information determined by the Legislative Budget Board to be necessary to monitor the proper use of the aircraft.

TEXAS AGRICULTURAL EXPERIMENT STATION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 51,862,420	$ 51,862,421
GR Dedicated - Clean Air Account No. 151	500,000	500,000
Federal Funds	6,455,093	6,455,093
Other Funds		
Feed Control Fund - Local No. 058	2,534,170	2,534,170
Sales Funds - Agricultural Experiment Station, estimated	873,414	873,414
Fertilizer Control Fund, estimated	1,521,320	1,521,320
Indirect Cost Recovery, Locally Held, estimated	288,750	288,750
Subtotal, Other Funds	$ 5,217,654	$ 5,217,654
Total, Method of Financing	$ 64,035,167	$ 64,035,168
Items of Appropriation:		
1. Educational and General State Support	$ 64,035,167	$ 64,035,168
Grand Total, TEXAS AGRICULTURAL EXPERIMENT STATION	$ 64,035,167	$ 64,035,168

This bill pattern represents an estimated 50.2% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE)-		
Appropriated Funds	1,112.7	1,112.7

1. Informational Listing of Appropriated Funds. The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: AGRICULTURAL/LIFE SCIENCES RESEARCH		
Agricultural and Life Sciences Research.		
A.1.1. Strategy: AGRICULTURAL/LIFE SCIENCES RESEARCH	$ 47,359,660	$ 47,359,661
Conduct Agricultural and Life Sciences Research.		
B. Goal: REGULATORY SERVICES		
Provide Regulatory Services.		
B.1.1. Strategy: HONEY BEE REGULATION	$ 306,532	$ 306,532
Control Diseases/Pest of EHB & Reduce Impact of AHB thru Regulation.		
B.2.1. Strategy: FEED AND FERTILIZER PROGRAM	$ 3,356,477	$ 3,356,477
Monitor and Evaluate Products Distributed in the State.		
Total, Goal B: REGULATORY SERVICES	$ 3,663,009	$ 3,663,009
C. Goal: STAFF BENEFITS		
Maintain Staff Benefits Program for Eligible Employees and Retirees.		
C.1.1. Strategy: STAFF GROUP INSURANCE	$ 753,870	$ 753,870
Provide Funding for Staff Group Insurance Premiums.		
C.1.2. Strategy: WORKERS' COMP INSURANCE	$ 216,776	$ 216,776
Provide Funding for Workers' Compensation Insurance.		
C.1.3. Strategy: UNEMPLOYMENT INSURANCE	$ 18,000	$ 18,000
Provide Funding for Unemployment Insurance.		
C.1.4. Strategy: OASI	$ 484,246	$ 484,246
Provide Funding for OASI.		
Total, Goal C: STAFF BENEFITS	$ 1,472,892	$ 1,472,892
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: INDIRECT ADMINISTRATION	$ 3,248,278	$ 3,248,278
D.1.2. Strategy: INFRASTRUCTURE SUPPORT IN BRAZOS CO	$ 4,646,927	$ 4,646,927
Infrastructure Support - In Brazos County.		
D.1.3. Strategy: INFRASTRUCT SUPP OUTSIDE BRAZOS CO	$ 3,644,401	$ 3,644,401
Infrastructure Support - Outside Brazos County.		
Total, Goal D: INDIRECT ADMINISTRATION	$ 11,539,606	$ 11,539,606
Grand Total, TEXAS AGRICULTURAL EXPERIMENT STATION	$ 64,035,167	$ 64,035,168
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 26,086,369	$ 26,086,369
Other Personnel Costs	2,184,937	2,184,937
Professional Salaries - Faculty Equivalent (Higher Education Only)	19,708,193	19,708,194
Professional Fees and Services	270,300	270,300
Fuels and Lubricants	235,700	235,700

Consumable Supplies	343,000	343,000
Utilities	1,686,600	1,686,600
Travel	505,000	505,000
Rent - Building	18,575	18,575
Rent - Machine and Other	190,080	190,080
Other Operating Expense	10,559,413	10,559,413
Grants	1,300,000	1,300,000
Capital Expenditures	947,000	947,000
Total, Object-of-Expense Informational Listing	$ 64,035,167	$ 64,035,168
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 3,825,433	$ 3,951,964
Group Insurance	6,266,558	6,673,884
Social Security	2,776,517	2,873,695
Subtotal, Employee Benefits	$ 12,868,508	$ 13,499,543
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 12,868,508	$ 13,499,543

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Agricultural Experiment Station. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas Agricultural Experiment Station. In order to achieve the objectives and service standards established by this Act, the Texas Agricultural Experiment Station shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: AGRICULTURAL/LIFE SCIENCES RESEARCH		
Outcome (Results/Impact):		
Percentage Change in Number of Patents, Disclosures, Licenses, and Publications - Livestock Research	2%	2%
A.1.1. Strategy: AGRICULTURAL/LIFE SCIENCES RESEARCH		
Output (Volume):		
Number of Refereed Publications	2,047	2,047
Explanatory:		
Amount of External Sponsor Support	47,000,000	47,000,000
B. Goal: REGULATORY SERVICES		
Outcome (Results/Impact):		
Percent Change in Number of European Honey Bee Certificates Issued	2%	2%
B.1.1. Strategy: HONEY BEE REGULATION		
Output (Volume):		
Number of Bee Colonies Inspected	47,000	47,000
Number of Apiaries Inspected	250	250
B.2.1. Strategy: FEED AND FERTILIZER PROGRAM		
Output (Volume):		
Number of Feed and Fertilizer Samples Assigned to the Feed and Fertilizer Control Service Field Personnel	7,350	7,350
Number of Feed and Fertilizer Samples Analyzed by the Agricultural Analytical Services Laboratory	7,500	7,500

3. **Unexpended Balances, TAES Current Fund.** Any balances remaining as of August 31, 2005 in Texas Agricultural Experiment Station Current Fund No. 240 and all revenues received during the biennium beginning September 1, 2005 are hereby appropriated to Texas Agricultural Experiment Station.

4. **Buffalo Gnat.** Out of the funds appropriated above, up to $10,000 in General Revenue Funds in each year of the biennium shall be used for buffalo gnat eradication.

5. **Limited Waiver from Proportionality Provision.** The Texas Agricultural Experiment Station is specifically exempt from implementation of proportionality for Higher Education Retirement Programs, but only in regard to the retirement match limit that is imposed under the federal Hatch Act and the McIntire-Stennis Act.

6. **Equine Research Account.** Included in the appropriations above are fees collected in each year of the biennium beginning September 1, 2005, pursuant to Revised Texas Civil Statutes Annotated, art. 179e, § 6.08(h), for the Equine Research Account in support of the Equine Research Program.

7. **Agriculture Registration Fees.** Included in the appropriations above are fees collected in each year of the biennium beginning September 1, 2005, pursuant to § 131.046, Texas Agriculture Code, from the General Revenue Fund (Revenue Object Code 3410) to the Texas Agricultural Experiment Station for the Honey Bee Disease Program.

8. **Honey Bees Research.** Out of the funds appropriated above in Strategy A.1.1, Agricultural/Life Sciences Research, $131,250 in fiscal year 2006 and $131,250 in fiscal year 2007 shall be used for research on the protection and management of honey bees.

9. **Cotton Germplasm Collections.** Out of the funds appropriated above in Strategy A.1.1, Agricultural/Life Sciences Research, $262,500 in fiscal year 2006 and $262,500 in fiscal year 2007 in General Revenue Funds shall be used for the evaluation of cotton germplasm collections.

10. **Environmental Quality Research.** Out of the funds appropriated above in Strategy A.1.1, Agricultural/Life Sciences Research, a biennial amount of $525,000 shall be used to fund air quality research related to livestock production conducted at the Texas Agricultural Experiment Station in Amarillo, Texas.

TEXAS COOPERATIVE EXTENSION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 44,892,735	$ 44,892,735
Federal Funds	10,870,815	10,870,815
Other Funds		
County Funds - Extension Programs Fund, estimated	7,373,258	7,373,258
Interagency Contracts	571,318	571,318
Subtotal, Other Funds	$ 7,944,576	$ 7,944,576
Total, Method of Financing	$ 63,708,126	$ 63,708,126
Items of Appropriation:		
1. Educational and General State Support	$ 63,708,126	$ 63,708,126
Grand Total, TEXAS COOPERATIVE EXTENSION	$ 63,708,126	$ 63,708,126

This bill pattern represents an estimated 69% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE)-		
Appropriated Funds	1,160.2	1,160.2

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: HEALTH AND SAFETY EDUCATION		
Educate Texans for Improving Their Health, Safety, and Well-Being.		
A.1.1. Strategy: HEALTH AND SAFETY EDUCATION Conduct Education Programs: Nutrition, Safety and Dependent Care.	$ 11,236,738	$ 11,236,738
B. Goal: ENVIRONMENTAL EDUCATION		
Educate Texans on Environmental Stewardship and Natural Resources.		
B.1.1. Strategy: ENVIRONMENTAL EDUCATION Conduct Education Programs: Land and Water Ecosystems.	$ 9,037,634	$ 9,037,634
C. Goal: ECONOMIC COMPETITIVENESS		
Educate Texans on Their Economic Security & Texas Economic Prosperity.		
C.1.1. Strategy: ECONOMIC COMPETITIVENESS Conduct Education Programs: Economic Competitiveness/Rural Development.	$ 24,027,431	$ 24,027,431
D. Goal: LEADERSHIP DEVELOPMENT		
Foster Development of Responsible, Productive & Motivated Youth/Adults.		
D.1.1. Strategy: LEADERSHIP DEVELOPMENT Teach Leadership, Life, and Career Skills to Both Youth and Adults.	$ 11,797,733	$ 11,797,733
E. Goal: WILDLIFE MANAGEMENT		
Protect Resources and Property from Wildlife-related Damages.		
E.1.1. Strategy: WILDLIFE MANAGEMENT Provide Direct Control and Technical Assistance.	$ 3,000,000	$ 3,000,000
F. Goal: STAFF BENEFITS		
Maintain Staff Benefits Program for Eligible Employees and Retirees.		
F.1.1. Strategy: STAFF GROUP INSURANCE Staff Group Insurance Premiums.	$ 575,000	$ 575,000
F.1.2. Strategy: WORKERS' COMP INSURANCE Provide Funding for Workers' Compensation Insurance.	$ 180,000	$ 180,000
F.1.3. Strategy: UNEMPLOYMENT INSURANCE Provide Funding for Unemployment Insurance.	$ 8,000	$ 8,000
F.1.4. Strategy: OASI Provide Funding for OASI.	$ 150,000	$ 150,000
Total, Goal F: STAFF BENEFITS	$ 913,000	$ 913,000
G. Goal: INDIRECT ADMINISTRATION		
G.1.1. Strategy: INDIRECT ADMINISTRATION	$ 2,075,607	$ 2,075,607
G.1.2. Strategy: INFRASTRUCTURE SUPPORT IN BRAZOS CO Infrastructure Support - In Brazos County.	$ 785,205	$ 785,205
G.1.3. Strategy: INFRASTRUCT SUPP OUTSIDE BRAZOS CO Infrastructure Support - Outside Brazos County.	$ 834,778	$ 834,778
Total, Goal G: INDIRECT ADMINISTRATION	$ 3,695,590	$ 3,695,590
Grand Total, TEXAS COOPERATIVE EXTENSION	$ 63,708,126	$ 63,708,126

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 15,226,534	$ 15,226,534
Other Personnel Costs	2,912,399	2,912,399
Professional Salaries - Faculty Equivalent (Higher Education Only)	11,257,659	11,257,659
Professional Salaries - Extension (Texas Agricultural Extension Svc)	24,762,108	24,762,108
Professional Fees and Services	171,623	171,623
Fuels and Lubricants	384,900	384,900
Consumable Supplies	261,703	261,703
Utilities	1,401,127	1,401,127
Travel	764,960	764,960
Rent - Building	33,891	33,891
Rent - Machine and Other	257,077	257,077
Other Operating Expense	6,264,145	6,264,145
Capital Expenditures	10,000	10,000
Total, Object-of-Expense Informational Listing	$ 63,708,126	$ 63,708,126
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 2,907,063	$ 3,003,218
Group Insurance	9,218,866	9,818,092
Social Security	2,109,960	2,183,808
Subtotal, Employee Benefits	$ 14,235,889	$ 15,005,118
Debt Service		
Lease Payments	$ 16,486	$ 16,481
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 14,252,375	$ 15,021,599

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Cooperative Extension. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas Cooperative Extension. In order to achieve the objectives and service standards established by this Act, the Texas Cooperative Extension shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: HEALTH AND SAFETY EDUCATION		
Outcome (Results/Impact):		
Educational Program Index Attainment	80	80
A.1.1. Strategy: HEALTH AND SAFETY EDUCATION		
Output (Volume):		
Direct Teaching Exposures	2,520,560	2,520,560
Efficiencies:		
Average Cost Per Educational Contact	3.28	3.28
B. Goal: ENVIRONMENTAL EDUCATION		
Outcome (Results/Impact):		
Educational Program Index Attainment	80	80
B.1.1. Strategy: ENVIRONMENTAL EDUCATION		
Output (Volume):		
Direct Teaching Exposures	2,093,769	2,093,769
Efficiencies:		
Average Cost Per Educational Contact	2.88	2.88

C. Goal: ECONOMIC COMPETITIVENESS		
Outcome (Results/Impact):		
Educational Program Index Attainment	80	80
C.1.1. Strategy: ECONOMIC COMPETITIVENESS		
Output (Volume):		
Direct Teaching Exposures	4,875,075	4,875,075
Efficiencies:		
Economic Impact Per Dollar Invested	472	472
D. Goal: LEADERSHIP DEVELOPMENT		
Outcome (Results/Impact):		
Educational Program Index Attainment	80	80
D.1.1. Strategy: LEADERSHIP DEVELOPMENT		
Output (Volume):		
Direct Teaching Exposures	4,620,560	4,620,560
Efficiencies:		
Average Cost Per Educational Contact	2.1	2.1
E. Goal: WILDLIFE MANAGEMENT		
Outcome (Results/Impact):		
Percent of Counties Receiving Direct Control Assistance	85%	85%
E.1.1. Strategy: WILDLIFE MANAGEMENT		
Output (Volume):		
Number of Properties Provided Wildlife Damage Management Assistance	5,000	5,000
Number of Technical Assistance Projects	10,000	10,000

3. **Integrated Pest Management.** Out of the funds appropriated above, $49,365 in each year of the biennium is for contracting with the Texas Pest Management Association for pest management. No more than 10 percent of these funds shall be used by the Texas Cooperative Extension for administering the program.

4. **Limited Waiver from Proportionality Provision.** For the purpose of determining proportional payments of retirement and group insurance benefits for the Texas Cooperative Extension, as required in this Act, County Funds paid directly by County Commissioners Courts shall be considered as General Revenue Funds. The Texas Cooperative Extension is specifically exempt from implementation of proportionality for Higher Education Retirement Programs, but only in regard to the retirement match limit that is imposed under the federal Smith-Lever Act and the Hatch Act.

5. **Increased Inter-agency Collaboration.** The Texas Cooperative Extension and the Texas Engineering Extension Service are directed to meet annually to generate, implement and manage efforts designed to reinforce each agency's respective training mission and avoid potential duplication of training efforts. The agencies shall file a jointly produced report with the Legislative Budget Board and the Governor by October 1 of each year summarizing the actions taken to meet the above purposes.

6. **Quail Management.** Out of the funds appropriated above, $125,000 in fiscal year 2006 and $125,000 in fiscal year 2007 shall be used for education outreach programs, restoration of habitat and quail research for the purpose of promoting appropriate management practices.

7. **Youth Development Programs in Urban Areas.** It is the intent of the Legislature that the Texas Cooperative Extension, in addition to providing ongoing programs for rural residents, shall place greater emphasis on providing community leadership development education programming, targeting (but not limited to) youth residing in urban areas.

8. **Beaver Control-East Texas.** Out of the funds appropriated above in Strategy E.1.1. Wildlife Management, $160,160 in fiscal year 2006 and $160,160 in fiscal year 2007 shall be used for Beaver Control-East Texas.

9. **Feral Hog Control.** Out of the funds appropriated above in Strategy E.1.1. Wildlife Management, $40,040 in fiscal year 2006 and $40,040 in fiscal year 2007 shall be used for Feral Hog Control.

TEXAS ENGINEERING EXPERIMENT STATION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 11,614,943	$ 11,614,942
GR Dedicated - Texas Emissions Reduction Plan Account No. 5071	952,019	952,019
Federal Funds	45,649,410	45,649,410
Other Funds		
Interagency Contracts	3,090,914	3,090,914
Indirect Cost Recovery, Locally Held, estimated	3,763,825	3,763,826
Industry, Municipal, and/or Foundation Grants, estimated	15,215,799	15,215,799
Subtotal, Other Funds	$ 22,070,538	$ 22,070,539
Total, Method of Financing	$ 80,286,910	$ 80,286,910
Items of Appropriation:		
1. Educational and General State Support	$ 80,286,910	$ 80,286,910
Grand Total, TEXAS ENGINEERING EXPERIMENT STATION	$ 80,286,910	$ 80,286,910
This bill pattern represents an estimated 81.1% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	768.0	768.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: ENGINEERING RESEARCH Conduct engineering & related research to enhance higher ed & eco dev.		
A.1.1. Strategy: RESEARCH DIVISIONS Develop/support research programs, centers, institutes & initiatives.	$ 38,488,857	$ 38,488,857
A.1.2. Strategy: MULTI-INSTITUTIONAL OUTREACH Work with institutions in research & development and provide outreach.	$ 27,150,843	$ 27,150,843
A.2.1. Strategy: TECHNOLOGY TRANSFER	$ 452,421	$ 452,421
A.3.1. Strategy: EDUCATIONAL PROGRAMS Provide programs for student participation in eng research & education.	$ 1,928,680	$ 1,928,680
Total, Goal A: ENGINEERING RESEARCH	$ 68,020,801	$ 68,020,801
B. Goal: STAFF BENEFITS Maintain staff benefits program for eligible employees and retirees.		
B.1.1. Strategy: STAFF GROUP INSURANCE Provide funding for staff group insurance premiums.	$ 3,138,628	$ 3,138,628
B.1.2. Strategy: WORKERS' COMP INSURANCE Provide funding for workers' compensation insurance.	$ 135,501	$ 135,501
B.1.3. Strategy: UNEMPLOYMENT INSURANCE Provide funding for unemployment insurance.	$ 28,262	$ 28,262
B.1.4. Strategy: OASI Provide funding for OASI.	$ 1,311,505	$ 1,311,505

B.1.5. Strategy: OPTIONAL RETIREMENT PROGRAM Optional Retirement Program Differential.	$ 65,931	$ 65,931
Total, Goal B: STAFF BENEFITS	$ 4,679,827	$ 4,679,827
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMINISTRATION	$ 4,129,688	$ 4,129,688
C.1.2. Strategy: INFRASTRUCTURE SUPPORT	$ 3,456,594	$ 3,456,594
Total, Goal C: INDIRECT ADMINISTRATION	$ 7,586,282	$ 7,586,282
Grand Total, TEXAS ENGINEERING EXPERIMENT STATION	$ 80,286,910	$ 80,286,910
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 29,054,496	$ 29,054,496
Other Personnel Costs	3,034,793	3,034,793
Professional Salaries - Faculty Equivalent (Higher Education Only)	11,234,832	11,234,832
Professional Fees and Services	13,230,946	13,230,946
Fuels and Lubricants	11,699	11,699
Consumable Supplies	713,667	713,667
Utilities	295,304	295,304
Travel	2,651,612	2,651,612
Rent - Building	174,025	174,025
Rent - Machine and Other	205,653	205,653
Other Operating Expense	17,921,758	17,921,758
Capital Expenditures	1,758,125	1,758,125
Total, Object-of-Expense Informational Listing	$ 80,286,910	$ 80,286,910
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,026,217	$ 1,060,160
Group Insurance	2,777,720	2,958,272
Social Security	744,833	770,902
Subtotal, Employee Benefits	$ 4,548,770	$ 4,789,334
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 4,548,770	$ 4,789,334

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Engineering Experiment Station. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas Engineering Experiment Station. In order to achieve the objectives and service standards established by this Act, the Texas Engineering Experiment Station shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: ENGINEERING RESEARCH		
Outcome (Results/Impact):		
Leverage Ratio of General Revenue Appropriations to Total Funds (Excluding Infrastructure Funds)	14	14
Total Dollar Volume of Research (Millions)	112	112
Number of Formal License Agreements	15	18
A.1.1. Strategy: RESEARCH DIVISIONS		
Output (Volume):		
Dollar Volume of Research (Millions)	68	68
Number of Research Projects	3,783	3,783

A.1.2. Strategy: MULTI-INSTITUTIONAL OUTREACH		
Output (Volume):		
Number of Collaborative Initiatives	1,164	1,164
Dollar Volume of Activities (Millions)	29	29
A.2.1. Strategy: TECHNOLOGY TRANSFER		
Output (Volume):		
Number of Patent Applications	18	20
A.3.1. Strategy: EDUCATIONAL PROGRAMS		
Output (Volume):		
Number of Students from Underrepresented Groups Participating in Agency Activities	5,044	5,044

3. **Offshore Technology Research Center.** Out of the funds appropriated above in Strategy A.1.1, Research Divisions, $203,861 in fiscal year 2006 and $203,861 in fiscal year 2007 is for the purpose of supporting the Offshore Technology Research Center.

TEXAS TRANSPORTATION INSTITUTE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
Federal Funds	$ 3,716,709	$ 3,763,790
Other Funds		
Appropriated Receipts	6,143,296	6,221,117
Interagency Contracts	21,902,125	22,141,865
Indirect Cost Recovery, Locally Held, estimated	1,405,329	1,423,212
State Highway Fund No. 006	5,934,886	5,934,886
Subtotal, Other Funds	$ 35,385,636	$ 35,721,080
Total, Method of Financing	$ 39,102,345	$ 39,484,870
Items of Appropriation:		
1. Educational and General State Support	$ 39,102,345	$ 39,484,870
Grand Total, TEXAS TRANSPORTATION INSTITUTE	$ 39,102,345	$ 39,484,870
This bill pattern represents an estimated 94.9% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	413.7	413.7

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: TRANSPORTATION RESEARCH		
Transportation Research, Dissemination & Transportation Education.		
A.1.1. Strategy: SPONSORED RESEARCH	$ 28,896,206	$ 29,190,533
Sponsored Transportation Research.		
A.1.2. Strategy: NATIONAL CENTERS	$ 3,105,895	$ 3,136,955
Research/Education within the National Centers.		
Total, Goal A: TRANSPORTATION RESEARCH	$ 32,002,101	$ 32,327,488

B. Goal: STAFF BENEFITS		
Maintain Staff Benefits Program for Eligible Employees and Retirees.		
B.1.1. Strategy: STAFF GROUP INSURANCE Provide Funding for Staff Group Insurance Premiums.	$ 1,811,076	$ 1,829,187
B.1.2. Strategy: WORKERS' COMP INSURANCE Provide Funding for Workers' Compensation Insurance.	$ 84,113	$ 84,954
B.1.3. Strategy: UNEMPLOYMENT INSURANCE Provide Funding for Unemployment Insurance.	$ 20,931	$ 21,140
B.1.4. Strategy: OASI Provide Funding for OASI.	$ 1,280,488	$ 1,293,293
Total, Goal B: STAFF BENEFITS	$ 3,196,608	$ 3,228,574
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMINISTRATION	$ 2,517,186	$ 2,542,358
C.1.2. Strategy: INFRASTRUCTURE SUPPORT	$ 1,386,450	$ 1,386,450
Total, Goal C: INDIRECT ADMINISTRATION	$ 3,903,636	$ 3,928,808
Grand Total, TEXAS TRANSPORTATION INSTITUTE	$ 39,102,345	$ 39,484,870
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 24,252,810	$ 24,506,527
Other Personnel Costs	2,897,077	2,907,316
Professional Fees and Services	91,341	91,341
Fuels and Lubricants	14,484	14,484
Consumable Supplies	306,362	306,362
Utilities	280,318	280,318
Travel	897,058	935,669
Rent - Building	547,521	547,521
Rent - Machine and Other	357,889	357,889
Other Operating Expense	8,849,249	8,929,207
Capital Expenditures	608,236	608,236
Total, Object-of-Expense Informational Listing	$ 39,102,345	$ 39,484,870
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 223,569	$ 230,964
Group Insurance	389,040	414,328
Social Security	162,268	167,947
Subtotal, Employee Benefits	$ 774,877	$ 813,239
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 774,877	$ 813,239

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Transportation Institute. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas Transportation Institute. In order to achieve the objectives and service standards established by this Act, the Texas Transportation Institute shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: TRANSPORTATION RESEARCH		
Outcome (Results/Impact):		
Total Dollar Volume of Research	35,051,316	35,051,316
Leverage Ratio of Direct State Funding to Total Funds (Excluding Infrastructure Funds)	14	14
A.1.1. Strategy: SPONSORED RESEARCH		
Output (Volume):		
Number of TTI Patented Safety Devices Installed	374,934	394,934
Number of Students Involved in TTI Education and Research Activities	190	190
Dollar Volume of Research	30,494,645	30,494,645
A.1.2. Strategy: NATIONAL CENTERS		
Output (Volume):		
Number of Students Involved in TTI Education and Research Activities	37	37
Dollar Volume of Research	4,556,671	4,556,671

3. **Transportation Safety Center.** Out of State Highway Fund No. 006, $500,000 in fiscal year 2006 and $500,000 in fiscal year 2007 shall be used to fund the Transportation Safety Center to conduct research, education, and technology transfer to improve the safety of Texas' roads and highways.

4. **Transportation Studies Center.** Out of State Highway Fund No. 006, $850,000 in fiscal year 2006 and $850,000 in fiscal year 2007 shall be used to fund the Transportation Studies Center in El Paso to conduct research, education, and technology transfer to improve the safety of Texas' roads and highways.

TEXAS ENGINEERING EXTENSION SERVICE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 5,892,776	$ 5,892,776
Federal Funds	32,642,615	32,642,615
Other Funds		
Appropriated Receipts	20,937,968	20,937,968
Interagency Contracts	4,923,429	4,923,429
Indirect Cost Recovery, Locally Held, estimated	10,299,600	10,299,600
Subtotal, Other Funds	$ 36,160,997	$ 36,160,997
Total, Method of Financing	$ 74,696,388	$ 74,696,388
Items of Appropriation:		
1. Educational and General State Support	$ 74,696,388	$ 74,696,388
Grand Total, TEXAS ENGINEERING EXTENSION SERVICE	$ 74,696,388	$ 74,696,388
This bill pattern represents an estimated 47.7% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	570.0	570.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: PROVIDE TRAINING		
Provide Training, Tech Transfer, and Technical Assistance.		
A.1.1. Strategy: PUBLIC SECTOR TRAINING	$ 47,790,191	$ 47,790,191
Provide Public Sector Training.		
A.1.2. Strategy: INDUSTRIAL SECTOR TRAINING	$ 9,523,603	$ 9,523,603
Provide Industrial Sector Training.		
Total, Goal A: PROVIDE TRAINING	$ 57,313,794	$ 57,313,794
B. Goal: TECHNOLOGY TRANSFER ASSISTANCE		
Provide Special Instructions, Tech Transfer & Technical Assistance.		
B.1.1. Strategy: TECHNOLOGY TRANSFER	$ 4,134,348	$ 4,134,348
Operate a Technology Transfer Program.		
B.1.2. Strategy: PRE-EMPLOYMENT TRAINING	$ 785,298	$ 785,298
Operate a Pre-employment Training Program.		
Total, Goal B: TECHNOLOGY TRANSFER ASSISTANCE	$ 4,919,646	$ 4,919,646
C. Goal: STAFF BENEFITS		
Maintain Staff Benefits Program for Eligible Employees and Retirees.		
C.1.1. Strategy: STAFF GROUP INSURANCE	$ 2,370,983	$ 2,370,983
Provide Funding for Staff Group Insurance Premiums.		
C.1.2. Strategy: WORKERS' COMPENSATION INSURANCE	$ 142,629	$ 142,629
Provide Funding for Workers' Compensation Insurance.		
C.1.3. Strategy: UNEMPLOYMENT INSURANCE	$ 71,508	$ 71,508
Provide Funding for Unemployment Insurance.		
C.1.4. Strategy: OASI	$ 2,199,613	$ 2,199,613
Provide funding for OASI.		
Total, Goal C: STAFF BENEFITS	$ 4,784,733	$ 4,784,733
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: INDIRECT ADMINISTRATION	$ 6,690,603	$ 6,690,603
D.1.2. Strategy: INFRASTRUCTURE SUPPORT	$ 987,612	$ 987,612
Total, Goal D: INDIRECT ADMINISTRATION	$ 7,678,215	$ 7,678,215
Grand Total, TEXAS ENGINEERING EXTENSION SERVICE	$ 74,696,388	$ 74,696,388
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 28,336,962	$ 28,336,962
Other Personnel Costs	4,024,920	4,024,920
Professional Fees and Services	4,222,715	4,222,715
Fuels and Lubricants	1,208,641	1,208,641
Consumable Supplies	290,043	290,043
Utilities	1,196,902	1,196,902
Travel	7,273,065	7,273,065
Rent - Building	298,215	298,215
Rent - Machine and Other	508,519	508,519
Other Operating Expense	26,055,917	26,055,917
Capital Expenditures	1,280,489	1,280,489
Total, Object-of-Expense Informational Listing	$ 74,696,388	$ 74,696,388

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits		
Retirement	$ 225,102	$ 232,548
Group Insurance	241,872	257,594
Social Security	163,380	169,098
Subtotal, Employee Benefits	$ 630,354	$ 659,240
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 630,354	$ 659,240

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Engineering Extension Service. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas Engineering Extension Service. In order to achieve the objectives and service standards established by this Act, the Texas Engineering Extension Service shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: PROVIDE TRAINING		
Outcome (Results/Impact):		
Leverage Ratio of General Revenue Appropriations to Total Funds (Excluding Infrastructure Funds)	7	7
A.1.1. Strategy: PUBLIC SECTOR TRAINING		
Output (Volume):		
Number of Student Contact Hours	1,751,755	1,751,755
Efficiencies:		
Average Number of Student Contact Hours Per Full-time Instructor	17,905	17,905
A.1.2. Strategy: INDUSTRIAL SECTOR TRAINING		
Efficiencies:		
Average Number of Student Contact Hours Per Full-time Instructor	33,322	33,322
B. Goal: TECHNOLOGY TRANSFER ASSISTANCE		
B.1.1. Strategy: TECHNOLOGY TRANSFER		
Output (Volume):		
Number of Initiatives with Communities and Businesses	935	935
Efficiencies:		
Number of Clients Served Per Service Delivery FTE	178	178
B.1.2. Strategy: PRE-EMPLOYMENT TRAINING		
Efficiencies:		
Average Number of Student Contact Hours Per Full-time Instructor	3,376	3,376

3. **Increased Interagency Collaboration.** The Texas Cooperative Extension and the Texas Engineering Extension Service are directed to meet annually to generate, implement, and manage efforts designed to reinforce each agency's respective training mission and avoid potential duplication of training efforts. The agencies shall file a jointly produced report with the Legislative Budget Board and the Governor by October 1 of each year summarizing the actions taken to meet the above purposes.

4. **Pay for Regular Compensatory Time.** The Texas Engineering Extension Service, notwithstanding any other provision of law, may pay its Fair Labor Standards Act exempt employees on a straight-line basis for work on a holiday or for regular compensatory time hours when such time is worked in connection with a state or federal activation and when the taking of regular compensatory time off would be disruptive to normal business functions.

TEXAS FOREST SERVICE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 11,584,422	$ 11,584,421
General Revenue - Insurance Companies Maintenance Tax and Insurance Department Fees	3,325,000	3,325,000
Subtotal, General Revenue Fund	$ 14,909,422	$ 14,909,421
General Revenue Fund - Dedicated		
Volunteer Fire Department Assistance Account No. 5064	15,000,000	15,000,000
Rural Volunteer Fire Department Insurance Account No. 5066, estimated	858,205	858,205
Subtotal, General Revenue Fund - Dedicated	$ 15,858,205	$ 15,858,205
Federal Funds	4,001,189	4,001,189
Appropriated Receipts	1,421,563	1,421,563
Total, Method of Financing	$ 36,190,379	$ 36,190,378
Items of Appropriation:		
1. Educational and General State Support	$ 36,190,379	$ 36,190,378
Grand Total, TEXAS FOREST SERVICE	$ 36,190,379	$ 36,190,378
This bill pattern represents an estimated 94.3% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	380.0	380.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: DEVELOP FOREST RESOURCES		
Develop Forest/Tree Resources to Protect Life, Environment & Property.		
A.1.1. Strategy: WILDFIRE AND EMERGENCY PROGRAM	$ 23,712,290	$ 23,712,289
Wildfire Prevention, Detection, and Suppression and Emergency Response.		
A.1.2. Strategy: FOREST INSECTS AND DISEASES	$ 910,470	$ 910,470
Provide Detection/Notification/Control of Forest/Tree Insect & Disease.		
A.2.1. Strategy: FORESTRY LEADERSHIP	$ 5,304,135	$ 5,304,135
Provide Professional Forestry Leadership & Resource Marketing.		
A.2.2. Strategy: ENVIRONMENTAL ENHANCEMENT	$ 1,924,294	$ 1,924,294
Provide Leadership in Enhancement of Tree and Forest Resources.		
Total, Goal A: DEVELOP FOREST RESOURCES	$ 31,851,189	$ 31,851,188
B. Goal: STAFF BENEFITS		
Maintain Staff Benefits Program for Eligible Employees and Retirees.		
B.1.1. Strategy: STAFF GROUP INSURANCE	$ 753,784	$ 753,784
Provide Funding for Staff Group Insurance Premiums.		

B.1.2. Strategy: WORKERS' COMP INSURANCE Provide Funding for Workers' Compensation Insurance.	$ 63,821	$ 63,821
B.1.3. Strategy: UNEMPLOYMENT INSURANCE Provide Funding for Unemployment Insurance.	$ 903	$ 903
B.1.4. Strategy: OASI Provide Funding for OASI.	$ 99,414	$ 99,414
B.1.5. Strategy: HAZARDOUS DUTY PAY Provide Funding for Hazardous Duty Pay.	$ 5,776	$ 5,776
Total, Goal B: STAFF BENEFITS	$ 923,698	$ 923,698
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMINISTRATION	$ 2,681,614	$ 2,681,614
C.1.2. Strategy: INFRASTRUCTURE SUPPORT IN BRAZOS CO Infrastructure Support - In Brazos County.	$ 15,520	$ 15,520
C.1.3. Strategy: INFRASTRUCT SUPP OUTSIDE BRAZOS CO Infrastructure Support - Outside Brazos County.	$ 718,358	$ 718,358
Total, Goal C: INDIRECT ADMINISTRATION	$ 3,415,492	$ 3,415,492
Grand Total, TEXAS FOREST SERVICE	$ 36,190,379	$ 36,190,378
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 13,237,524	$ 13,237,524
Other Personnel Costs	851,369	851,369
Professional Fees and Services	12,920	12,920
Fuels and Lubricants	417,141	417,141
Consumable Supplies	198,136	198,136
Utilities	635,760	635,760
Travel	690,589	690,589
Rent - Building	294,444	294,444
Rent - Machine and Other	258,228	258,228
Other Operating Expense	3,415,571	3,415,570
Client Services	159,513	159,513
Grants	16,019,184	16,019,184
Total, Object-of-Expense Informational Listing	$ 36,190,379	$ 36,190,378
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,001,141	$ 1,034,255
Group Insurance	1,717,506	1,829,144
Social Security	726,632	752,065
Subtotal, Employee Benefits	$ 3,445,279	$ 3,615,464
Debt Service		
Lease Payments	$ 10,162	$ 10,568
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 3,455,441	$ 3,626,032

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Forest Service. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas Forest Service. In order to achieve the objectives and service standards established by this Act, the Texas Forest Service shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: DEVELOP FOREST RESOURCES		
Outcome (Results/Impact):		
Saved-to-lost Ratio of Resource and Property Values from Wildfire	5.1	5.1
Number of Trees Saved from Spread of Oak Wilt Disease	33,500	33,500
Number of Acres Protected through Windbreak Plantings	10,000	10,000
A.1.1. Strategy: WILDFIRE AND EMERGENCY PROGRAM		
Output (Volume):		
Number of Community Assists	2,800	2,800
Number of Contact Hours of Firefighter Training	50,000	50,000
Number of Hours Spent for Emergency Response	20,000	20,000
A.1.2. Strategy: FOREST INSECTS AND DISEASES		
Output (Volume):		
Number of Property Owners Provided with Oak Wilt Information	6,150	6,150
A.2.1. Strategy: FORESTRY LEADERSHIP		
Output (Volume):		
Number of Acres of Reforestation on Nonindustrial Private Forestland in East Texas	44,000	44,000
Number of Resource Development Assists	8,000	8,000
A.2.2. Strategy: ENVIRONMENTAL ENHANCEMENT		
Output (Volume):		
Number of Community Assists	410	410
Number of Windbreak Seedlings Planted	220,000	220,000

3. **Overtime Payments, Contingency.** Included in the appropriation above, $335,223 for each year of the biennium is for the sole purpose of paying mandatory overtime expenses of non-exempt employees of the Texas Forest Service when such overtime is incurred in emergency response activities. It is further provided that payments from this appropriation shall be made only upon overtime payroll vouchers submitted to the State Comptroller. Any balances remaining as of August 31, 2005 are hereby appropriated for the same purpose for the biennium beginning September 1, 2005, and balances remaining as of August 31, 2006 are hereby appropriated for fiscal year 2007.

4. **Texas Wildfire Protection Plan.** Out of the funds appropriated above, $3,325,000 from the Insurance Companies Maintenance Tax in each year of the biennium shall be used for the Texas Wildfire Protection Plan. Of the appropriations above, $418,463 each year is included to cover associated group health insurance costs for salaries paid from this method of finance.

5. **Pay for Regular Compensatory Time.** The Texas Forest Service, notwithstanding any other provisions of law, may pay its Fair Labor Standards Act exempt employees on a straight-time basis for work on a holiday or for regular compensatory time hours when such time is worked in connection with an emergency and when the taking of regular compensatory time off would be disruptive to normal business functions.

TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 4,796,982	$ 4,796,983
Other Funds		
Drug Testing Laboratory Fee Revenue, estimated	1,161,940	1,161,940
Veterinary Medical Diagnostic Laboratory Fee Revenue, estimated	5,286,082	5,286,082
Subtotal, Other Funds	$ 6,448,022	$ 6,448,022
Total, Method of Financing	$ 11,245,004	$ 11,245,005

Items of Appropriation:		
1. Educational and General State Support	$ 11,245,004	$ 11,245,005
Grand Total, TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY	$ 11,245,004	$ 11,245,005
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	155.0	155.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: DIAGNOSTIC AND DRUG TESTING Provide Diagnostic Services Drug/Export Tests, & Disease Surveillance.		
A.1.1. Strategy: DIAGNOSTIC SERVICES Provide Diagnostic Service and Disease Surveillance.	$ 7,893,491	$ 7,893,492
A.2.1. Strategy: DRUG TESTING SERVICE Provide Drug Testing Service.	$ 1,007,000	$ 1,007,000
Total, Goal A: DIAGNOSTIC AND DRUG TESTING	$ 8,900,491	$ 8,900,492
B. Goal: STAFF BENEFITS Maintain Staff Benefits Program for Eligible Employees and Retirees.		
B.1.1. Strategy: STAFF GROUP INSURANCE Provide Funding for Staff Group Insurance Premiums.	$ 564,045	$ 564,045
B.1.2. Strategy: WORKERS' COMP INSURANCE Provide Funding for Workers' Compensation Insurance.	$ 19,197	$ 19,197
B.1.3. Strategy: UNEMPLOYMENT INSURANCE Provide Funding for Unemployment Insurance.	$ 3,176	$ 3,176
B.1.4. Strategy: OASI Provide Funding for OASI.	$ 220,529	$ 220,529
B.1.5. Strategy: OPTIONAL RETIREMENT PROGRAM Optional Retirement Program Differential.	$ 40,307	$ 40,307
Total, Goal B: STAFF BENEFITS	$ 847,254	$ 847,254
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMINISTRATION	$ 1,014,259	$ 1,014,259
C.1.2. Strategy: INFRASTRUCTURE SUPPORT IN BRAZOS CO Infrastructure Support - In Brazos Country.	$ 134,150	$ 134,150
C.1.3. Strategy: INFRASTRUCT SUPP OUTSIDE BRAZOS CO Infrastructure Support - Outside Brazos County.	$ 348,850	$ 348,850
Total, Goal C: INDIRECT ADMINISTRATION	$ 1,497,259	$ 1,497,259
Grand Total, TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY	$ 11,245,004	$ 11,245,005
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 5,978,108	$ 5,978,108
Other Personnel Costs	562,676	562,676
Professional Fees and Services	5,500	5,500
Fuels and Lubricants	16,800	16,800

Consumable Supplies	1,871,212	1,871,212
Utilities	306,650	306,650
Travel	70,200	70,200
Rent - Machine and Other	30,200	30,200
Other Operating Expense	2,228,658	2,228,659
Capital Expenditures	175,000	175,000
Total, Object-of-Expense Informational Listing	$ 11,245,004	$ 11,245,005
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 269,826	$ 278,751
Group Insurance	395,119	420,801
Social Security	195,841	202,695
Subtotal, Employee Benefits	$ 860,786	$ 902,247
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 860,786	$ 902,247

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Veterinary Medical Diagnostic Laboratory. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas Veterinary Medical Diagnostic Laboratory. In order to achieve the objectives and service standards established by this Act, the Texas Veterinary Medical Diagnostic Laboratory shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: DIAGNOSTIC AND DRUG TESTING		
Outcome (Results/Impact):		
Number of Diagnostic Services Rendered	840,000	840,000
Percent of Animals Testing Drug Free	99.3%	99.3%
A.1.1. Strategy: DIAGNOSTIC SERVICES		
Output (Volume):		
Number of Cases Submitted and Examined	190,000	184,000
Number of Surveillance Tests Performed for Agents of Bio- or Eco-terrorism	175,000	175,000
A.2.1. Strategy: DRUG TESTING SERVICE		
Output (Volume):		
Number of Animals Tested	26,500	26,500

TEXAS FOOD AND FIBERS COMMISSION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 1,349,101	$ 1,349,101
Federal Funds	420,000	420,000
Appropriated Receipts	2,790,095	2,790,095
Total, Method of Financing	$ 4,559,196	$ 4,559,196
Items of Appropriation:		
1. Educational and General State Support	$ 4,559,196	$ 4,559,196
Grand Total, TEXAS FOOD AND FIBERS COMMISSION	$ 4,559,196	$ 4,559,196

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	3.0	3.0
Schedule of Exempt Positions:		
Executive Director, Group 2	$66,459	$66,459

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: SUPPORT AND COORDINATE RESEARCH		
Support and Coordinate Fibers and Food Protein Research.		
A.1.1. Strategy: RESEARCH AND DEVELOPMENT Review, Coordinate, and Fund Research and Development Programs.	$ 4,377,401	$ 4,377,401
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: INDIRECT ADMINISTRATION	$ 181,795	$ 181,795
Grand Total, TEXAS FOOD AND FIBERS COMMISSION	$ 4,559,196	$ 4,559,196
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 138,019	$ 138,019
Other Personnel Costs	2,640	2,640
Consumable Supplies	2,000	2,000
Utilities	1,000	1,000
Travel	16,000	16,000
Rent - Building	200	200
Rent - Machine and Other	3,000	3,000
Other Operating Expense	4,371,337	4,371,337
Capital Expenditures	25,000	25,000
Total, Object-of-Expense Informational Listing	$ 4,559,196	$ 4,559,196
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 15,686	$ 16,204
Group Insurance	21,728	23,140
Social Security	11,385	11,783
Benefits Replacement	931	884
Subtotal, Employee Benefits	$ 49,730	$ 52,011
Debt Service		
Lease Payments	$ 14,608	$ 14,596
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 64,338	$ 66,607

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Food and Fibers Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas Food and Fibers Commission. In order to achieve the objectives and service standards established by this Act, the Texas Food and Fibers Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: SUPPORT AND COORDINATE RESEARCH		
Outcome (Results/Impact):		
Leverage Ratio of General Revenue to Other Research Funds	2.75	2.75
A.1.1. Strategy: RESEARCH AND DEVELOPMENT		
Output (Volume):		
Number of Research and Development Projects	38	38
Number of Formal Published Research Reports	102	102
Efficiencies:		
Cumulative Accrual of Supporting Research Funds	3,210,095	3,210,094

3. **Contract Requirements.** The Texas Food and Fibers Commission is hereby authorized to contract with any institution pursuant to the provisions of Agriculture Code, Chapter 42. All funds received by the Texas Food and Fibers Commission in the form of grants and/or gifts are hereby appropriated to the specific purpose or purposes authorized by the grantor, and may be withdrawn from the State Treasury; provided, however, that the Texas Food and Fibers Commission shall not accept and place in the State Treasury any grants as provided under this paragraph which would cause the violation of the specific or general provisions of this Act. It is further provided that where any grant exceeds the total cost of the specific project for which it was made, such excess may be returned to the grantor and such excess amounts are hereby appropriated for this purpose.

4. **Reimbursement of Advisory Committee Members.** Pursuant to Government Code § 2110.004, reimbursement of expenses for advisory committee members, out of the funds appropriated above, $3,000 in fiscal year 2006 and $3,000 in fiscal year 2007 is limited to the following advisory committee: Industry Advisory Committee.

5. **Contingency for House Bill 373.** Contingent on the passage of House Bill 373 or similar legislation, the appropriations made above for the Food and Fibers Commission, any agency property, any fund balances administered by the Commission and three FTEs are transferred to the Texas Department of Agriculture.

6. **Contingent Funding Transfer.** Should legislation transferring the duties and authority of the Food and Fiber Commission to the Department of Agriculture not be enacted by the 79th Legislature:

   (1) it is the intent of the Legislature that the Food and Fibers Commission and the Texas Department of Agriculture shall enter into an interagency agreement and under such agreement the Department of Agriculture shall agree to perform the duties of the Food and Fibers Commission; and

   (2) all funding and FTEs appropriated for the Food and Fibers Commission under this Act are transferred to the Texas Department of Agriculture.

RETIREMENT AND GROUP INSURANCE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund, estimated	$ 19,154,464	$ 20,425,907
General Revenue Dedicated Accounts, estimated	4,566	5,067
Federal Funds, estimated	2,870,464	3,040,269
Other Special State Funds, estimated	167,350	178,577
Total, Method of Financing	$ 22,196,844	$ 23,649,820
Items of Appropriation:		
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT - PUBLIC EDUCATION	$ 3,740,042	$ 3,814,843
Retirement - Public Education. Estimated.		
A.1.2. Strategy: RETIREMENT- HIGHER EDUCATION	$ 2,371,427	$ 2,418,856
Retirement - Higher Education. Estimated.		
A.1.3. Strategy: GROUP INSURANCE - PUBLIC EDUCATION	$ 11,788,844	$ 12,722,563
Group Insurance - Public Education. Estimated.		
A.1.4. Strategy: GROUP INSURANCE - HIGHER EDUCATION	$ 4,296,531	$ 4,693,558
Group Insurance - Higher Education. Estimated.		
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	$ 22,196,844	$ 23,649,820
Grand Total, RETIREMENT AND GROUP INSURANCE	$ 22,196,844	$ 23,649,820

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund, estimated	$ 182,024,039	$ 188,263,334
General Revenue Dedicated Accounts, estimated	37,978,130	39,307,365
Federal Funds, estimated	996,093	1,008,450
Other Funds		
State Highway Fund No. 006, estimated	162,268	167,947
Other Special State Funds, estimated	6,973,177	7,174,321
Subtotal, Other Funds	$ 7,135,445	$ 7,342,268
Total, Method of Financing	$ 228,133,707	$ 235,921,417
Items of Appropriation:		
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT		
Comptroller - Social Security.		
A.1.1. Strategy: STATE MATCH - EMPLOYER - PUBLIC ED	$ 6,344,542	$ 6,471,433
State Match – Employer – Public Education. Estimated.		
A.1.2. Strategy: STATE MATCH-EMPLOYER-HIGHER ED	$ 220,778,658	$ 228,490,002
State Match – Employer – Higher Education. Estimated.		
A.1.3. Strategy: BRP – PUBLIC EDUCATION	$ 856,463	$ 813,640
Benefit Replacement Pay – Public Education. Estimated.		

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY
(Continued)

A.1.4. Strategy: BRP - HIGHER EDUCATION Benefit Replacement Pay – Higher Education. Estimated.	$ 154,044	$ 146,342
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	$ 228,133,707	$ 235,921,417
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	$ 228,133,707	$ 235,921,417

BOND DEBT SERVICE PAYMENTS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 1,387,793	$ 1,876,872
Total, Method of Financing	$ 1,387,793	$ 1,876,872
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: BOND DEBT SERVICE	$ 1,387,793	$ 1,876,872 & UB
To Texas Public Finance Authority for Payment of Bond Debt Service.		
Grand Total, BOND DEBT SERVICE PAYMENTS	$ 1,387,793	$ 1,876,872

LEASE PAYMENTS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 8,162,746	$ 8,367,219
Total, Method of Financing	$ 8,162,746	$ 8,367,219
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: LEASE PAYMENTS - PUBLIC EDUCATION	$ 7,146,809	$ 7,209,512 & UB
To TBPC for Payment to TPFA - Public Education.		
A.1.2. Strategy: LEASE PAYMENTS - HIGHER EDUCATION	$ 1,015,937	$ 1,157,707 & UB
To TBPC for Payment to TPFA - Higher Education.		
Total, Goal A: FINANCE CAPITAL PROJECTS	$ 8,162,746	$ 8,367,219
Grand Total, LEASE PAYMENTS	$ 8,162,746	$ 8,367,219

SPECIAL PROVISIONS RELATING ONLY TO STATE AGENCIES OF HIGHER EDUCATION

Sec. 2. Local Funds Appropriated. All balances of local funds except for any identifiable general revenue in the local funds of the state institutions of higher education named in this Article, as those funds are defined in Education Code § 51.009(a), at the close of the fiscal year ending August 31, 2005, including balances in their local revolving funds at that time, and the income to said funds during the fiscal years beginning September 1, 2005 and 2006, are hereby appropriated for the operation, maintenance, and improvement of the respective state institutions. Institutional funds, as those funds are defined in Education Code § 51.009(b), shall be expended as authorized by the laws governing the use of the funds, and unless specifically included or identified, are exempt from the Article III and IX Special Provisions of this Act.

All local funds shall be subject to the special and general provisions of Articles III and IX except where certain local funds are specifically exempted from these provisions by a provision herein or by specific statutory authority.

Sec. 3. Definition of Terms.

1. As used in this Act, the term "general academic institutions" shall mean only the following institutions:

The University of Texas at Arlington
The University of Texas at Austin
The University of Texas at Dallas
The University of Texas at El Paso
The University of Texas - Pan American
The University of Texas at Brownsville
The University of Texas of the Permian Basin
The University of Texas at San Antonio
The University of Texas at Tyler
Texas A&M University
Texas A&M University at Galveston
Prairie View A&M University
Tarleton State University
Texas A&M University - Corpus Christi
Texas A&M University - Kingsville
Texas A&M International University
West Texas A&M University
Texas A&M University - Commerce
Texas A&M University - Texarkana
University of Houston
University of Houston - Clear Lake
University of Houston - Downtown
University of Houston - Victoria
Midwestern State University
University of North Texas
Stephen F. Austin State University
Texas Southern University
Texas Tech University
Texas Woman's University
Angelo State University
Lamar University - Beaumont
Lamar Institute of Technology
Lamar State College - Orange
Lamar State College - Port Arthur
Sam Houston State University
Texas State University - San Marcos
Sul Ross State University, including:
Sul Ross State University Rio Grande College

2. "Educational and General Funds" are those funds defined in Education Code § 51.009(c) and General Revenue Fund appropriations.

Sec. 4. Transfer Provisions.

1. **Intercomponent Transfers.** With the approval of the respective governing board, appropriation transfers may be made among medically-related components and their associated system administration, among academic component institutions and their associated system administration, and among component technical colleges controlled by the board, and within each institution, transfers may be made between informational items of appropriation for the general academic institutions, health centers, health science centers, medical education programs, and technical colleges regardless of whether the informational items are general revenue or local funds in character. Transfers may not be made from medically-related components to academic components or from academic components to medically-related components except that transfers may be made from schools of nursing, pharmacy and allied health in academic components to medically-related components and from medically-related components into the health-related programs listed above in academic components. Transfers may not be made into the informational items setting the salary rate for the president, chancellor, or for any other line-item salary shown. Nothing in this section shall authorize the transfer of appropriations from Texas A&M University Service Agencies to Texas A&M University.

2. **Health to Academic Intercomponent Transfers with LBB Prior Approval.** As an exception to the provisions in Subsection 1, transfers may be made with prior approval of the Governor and Legislative Budget Board from medically-related components to general academics if it does not diminish the academic programs of the medically-related component or result in increased fees to patients at the component. The systems shall furnish whatever documentation may be required by the Governor and Legislative Budget Board to assure these conditions are met.

3. **Revenue Enhancement and Transfer Notification.** The Legislature instructs The University of Texas System to enhance local funds revenues to reduce the need for general revenue funds. The Legislature instructs The University of Texas System to give 30 days notice to the Legislative Budget Board and Governor prior to transferring local funds from any System hospital. Furthermore, notwithstanding the provisions of subsections 1 and 2 above, The University of Texas System Board of Regents shall not transfer funds from health institutions delivering patient care if such a transfer would result in a decrease in the quality or amount of indigent patient care offered by the affected institution.

4. **Reporting of Transfers.** Any transfers made pursuant to Subsections 1, 2, and 3, whether general revenue or local funds in nature, shall be reported in the Legislative Appropriations Request for the biennium beginning September 1, 2007.

5. **Tuition Revenue Bond and Revenue Bond Transfers.** Notwithstanding the other provisions of this act, transfers are not prohibited to the extent they are required to comply with proceedings authorizing bonds or other obligations now outstanding or hereafter issued pursuant to law.

Sec. 5. Salary and Benefit Provisions.

1. **Prorated Salaries Authorized.** Any employees who distribute their time and duties between general administration, instruction, organized activities related to instruction, and the management of auxiliary enterprises, may receive their total salary payments in proportionate parts from such activities and from the appropriated or available funds therefore.

2. **President Salaries.** Out of the educational and general funds appropriated to the general academic institutions, health centers, health science centers, and medical education programs, an amount not to exceed $65,945 in 2006 and $65,945 in 2007 may be expended for the salary of a president. All presidents may receive in addition to the above amounts a house, utilities, and/or supplement from institutional funds. If a house owned by the institution, center, or program is not available, an amount not to exceed $7,200 per year from the appropriation to the institution, center, or program, and additional amounts from institutional funds where required, may be provided in lieu of house and utilities.

3. **Chancellor Salaries.** Out of the funds appropriated, transferred, or contracted to the system offices, an amount not to exceed $70,231 in 2006 and $70,231 in 2007 may be expended for the salary for a chancellor. All chancellors may receive in addition to the above amounts a house, utilities, and/or supplement from institutional funds. If a system owned house is not available an amount not to exceed $7,200 per year from the system office appropriation and additional amounts from private and institutional funds where required, may be provided in lieu of house and utilities.

4. **Merit Authorization.** It is expressly provided that institutional administrators may grant merit salary increases to employees whose job performance and productivity is consistently above that normally expected or required.

5. **Merit Requirement for Faculty and Faculty Equivalent Employees of Institutions and Agencies of Higher Education.** Notwithstanding any other provisions of this act, salary increases for faculty or faculty equivalent employees of institutions of higher education shall be awarded on the basis of merit and performance in accepted activities. This shall not be interpreted so as to preclude salary adjustment designed to avoid salary inequities.

6. **Group Insurance Premiums.** For the biennium ending August 31, 2007, there is hereby appropriated such amounts, from local funds or educational and general income available to institutions of higher education, as may be necessary to pay the proportional share of the State's contributions for Staff Group Health Insurance Premiums. Funds appropriated by this subsection may be transferred by those institutions not retaining separate insurance programs to the Employees Retirement System at appropriate intervals to pay the proportional share of the group insurance premiums.

7. **Higher Education Institutions Participating in the Employees Retirement System Group Insurance Program.** General Revenue funds appropriated herein shall be supplemented by funds appropriated elsewhere in this Act for employees enrolled in the State Kids Insurance Program (SKIP) to provide for a premium-sharing structure comparable to the Children's Health Insurance Program (CHIP). Institutions of higher education participating in the Employees Retirement System Group Insurance Program paying for health insurance costs from non-General Revenue Funds shall provide the same levels of premium-sharing for SKIP enrollees as provided for those higher education employees with health insurance paid from General Revenue Funds.

8. **Administrative Accountability**

   a. In each state fiscal year of the biennium, an institution of higher education, including a system office, may not spend funds appropriated to the institution by this Act unless, not later than December 1, the institution submits to the Legislative Budget Board, the chair of the House Appropriations Committee, and the chair of the Senate Finance Committee a report that includes the total number of persons holding high-ranking administrative positions at the institution.

b. For purposes of subsection (a), "high-ranking administrative position" includes the following positions:

(1) chancellor;
(2) vice chancellor;
(3) associate chancellor;
(4) assistant chancellor;
(5) president;
(6) vice president;
(7) associate vice president;
(8) assistant vice president;
(9) dean;
(10) associate dean;
(11) assistant dean; and
(12) any other administrative position having similar responsibilities to the other positions listed in this subsection.

c. A report submitted under subsection (a) must:

(1) be in a form prescribed by the Legislative Budget Board;

(2) include the name, salary, and total value of nonsalary benefits for each person holding a high-ranking administrative position at the institution; and

(3) include the percentage salary increase for each person holding a high-ranking administrative position at the institution who occupies the same position during the current fiscal year as during the preceding fiscal year.

d. Not later than the seventh day after the date an institution of higher education submits the report required by subsection (a), the institution shall make a copy of the report available for public inspection in the library of the institution.

Sec. 6. Expenditure Provisions. The expenditure of the appropriations made in this Article or authorized in law for institutions of higher education except bequests and gifts specifically designated to be in some manner handled otherwise, shall be subject to the provisions of this section which follow and with exceptions only as specifically noted:

1. **Annual Operating Budgets Required.** It is expressly provided that the governing board of each of the institutions of higher education named herein shall approve on or before September 1, 2005 and 2006, an itemized budget covering the operation of the ensuing fiscal year, which budget shall be prepared within the limits of the revenue available. Each institution's operating budget shall contain a section(s) which provides budget amounts and the method of finance for each listed informational item of appropriated funds contained in this Act. A copy of each budget, and any subsequent amendments thereto, shall be filed with the Legislative Reference Library and the institution's general library to be available for public inspection. Copies of each budget shall also be filed with the Legislative Budget Board, the Governor, and the Texas Higher Education Coordinating Board by December 1 of each fiscal year.

2. **Clearing Accounts.** At their option, the institutions may use their local depository bank account in lieu of the special clearing account, authorized by Education Code, § 51.008(b), provided that the general requirements set out in therein, for deposits and transfers to the state treasury, are complied with.

3. **Revolving Funds**

   a. Each institution affected by this section, at its option, is hereby authorized to maintain a revolving fund to facilitate the payment of nominal expenses and to pay bills within cash discount periods. The institutions may use the revolving fund for regular monthly payrolls as well as for weekly and special payrolls. Disbursements from the revolving funds are to be reimbursed from respective items of educational and general appropriation made herein, the Comptroller of Public Accounts being hereby authorized to make such reimbursements on claims filed with her by the institutions under her regularly prescribed procedures except that one voucher and one warrant may cover any number of claims for this purpose. These reimbursement claims shall meet the same requirements as other claims against state appropriations, and each institution shall prepare such a reimbursement claim as at the close of business on the last day of each month and as many times during the month as may be expedient in order to make unnecessary the maintaining of an unreasonably large revolving fund.

   b. The respective governing board shall determine the amounts of the revolving funds to be set up for each institution, and may increase or decrease the amounts if necessary. Such governing board shall designate a depository bank for each revolving fund, and shall specify the officers and/or employees to sign checks drawn on each such fund. The depository bank for each revolving fund shall be required to secure the deposit as provided by law.

   c. Appropriations to all institutions of higher education and systems, except funds identified exclusively for salaries, may be used to reimburse any revolving fund operated for the benefit of one or more parts or component units of an institution or system, such as a motor pool for managing automotive vehicles authorized by this Act, a feed supply center, an office supply or laboratory supply center, a computer center, or any other operations of a similar nature established by authority of the governing board of said institution or system.

4. **Local Depositories.** The governing boards of the respective institutions for which appropriations are made in this Article are hereby authorized to select depository banks for the safekeeping of funds which are authorized, by statute, to be maintained outside the state treasury. The boards shall require depository banks to furnish adequate surety bonds or securities to be posted for the assurance of safety of such deposits. The depository bank or banks so selected are hereby authorized to pledge their securities for assurance of safety for such funds. All such local funds shall be deposited in these depositories within seven (7) days from date of collection. The governing boards may require the depository so designated and selected to pay interest on deposits at a rate to be agreed upon by said depositories and said boards.

5. **Investment Reports.**

   a. The governing board of each of the educational institutions named in this Article shall file with the State Auditor, Comptroller of Public Accounts, Legislative Budget Board, and the Governor an annual report of all investment transactions involving endowment funds, short-term and long-term investment funds, and all other securities transactions, in a method prescribed by the State Auditor's Office. Copies of such reports shall be available for public inspection. In addition to the annual report, each institution shall publish on its website quarterly investment reports in any format it deems appropriate.

b. The governing boards of each educational institution named in this Article must adopt formal investment policies. Each governing board shall submit to the Legislative Budget Board and State Auditor's Office a copy of their investment policy by December 31 of each year.

6. **Central Services Accounts.**

a. Out of funds appropriated in this Article, the governing boards of the university systems and their component units, and institutions of higher education may employ persons to serve two or more parts or component units of the system or institution and may pay their salaries in whole or in part from the informational items of appropriation made herein to any component unit. The governing boards are authorized to establish accounts from which salaries and expenses for the administration and supervision of the units of the system or institution may be paid and to require the units, including any other agency the administration of which it may be charged with by law, to pay into this account from any general revenue, local, or institutional funds their proportionate share as determined by the board for the expense of such administration and supervision. The Comptroller of Public Accounts is authorized to set up an account for each of the systems or institutions and to deposit in the account funds to the amount authorized by the governing boards and executive heads of the respective units, from funds appropriated by the Legislature to the units for noninstructional salaries and general operating expenses. The Comptroller is authorized to draw warrants against such accounts based on vouchers submitted by the systems or institutions in payment of salaries, maintenance, equipment or travel incidental to the administration and supervision of the respective units.

b. The systems and institutions whose governing boards and component units are subject to the above are authorized to establish the following accounts:

Texas A&M University System Central Services Account
The University of Texas System Central Services Account
University of Houston System Central Services Account
Texas Tech University System Central Services Account
University of North Texas System Central Services Account
Texas State University System Central Services Account

c. Travel expense incurred by a person employed by one unit of an above system or institution in connection with service to the other units may be reimbursed by the unit for which such services are performed or proportionately if more than one such unit is involved.

7. **Utility Revolving Funds.** The governing boards of Texas Woman's University, West Texas A&M University, all components of the University of Houston System, Texas State University System, Texas Tech University System, University of North Texas System, and The University of Texas System are authorized to use appropriated funds, except funds expressly identified for salaries, to make payments of debt service and other payments in connection with utility plant revenue bonds and utility plant operation and maintenance expenses, and/or to reimburse any revolving fund now or hereafter established in connection with providing utility services to any building or facility of the college or university, in accordance with the general principles established in Education Code § 55.11, and the creation and maintenance of any such revolving fund is hereby authorized.

8. **Appropriation Expenditure Authorization.**

a. The educational and general appropriations made in this Act to the general academic teaching institutions, health related institutions and Texas State Technical College

may be expended for the following purposes, including, but not limited to: Instruction; Research; Public Service; Academic Support; Student Services; Institutional Support; Operation and Maintenance of Plant; Scholarships; Staff Benefits; Organized Activities; and Patient Care. Major repairs and rehabilitation of buildings and facilities may be purchased from appropriated funds, but may not be purchased from general revenue funds that are not expressly identified or allocated for such purposes.

b. No educational and general funds appropriated to any institution or agency named in this article may be expended on auxiliary enterprises, unless specifically authorized in this Act.

9. **Tuition Revenue Bonds and Revenue Bonds.** Funds clearly identified in separate informational strategies to the general academic teaching institutions and health sciences centers for revenue or tuition revenue bond retirement may be expended only to reimburse institutions or centers for debt retirement authorized by Education Code § 55.17 through § 55.1744 and § 55.19, and any additional authorization enacted by the Seventy-ninth Legislature. Any funds in excess of the amount expended for debt retirement shall be reverted to the General Revenue Fund at the end of each fiscal year.

Sec. 7. Recruitment of Students. No funds appropriated by this Act may be expended for travel expenses incurred outside the boundaries of the State of Texas for the purpose of direct recruitment of students.

Sec. 8. Television Stations Prohibited. None of the educational and general funds appropriated in this Article may be expended for the acquisition, construction or operation of television transmitter stations; provided, however, this prohibition shall not be construed so as to prevent the institutions of higher education named in this Article from using closed-circuit television for purely instructional purposes, or to prevent institutions with existing public broadcasting or transmitter stations to use them for educational purposes, or to prevent the continuance of operating arrangements with existing transmitter stations for purely educational purposes; or to prevent cooperative arrangements with public broadcast stations.

Sec. 9. Intercollegiate Athletics. The special and general provisions of Articles III and IX of this Act shall not apply to intercollegiate athletics. The governing boards of the respective institutions of higher education shall make such necessary rules and adjustments as may be deemed advisable for the management and operation of such activities; however, no funds under control of intercollegiate athletics may be used to purchase alcoholic beverages; no educational and general funds appropriated may be used for the operation of intercollegiate athletics; such rules and adjustments shall be designed to complement the rules applicable to other departments of the respective institution and finally, such rules and adjustments shall specifically prohibit violation of National Collegiate Athletic Association (NCAA) or other governing body rules with respect to recruitment of athletes.

Sec. 10. Prohibition Against Additional Museums. None of the educational and general funds appropriated in this Article shall be used for establishing additional museums or for the maintenance and operation of museums unless the language of this Act or of other acts and resolutions of the Legislature specifically authorizes such use of educational and general funds. As an exception to this provision, in order to encourage and promote gifts, grants, or donations to institutions of higher education, it is specifically provided that an institution which receives such gifts, grants or donations for the construction or establishment of a museum, which is added to an institution's building inventory after September 1, 1997, may use education and general funds appropriated by this Article for the maintenance and operation of such a museum. This exception applies only to the authority to spend appropriated funds for these purposes; such museum space shall not be included in formula calculations for purposes of determining the amounts of appropriations due for maintenance or operations of institutional facilities.

Sec. 11. Method of Financing Scholarships.

1. Out of the funds identified by this Article in the informational items described as "Other Educational and General Income," the respective governing boards of the general academic teaching institutions and of the health centers, health science centers, or technical colleges may allocate and expend the actual receipts in such informational item for student scholarships pursuant to the provisions of Education Code § 56.031 to § 56.039, cited as the Texas Public Educational Grants Program.

2. Copies of such approved allocations together with copies of rules and regulations adopted by the respective governing boards concerning the award of such scholarships, shall be filed with the Coordinating Board and with the Comptroller prior to the disbursement of any moneys for scholarships. Copies of any subsequent changes in such allocations or rules shall be similarly filed with the Coordinating Board and with the Comptroller.

3. No educational and general funds appropriated in this Act for scholarships to institutions of higher education may be used to provide athletic scholarships.

4. Out of the additional funds appropriated for the 2006-07 biennium for the informational strategy described as "Scholarships," it is the intent of the Legislature that the respective governing boards shall allocate and expend such funds for need-based student scholarships regardless of the race, sex, color or ethnicity of the student recipient.

Sec. 12. Use of Educational and General Funds for Alumni Activities Prohibited. None of the educational and general funds appropriated by this Article may be expended by institutions of higher education for the support or maintenance of alumni organizations or activities.

Sec. 13. Limitation of Nonresident Enrollment in Certain State-supported Professional Schools.

1. None of the funds appropriated by this Act may be expended for the establishment, operation, or maintenance, or for the payment of any salaries to the employees in, any wholly or partially state-supported medical, dental, or law school which: (a) imposes a limitation on the number of students that it admits, (b) in an academic semester denies admission to one or more Texas residents who apply for admission and who reasonably demonstrate that they are probably capable of doing the quality of work that is necessary to obtain the usual degree awarded by such school, and (c) in the same academic semester admits, as either class, nonresidents of the State of Texas in a number greater than 10 percent of the class of which such nonresidents are a part. Limitation of nonresident enrollment at The University of Texas Law School, Texas Tech University School of Law, and the University of Houston Law Center may be increased to 35 percent of the class of which nonresidents are a part provided that the admission of such nonresident students is on the basis of academic merit alone. By the provisions of this paragraph it is intended to withhold funds appropriated by this Act from state-supported medical, dental, and law schools which limit their enrollments and which fill more than 10 percent of their classes with non-resident students in the case of medical and dental schools, and 35 percent in the case of The University of Texas Law School, Texas Tech University Law School and the University of Houston Law Center, when the result of admitting a nonresident denies admission to a qualified Texas applicant. This provision shall not apply to the funds appropriated to the Coordinating Board for the funding of Baylor College of Medicine or to funds appropriated for tuition equalization grants for students attending private colleges.

2. In addition, The University of Texas Southwestern Medical Center at Dallas may admit up to 25 competitively recruited medical students in each entering class for a specialized six-year program of clinical and research training designed to lead to the MD and PhD degrees irrespective of whether those students are Texas residents.

3. Texas medical schools may enroll up to 6 competitively recruited medical students, who already possess the DDS degree, in each second year medical school class for a specialized six year program in oral and maxillofacial surgery comprised of the last three years of medical school and a three year residency program irrespective of whether those students

six year program in oral and maxillofacial surgery comprised of the last three years of medical school and a three year residency program irrespective of whether those students are Texas residents.

Sec. 14. Off-campus Instruction. General academic institutions may teach courses off campus with the following restrictions:

1. At the conclusion of each fiscal year, the Coordinating Board shall file a report with the Governor and the Legislative Budget Board on all general academic institutions concerning off-campus semester credit hours for that fiscal year.

2. Semester credit hours generated at upper level centers authorized by the Legislature or by the Coordinating Board, as well as at Prairie View A&M University's Houston nursing program and Texas Woman's University nursing programs in Dallas and Houston are not considered to be off-campus.

3. All courses taught off campus must be taught by a regular faculty member or administrator who is employed at least half-time on the main campus of the institution. The Commissioner of Higher Education may waive this requirement in special cases where institutions can justify the use of a uniquely qualified individual. Allied health and vocational instructors are exempted from this requirement.

Sec. 15. Medical School Enrollment. It is the intent of the Legislature that the first year class enrollment of undergraduate medical students in the fiscal years ending August 31, 2006 and August 31, 2007, shall be no less than 200 students at The University of Texas System medical colleges and 100 students at the University of North Texas Health Science Center at Fort Worth and the Texas Tech University Health Sciences Center College of Medicine. This provision shall not be construed as requiring any school of medicine to accept an unqualified applicant. In the event that a school of medicine falls below the required first year class enrollment of undergraduate medical students by more than 5 percent for fiscal years 2006 and 2007, the school shall report to the Legislative Budget Board the reasons for failing to meet the required enrollment. It is the intent of the Legislature that this information be taken into account when preparing the appropriation recommendations for the Eightieth Legislature.

Sec. 16. Tuition and Other Educational and General Local Fee Collection. On or before the end of the 20th class day for each regular semester and the 15th class day for each summer session, each institution of higher education shall collect from each student whose semester credit hours are to be included in formula funding calculations all tuition and all fees in accordance with the installment tuition and fee payment plan provided for by Education Code, Chapter 54, as amended. Valid contracts with the United States Government for instruction of eligible military personnel and valid contracts with private business and public service-type organizations or institutions such as hospitals may be considered as collections thereunder but subject to adjustments after final payment thereof. Financial aid awards processed by the financial aid office but not yet issued to the student may be considered as collections thereunder but subject to adjustments after final payment thereof.

Sec. 17. Compliance with Uniform Recruitment and Retention Strategy. It is the intent of the Legislature that institutions of higher education give top priority and consideration to compliance with the spirit and mandates of the Uniform Recruitment and Retention Strategy.

Sec. 18. Formula Variable and Educational and General Income Audits. The Texas Higher Education Coordinating Board in consultation with the State Auditor's Office and the Legislative Budget Board, shall clearly define all variables used by the Seventy-ninth Legislature in arriving at formula appropriations for 2006 and 2007. According to an audit plan developed in consultation with the Coordinating Board and Legislative Budget Board, all variables of selected formulas used in making 2006 and 2007 formula appropriations are subject to audit by the State Auditor. The State Auditor shall report any differences from data submitted by the institutions to the Coordinating Board, the Legislative Budget Board, and the Governor. The Coordinating Board shall then calculate a new

appropriations amount for each institution that reported data in conflict with that verified by the Auditor. These calculations shall then be reported to the Legislative Budget Board, Governor, and the Comptroller of Public Accounts and may be used to revise appropriation authority accordingly. The calculation of revised appropriation amounts shall allow each institution an error rate of up to 2 percent of the biennial appropriations related to the variables audited at that institution.

In addition, components of educational and general income reported in the institutional requests for legislative appropriations for fiscal years 2006 and 2007 are subject to audit by the State Auditor.

The State Auditor may request the assistance of an institution's internal auditor in performing the audits described in this section.

Sec. 19. System Offices Funding Authorized. Educational and general funds appropriated to components of The University of Texas, Texas A&M University, University of Houston, Texas Tech University, University of North Texas, Texas State University System and Texas State Technical College Systems may be transferred or contracted to system offices to provide support for coordination, administration, and other related services.

Sec. 20. Annual Reports of Health Related Institutions Practice Plans. As a limitation and restriction upon appropriations made by this Act, all agencies that have a public health related institution covered under Article III shall not expend funds after a period of 120 days following the close of the fiscal year, unless there has been filed with the Governor, the State Auditor, the Legislative Budget Board, the Legislative Reference Library and the Comptroller of Public Accounts an annual report as of August 31 of the preceding fiscal year, showing the use of practice plan funds. The annual report shall conform to a uniform reporting system developed by the State Auditor's Office for all financial data concerning the health related institutions practice plans.

Sec. 21. Self-insurance Funds. Any funds of an institution of higher education used for or allocated to a self-insurance fund authorized by Government Code § 2259.001 for a risk otherwise insurable by the institution of higher education shall be treated by the Comptroller of Public Accounts as an expenditure of the respective funds. The self-insurance funds so created shall be considered designated funds as that term is used in § 51.008(b) of the Education Code. Any self-insurance fund reserves so created shall not exceed in amount the maximum value determined to be actuarially sound for each such self-insurance program.

Sec. 22. Elements of Unsponsored Charity Care.

1. **Financially Indigent.** Unsponsored charity care shall include unreimbursed services to the financially indigent. Financially indigent shall mean uninsured or underinsured patients accepted for care with no obligation or a discounted obligation to pay for services rendered based on a teaching hospital's or clinic's formal eligibility system which may include: (a) income levels and means testing or other criteria for determining a patient's inability to pay; or (b) other criteria for determining a patient's inability to pay that are consistent with the hospital's or clinic's mission and established policy. The federal poverty level shall serve as an index for the threshold below which patients receiving care at The University of Texas Southwestern Medical Center at Dallas, The University of Texas Medical Branch at Galveston, The University of Texas Health Science Center at Houston, The University of Texas Health Science Center at San Antonio, The University of Texas M.D. Anderson Cancer Center, The University of Texas Health Center at Tyler, Texas A&M University System Health Science Center, The Texas Tech Health Sciences Center, and The University of North Texas Health Science Center are deemed financially indigent. Financially indigent services include both noncovered services and contractual allowances for patients eligible for the Medicaid program and for the Children with Special Health Care Needs program, services provided under county indigent care contracts (Sec. 25), and services provided under other state or local government programs with eligibility indexed to the federal poverty level.

2. **Medically Indigent.** Unsponsored charity care shall include unreimbursed services to the medically indigent. Medically indigent shall mean patients who are responsible for their living expenses, but whose medical and hospital bills, after payment by third-party payers, where applicable, exceed: (a) a specified percentage of the patient's annual gross income (i.e., catastrophic medical expenses) in accordance with a teaching hospital or clinic's formal eligibility system in such instances where payment would require liquidation of assets critical to living or earning a living; or (b) the criteria for determining a patient's inability to pay as established by the public health-related institutions listed in Sec. 22, 1. Financially Indigent.

3. **Charity Care Determination.** The determination that a patient is financially or medically indigent shall occur within 120 days of the patient's discharge from the hospital or clinic setting or within 120 days of the third party payor settlement.

4. **Contractual Adjustments.** The contractual adjustments to commercial contracts, managed care contracts, and Medicare for the public health-related institutions listed in Sec. 22, 1. Financially Indigent, shall not be counted as unsponsored charity care.

5. **Bad Debt.** Bad debts shall not be counted as unsponsored charity costs. Bad debts shall include the uncollected billed charges for services rendered to patients who do not qualify under the definition of unsponsored charity care.

Sec. 23. Unsponsored Charity Care Reporting Requirement. The public health-related institutions listed in Sec. 22, 1. Financially Indigent, shall include in their biennial legislative appropriations request information including the actual amount of unsponsored charity care provided through each institution's respective physician practice plan, and if applicable, hospital or clinic using the definition of unsponsored charity care set forth in the section called "Elements of Unsponsored Charity Care."

Sec. 24. Patient Income Eligibility Guidelines. The University of Texas Medical Branch at Galveston, The University of Texas M.D. Anderson Cancer Center, and The University of Texas Health Center at Tyler shall use the federal poverty level indexed at an agreed-upon level as the guideline for determining indigent patient status, and those institutions' eligibility guidelines regarding copayment by patients deemed financially or medically indigent shall be the same.

The University of Texas Southwestern Medical Center at Dallas, The University of Texas Health Science Center at Houston, The University of Texas Health Science Center at San Antonio, Texas A&M University System Health Science Center, The Texas Tech Health Sciences Center, and The University of North Texas Health Science Center may use as a basis for reporting indigent care statistical samples derived from indigent care determinations made by their affiliated teaching hospitals and designed to estimate the amounts of charity care provided using the definitions established by The University of Texas hospitals noted above.

Sec. 25. County Indigent Care Contracts.

1. **Contracts Required.** It is the intent of the Legislature that all institutions of higher education providing indigent health care contract with relevant counties in their service area to recover the costs associated with treating those counties' indigent patients.

2. **County Indigent Care Contracts Reporting.** The University of Texas Medical Branch at Galveston, The University of Texas M.D. Anderson Cancer Center, and The University of Texas Health Center at Tyler shall submit to the Legislative Budget Board and the Governor at the end of each fiscal year a list of counties whose indigent residents have been served by each institution; the total amount of reimbursement received by each institution from each county pursuant to the Indigent Health Care and Treatment Act; and the total cost, by county, of services provided by each institution for which counties are liable pursuant to the Indigent Health Care and Treatment Act. In addition, each institution

shall report annually to the Legislative Budget Board and Governor on the status of contract agreements or negotiations with each county whose indigent residents have been served by the institution.

Sec. 26. Ethics Policy.

1. None of the funds appropriated by this Act may be expended by an institution of higher education until its governing board has filed with the Texas Higher Education Coordinating Board an ethics policy which has been adopted by the board of regents. The ethics policy shall apply to the board of regents and its staff, the administration, staff, and faculty of the institutions under the board's governance.

2. The ethics policy adopted by each board of regents shall include specific provisions regarding sexual harassment.

Sec. 27. Driscoll Children's Hospital. No funds appropriated to a health-related institution of higher education shall be used to replace or duplicate the Driscoll Children's Hospital in caring for children with special health-care needs, including pediatric cardiovascular diseases or in assuming the direct care of those children. It is legislative intent that this rider language not restrict the traditional referral patterns, utilized by physicians to refer patients to health-related institutions.

Sec. 28. Participation in Drug Development Research Projects. A public university may not expend funds appropriated by this Act, including appropriations of grants or gifts, to conduct a drug development research protocol involving a person who is receiving mental health services under a protective custody order, pursuant to Chapter 574, Health and Safety Code. This rider is not intended to limit or prohibit provisions for treatment established under § 576.022, Health and Safety Code.

Sec. 29. Post Tenure Review. None of the funds appropriated by this Act may be expended by an institution of higher education until its governing board has filed with the Texas Higher Education Coordinating Board policies and procedures regarding post tenure review which have been adopted by the board of regents. Post tenure policies shall include review procedures to determine that a tenured faculty member is performing consistently at an acceptable, professional level and a mechanism whereby a faculty member is informed of any deficiencies and provided opportunities to effectively improve his or her performance.

Sec. 30. General Academic Funding. Funding for general academic institutions will consist of four formulas and supplemental items.

1. **Instruction and Operations Formula.** The Instruction and Operations Formula shall provide funding for faculty salaries, including nursing, departmental operating expense, library, instructional administration, research enhancement, student services, and institutional support. These funds are distributed on a weighted semester credit hour basis. The rate per weighted semester credit hour for the 2006-07 biennium is $55.72.

   Weighting is determined by the following matrix:

	Lower Division	Upper Division	Masters	Doctoral	Special Professional
Liberal Arts	1.00	1.86	4.07	10.89	
Science	1.66	3.00	7.63	19.72	
Fine Arts	1.63	2.74	5.91	12.31	
Teacher Ed	1.34	1.91	2.89	8.41	
Agriculture	2.06	2.62	7.14	13.43	
Engineering	2.43	3.28	7.21	18.35	
Home Economics	1.32	1.97	3.70	8.47	
Law					3.39
Social Services	2.01	2.30	4.59	12.10	

Library Science	1.28	1.33	3.59	8.85	
Vocational Training	2.14	2.52			
Physical Training	1.35	1.30			
Health Services	2.10	2.80	6.10	12.75	
Pharmacy	2.45	3.98	13.75	22.72	6.37
Business Admin	1.24	1.61	3.95	16.59	
Optometry			5.46	19.12	7.00
Teacher Ed Practice	1.75	2.19			
Technology	1.93	2.46	5.59		
Nursing	3.58	4.96	5.89	13.49	
Developmental Ed	1.00				
Veterinary Medicine					15.44

2. **Teaching Experience Supplement.** For the 2006-07 biennium, an additional weight of 10 percent is added to lower division and upper division semester credit hours taught by tenured and tenure-track faculty. Furthermore, it is the intent of the Legislature that the weight shall increase by 10 percent per biennium, up to 50 percent.

3. **Infrastructure Support.** Funding associated with plant-related formulas and utilities shall be distributed by the infrastructure support formula which is driven by the predicted square feet for universities' educational and general activities produced by the Space Projection Model developed by the Coordinating Board. The portion of the formula related to utilities is adjusted to reflect differences in unit costs for purchased utilities, including electricity, natural gas, water and wastewater and thermal energy. The average rate per square foot is $6.37.

4. **Supplemental Non-formula Items.** Institutions shall receive a direct reimbursement as applicable for staff group insurance (other educational and general income portion), workers' compensation insurance, unemployment compensation insurance, public education grants, indirect research costs recovered on grants, organized activities, scholarships, tuition revenue bond payments, Skiles Act bond payments, and facility lease charges. Institutions may receive an appropriation for special items. Revenue derived from board authorized tuition would still be appropriated to the institutions levying the additional charges.

   These formulas and supplemental items shall be reviewed and updated by study committees appointed by the Higher Education Coordinating Board and recommended changes forwarded to the Legislature, Legislative Budget Board, and Governor by June 1, 2006.

Sec. 31. Health Related Institutions Funding. Funding for health related institutions shall consist of three formulas plus supplemental non-formula items.

1. **Instruction and Operations Support Formula.** The Instruction and Operations Support Formula shall provide funding on a per student or full time equivalent basis. Funding for each instructional program is based on the following funding weights per student, with a base value per weighted student of $10,987:

Program	Weight Per Student
Allied Health	1.000
Biomedical Science	1.018
Nursing	1.138
Pharmacy	1.670
Public Health	1.721

Dental	4.601
Medical	4.753

Instructional programs with enrollments of less than 200 students at individual campuses shall receive additional funding to compensate for the diseconomies of scale. The minimum formula shall generate additional funding per student, on a sliding scale, with programs with small enrollments receiving more additional funding per student.

2. **Infrastructure Support Formula.** Funding to the health-related institutions for plant support and utilities shall be distributed by the infrastructure support formula which is driven by the predicted square feet for the health related institutions produced by the Space Projection Model developed by the Texas Higher Education Coordinating Board. The rate per square foot is $8.47 for all health related institutions, excluding The University of Texas M. D. Anderson Cancer Center and The University of Texas Health Center at Tyler. For these two institutions, the per square foot rate is $8.06.

   Because the Space Projection Model does not account for hospital space, separate infrastructure funding for hospital space at The University of Texas Medical Branch at Galveston, The University of Texas M. D. Anderson Cancer Center, and The University of Texas Health Center at Tyler shall be included in the total funding for hospital and patient care activities.

3. **Research Funding.** The health-related institutions shall retain 100 percent of indirect research costs recovered on grants. Each institution also receives research enhancement funding of $1,412,500 plus 1.73 percent of its research expenditures as reported to the Texas Higher Education Coordinating Board.

4. **Graduate Medical Education Formula.** The Graduate Medical Education Formulas shall provide funding on a per medical resident basis. Funding is based on a base value of $4,806 per medical resident in an accredited program. Appropriations for Graduate Medical Education for fiscal year 2006 are $2,403 per resident and appropriations for fiscal year 2007 are $2,403 per resident.

5. **Health Related Institution Graduate Medical Education.** The funds appropriated above in each of the health-related institutions bill pattern titled Graduate Medical Education (GME), shall be spent to increase the number of resident slots in the State of Texas, as well as faculty costs relating to GME. In addition, each health-related institution shall work with the Higher Education Coordinating Board to develop new performance measures relating to increasing the number of resident slots in the State of Texas.

6. **Supplemental Non-formula Items.** Institutions shall receive a direct reimbursement as applicable for staff group insurance, workers' compensation insurance, unemployment insurance, public education grants, medical loans, tuition revenue bond payments, and facility lease charges. Institutions may receive an appropriation for special items. Hospital and clinic operations shall be funded through a combination of hospital and clinic revenue and general revenue.

7. **Formula Study Committees.** These formulas shall be reviewed and updated by study committees appointed by the Texas Higher Education Coordinating Board and recommended changes forwarded to the Legislature, Legislative Budget Board, and Governor by June 1, 2006.

8. **Mission Specific Support.** The University of Texas M.D. Anderson Cancer Center and the University of Texas Health Center at Tyler do not provide formal medical education which qualifies for instruction support under subsection 1 above. Therefore, funding allocated to these institutions shall be based on the following criteria:

a. The University of Texas M.D. Anderson Cancer Center has a statutory mission to eliminate cancer through patient care, research, education, and prevention. General Revenue funds appropriated to The University of Texas M.D. Anderson Cancer Center in Strategy B.1.3, Science Park Operations, and Strategy D.1.1, Patient Care Activities, shall be based on the number of new cancer cases each year based upon population estimate projections of the state produced by the Texas State Data Center and California State Center Registry incidence rates used as a methodological source by cancer epidemiologists in Texas and throughout the country. General Revenue appropriations for fiscal year 2006 shall be based on the number of new cancer cases reported in 2003, and General Revenue appropriations for fiscal year 2007 shall be based on the number of new cancer cases reported in 2004. The rate per new cancer case shall be $54.15 in fiscal year 2006 and $52.98 in fiscal year 2007 for Strategy B.1.3, Science Park Operations: and $253.08 in fiscal year 2006 and $256.87 in fiscal year 200 for Strategy D.1.1, Patient Care Activities.

b. The University of Texas Health Center at Tyler has a statutory mission to conduct research, develop diagnostic and treatment techniques, provide training and teaching programs, and provide diagnosis and treatment of inpatients and outpatients with respiratory diseases. General Revenue funds appropriated to The University of Texas Health Center at Tyler in Strategy A.1.1, Medical Education and Research Items, shall be based on the number of new primary chest disease diagnoses each year in Texas as reported by participating Texas hospitals in the Texas Hospital Association Patient Data System program. General Revenue appropriations for fiscal year 2006 shall be based on the number of new primary chest disease diagnoses reported in 2002, and General Revenue appropriations for fiscal year 2007 shall be based on the number of new primary chest disease diagnoses reported in 2003. The rate per primary chest diagnosis shall be $5.97 for fiscal year 2006 and $6.49 for fiscal year 2007.

c. The University of Texas M.D. Anderson Cancer Center and The University of Texas Health Center at Tyler shall submit to the Legislative Budget Board, Governor, and Texas Higher Education Coordinating Board a copy of the appropriate reports discussed above and supporting documentation which provides the necessary information to calculate the formula allocations in subsections (a) and (b) above.

Sec. 32. Optional Retirement Program Differential. Included in the appropriation to institutions of higher education in this act are general revenue amounts to offset local funds used for the optional retirement program employer contributions between 6 percent and 7.31 percent of salaries for employees who were on the state payroll or who were employed by a Public Community or Junior College as of August 31, 1995. These general revenue amounts are included in the funding formulas for general academic institutions and two-year institutions and in the base funding for other institutions of higher education.

Sec. 33. Indirect Cost Recovery Earned by Texas A&M Services. The Texas A&M University System Service agencies shall report to the Legislative Budget Board in their Legislative Appropriations Requests for 2008-09 all indirect cost recovery revenue earned on research grants and contracts including amounts collected by the Research Foundation.

Sec. 34. Fire Safety Projects at Institutions of Higher Education. Because of the urgent nature of these projects, it is the intent of the Legislature that institutions of higher education that have major fire safety projects, identified by the State Fire Marshal's Office as not meeting the requirements of the National Fire Protection Association, *Life Safety Code*, 2003 Edition, remedy the fire safety issues and complete any related construction and renovation projects as soon as practical. Institutions shall consult with the State Fire Marshal's Office and develop a time line for completion of the projects. Institutions shall implement the interim safety precautions recommended by the State Fire Marshal's Office. The State Fire Marshal shall submit periodic reports to the House Appropriations Committee and Senate Finance Committee on the progress of institutions in remedying the fire safety issues.

Institutions of higher education shall notify parents of students living in dormitories identified by the State Fire Marshal's Office. The notice shall contain information about the actions needed to rectify noncompliance and the time frame in which the institution plans to make improvements in order to comply.

Sec. 35. Funding for Physical Education Courses. No funds appropriated under this act shall be used for contact hours or semester credit hours for students who are registered solely for physical education, weight lifting, group exercises, aerobics, or related courses; have registered for the same such course more than once; and are not seeking a degree plan or certificate of completion of a course of study.

Sec. 36. Faculty Salary Increase Report. The Texas Higher Education Coordinating Board shall report the average salary increase provided to faculty at each general academic institution to the Legislative Budget Board and Governor by January 31 of each fiscal year on a form prescribed by the Texas Higher Education Coordinating Board.

Sec. 37. Endowed Chairs. Out of funds appropriated to the Texas Higher Education Coordinating Board for Baylor College of Medicine, Houston; University of Texas Health Science Center at Houston; University of Texas Medical Branch at Galveston, each may expend up to $1,000,000 out of funds appropriated in this Act to fund one endowed chair or professorship for spinal cord injury research. It is the intent of the Legislature that each institution pursue an equal amount of matching funds from the Institute of Rehabilitation and Research for each institution.

Sec. 38. Status of Endowed Chairs at General Academic Institutions. Each general academic institution that accepts donations for endowed chairs shall do the following: for each endowed chair that remains unfilled for a period of three consecutive years, provide a report to the donor disclosing the vacant status of the chair, in accordance with the donor agreement.

Sec. 39. A&M Service Agencies' Infrastructure. Funds identified as Infrastructure Support in Brazos County for Texas Agricultural Experiment Station, Texas Cooperative Extension, Texas Forest Service, Texas Engineering Experiment Station, Texas Transportation Institute, and Texas Engineering Extension Service are to be applied to each agency's infrastructure needs in Brazos County under the Texas Higher Education Coordinating Board's recommended formula for the A&M service agencies' infrastructure.

1. Each agency shall continue to work with the Texas Higher Education Coordinating Board as part of the ongoing formula advisory committee review process.

2. Included in the appropriations for the A&M Service Agencies, the following biennial amounts shall be used for infrastructure support needs for facilities located outside of Brazos County: $7,288,802 for the Texas Agricultural Experiment Station, $1,669,556 for the Texas Cooperative Extension, $1,436,716 for the Texas Forest Service, and $697,700 for the Texas Veterinary Medical Diagnostic Laboratory.

Sec. 40. Nursing School Enrollment. The Legislature encourages institutions of higher education not to reduce the number of student full-time equivalents enrolled in programs preparing students for licensure as registered nurses in state fiscal years ending August 31, 2006 and August 31, 2007 below the number of student full-time equivalents enrolled for the state fiscal year ending August 31, 2005. This provision shall not be construed as requiring any school to accept an unqualified applicant to its professional nursing program. In the event that a school falls below the required number of students enrolled in professional nursing program by more than 5% for the state fiscal year ending August 31, 2006 and the state fiscal year ending August 31, 2007, the school shall report to the Legislative Budget Board and the Texas Higher Education Coordinating Board the reasons for failing to meet the required enrollment.

Sec. 41. Donations for Scholarships. For the first five years after receiving a donation which creates or endows a scholarship, a state university that fails to award a scholarship created or endowed by a donor shall annually notify the donor in accordance with the donor agreement.

Sec. 42. Endowed Programs. A state university that, within five years of receiving a donation, diminishes its financial support from local funds for a program created or endowed by the donor, shall notify the donor in accordance with the donor agreement. If the agreement so provides, then upon application by the donor, the university shall return the donation or endowment.

Sec. 43. Student Travel Policy. Each governing board of an institution of higher-education shall adopt a policy regulating travel that is undertaken by one or more students presently enrolled at the institution to reach an activity or event that is located more than 25 miles from the institution that is organized and sponsored by the institution and that is funded by the institution, and the travel is undertaken using a vehicle owned or leased by the institution or required by a student organization registered at the institution.

Sec. 44. Special Item Support. Any appropriations made to special item support strategies throughout this article are intended to supplement existing programs and may not be used to supplant funds.

Sec. 45. Informational Listing - Permanent Funds and Endowments. The following is an informational list of the amounts used to capitalize Permanent Funds and Endowments created by House Bills 1676 and 1945, Seventy-sixth Legislature, and does not make appropriations.

Permanent Health Fund for Higher Education	$	350,000,000
The University of Texas Health Science Center at San Antonio Endowment	$	200,000,000
The University of Texas M.D. Anderson Cancer Center Endowment	$	100,000,000
Texas Tech University Health Sciences Center Endowment (El Paso)	$	25,000,000
The University of Texas Southwestern Medical Center at Dallas Endowment	$	50,000,000
Texas Tech University Health Sciences Center Endowment (Other Than El Paso)	$	25,000,000
The University of Texas Medical Branch at Galveston Endowment	$	25,000,000
The University of Texas Health Science Center at Houston Endowment	$	25,000,000
The University of Texas Health Center at Tyler Endowment	$	25,000,000
Texas A&M University System Health Science Center Endowment	$	25,000,000
University of North Texas Health Science Center at Fort Worth Endowment	$	25,000,000

Lower Rio Grande Valley Regional Academic Health Center Endowment	$	20,000,000
The University of Texas at El Paso Endowment	$	25,000,000
Baylor College of Medicine	$	25,000,000
Permanent Fund For Higher Education Nursing, Allied Health and Other Health Related Programs	$	45,000,000
Permanent Fund for Minority Health Research and Education	$	25,000,000

Sec. 46. License Plate Scholarship Program. In addition to educational and general funds amounts appropriated by this Act, available balances and the portion of fees deposited in the state treasury during the biennium ending August 31, 2005 in the amount of $370,000 in fiscal year 2006 and $370,000 in fiscal year 2007, is to the credit of the general academic institutions as provided by VTCA, Transportation Code § 504.615, is appropriated for that period to the general academic teaching institution for which it was credited for the purpose of providing scholarships for students who demonstrate a need for financial assistance.

Sec. 47. Appropriation of Funds from the Permanent Health Fund for Higher Education. Included in the amounts appropriated to health related institutions of higher education, is an estimated appropriation based on the institution's allocation of the estimated earnings out of the Permanent Health Fund for Higher Education for each fiscal year of the biennium. Amounts available for distribution from this fund are estimated to be $15,750,000 each fiscal year of the biennium. The funds appropriated out of the Permanent Health Fund for Higher Education shall be distributed to the institutions of higher education in accordance with Education Code § 63.003 for the purpose of medical research, health education, or treatment programs.

Sec. 48. Tobacco Settlement Receipts - Baylor College of Medicine. In addition to amounts appropriated elsewhere in this Act, Baylor College of Medicine is appropriated the institution's allocation of amounts, under Section 63.003, Education Code, available for distribution out of the Permanent Health Fund for Higher Education, estimated to be $1,915,830 in each year of the 2006-07 biennium. These funds are to be used only for purposes specified in Education Code, §§ 63.002 (c), (d), and (f).

Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, the Act many not be construed as appropriating funds to make up the difference.

All balances of estimated appropriations from the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education, except for any General Revenue, at the close of the fiscal year ending August 31, 2005, and the income to said fund during the fiscal years beginning September 1, 2005, are hereby appropriated. Any unexpended appropriations made above as of August 31, 2006, are hereby appropriated for the same purposes for fiscal year 2007.

Sec. 49. Limitation on Formula Funding Contact and Semester Credit Hours. It is the intent of the Legislature to control costs and limit General Revenue formula appropriations by excluding contact hours or semester credit hours related to a course for which a student is generating formula funding for the third time from being counted in the hours reported by the Higher Education Coordinating Board to the Legislative Budget Board for formula funding.

Sec. 50. Report on Real Property. Institutions of higher education shall submit to the Asset Manager Division in the General Land Office the following information, as the General Land Office may require, in accordance with general law:

1. a description of each item of property by reference to a volume number and page or image number or numbers of the official public records of real property in a particular county, or if not applicable, by a legal description;

2. the date of purchase of the property, if applicable;

3. the purchase price of the property, if applicable;

4. the name of the institution holding title to the property for the state;

5. a description of the current uses of the property and of the projected future uses of the property during the next 15 years; and

6. a description of each building or other improvement located on the property.

If the description of real property required by this section is excessively voluminous, as in the case of parkland, the division may direct the institution in possession of the real property to furnish the description only in summary form, as agreed to by the division and the institution involved.

In addition, if the institution of higher education has done an appraisal on the property, the date of the appraisal and the value broken out by land and improvements should be submitted.

Sec. 51. Limitation on Use of Funds.

1. State agencies and institutions of higher education that are appropriated funds from the receipts collected pursuant to the Comprehensive Tobacco Settlement Agreement and Release in this Article, shall submit a budget by November 1 of each year of the biennium to the Legislative Budget Board and the Governor. This budget shall describe the purposes and amounts for which such funds will be expended by the state agency or institution of higher education. No funds described in this budget may be expended by the state agency or institution of higher education until the Legislative Budget Board and the Governor receive the budget.

2. Authorized managers of permanent funds and endowments whose earnings are appropriated in this article shall provide a copy of year end financial reports to the Legislative Budget Board and the Governor by November 1 of each year of the biennium. These reports should include, at a minimum, an income statement and balance sheet for each fund, and a summary of the investment return of the fund during the preceding fiscal year.

Sec. 52. Financial Information Reporting Requirement. In addition to the financial information required to be reported in accordance with § 2101.011, Government Code, each university system, general academic institution and health-related institution shall continue to provide to the Higher Education Coordinating Board, financial data related to the operation of each system office and institution as was reported in the 2001 annual financial report. Each system office and institution of higher education shall provide the report no later than January 1st of each year using the specific content and format prescribed by the Coordinating Board.

Sec. 53. Program to Encourage Certification to Teach Bilingual Education, English as a Second Language, or Spanish. Of the funds appropriated by this Act to the Texas Higher Education Coordinating Board, the Coordinating Board may use an amount that is not less than $150,000 for each year of the 2006-07 biennium to develop and operate a program at the University of North Texas

System Center at Dallas, in consultation with the university, to provide financial incentives, such as tuition assistance and loan forgiveness, to encourage students who enroll in an educator preparation program at the university to become certified to teach bilingual education, English as a Second Language, or Spanish.

Sec. 54. Performance Reporting. The Legislative Budget Board and the Texas Higher Education Coordinating Board shall use the appropriations in this Act to work with all institutions of higher education to align the performance measures for all institutions of higher education with the measures included in the statewide accountability system as developed by the Texas Higher Education Coordinating Board. The Texas Higher Education Coordinating Board shall file a report providing recommendations to align the two sets of measures with the Legislative Budget Board by December 31, 2005.

Sec. 55. Mission Specific Support. It is the intent of the Legislature that the Legislative Budget Board and the Texas Higher Education Coordinating Board use the appropriations in this Act to consult with the Texas A&M University at Galveston to develop a funding allocation rate to be considered for the Marine and Maritime instruction, Ship Operation and Maintenance, and Marine Terminal Operation in accordance with the 1994 study by the Higher Education Coordinating Board that recommended linking the programs to the general academic institutions formula rate.

Sec. 56. Texas A&M University System Cost Efficiencies. It is the intent of the Legislature, that the Texas A&M University System research and service agencies including the Agricultural Experiment Station, Cooperative Extension, Engineering Experiment Station, Transportation Institute, Engineering Extension Service, Forest Service, and Veterinary Medical Diagnostic Laboratory contract or out-source administrative functions within the research and service agencies, Texas A&M University and/or the Texas A&M University System to use the appropriations in this Act in the most cost-effective extent with the goals of reducing administrative costs, increasing efficiencies and capitalizing on economies of scale.

Sec. 57. Contingent Appropriations for Small Business Development Centers. Of the appropriations identified elsewhere in this Article for individual institutions' Small Business Development Center(s), the amounts listed below are contingent upon certification by the Comptroller of Public Accounts that the activities of each network of Small Business Development Centers will generate additional revenue of at least the listed amount for the network to the general revenue fund. If the amount that can be certified is less than the maximum amount appropriated, the amounts appropriated shall be reduced to be within the amounts certified.

a. An amount not to exceed $1,365,210 in each year of the biennium is appropriated to the network of Small Business Development Centers affiliated with the lead center hosted by the Dallas County Community College.

	2006	2007
Dallas County Community College	$1,365,210	$1,365,210

b. An amount not to exceed $1,488,025 in each year of the biennium is appropriated to the network of Small Business Development Centers affiliated with the lead center hosted by Texas Tech University in the amounts listed below.

	2006	2007
Lead Center:		
Texas Tech University	$1,077,293	$1,077,293
Affiliated Institutions		
Midwestern University	$113,399	$113,399
West Texas A&M University	$170,099	$170,099
The University of Texas of the Permian Basin	$127,234	$127,234

c. An amount not to exceed $2,989,961 in each year of the biennium is appropriated to the network of Small Business Development Centers affiliated with the lead center hosted by the University of Houston in the amounts listed below.

	2006	2007
Lead Center:		
University of Houston	$2,581,459	$2,581,459
Affiliated Institutions		
Lamar University	$109,016	$109,016
Lamar State College - Port Arthur	$134,904	$134,904
Sam Houston State University	$164,582	$164,582

d. An amount not to exceed $4,165,905 in each year of the biennium is appropriated to the network of Small Business Development Centers affiliated with the lead center hosted by The University of Texas at San Antonio in the amounts listed below.

	2006	2007
Lead Center:		
The University of Texas - San Antonio	$3,179,898	$3,179,898
Affiliated Institutions		
Angelo State University	$122,064	$122,064
Sul Ross State University	$121,696	$121,696
Sul Ross State University - Rio Grande College	$152,580	$152,580
Texas State University - San Marcos	$171,461	$171,461
The University of Texas - Pan American	$222,706	$222,706
University of Houston - Victoria	$195,500	$195,500

Sec. 58. Display and Availability of Health Information. The legislature intends that an institution of higher education, as defined by § 61.003, Education Code, that spends appropriated money to support a student health center or similar facility that displays or makes available to students pamphlets, brochures, or similar printed material relating to health issues, will make available to female students copies of the current edition of the brochure published by the Department of State Health Services entitled "A Woman's Right to Know."

Sec. 59. Report Concerning Designated Tuition.

(a) Not later than January 1, 2006, the governing board of each public institution of higher education that charges students designated tuition under § 54.0513, Education Code, shall report to the legislature, for the 2004-2005 and 2005-2006 academic years:

(1) the amount the institution has collected in designated tuition;

(2) the purposes for which the institution spent the money derived from designated tuition and the amount of that money spent for each of those purposes; and

(3) the amount set aside from designated tuition for resident undergraduate and graduate student assistance under § 56.011 and 56.012, Education Code.

(b) In addition to the information reported under Subsection (a), not later than January 1, 2006, the governing board of each institution of higher education shall report to the legislature the total academic cost for resident undergraduates enrolled for 15 semester credit hours. The information reported shall be derived from actual fee bills for the 2004 fall semester and the 2003 spring and fall semesters and must reflect the actual charges, before any adjustments or discounts are applied for waivers, exemptions, or other discounts, in the following categories:

(1) statutory tuition;
(2) designated tuition;
(3) mandatory fees; and
(4) average college and course fees, which must include all academic-related fees and charges not reported under (1), (2), or (3), such as fees for laboratories, field trips, multimedia, equipment replacement, and instructional technology, but should not include charges for voluntary services ("optional fees").

(c) Reports required by this section shall be delivered to the Lieutenant Governor, the Speaker of the House, the chair of the Senate Finance Committee, the chair of the House Appropriations Committee, and the members of the Legislative Oversight Committee on Higher Education.

Sec. 60. Benefits Proportionality for Institutions fo Higher Education. It is the intent of the Legislature that during fiscal years 2006 and 2007 the Legislative Budget Board use the funds appropriated by this Act to be in a position to use the Comptroller's Accounting Policy Statement 011 as a basis for determining proportional health insurance appropriations for public institutions of higher education beginning in the biennium starting September 1, 2007.

Sec. 61. Appropriations for the Research Development Fund. The amounts listed below for informational purposes are appropriated in each affected institution's "Research Development Fund" strategy and shall be expended only for the purpose defined in Education Code §62.091.

	2006	2007
UT Arlington	$1,764,200	$1,764,201
UT Dallas	1,815,144	1,815,144
UT El Paso	1,824,154	1,824,154
UT Pan American	216,396	216,396
UT Brownsville	197,694	197,694
UT Permian Basin	125,000	125,000
UT San Antonio	1,093,377	1,093,377
UT Tyler	125,000	125,000
Texas A&M Univ. at Galveston	265,321	265,321
Tarleton State University	604,246	604,246
Texas A&M University - Corpus Christi	728,751	728,751
Texas A&M University - Kingsville	601,041	601,041
Texas A&M International University	12,752	12,752
West Texas A&M University	251,509	251,509
Texas A&M - Commerce	24,031	24,031
University of Houston	5,137,629	5,137,629
UH-Clear Lake	316,070	316,070
UH-Downtown	64,085	64,085
Midwestern State University	9,470	9,470
University of North Texas	1,121,371	1,121,371
Stephen F. Austin State Univ.	271,591	271,591
Texas Southern University	459,790	459,790
Texas Tech University	2,998,969	2,998,969
Texas Woman's University	175,954	175,954
Angelo State University	37,682	37,682
Lamar University	226,427	226,427
Sam Houston State University	205,230	205,230
Texas State University - San Marcos	656,855	656,855
Sul Ross State University	55,006	55,006
	$21,384,745	$21,384,746

RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(General Revenue)

	For the Years Ending August 31, 2006	August 31, 2007
Texas Education Agency	$ 11,745,506,192	$ 11,193,734,165
Contingency Appropriations	(145,000,000)	0
Total	11,600,506,192	11,193,734,165
School for the Blind and Visually Impaired	12,368,081	12,192,201
School for the Deaf	14,832,680	14,894,571
Teacher Retirement System	1,546,853,590	1,687,076,641
Optional Retirement Program	93,956,033	94,895,593
Higher Education Employees Group Insurance Contributions	455,616,109	481,455,317
Higher Education Coordinating Board	377,672,422	361,751,668
Higher Education Fund	175,000,000	175,000,000
The University of Texas System Administration	781,389	781,389
The University of Texas at Arlington	84,783,133	84,187,173
The University of Texas at Austin	252,037,365	250,752,523
The University of Texas at Dallas	61,279,782	60,595,844
The University of Texas at El Paso	63,283,637	63,172,036
The University of Texas - Pan American	54,883,368	54,929,367
The University of Texas at Brownsville	20,590,518	20,599,314
The University of Texas of the Permian Basin	14,417,886	14,414,594
The University of Texas at San Antonio	81,393,469	81,341,015
The University of Texas at Tyler	25,130,568	25,226,216
Texas A&M University System Administrative and General Offices	2,603,181	528,535
Texas A&M University	219,401,048	218,196,305
Texas A&M University at Galveston	11,559,517	11,497,707
Prairie View A&M University	53,917,232	53,679,664
Rider Appropriations	3,000,000	0
Total	56,917,232	53,679,664
Tarleton State University	31,663,870	31,565,022
Texas A&M University - Corpus Christi	43,527,894	43,341,721
Texas A&M University - Kingsville	36,431,436	34,959,856
Texas A&M International University	33,298,386	33,247,488
West Texas A&M University	28,106,333	28,029,425
Texas A&M University - Commerce	30,448,462	30,428,623
Texas A&M University - Texarkana	10,092,063	10,093,374
University of Houston System Administration	2,341,126	2,344,558
University of Houston	142,896,950	141,983,879
University of Houston - Clear Lake	28,118,954	27,956,490
University of Houston - Downtown	24,483,791	24,922,667
University of Houston - Victoria	12,021,778	12,021,839
Midwestern State University	18,448,281	18,194,568
University of North Texas System Administration	6,429,696	7,429,696
University of North Texas	95,089,665	94,415,595
Stephen F. Austin State University	40,097,036	40,050,079
Texas Southern University	56,080,734	55,738,530
Rider Appropriations	1,600,000	0
Total	57,680,734	55,738,530
Texas Tech University System Administration	415,546	414,547
Texas Tech University	124,113,169	123,705,936
Texas Woman's University	54,821,549	54,728,308
Board of Regents, Texas State University System Central Office	1,133,248	1,133,248
Angelo State University	24,959,737	25,016,765
Lamar University - Beaumont	33,466,599	33,265,345

RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(General Revenue)
(Continued)

Lamar University - Orange	6,246,349	6,237,622
Lamar University - Port Arthur	8,495,475	9,001,088
Sam Houston State University	39,460,598	39,303,827
Texas State University - San Marcos	76,342,758	76,325,846
Sul Ross State University	14,874,328	14,859,880
Sul Ross State University Rio Grande College	5,228,454	5,228,651
The University of Texas Southwestern Medical Center at Dallas	129,489,252	129,519,176
The University of Texas Medical Branch at Galveston	219,131,945	219,159,087
The University of Texas Health Science Center at Houston	130,813,191	130,761,160
The University of Texas Health Science Center at San Antonio	127,890,447	127,146,206
The University of Texas M.D. Anderson Cancer Center	144,418,169	144,354,129
The University of Texas Health Center at Tyler	32,944,734	32,944,736
Texas A&M University System Health Science Center	63,021,969	61,192,199
University of North Texas Health Science Center at Fort Worth	48,481,790	48,483,181
Texas Tech University Health Sciences Center	107,668,996	107,830,063
Public Community/Junior Colleges	813,635,413	813,635,416
Texas State Technical College System Administration	3,525,459	3,538,360
Texas State Technical College - Harlingen	16,755,723	16,820,354
Texas State Technical College - West Texas	11,212,451	11,356,174
Texas State Technical College - Marshall	4,288,983	4,299,188
Texas State Technical College - Waco	24,545,169	24,192,478
Texas Agricultural Experiment Station	51,862,420	51,862,421
Texas Cooperative Extension	44,892,735	44,892,735
Texas Engineering Experiment Station	11,614,943	11,614,942
Texas Engineering Extension Service	5,892,776	5,892,776
Texas Forest Service	14,909,422	14,909,421
Texas Veterinary Medical Diagnostic Laboratory	4,796,982	4,796,983
Texas Food and Fibers Commission	1,349,101	1,349,101
Subtotal, Agencies of Education	$ 18,278,385,744	$ 18,006,349,098
Retirement and Group Insurance	19,154,464	20,425,907
Social Security and Benefit Replacement Pay	182,024,039	188,263,334
Subtotal, Employee Benefits	$ 201,178,503	$ 208,689,241
Bond Debt Service Payments	1,387,793	1,876,872
Lease Payments	8,162,746	8,367,219
Subtotal, Debt Service	$ 9,550,539	$ 10,244,091
TOTAL, ARTICLE III - AGENCIES OF EDUCATION	$ 18,489,114,786	$ 18,225,282,430

RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(General Revenue - Dedicated)

	For the Years Ending August 31, 2006	August 31, 2007
Texas Education Agency	$ 115,042,960	$ 115,042,960
Teacher Retirement System	61,631,705	64,713,290
Optional Retirement Program	17,141,657	17,313,074
Higher Education Coordinating Board	11,621,407	11,518,408
The University of Texas at Arlington	42,373,549	43,186,718
The University of Texas at Austin	103,593,448	105,443,124
The University of Texas at Dallas	27,367,010	28,062,625
The University of Texas at El Paso	22,601,821	22,833,813
The University of Texas - Pan American	21,212,485	21,260,629
The University of Texas at Brownsville	3,732,230	3,741,491
The University of Texas of the Permian Basin	4,292,854	4,307,116
The University of Texas at San Antonio	34,452,391	34,692,111
The University of Texas at Tyler	5,959,452	5,982,898
Texas A&M University System Administrative and General Offices	1,088,742	2,439,976
Texas A&M University	79,479,670	80,840,763
Texas A&M University at Galveston	3,355,406	3,448,991
Prairie View A&M University	13,979,115	14,624,010
Tarleton State University	11,918,851	12,096,932
Texas A&M University - Corpus Christi	11,475,112	11,652,922
Texas A&M University - Kingsville	10,412,544	10,609,847
Texas A&M International University	5,020,710	5,099,322
West Texas A&M University	9,731,058	9,860,479
Texas A&M University - Commerce	11,631,130	11,736,157
Texas A&M University - Texarkana	2,483,826	2,491,376
University of Houston	60,827,523	62,085,085
University of Houston - Clear Lake	11,449,998	11,659,520
University of Houston - Downtown	12,164,239	12,396,810
University of Houston - Victoria	2,892,986	2,906,437
Midwestern State University	8,411,682	8,616,563
University of North Texas	47,042,311	47,986,027
Stephen F. Austin State University	15,434,465	15,564,354
Texas Southern University	23,004,084	23,463,801
Texas Tech University	45,754,484	46,316,518
Texas Woman's University	14,482,218	14,641,229
Angelo State University	8,271,789	8,346,743
Lamar University - Beaumont	13,281,154	13,573,858
Lamar Institute of Technology	2,452,647	2,452,647
Lamar University - Orange	2,197,220	2,262,982
Lamar University - Port Arthur	2,299,493	2,318,754
Sam Houston State University	30,140,900	26,393,604
Texas State University - San Marcos	37,543,027	37,703,355
Sul Ross State University	2,514,093	2,536,044
Sul Ross State University Rio Grande College	1,130,156	1,132,179
The University of Texas Southwestern Medical Center at Dallas	27,483,199	27,655,386
The University of Texas Medical Branch at Galveston	9,914,533	10,031,392
The University of Texas Health Science Center at Houston	10,982,826	11,195,161
The University of Texas Health Science Center at San Antonio	11,419,107	11,613,792
The University of Texas M.D. Anderson Cancer Center	13,996,842	16,125,201
The University of Texas Health Center at Tyler	303,502	371,087
Texas A&M University System Health Science Center	4,673,720	4,703,677
University of North Texas Health Science Center at Fort Worth	4,313,305	4,334,078
Texas Tech University Health Sciences Center	5,618,348	5,630,800

RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(General Revenue - Dedicated)
(Continued)

Texas State Technical College System Administration	157,654	157,882
Texas State Technical College - Harlingen	5,515,951	5,788,039
Texas State Technical College - West Texas	2,916,445	2,972,327
Texas State Technical College - Marshall	996,026	922,382
Texas State Technical College - Waco	6,752,561	7,371,913
Texas Agricultural Experiment Station	500,000	500,000
Texas Engineering Experiment Station	952,019	952,019
Texas Forest Service	15,858,205	15,858,205
Subtotal, Agencies of Education	$ 1,095,247,845	$ 1,111,538,883
Retirement and Group Insurance	4,566	5,067
Social Security and Benefit Replacement Pay	37,978,130	39,307,365
Subtotal, Employee Benefits	$ 37,982,696	$ 39,312,432
Article III, Special Provisions, Rider Appropriations	370,000	370,000
TOTAL, ARTICLE III - AGENCIES OF EDUCATION	$ 1,133,600,541	$ 1,151,221,315

RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(Federal Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Texas Education Agency	$ 4,010,178,366	$ 4,055,368,669
School for the Blind and Visually Impaired	2,288,260	2,288,260
School for the Deaf	1,155,367	1,155,367
Higher Education Coordinating Board	59,948,535	59,948,533
Texas Agricultural Experiment Station	6,455,093	6,455,093
Texas Cooperative Extension	10,870,815	10,870,815
Texas Engineering Experiment Station	45,649,410	45,649,410
Texas Transportation Institute	3,716,709	3,763,790
Texas Engineering Extension Service	32,642,615	32,642,615
Texas Forest Service	4,001,189	4,001,189
Texas Food and Fibers Commission	420,000	420,000
Subtotal, Agencies of Education	$ 4,177,326,359	$ 4,222,563,741
Retirement and Group Insurance	2,870,464	3,040,269
Social Security and Benefit Replacement Pay	996,093	1,008,450
Subtotal, Employee Benefits	$ 3,866,557	$ 4,048,719
TOTAL, ARTICLE III - AGENCIES OF EDUCATION	$ 4,181,192,916	$ 4,226,612,460

RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(Other Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Texas Education Agency	$ 1,190,303,025	$ 1,341,363,709
School for the Blind and Visually Impaired	37,542,512	1,090,512
School for the Deaf	5,095,427	3,365,927
Teacher Retirement System	44,744,893	44,814,427
Higher Education Employees Group Insurance Contributions	411,190	434,587
Higher Education Coordinating Board	27,537,010	25,182,786
The University of Texas System Administration	940,000	940,000
Available University Fund	362,579,698	392,685,092
The University of Texas at El Paso	1,472,403	1,182,500
The University of Texas - Pan American	321,001	321,001
Texas A&M University	2,661,938	2,150,000
Texas A&M International University	193,525	193,525
The University of Texas Southwestern Medical Center at Dallas	4,329,000	4,329,000
The University of Texas Medical Branch at Galveston	321,506,801	321,506,801
The University of Texas Health Science Center at Houston	6,101,727	6,103,205
The University of Texas Health Science Center at San Antonio	11,648,481	11,647,236
The University of Texas M.D. Anderson Cancer Center	1,329,055,246	1,500,121,872
The University of Texas Health Center at Tyler	53,306,234	53,753,069
Texas A&M University System Health Science Center	8,309,667	8,309,667
University of North Texas Health Science Center at Fort Worth	2,280,420	2,280,420
Texas Tech University Health Sciences Center	3,648,600	3,648,600
Texas Agricultural Experiment Station	5,217,654	5,217,654
Texas Cooperative Extension	7,944,576	7,944,576
Texas Engineering Experiment Station	22,070,538	22,070,539
Texas Transportation Institute	35,385,636	35,721,080
Texas Engineering Extension Service	36,160,997	36,160,997
Texas Forest Service	1,421,563	1,421,563
Texas Veterinary Medical Diagnostic Laboratory	6,448,022	6,448,022
Texas Food and Fibers Commission	2,790,095	2,790,095
Subtotal, Agencies of Education	$ 3,531,427,879	$ 3,843,198,462
Retirement and Group Insurance	167,350	178,577
Social Security and Benefit Replacement Pay	7,135,445	7,342,268
Subtotal, Employee Benefits	$ 7,302,795	$ 7,520,845
Article III, Special Provisions, Rider Appropriations	1,915,830	1,915,830
Less Interagency Contracts	$ 49,176,466	$ 49,413,475
TOTAL, ARTICLE III - AGENCIES OF EDUCATION	$ 3,491,470,038	$ 3,803,221,662

RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(All Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Texas Education Agency	$ 17,061,030,543	$ 16,705,509,503
Contingency Appropriations	(145,000,000)	0
Total	16,916,030,543	16,705,509,503
School for the Blind and Visually Impaired	52,198,853	15,570,973
School for the Deaf	21,083,474	19,415,865
Teacher Retirement System	1,653,230,188	1,796,604,358
Optional Retirement Program	111,097,690	112,208,667
Higher Education Employees Group Insurance Contributions	456,027,299	481,889,904
Higher Education Coordinating Board	476,779,374	458,401,395
Higher Education Fund	175,000,000	175,000,000
The University of Texas System Administration	1,721,389	1,721,389
Available University Fund	362,579,698	392,685,092
The University of Texas at Arlington	127,156,682	127,373,891
The University of Texas at Austin	355,630,813	356,195,647
The University of Texas at Dallas	88,646,792	88,658,469
The University of Texas at El Paso	87,357,861	87,188,349
The University of Texas - Pan American	76,416,854	76,510,997
The University of Texas at Brownsville	24,322,748	24,340,805
The University of Texas of the Permian Basin	18,710,740	18,721,710
The University of Texas at San Antonio	115,845,860	116,033,126
The University of Texas at Tyler	31,090,020	31,209,114
Texas A&M University System Administrative and General Offices	3,691,923	2,968,511
Texas A&M University	301,542,656	301,187,068
Texas A&M University at Galveston	14,914,923	14,946,698
Prairie View A&M University	67,896,347	68,303,674
Rider Appropriations	3,000,000	0
Total	70,896,347	68,303,674
Tarleton State University	43,582,721	43,661,954
Texas A&M University - Corpus Christi	55,003,006	54,994,643
Texas A&M University - Kingsville	46,843,980	45,569,703
Texas A&M International University	38,512,621	38,540,335
West Texas A&M University	37,837,391	37,889,904
Texas A&M University - Commerce	42,079,592	42,164,780
Texas A&M University - Texarkana	12,575,889	12,584,750
University of Houston System Administration	2,341,126	2,344,558
University of Houston	203,724,473	204,068,964
University of Houston - Clear Lake	39,568,952	39,616,010
University of Houston - Downtown	36,648,030	37,319,477
University of Houston - Victoria	14,914,764	14,928,276
Midwestern State University	26,859,963	26,811,131
University of North Texas System Administration	6,429,696	7,429,696
University of North Texas	142,131,976	142,401,622
Stephen F. Austin State University	55,531,501	55,614,433
Texas Southern University	79,084,818	79,202,331
Rider Appropriations	1,600,000	0
Total	80,684,818	79,202,331
Texas Tech University System Administration	415,546	414,547
Texas Tech University	169,867,653	170,022,454
Texas Woman's University	69,303,767	69,369,537
Board of Regents, Texas State University System Central Office	1,133,248	1,133,248
Angelo State University	33,231,526	33,363,508

RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(All Funds)
(Continued)

Lamar University - Beaumont	46,747,753	46,839,203
Lamar Institute of Technology	11,094,856	11,405,148
Lamar University - Orange	8,443,569	8,500,604
Lamar University - Port Arthur	10,794,968	11,319,842
Sam Houston State University	69,601,498	65,697,431
Texas State University - San Marcos	113,885,785	114,029,201
Sul Ross State University	17,388,421	17,395,924
Sul Ross State University Rio Grande College	6,358,610	6,360,830
The University of Texas Southwestern Medical Center at Dallas	161,301,451	161,503,562
The University of Texas Medical Branch at Galveston	550,553,279	550,697,280
The University of Texas Health Science Center at Houston	147,897,744	148,059,526
The University of Texas Health Science Center at San Antonio	150,958,035	150,407,234
The University of Texas M.D. Anderson Cancer Center	1,487,470,257	1,660,601,202
The University of Texas Health Center at Tyler	86,554,470	87,068,892
Texas A&M University System Health Science Center	76,005,356	74,205,543
University of North Texas Health Science Center at Fort Worth	55,075,515	55,097,679
Texas Tech University Health Sciences Center	116,935,944	117,109,463
Public Community/Junior Colleges	813,635,413	813,635,416
Texas State Technical College System Administration	3,683,113	3,696,242
Texas State Technical College - Harlingen	22,271,674	22,608,393
Texas State Technical College - West Texas	14,128,896	14,328,501
Texas State Technical College - Marshall	5,285,009	5,221,570
Texas State Technical College - Waco	31,297,730	31,564,391
Texas Agricultural Experiment Station	64,035,167	64,035,168
Texas Cooperative Extension	63,708,126	63,708,126
Texas Engineering Experiment Station	80,286,910	80,286,910
Texas Transportation Institute	39,102,345	39,484,870
Texas Engineering Extension Service	74,696,388	74,696,388
Texas Forest Service	36,190,379	36,190,378
Texas Veterinary Medical Diagnostic Laboratory	11,245,004	11,245,005
Texas Food and Fibers Commission	4,559,196	4,559,196
Subtotal, Agencies of Education	$ 27,082,387,827	$ 27,183,650,184
Retirement and Group Insurance	22,196,844	23,649,820
Social Security and Benefit Replacement Pay	228,133,707	235,921,417
Subtotal, Employee Benefits	$ 250,330,551	$ 259,571,237
Bond Debt Service Payments	1,387,793	1,876,872
Lease Payments	8,162,746	8,367,219
Subtotal, Debt Service	$ 9,550,539	$ 10,244,091
Article III, Special Provisions, Rider Appropriations	2,285,830	2,285,830
Less Interagency Contracts	$ 49,176,466	$ 49,413,475
TOTAL, ARTICLE III - AGENCIES OF EDUCATION	$ 27,295,378,281	$ 27,406,337,867
Number of Full-Time-Equivalents (FTE)-Appropriated Funds	82,685.4	82,692.4

ARTICLE IV

THE JUDICIARY

Sec. 1. The several sums of money herein specified, or so much thereby as may be necessary, are appropriated out of any funds in the State Treasury not otherwise appropriated, or out of special funds as indicated, for the support, maintenance, or improvement of the judiciary and other judicial service units of the state.

SUPREME COURT OF TEXAS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 4,097,179	$ 4,097,179
Other Funds		
Judicial Fund No. 573	15,875,000	7,225,000
Interagency Contracts	2,500,000	2,500,000
Subtotal, Other Funds	$ 18,375,000	$ 9,725,000
Total, Method of Financing	$ 22,472,179	$ 13,822,179
This bill pattern represents an estimated 99.7% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	63.5	63.5
Schedule of Exempt Positions:		
Chief Justice	$115,000	$115,000
Justice	(8) 113,000	(8) 113,000
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 4,097,179	$ 4,097,179 & UB
A.1.2. Strategy: BASIC CIVIL LEGAL SERVICES	$ 18,375,000	$ 9,725,000 & UB
Total, Goal A: APPELLATE COURT OPERATIONS	$ 22,472,179	$ 13,822,179
Grand Total, SUPREME COURT OF TEXAS	$ 22,472,179	$ 13,822,179
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 3,796,255	$ 3,796,255
Other Personnel Costs	25,000	25,000
Professional Fees and Services	30,000	30,000
Consumable Supplies	35,000	35,000
Travel	52,000	52,000
Rent - Machine and Other	55,000	55,000
Other Operating Expense	103,924	103,924
Grants	18,375,000	9,725,000
Total, Object-of-Expense Informational Listing	$ 22,472,179	$ 13,822,179
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 154,470	$ 157,560
Group Insurance	426,798	460,972
Social Security	268,427	273,796
Benefits Replacement	19,526	18,550
Subtotal, Employee Benefits	$ 869,221	$ 910,878

Debt Service		
Lease Payments	$ 632,360	$ 631,823
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,501,581	$ 1,542,701

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Supreme Court of Texas. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Supreme Court of Texas. In order to achieve the objectives and service standards established by this Act, the Supreme Court of Texas shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Disposition Rate	105%	105%
A.1.1. Strategy: APPELLATE COURT OPERATIONS		
Efficiencies:		
Average Number of Days since Filing of All Matters Pending in the Supreme Court	100	100

2. **Appropriation: Basic Civil Legal Services.** All fees deposited into the Basic Civil Legal Services Account of the Judicial Fund are appropriated above in Strategy A.1.2, Basic Civil Legal Services. Any fees deposited in excess of $7,225,000 in fiscal year 2006 and $7,225,000 in fiscal year 2007 are hereby appropriated to the Supreme Court for the same purpose (estimated to be $0). Any unexpended balances in the Basic Civil Legal Services Account at the end of fiscal year 2005 are hereby appropriated to the Supreme Court in fiscal year 2006 for the same purpose (estimated to be $8,650,000 and included in amounts appropriated above).

   The Supreme Court of Texas shall file a report with the Legislative Budget Board and the Governor within 90 days following February 28 and August 31 of each fiscal year showing disbursements from the Basic Civil Legal Services Account of Judicial Fund No. 573, the purpose for each disbursement, and compliance with grant conditions.

3. **Equalization.** It is the intent of the Legislature that the Supreme Court equalize the dockets of the 14 Courts of Appeals. Equalization shall be considered achieved if the new cases filed each year per justice are equalized by 10 percent or less among all the courts of appeals.

4. **Baseline for Fiscal Years 2008-09.** It is the intent of the Legislature for the Supreme Court to use the balance of local funds collected under Government Code § 51.006 for appellate court operations during fiscal years 2006-07 (estimated to be $26,000 in balances held outside the state treasury). Use of these funds will reduce the license fund balance to the minimum required for continued operations authorized under Government Code § 51.006. It is the intent of the Legislature that the Eighteenth Legislature address this method of finance.

5. **Special Masters: State Commission on Judicial Conduct.** The appropriations to the State Commission on Judicial Conduct reflect the intent of the Legislature to encourage the Supreme Court of Texas to appoint active judges rather than retired judges as special masters in formal proceedings initiated by the State Commission on Judicial Conduct under Rule 10 of the Procedural Rules for the Removal or Retirement of Judges.

COURT OF CRIMINAL APPEALS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 4,230,436	$ 4,230,435
Judicial and Court Personnel Training Fund No. 540	9,775,755	8,883,755
Total, Method of Financing	$ 14,006,191	$ 13,114,190

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	70.0	70.0
Schedule of Exempt Positions:		
Presiding Judge	$115,000	$115,000
Judge	(8) 113,000	(8) 113,000
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 4,230,436	$ 4,230,435 & UB
B. Goal: JUDICIAL EDUCATION		
B.1.1. Strategy: JUDICIAL EDUCATION	$ 9,775,755	$ 8,883,755
Grand Total, COURT OF CRIMINAL APPEALS	$ 14,006,191	$ 13,114,190
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 4,154,574	$ 4,154,573
Other Personnel Costs	89,840	39,840
Consumable Supplies	15,500	15,500
Travel	10,150	10,150
Rent - Machine and Other	40,100	40,100
Other Operating Expense	101,554	101,554
Grants	9,594,473	8,752,473
Total, Object-of-Expense Informational Listing	$ 14,006,191	$ 13,114,190
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 164,870	$ 168,168
Group Insurance	450,178	486,612
Social Security	289,121	294,904
Benefits Replacement	24,406	23,185
Subtotal, Employee Benefits	$ 928,575	$ 972,869
Debt Service		
Lease Payments	$ 554,148	$ 553,676
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,482,723	$ 1,526,545

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Court of Criminal Appeals. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Court of Criminal Appeals. In order to achieve the objectives and service standards established by this Act, the Court of Criminal Appeals shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Disposition Rate for Petitions for Discretionary Review Which Are Granted	79%	79%
Disposition Rate for Death Penalty Cases	43%	43%
A.1.1. Strategy: APPELLATE COURT OPERATIONS		
Efficiencies:		
Average Time (in Days) from the Time Petitions for Discretionary Review Are Granted until Disposition	282	282
Average Time from Time Filed to Disposition in Death Penalty Cases	638	638

2. Judicial Education.

a. The Court of Criminal Appeals may assign to the Office of Court Administration or to any other agency of the Judicial Branch the necessary administrative and accounting functions for the Judicial and Court Personnel Training Fund appropriation included in this Act to be performed under the direction of the Court of Criminal Appeals in compliance with Government Code, Chapter 56. To implement this provision, the Comptroller is authorized to transfer the appropriation from the Court of Criminal Appeals to the Office of Court Administration, or to any other agency of the Judicial Branch, as directed by order of the Court of Criminal Appeals. Of the amount appropriated for Strategy B.1.1, Judicial Education, $475,000 in fiscal year 2006 and $475,000 in fiscal year 2007 shall be expended for the continuing legal education of judges of county courts performing judicial functions.

b. None of the funds appropriated above in Strategy B.1.1, Judicial Education, in excess of 3 percent of the appropriated amount in any fiscal year shall be expended for the administration of the judicial education function. For the purposes of this provision, the term administration shall include, but not be limited to, administrative oversight functions, accounting and auditing functions, management studies, performance audits, and other studies initiated by the Court of Criminal Appeals or the Office of Court Administration.

c. Funds expended by either the Court of Criminal Appeals or the Office of Court Administration, out of the appropriation made above out of the Judicial and Court Personnel Training Fund, for the purpose of conducting management studies, performance audits, or other studies, shall be expended only in accordance with a competitive bidding process.

3. Continuing Education and Technical Assistance for Prosecutors and Criminal Defense Attorneys.

a. The Court of Criminal Appeals is authorized to contract with a statewide professional association of prosecuting attorneys and other entities whose purposes include providing continuing legal education courses, programs and technical assistance projects for prosecutors and prosecutor office personnel, provided, however, that such contract shall not exceed $1,400,000 in fiscal year 2006 and $1,400,000 in fiscal year 2007.

b. The Court of Criminal Appeals is authorized to contract with a statewide professional association of criminal defense attorneys and other entities whose purposes include providing continuing legal education courses, programs and technical assistance projects for criminal defense attorneys who regularly represent indigent defendants in criminal matters, provided, however, that such contract shall not exceed $1,250,000 in fiscal year 2006 and $1,250,000 in fiscal year 2007.

c. Funds may be expended pursuant to this provision only out of the appropriation made above out of the Judicial and Court Personnel Training Fund No. 540.

4. Judicial Education: Reimbursement for Travel Expenses. Funds appropriated above in Strategy B.1.1, Judicial Education, for the purposes established in § 56.003(b) of the Government Code, may be granted only pursuant to a grant contract which provides for the reimbursement of expenses of judges pursuant to the provisions of § 74.062 of the Government Code. This provision shall not apply to funds granted for the purpose of providing continuing legal education for judges of county courts performing judicial functions.

5. Judicial and Court Personnel Training Report. The Court of Criminal Appeals shall file a report with the Legislative Budget Board and the Governor within 90 days following February 28 and August 31 of each fiscal year showing the allocation of grants and expenditures from Judicial and Court Personnel Training Fund No. 540, and the results of grant audits.

6. Appropriation: Refunds of Unexpended Balances from Training Entities. The Court of Criminal Appeals shall maintain procedures to ensure that the state is refunded all unexpended and unencumbered state funds held at the close of fiscal year 2005 and fiscal year 2006 by training entities receiving grants to conduct judicial and court personnel training. Refunds received by the Court of Criminal Appeals in fiscal year 2006 from training entities are appropriated above in Strategy B.1.1, Judicial Education (not to exceed $842,000 in fiscal year 2006 out of Judicial and Court Personnel Training Account No. 540.) In addition, under Article

IX, § 8.03 of this Act, the Court of Criminal Appeals is authorized to spend an amount not to exceed $1,082,000 from refunds received from training entities in fiscal year 2007 for grants awarded in fiscal year 2006.

7. **Judicial and Court Personnel Training.** Out of funds appropriated above in Strategy B.1.1, Judicial Education, a minimum of $1,000,000 per fiscal year is designated for the Court of Criminal Appeals to contract with training entities providing for the training and continuing legal education of the clerks and other court personnel of the appellate courts, district courts, county courts at law, county courts, justice courts, and municipal courts of this State in accordance with Government Code § 74.025.

8. **Actual Innocence Training**. Out of funds appropriated above in Strategy B.1.1, Judicial Education, an amount not to exceed $150,000 in fiscal year 2006 and an amount not to exceed $150,000 in fiscal year 2007 shall be used by the Court of Criminal Appeals to contract with statewide professional associations and other entities whose purposes include providing continuing legal education courses, programs, and technical assistance projects on actual innocence for criminal defense attorneys, prosecuting attorneys, and judges. Any unexpended balances of these funds remaining as of August 31, 2006 are hereby appropriated to the Court of Criminal Appeals for the fiscal year beginning September 1, 2006 for the same purpose.

9. **Appropriation: Unexpended Balance Authority Between Biennia and Within the Biennium for Judicial Education, Administrative Allocation.** All unexpended balances of funds appropriated to Strategy B.1.1, Judicial Education, at the end of fiscal year 2005 are appropriated to Strategy B.1.1, Judicial Education in fiscal year 2006 (not to exceed $50,000 in Judicial and Court Personnel Training Fund No. 540, and included in amounts appropriated above). Further, all unexpended balances of funds appropriated to Strategy B.1.1, Judicial Education, at the end of fiscal year 2006 are appropriated to Strategy B.1.1, Judicial Education in fiscal year 2007 (not to exceed $100,000 in Judicial and Court Personnel Training Fund No. 540).

FIRST COURT OF APPEALS DISTRICT, HOUSTON

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 2,953,601	$ 2,953,599
Total, Method of Financing	$ 2,953,601	$ 2,953,599
This bill pattern represents an estimated 89% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	43.5	43.5
Schedule of Exempt Positions:		
Chief Justice	$107,850	$107,850
Justice	(8) 107,350	(8) 107,350
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 2,953,601	$ 2,953,599 & UB
Grand Total, FIRST COURT OF APPEALS DISTRICT, HOUSTON	$ 2,953,601	$ 2,953,599
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 2,755,730	$ 2,755,729
Other Personnel Costs	19,841	19,841
Consumable Supplies	3,231	3,231
Travel	4,000	4,000

FIRST COURT OF APPEALS DISTRICT, HOUSTON
(Continued)

Rent - Building	12,180	12,180
Rent - Machine and Other	3,000	3,000
Other Operating Expense	155,619	155,618
Total, Object-of-Expense Informational Listing	$ 2,953,601	$ 2,953,599
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 94,381	$ 96,269
Group Insurance	234,387	251,099
Social Security	179,800	183,396
Benefits Replacement	8,341	7,924
Subtotal, Employee Benefits	$ 516,909	$ 538,688
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 516,909	$ 538,688

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the First Court of Appeals District, Houston. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the First Court of Appeals District, Houston. In order to achieve the objectives and service standards established by this Act, the First Court of Appeals District, Houston shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Average Percent of Cases Submitted but Not Disposed within 12 Months	0%	0%
Average Percent of Cases Filed but Not Disposed within 24 Months	0%	0%

SECOND COURT OF APPEALS DISTRICT, FORT WORTH

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 2,288,557	$ 2,288,557
Total, Method of Financing	$ 2,288,557	$ 2,288,557
This bill pattern represents an estimated 86.9% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	39.0	39.0
Schedule of Exempt Positions:		
Chief Justice	$107,850	$107,850
Justice	(6) 107,350	(6) 107,350
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 2,288,557	$ 2,288,557 & UB
Grand Total, SECOND COURT OF APPEALS DISTRICT, FORT WORTH	$ 2,288,557	$ 2,288,557
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 2,196,054	$ 2,196,054
Other Personnel Costs	17,080	18,760

Consumable Supplies	15,000	15,000
Travel	14,000	14,000
Rent - Building	60	60
Other Operating Expense	46,363	44,683
Total, Object-of-Expense Informational Listing	$ 2,288,557	$ 2,288,557
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 81,651	$ 83,284
Group Insurance	239,978	258,620
Social Security	153,998	157,078
Benefits Replacement	11,584	11,005
Subtotal, Employee Benefits	$ 487,211	$ 509,987
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 487,211	$ 509,987

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Second Court of Appeals District, Fort Worth. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Second Court of Appeals District, Fort Worth. In order to achieve the objectives and service standards established by this Act, the Second Court of Appeals District, Fort Worth shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Average Percent of Cases Submitted but Not Disposed within 12 Months	0%	0%
Average Percent of Cases Filed but Not Disposed within 24 Months	0%	0%

THIRD COURT OF APPEALS DISTRICT, AUSTIN

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 2,027,760	$ 2,027,760
Total, Method of Financing	$ 2,027,760	$ 2,027,760
This bill pattern represents an estimated 98.5% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	30.0	30.0
Schedule of Exempt Positions:		
Chief Justice	$107,850	$107,850
Justice	(5) 107,350	(5) 107,350
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 2,027,760	$ 2,027,760 & UB
Grand Total, THIRD COURT OF APPEALS DISTRICT, AUSTIN	$ 2,027,760	$ 2,027,760

THIRD COURT OF APPEALS DISTRICT, AUSTIN
(Continued)

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,891,328	$ 1,891,328
Other Personnel Costs	11,100	11,100
Professional Fees and Services	475	475
Consumable Supplies	9,847	9,847
Utilities	1,200	1,200
Travel	1,500	1,500
Rent - Building	8,500	8,500
Other Operating Expense	60,310	60,310
Capital Expenditures	43,500	43,500
Total, Object-of-Expense Informational Listing	$ 2,027,760	$ 2,027,760
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 68,764	$ 70,139
Group Insurance	185,576	200,072
Social Security	135,503	138,213
Benefits Replacement	11,010	10,459
Subtotal, Employee Benefits	$ 400,853	$ 418,883
Debt Service		
Lease Payments	$ 601,310	$ 600,800
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,002,163	$ 1,019,683

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Third Court of Appeals District, Austin. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Third Court of Appeals District, Austin. In order to achieve the objectives and service standards established by this Act, the Third Court of Appeals District, Austin shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Average Percent of Cases Submitted but Not Disposed within 12 Months	0%	0%
Average Percent of Cases Filed but Not Disposed within 24 Months	0%	0%

FOURTH COURT OF APPEALS DISTRICT, SAN ANTONIO

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 2,196,952	$ 2,196,951
Total, Method of Financing	$ 2,196,952	$ 2,196,951
This bill pattern represents an estimated 85.3% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	34.0	34.0
Schedule of Exempt Positions:		
Chief Justice	$107,850	$107,850
Justice	(6) 107,350	(6) 107,350

FOURTH COURT OF APPEALS DISTRICT, SAN ANTONIO
(Continued)

Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 2,196,952	$ 2,196,951 & UB
Grand Total, FOURTH COURT OF APPEALS DISTRICT, SAN ANTONIO	$ 2,196,952	$ 2,196,951
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 2,132,318	$ 2,132,317
Other Personnel Costs	16,860	17,480
Consumable Supplies	15,000	15,000
Travel	1,500	1,500
Rent - Machine and Other	1,000	1,000
Other Operating Expense	30,274	29,654
Total, Object-of-Expense Informational Listing	$ 2,196,952	$ 2,196,951
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 75,877	$ 77,394
Group Insurance	219,555	236,094
Social Security	151,047	154,068
Benefits Replacement	11,550	10,972
Subtotal, Employee Benefits	$ 458,029	$ 478,528
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 458,029	$ 478,528

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Fourth Court of Appeals District, San Antonio. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Fourth Court of Appeals District, San Antonio. In order to achieve the objectives and service standards established by this Act, the Fourth Court of Appeals District, San Antonio shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Average Percent of Cases Submitted but Not Disposed within 12 Months	0%	0%
Average Percent of Cases Filed but Not Disposed within 24 Months	0%	0%

FIFTH COURT OF APPEALS DISTRICT, DALLAS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 4,025,865	$ 4,025,864
Total, Method of Financing	$ 4,025,865	$ 4,025,864
This bill pattern represents an estimated 90.7% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	55.4	55.4
Schedule of Exempt Positions:		
Chief Justice	$107,850	$107,850
Justice	(12) 107,350	(12) 107,350

FIFTH COURT OF APPEALS DISTRICT, DALLAS
(Continued)

Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 4,025,865	$ 4,025,864 & UB
Grand Total, FIFTH COURT OF APPEALS DISTRICT, DALLAS	$ 4,025,865	$ 4,025,864
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 3,767,497	$ 3,767,496
Other Personnel Costs	27,000	27,000
Consumable Supplies	8,517	8,517
Utilities	3,800	3,800
Travel	9,600	9,600
Rent - Building	23,115	23,115
Rent - Machine and Other	33,000	33,000
Other Operating Expense	153,336	153,336
Total, Object-of-Expense Informational Listing	$ 4,025,865	$ 4,025,864
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 113,664	$ 115,937
Group Insurance	349,218	376,826
Social Security	235,133	239,835
Benefits Replacement	18,479	17,555
Subtotal, Employee Benefits	$ 716,494	$ 750,153
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 716,494	$ 750,153

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Fifth Court of Appeals District, Dallas. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Fifth Court of Appeals District, Dallas. In order to achieve the objectives and service standards established by this Act, the Fifth Court of Appeals District, Dallas shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Average Percent of Cases Submitted but Not Disposed within 12 Months	0%	0%
Average Percent of Cases Filed but Not Disposed within 24 Months	0%	0%

SIXTH COURT OF APPEALS DISTRICT, TEXARKANA

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 1,101,049	$ 1,101,048
Total, Method of Financing	$ 1,101,049	$ 1,101,048
This bill pattern represents an estimated 98.6% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	16.5	16.5

SIXTH COURT OF APPEALS DISTRICT, TEXARKANA
(Continued)

Schedule of Exempt Positions:		
Chief Justice	$107,850	$107,850
Justice	(2) 107,350	(2) 107,350
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 1,101,049	$ 1,101,048 & UB
Grand Total, SIXTH COURT OF APPEALS DISTRICT, TEXARKANA	$ 1,101,049	$ 1,101,048
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 999,285	$ 999,285
Other Personnel Costs	19,440	7,120
Consumable Supplies	6,000	7,000
Utilities	4,400	4,500
Travel	9,000	9,000
Rent - Building	1,500	1,500
Rent - Machine and Other	1,500	1,500
Other Operating Expense	59,924	71,143
Total, Object-of-Expense Informational Listing	$ 1,101,049	$ 1,101,048
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 37,959	$ 38,718
Group Insurance	118,783	128,292
Social Security	68,506	69,876
Benefits Replacement	5,449	5,177
Subtotal, Employee Benefits	$ 230,697	$ 242,063
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 230,697	$ 242,063

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Sixth Court of Appeals District, Texarkana. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Sixth Court of Appeals District, Texarkana. In order to achieve the objectives and service standards established by this Act, the Sixth Court of Appeals District, Texarkana shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Average Percent of Cases Submitted but Not Disposed within 12 Months	0%	0%
Average Percent of Cases Filed but Not Disposed within 24 Months	0%	0%

SEVENTH COURT OF APPEALS DISTRICT, AMARILLO

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 1,436,899	$ 1,436,899
Total, Method of Financing	$ 1,436,899	$ 1,436,899

This bill pattern represents an estimated 98.8% of this agency's estimated total available funds for the biennium.

SEVENTH COURT OF APPEALS DISTRICT, AMARILLO
(Continued)

Number of Full-Time-Equivalents (FTE):	21.0	21.0
Schedule of Exempt Positions:		
Chief Justice	$107,850	$107,850
Justice	(3) 107,350	(3) 107,350
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 1,436,899	$ 1,436,899 & UB
Grand Total, SEVENTH COURT OF APPEALS DISTRICT, AMARILLO	$ 1,436,899	$ 1,436,899
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,303,138	$ 1,303,138
Other Personnel Costs	11,980	12,700
Consumable Supplies	10,000	10,000
Utilities	2,400	2,400
Travel	16,000	16,000
Rent - Building	20	20
Rent - Machine and Other	431	431
Other Operating Expense	92,930	92,210
Total, Object-of-Expense Informational Listing	$ 1,436,899	$ 1,436,899
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 49,788	$ 50,783
Group Insurance	133,800	143,719
Social Security	93,360	95,227
Benefits Replacement	7,414	7,043
Subtotal, Employee Benefits	$ 284,362	$ 296,772
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 284,362	$ 296,772

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Seventh Court of Appeals District, Amarillo. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Seventh Court of Appeals District, Amarillo. In order to achieve the objectives and service standards established by this Act, the Seventh Court of Appeals District, Amarillo shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Average Percent of Cases Submitted but Not Disposed within 12 Months	0%	0%
Average Percent of Cases Filed but Not Disposed within 24 Months	0%	0%

EIGHTH COURT OF APPEALS DISTRICT, EL PASO

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 1,118,799	$ 1,118,800
Total, Method of Financing	$ 1,118,799	$ 1,118,800

This bill pattern represents an estimated 98.1% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	19.0	19.0
Schedule of Exempt Positions:		
Chief Justice	$107,850	$107,850
Justice	(2) 107,350	(2) 107,350
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 1,118,799	$ 1,118,800 & UB
Grand Total, EIGHTH COURT OF APPEALS DISTRICT, EL PASO	$ 1,118,799	$ 1,118,800
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,014,847	$ 1,014,848
Other Personnel Costs	27,000	24,500
Consumable Supplies	7,000	7,900
Utilities	5,000	5,000
Travel	5,000	5,000
Rent - Building	14,500	15,000
Rent - Machine and Other	800	1,000
Other Operating Expense	44,652	45,552
Total, Object-of-Expense Informational Listing	$ 1,118,799	$ 1,118,800
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 46,734	$ 47,668
Group Insurance	148,282	160,220
Social Security	90,822	92,638
Benefits Replacement	10,426	9,904
Subtotal, Employee Benefits	$ 296,264	$ 310,430
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 296,264	$ 310,430

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Eighth Court of Appeals District, El Paso. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Eighth Court of Appeals District, El Paso. In order to achieve the objectives and service standards established by this Act, the Eighth Court of Appeals District, El Paso shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Average Percent of Cases Submitted but Not Disposed within 12 Months	0%	0%
Average Percent of Cases Filed but Not Disposed within 24 Months	0%	0%

NINTH COURT OF APPEALS DISTRICT, BEAUMONT

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 1,407,146	$ 1,407,146
Total, Method of Financing	$ 1,407,146	$ 1,407,146
This bill pattern represents an estimated 98.9% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	21.5	21.5
Schedule of Exempt Positions:		
Chief Justice	$107,850	$107,850
Justice	(3) 107,350	(3) 107,350
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 1,407,146	$ 1,407,146 & UB
Grand Total, NINTH COURT OF APPEALS DISTRICT, BEAUMONT	$ 1,407,146	$ 1,407,146
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,357,113	$ 1,357,113
Other Personnel Costs	12,000	12,000
Consumable Supplies	2,000	2,000
Travel	3,000	3,000
Other Operating Expense	33,033	33,033
Total, Object-of-Expense Informational Listing	$ 1,407,146	$ 1,407,146
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 46,515	$ 47,445
Group Insurance	109,281	117,811
Social Security	80,841	82,458
Benefits Replacement	11,065	10,512
Subtotal, Employee Benefits	$ 247,702	$ 258,226
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 247,702	$ 258,226

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Ninth Court of Appeals District, Beaumont. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Ninth Court of Appeals District, Beaumont. In order to achieve the objectives and service standards established by this Act, the Ninth Court of Appeals District, Beaumont shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Average Percent of Cases Submitted but Not Disposed within 12 Months	0%	0%
Average Percent of Cases Filed but Not Disposed within 24 Months	0%	0%

TENTH COURT OF APPEALS DISTRICT, WACO

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 1,120,878	$ 1,120,878
Total, Method of Financing	$ 1,120,878	$ 1,120,878
This bill pattern represents an estimated 98.5% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	16.5	16.5
Schedule of Exempt Positions:		
Chief Justice	$107,850	$107,850
Justice	(2) 107,350	(2) 107,350
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 1,120,878	$ 1,120,878 & UB
Grand Total, TENTH COURT OF APPEALS DISTRICT, WACO	$ 1,120,878	$ 1,120,878
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,017,390	$ 1,017,391
Other Personnel Costs	5,000	5,000
Consumable Supplies	12,000	12,000
Utilities	4,000	4,000
Travel	12,000	12,000
Rent - Machine and Other	1,300	1,300
Other Operating Expense	69,188	69,187
Total, Object-of-Expense Informational Listing	$ 1,120,878	$ 1,120,878
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 27,643	$ 28,196
Group Insurance	90,397	97,966
Social Security	56,840	57,977
Benefits Replacement	1,853	1,761
Subtotal, Employee Benefits	$ 176,733	$ 185,900
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 176,733	$ 185,900

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Tenth Court of Appeals District, Waco. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Tenth Court of Appeals District, Waco. In order to achieve the objectives and service standards established by this Act, the Tenth Court of Appeals District, Waco shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Average Percent of Cases Submitted but Not Disposed within 12 Months	0%	0%
Average Percent of Cases Filed but Not Disposed within 24 Months	0%	0%

ELEVENTH COURT OF APPEALS DISTRICT, EASTLAND

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 1,130,091	$ 1,130,091
Total, Method of Financing	$ 1,130,091	$ 1,130,091
This bill pattern represents an estimated 98.6% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	16.0	16.0
Schedule of Exempt Positions:		
Chief Justice	$107,850	$107,850
Justice	(2) 107,350	(2) 107,350
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 1,130,091	$ 1,130,091 & UB
Grand Total, ELEVENTH COURT OF APPEALS DISTRICT, EASTLAND	$ 1,130,091	$ 1,130,091
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,010,391	$ 1,010,391
Other Personnel Costs	12,000	12,000
Consumable Supplies	6,000	6,000
Utilities	12,000	12,000
Travel	24,000	24,000
Rent - Machine and Other	4,700	4,700
Other Operating Expense	61,000	61,000
Total, Object-of-Expense Informational Listing	$ 1,130,091	$ 1,130,091
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 38,087	$ 38,849
Group Insurance	135,070	145,216
Social Security	67,256	68,601
Benefits Replacement	10,189	9,680
Subtotal, Employee Benefits	$ 250,602	$ 262,346
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 250,602	$ 262,346

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Eleventh Court of Appeals District, Eastland. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Eleventh Court of Appeals District, Eastland. In order to achieve the objectives and service standards established by this Act, the Eleventh Court of Appeals District, Eastland shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Average Percent of Cases Submitted but Not Disposed within 12 Months	0%	0%
Average Percent of Cases Filed but Not Disposed within 24 Months	0%	0%

TWELFTH COURT OF APPEALS DISTRICT, TYLER

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 1,125,127	$ 1,125,127
Total, Method of Financing	$ 1,125,127	$ 1,125,127
This bill pattern represents an estimated 99% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	15.0	15.0
Schedule of Exempt Positions:		
Chief Justice	$107,850	$107,850
Justice	(2) 107,350	(2) 107,350
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 1,125,127	$ 1,125,127 & UB
Grand Total, TWELFTH COURT OF APPEALS DISTRICT, TYLER	$ 1,125,127	$ 1,125,127
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,026,959	$ 1,026,960
Other Personnel Costs	7,060	7,060
Consumable Supplies	7,500	7,500
Utilities	12,500	12,500
Travel	10,500	10,500
Rent - Machine and Other	10,432	10,432
Other Operating Expense	38,176	38,175
Capital Expenditures	12,000	12,000
Total, Object-of-Expense Informational Listing	$ 1,125,127	$ 1,125,127
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 39,301	$ 40,087
Group Insurance	126,313	137,389
Social Security	72,685	74,139
Benefits Replacement	3,707	3,522
Subtotal, Employee Benefits	$ 242,006	$ 255,137
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 242,006	$ 255,137

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Twelfth Court of Appeals District, Tyler. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Twelfth Court of Appeals District, Tyler. In order to achieve the objectives and service standards established by this Act, the Twelfth Court of Appeals District, Tyler shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Average Percent of Cases Submitted but Not Disposed within 12 Months	0%	0%
Average Percent of Cases Filed but Not Disposed within 24 Months	0%	0%

THIRTEENTH COURT OF APPEALS DISTRICT, CORPUS CHRISTI-EDINBURG

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 2,025,598	$ 2,025,598
Total, Method of Financing	$ 2,025,598	$ 2,025,598
This bill pattern represents an estimated 94.4% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	32.0	32.0
Schedule of Exempt Positions:		
Chief Justice	$107,850	$107,850
Justice	(5) 107,350	(5) 107,350
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 2,025,598	$ 2,025,598 & UB
Grand Total, THIRTEENTH COURT OF APPEALS DISTRICT, CORPUS CHRISTI-EDINBURG	$ 2,025,598	$ 2,025,598
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,957,375	$ 1,957,375
Other Personnel Costs	10,800	10,800
Consumable Supplies	6,716	6,716
Travel	6,000	6,000
Rent - Machine and Other	2,044	2,044
Other Operating Expense	22,663	22,663
Capital Expenditures	20,000	20,000
Total, Object-of-Expense Informational Listing	$ 2,025,598	$ 2,025,598
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 77,796	$ 79,351
Group Insurance	195,049	209,322
Social Security	140,306	143,112
Benefits Replacement	9,267	8,804
Subtotal, Employee Benefits	$ 422,418	$ 440,589
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 422,418	$ 440,589

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Thirteenth Court of Appeals District, Corpus Christi-Edinburg. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Thirteenth Court of Appeals District, Corpus Christi-Edinburg. In order to achieve the objectives and service standards established by this Act, the Thirteenth Court of Appeals District, Corpus Christi-Edinburg shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Average Percent of Cases Submitted but Not Disposed within 12 Months	0%	0%
Average Percent of Cases Filed but Not Disposed within 24 Months	0%	0%

FOURTEENTH COURT OF APPEALS DISTRICT, HOUSTON

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 2,947,814	$ 2,947,814
Total, Method of Financing	$ 2,947,814	$ 2,947,814
This bill pattern represents an estimated 89.1% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	43.5	43.5
Schedule of Exempt Positions:		
Chief Justice	$107,850	$107,850
Justice	(8) 107,350	(8) 107,350
Items of Appropriation:		
A. Goal: APPELLATE COURT OPERATIONS		
A.1.1. Strategy: APPELLATE COURT OPERATIONS	$ 2,947,814	$ 2,947,814 & UB
Grand Total, FOURTEENTH COURT OF APPEALS DISTRICT, HOUSTON	$ 2,947,814	$ 2,947,814
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 2,721,294	$ 2,721,295
Other Personnel Costs	52,304	52,304
Professional Fees and Services	350	350
Consumable Supplies	14,385	14,385
Travel	4,650	4,650
Rent - Building	4,898	4,898
Other Operating Expense	149,933	149,932
Total, Object-of-Expense Informational Listing	$ 2,947,814	$ 2,947,814
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 93,034	$ 94,894
Group Insurance	303,303	326,598
Social Security	184,977	188,677
Benefits Replacement	9,780	9,291
Subtotal, Employee Benefits	$ 591,094	$ 619,460
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 591,094	$ 619,460

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Fourteenth Court of Appeals District, Houston. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Fourteenth Court of Appeals District, Houston. In order to achieve the objectives and service standards established by this Act, the Fourteenth Court of Appeals District, Houston shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: APPELLATE COURT OPERATIONS		
Outcome (Results/Impact):		
Clearance Rate	100%	100%
Average Percent of Cases Submitted but Not Disposed within 12 Months	0%	0%
Average Percent of Cases Filed but Not Disposed within 24 Months	0%	0%

OFFICE OF COURT ADMINISTRATION, TEXAS JUDICIAL COUNCIL

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 6,722,346	$ 6,130,702
Earned Federal Funds	7,265	0
Subtotal, General Revenue Fund	$ 6,729,611	$ 6,130,702
General Revenue Fund - Dedicated		
Fair Defense Account No. 5073	15,107,093	13,627,091
Subtotal, General Revenue Fund - Dedicated	$ 15,107,093	$ 13,627,091
Other Funds		
Appropriated Receipts	23,323	23,324
Interagency Contracts	5,866,479	5,866,479
Subtotal, Other Funds	$ 5,889,802	$ 5,889,803
Total, Method of Financing	$ 27,726,506	$ 25,647,596
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 35,400	$ 35,249
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	184.0	184.0
Schedule of Exempt Positions:		
Administrative Director, Group 4		
Items of Appropriation:		
A. Goal: PROCESSES AND INFORMATION		
Improve Processes and Report Information.		
A.1.1. Strategy: COURT ADMINISTRATION	$ 1,780,978	$ 1,773,713 & UB
A.1.2. Strategy: INFORMATION TECHNOLOGY	$ 2,842,333	$ 2,270,409 & UB
A.1.3. Strategy: DOCKET EQUALIZATION	$ 20,000	$ 20,000 & UB
Equalization of the Courts of Appeals Dockets.		
A.1.4. Strategy: ASSIST ADMIN JUDICIAL REGIONS	$ 193,782	$ 193,783 & UB
Assistance to the Administrative Judicial Regions.		
A.2.1. Strategy: INDIGENT DEFENSE	$ 15,107,093	$ 13,627,091 & UB
Indigent Defense Standards and Services.		
Total, Goal A: PROCESSES AND INFORMATION	$ 19,944,186	$ 17,884,996
B. Goal: SPECIALTY COURT PROGRAMS		
Complete Specialty Court Program Cases.		
B.1.1. Strategy: CHILD SUPPORT COURTS PROGRAM	$ 5,698,979	$ 5,698,979 & UB
B.1.2. Strategy: CHILD PROTECTION COURTS PROGRAM	$ 1,928,040	$ 1,905,160 & UB
Total, Goal B: SPECIALTY COURT PROGRAMS	$ 7,627,019	$ 7,604,139
C. Goal: COURT REPORTERS CERT BOARD		
Court Reporters Certification Board.		
C.1.1. Strategy: COURT REPORTERS CERT BOARD	$ 144,813	$ 144,885 & UB
Court Reporters Certification Board.		

C.1.2. Strategy: TEXASONLINE	$ 10,488	$ 13,576 & UB
TexasOnline. Estimated and Nontransferable.		
Total, Goal C: COURT REPORTERS CERT BOARD	$ 155,301	$ 158,461
Grand Total, OFFICE OF COURT ADMINISTRATION, TEXAS JUDICIAL COUNCIL	$ 27,726,506	$ 25,647,596
Supplemental Appropriations Made in Riders:	$ 103,550	$ 24,848
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 10,351,153	$ 10,351,740
Other Personnel Costs	161,556	164,136
Professional Fees and Services	194,280	135,589
Consumable Supplies	58,982	58,982
Utilities	28,445	28,445
Travel	436,141	435,655
Rent - Building	12,480	12,480
Rent - Machine and Other	26,598	26,598
Other Operating Expense	1,991,668	1,517,400
Grants	14,354,193	12,874,191
Capital Expenditures	214,560	67,228
Total, Object-of-Expense Informational Listing	$ 27,830,056	$ 25,672,444
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 570,730	$ 582,146
Group Insurance	863,082	923,082
Social Security	739,239	754,022
Benefits Replacement	76,437	72,615
Subtotal, Employee Benefits	$ 2,249,488	$ 2,331,865
Debt Service		
Lease Payments	$ 215,930	$ 215,745
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,465,418	$ 2,547,610

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Office of Court Administration, Texas Judicial Council. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Office of Court Administration, Texas Judicial Council. In order to achieve the objectives and service standards established by this Act, the Office of Court Administration, Texas Judicial Council shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: PROCESSES AND INFORMATION		
Outcome (Results/Impact):		
Percent of Entities Reporting Case Statistics Electronically	41.7%	45.4%
Percent of Counties Receiving State Funds for Indigent Defense	91%	91%
A.1.1. Strategy: COURT ADMINISTRATION		
Output (Volume):		
Number of New Collections Programs Implemented or Existing Programs Expanded	33	38
B. Goal: SPECIALTY COURT PROGRAMS		
Outcome (Results/Impact):		
Child Support Courts Case Disposition Rate	100%	100%
B.1.2. Strategy: CHILD PROTECTION COURTS PROGRAM		
Output (Volume):		
Number of Children Who Have Received a Final Order	3,600	3,600

C. Goal: COURT REPORTERS CERT BOARD		
Outcome (Results/Impact):		
Percentage of Licensees with No Recent Violations	99%	99%
Percent of Licensees Who Renew Online	55%	55%
C.1.1. Strategy: COURT REPORTERS CERT BOARD		
Output (Volume):		
Number of New Licenses Issued to Individuals	85	85

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2006	2007
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Trial Court Connectivity, Collection and Case Management	$ 250,000	$ 250,000
(2) FY06/07 Computer Equipment and Software	$ 502,004	$ 125,430
Total, Acquisition of Information Resource Technologies	$ 752,004	$ 375,430
Total, Capital Budget	$ 752,004	$ 375,430

3. Restriction, Assistance to the Administrative Judicial Regions. Funds appropriated in Strategy A.1.4, Assistance to Administrative Judicial Regions, may be used only for the payment of salaries of administrative assistants employed by the presiding judges of the Administrative Judicial Regions pursuant to Government Code § 74.050, as amended. The salaries paid the administrative assistants may be supplemented from sources other than appropriations provided by this Act.

4. Information Regarding Allocation of Full-Time-Equivalent Positions. The following data regarding allocation of the "Number of Full-Time-Equivalent Positions (FTE)" is provided for informational purposes only, and should not be construed as a cap on the number of FTEs in any one strategy: Strategy A.1.1, Court Administration (29.0 FTEs); Strategy A.1.2, Information Technology (21.5 FTEs); Strategy A.1.4, Assistance to Administrative Judicial Regions (9.0 FTEs); Strategy A.2.1, Indigent Defense (7.0 FTEs); Strategy B.1.1, Child Support Courts Program (86.5 FTEs); Strategy B.1.2, Child Protection Courts Program (28.0 FTEs); and Strategy C.1.1, Court Reporters Certification Board (3.0 FTEs).

5. Disaster Recovery, Data Operations, Seat Management, and Information Services at the Appellate Courts. It is the intent of the Legislature that contract services for disaster recovery and data operations services, including seat management, at the appellate courts must be performed by the State Data Center (SDC). Further, employees at appellate courts that perform on-site disaster recovery and data operations services, including seat management, must provide the same level of service available from the SDC and may not be reimbursed by the Office of Court Administration from the Strategy A.1.2, Information Technology, in an amount that would exceed the cost of a contract with the SDC. It is the intent of the Legislature that the appellate courts may not employ contractors or employees that provide services that duplicate the information services provided by the Office of Court Administration.

6. Information Services for the Trial Courts. Out of funds appropriated above in Strategy A.1.2, Information Technology, no less than $1,520,000 shall be dedicated to providing information services for the Trial Courts.

7. Information Technology Equipment and Services. It is the intent of the Legislature that the Office of Court Administration provide staff and information technology equipment and services for the Judicial Committee on Information Technology and information technology equipment and services for the State Law Library, Office of the State Prosecuting Attorney, and Court Reporters Certification Board subject to funds available within amounts appropriated

above for Strategy A.1.2, Information Technology. The State Law Library will continue to submit a biennial operating plan for internal support of subscription services to online legal research tools and daily library functions.

8. **District Court Performance Measures.** It is the intent of the Legislature that the Office of Court Administration report data for the district courts on a countywide basis and that the data measure countywide clearance rates for criminal, civil, and juvenile cases and measure age of cases disposed and the backlog index for criminal and civil cases. Further, the Office of Court Administration should revise its reporting system for the trial courts to simplify reporting, improve data collection and compliance, and streamline its annual report of the Texas judicial system.

9. **Appellate Court Performance Measures.** It is the intent of the Legislature that the current performance measures for the appellate courts continue to be used for caseload management by each court in accordance with uniform data reporting standards approved by the courts of appeals. Further, the appellate courts should continuously find ways to operate efficiently without sacrificing the quality of justice while remaining true to the rule of law. Finally, the Office of Court Administration should continue to study whether the statistical data currently reported is presented in a clear, understandable format and what, if any, additional data should be collected.

10. **Assistance to Presiding Judges of the Nine Administrative Judicial Regions.** The Office of Court Administration shall assist the presiding judges of the nine administrative judicial regions in seeking alternative funding, including federal funding, for payments to visiting judges serving in the nine administrative judicial regions.

11. **Interagency Contract for Assigned Judges for Child Protection Courts.** Out of funds appropriated above to Strategy B.1.2, Child Protection Courts Program, the Office of Court Administration may enter into a contract with the Office of the Comptroller for fiscal years 2006 and 2007, for the purpose of reimbursing the Comptroller for amounts expended for judges assigned under Chapter 74, Government Code to hear cases of the Child Protection Courts established pursuant to Subchapter C, Chapter 201, Family Code. It is the intent of the Legislature that any amounts reimbursed under this contract for judges assigned to the Child Protection Courts are in addition to amounts appropriated for the use of assigned judges in Strategy A.1.2, Visiting Judges - Regions in the Judiciary Section, Comptroller's Department.

12. **Indigent Defense.** All amounts deposited into the Fair Defense Account (General Revenue - Dedicated Account No. 5073) are appropriated in Strategy A.2.1, Indigent Defense. Any amounts deposited in excess of $13,627,093 in fiscal year 2006 and $13,627,091 in fiscal year 2007 are hereby appropriated to the Office of Court Administration, Texas Judicial Council for the same purpose. Any unexpended balances in the Fair Defense Account at the end of fiscal year 2005 are hereby appropriated for fiscal year 2006 to the Office of Court Administration, Texas Judicial Council for the same purpose (estimated to be $1,480,000 and included in amounts appropriated above). Any unexpended balances in the Fair Defense Account at the end of fiscal year 2006 are hereby appropriated for fiscal year 2007 to the Office of Court Administration, Texas Judicial Council for the same purpose. Included above in Strategy A.2.1, Indigent Defense, is $685,500 in fiscal year 2006 and $685,500 in fiscal year 2007 for the administration of the Task Force on Indigent Defense. The Task Force on Indigent Defense shall have authority to make grants to counties from the Fair Defense Account, with funds being disbursed by the Comptroller. In no event shall the appropriation made by this section be used to offset the Office of Court Administration's administrative support provided to the Task Force on Indigent Defense.

13. **Appropriations Limited to Revenue Collections.** It is the intent of the Legislature that fees, fines and other miscellaneous revenues as authorized and generated by the Court Reporters Certification Board cover, at a minimum, the cost of the appropriations made above in Strategy C.1.1, Court Reporters Certification Board and Strategy C.1.2, TexasOnline as well as an amount equal to the amount identified above in the informational item "Other Direct and Indirect Costs Appropriated Elsewhere in this Act." In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

14. Innocence Projects. Out of amounts appropriated above in Strategy A.2.1, Indigent Defense, $400,000 in each year of the biennium from the General Revenue-Dedicated Fair Defense Account No. 5073 shall be used by the Task Force on Indigent Defense to contract with law schools at the University of Houston, the University of Texas, Texas Tech University, and Texas Southern University for innocence projects. It is the intent of the Legislature that the amount of each contract with each university shall be $100,000. Any unexpended balances in the $400,000 in funds designated for innocence projects as of August 31, 2006 are hereby appropriated to Strategy A.2.1, Indigent Defense for the same purpose for the fiscal year beginning September 1, 2006.

15. Earned Federal Funds and Unexpended Balance Authority Between Biennia. Included in amounts appropriated above in Strategy A.1.1, Court Administration, are any unexpended balances as of August 31, 2005 identified as earned federal funds (estimated to be $5,449 in fiscal year 2006). Additionally, included in amounts appropriated above in Strategy A.1.1, Court Administration, are earned federal funds received during the biennium beginning September 1, 2005 (estimated to be $1,816 in fiscal year 2006 and $0 in fiscal year 2007). Earned federal funds received by the Office of Court Administration under this provision are hereby appropriated to the agency for use in office operations.

16. Contingency Appropriation for Senate Bill 368. Contingent on passage of Senate Bill 368 or similar legislation by the Seventy-ninth Legislature relating to compensation of state judges, and the Comptroller of Public Accounts issuing a finding of fact certifying additional revenue collections from fees, fines, and court costs during the 2006-07 biennium in Judicial Fund No. 573 that exceed the Comptroller of Public Accounts Biennial Revenue Estimate for these items by at least $103,550 in fiscal year 2006 and $24,848 in fiscal year 2007, the Office of Court Administration is appropriated $103,550 in fiscal year 2006 and $24,848 in fiscal year 2007 out of the Judicial Fund No. 573 in Strategy A.1.2, Information Technology, for the purpose of implementing live broadcasts of Supreme Court proceedings over the Internet. Any unexpended balances in these funds as of August 31, 2006 are hereby appropriated to the Office of Court Administration for the fiscal year beginning September 1, 2006 for the same purposes.

OFFICE OF THE STATE PROSECUTING ATTORNEY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 341,024	$ 341,022
Total, Method of Financing	$ 341,024	$ 341,022
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	5.0	5.0
Schedule of Exempt Positions:		
State Prosecuting Attorney	$95,000	$95,000
Items of Appropriation:		
A. Goal: REPRESENTATION BEFORE CCA		
Representation of the State before the Court of Criminal Appeals.		
A.1.1. Strategy: REPRESENTATION BEFORE CCA	$ 341,024	$ 341,022 & UB
Representation of the State before the Court of Criminal Appeals.		
Grand Total, OFFICE OF THE STATE PROSECUTING ATTORNEY	$ 341,024	$ 341,022
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 317,169	$ 317,167
Other Personnel Costs	4,440	4,980
Consumable Supplies	1,920	1,380
Utilities	6,498	6,498

Travel	2,350	2,350
Rent - Machine and Other	3,000	3,000
Other Operating Expense	2,247	2,247
Capital Expenditures	3,400	3,400
Total, Object-of-Expense Informational Listing	$ 341,024	$ 341,022
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 18,870	$ 19,248
Group Insurance	36,303	39,747
Social Security	24,603	25,096
Benefits Replacement	2,780	2,641
Subtotal, Employee Benefits	$ 82,556	$ 86,732
Debt Service		
Lease Payments	$ 111,276	$ 111,181
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 193,832	$ 197,913

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Office of the State Prosecuting Attorney. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Office of the State Prosecuting Attorney. In order to achieve the objectives and service standards established by this Act, the Office of the State Prosecuting Attorney shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: REPRESENTATION BEFORE CCA		
Outcome (Results/Impact):		
Petitions for Discretionary Review Granted by the Court of Criminal Appeals	23	23

STATE LAW LIBRARY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 764,077	$ 764,078
Other Funds		
Appropriated Receipts	39,000	39,000
Interagency Contracts	2,100	2,100
Subtotal, Other Funds	$ 41,100	$ 41,100
Total, Method of Financing	$ 805,177	$ 805,178
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	11.0	11.0
Schedule of Exempt Positions:		
Director, Group 1	$58,000	$58,000

Items of Appropriation:		
A. Goal: ADMINISTRATION AND OPERATIONS		
A.1.1. Strategy: ADMINISTRATION AND OPERATIONS	$ 805,177	$ 805,178
Grand Total, STATE LAW LIBRARY	$ 805,177	$ 805,178
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 408,152	$ 408,152
Other Personnel Costs	7,960	8,280
Consumable Supplies	4,000	4,000
Utilities	240	240
Rent - Building	240	240
Rent - Machine and Other	14,400	14,400
Other Operating Expense	279,936	279,617
Capital Expenditures	90,249	90,249
Total, Object-of-Expense Informational Listing	$ 805,177	$ 805,178
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 24,649	$ 25,142
Group Insurance	47,203	50,272
Social Security	30,095	30,697
Benefits Replacement	3,707	3,522
Subtotal, Employee Benefits	$ 105,654	$ 109,633
Debt Service		
Lease Payments	$ 313,535	$ 313,269
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 419,189	$ 422,902

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the State Law Library. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the State Law Library. In order to achieve the objectives and service standards established by this Act, the State Law Library shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: ADMINISTRATION AND OPERATIONS		
Outcome (Results/Impact):		
Percentage of Positive Evaluations of Library Service by Library Users	90%	90%

2. **Appropriation of Receipts: Fees and Service Charges.** Appropriations above in Strategy A.1.1, Administration and Operations, include $39,000 in fiscal year 2006 and $39,000 in fiscal year 2007 from collection of fees and service charges. All receipts collected by the State Law Library as fees and service charges, as authorized pursuant to Government Code § 91.011, in excess of such amounts appropriated above, are hereby appropriated to the State Law Library for the biennium beginning September 1, 2005.

3. **Computer-based Legal Research Services.** The State Law Library is hereby authorized to enter into interagency contracts with other state agencies and the courts for providing a computer-based legal research service. Appropriations above in Strategy A.1.1, Administration and Operations, include $2,100 in fiscal year 2006 and $2,100 in fiscal year 2007 in interagency contracts for computer-based legal research services. The State Law Library shall charge an amount for this service equal to the cost to the library for providing this service.

4. **Fee Schedule, Duplication Services.** The State Law Library shall set a fee schedule for duplication services to the inmates of the Texas Department of Criminal Justice at the same amount per page as charged to the general public.

5. Unexpended Balances. Any unexpended and unobligated balances remaining in Strategy A.1.1, Administration and Operations, as of August 31, 2006, are hereby appropriated for fiscal year 2007, in an amount not to exceed $50,000, to the State Law Library for the purpose of acquiring legal reference materials.

STATE COMMISSION ON JUDICIAL CONDUCT

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 829,881	$ 829,881
Total, Method of Financing	$ 829,881	$ 829,881
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	15.0	15.0
Schedule of Exempt Positions:		
Executive Director, Group 4	$100,000	$100,000
Items of Appropriation:		
A. Goal: ADMINISTRATION AND ENFORCEMENT		
A.1.1. Strategy: ADMINISTRATION AND ENFORCEMENT	$ 829,881	$ 829,881 & UB
Grand Total, STATE COMMISSION ON JUDICIAL CONDUCT	$ 829,881	$ 829,881
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 773,092	$ 773,092
Other Personnel Costs	6,720	6,720
Professional Fees and Services	4,200	4,200
Consumable Supplies	5,000	5,000
Utilities	1,000	1,000
Travel	10,000	10,000
Rent - Building	1,300	1,300
Rent - Machine and Other	2,700	2,700
Other Operating Expense	25,869	25,869
Total, Object-of-Expense Informational Listing	$ 829,881	$ 829,881
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 49,001	$ 49,981
Group Insurance	101,811	110,205
Social Security	61,998	63,238
Subtotal, Employee Benefits	$ 212,810	$ 223,424
Debt Service		
Lease Payments	$ 62,168	$ 62,117
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 274,978	$ 285,541

1. Performance Measure Targets. The following is a listing of the key performance target levels for the State Commission on Judicial Conduct. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the State Commission on Judicial Conduct. In order to achieve the objectives and service standards established by this Act, the State Commission on Judicial Conduct shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: ADMINISTRATION AND ENFORCEMENT		
Outcome (Results/Impact):		
Percentage of Cases Disposed	100%	100%

2. **Unexpended Balances.** The State Commission on Judicial Conduct is hereby authorized to carry forward unexpended balances from fiscal year 2006 into fiscal year 2007.

3. **Formal Proceedings and Appeals.** Out of the amounts appropriated above in Strategy A.1.1, Administration and Enforcement, $21,375 in fiscal year 2006 and $21,375 in fiscal year 2007 are authorized for the expenses of formal proceedings and appeals initiated under the *Procedural Rules for the Removal or Retirement of Judges* promulgated under Texas Constitution, Article V, Section 1-a, notwithstanding other funds expended by the Commission for that purpose. Any unexpended balance of funds authorized under this provision on August 31, 2006 may be allocated for the same purpose and for purposes other than formal proceedings and appeals for the fiscal year beginning September 1, 2006.

JUDICIARY SECTION, COMPTROLLER'S DEPARTMENT

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund, estimated	$ 67,074,017	$ 67,169,185
General Revenue - Insurance Companies Maintenance Tax and Insurance Department Fees	1,178,936	1,202,625
Subtotal, General Revenue Fund	$ 68,252,953	$ 68,371,810
Other Funds		
State Highway Fund No. 006	899,962	910,499
Felony Prosecutor Supplement Fund No. 303	2,350,000	2,350,000
Criminal Justice Grants	1,365,541	1,365,541
Judicial Fund No. 573	19,114,827	19,114,827
Subtotal, Other Funds	$ 23,730,330	$ 23,740,867
Total, Method of Financing	$ 91,983,283	$ 92,112,677
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	583.0	583.0
Schedule of Exempt Positions:		
District Judges and Criminal District Judges (Strategy A.1.1.)	(427) $101,700	(427) $101,700
District Attorneys, Criminal District Attorneys and County Attorneys (Strategies B.1.1. and B.1.3.)	(14) 81,360	(13) 81,360
District Attorneys, Criminal District Attorneys and County Attorneys (Strategy B.1.3.)	52,860	52,860
District Attorneys, Criminal District Attorneys and County Attorneys (Strategy B.1.2.)	(139) 101,700	(140) 101,700
Assistant District Attorneys, Fifty-third Judicial District (Strategy B.1.7.)	(2) 2,808	(2) 2,808
Items of Appropriation:		
A. Goal: JUDICIAL SALARIES AND PAYMENTS		
A.1.1. Strategy: DISTRICT JUDGES	$ 43,425,901	$ 43,425,901
District Judge Salaries. Estimated.		

A.1.2. Strategy: VISITING JUDGES - REGIONS	$ 3,362,349	$ 3,362,349 & UB
Per Gov. Code 74.061(c)(d)(h)(i); 24.006(f); and 32.302.		
A.1.3. Strategy: VISITING JUDGES - APPELLATE	$ 298,963	$ 298,963 & UB
Per Gov. Code 74.061(c)(d).		
A.1.4. Strategy: LOCAL ADMIN. JUDGE SUPPLEMENT	$ 45,000	$ 45,000
Per Gov. Code 659.0125. Estimated.		
A.1.5. Strategy: DISTRICT JUDGES: TRAVEL	$ 478,500	$ 478,500
Per Gov. Code 24.019, NTE $1,500 per County in Multi-County Districts.		
A.1.6. Strategy: JUDICIAL SALARY PER DIEM	$ 302,000	$ 302,000
Per Gov. Code 74.003(c), 74.061 & Assigned District Judges. Estimated.		
Total, Goal A: JUDICIAL SALARIES AND PAYMENTS	$ 47,912,713	$ 47,912,713
B. Goal: PROSECUTOR SALARIES AND PAYMENTS		
B.1.1. Strategy: DISTRICT ATTORNEYS: SALARIES	$ 1,057,680	$ 1,057,680
Per Gov. Code 41.013.		
B.1.2. Strategy: PROFESSIONAL PROSECUTORS: SALARIES	$ 14,248,170	$ 14,339,700
Per Gov. Code 46.002; 46.003; and 46.005.		
B.1.3. Strategy: FELONY PROSECUTORS: SALARIES	$ 215,580	$ 215,580
Per Gov. Code 44.220; 45.175; and 45.280.		
B.1.4. Strategy: PROSECUTORS: SUBCHAPTER C	$ 136,023	$ 136,023
Per Gov. Code 43.180 (Harris) and 41.201(1). Estimated.		
B.1.5. Strategy: FELONY PROSECUTORS: TRAVEL	$ 280,000	$ 280,000
Per Gov. Code 43.004, NTE $1,750 per County in Multi-County Districts.		
B.1.6. Strategy: FELONY PROSECUTORS: EXPENSES	$ 5,110,988	$ 5,110,988
Felony Prosecutors: Reimbursements for Expenses of Office.		
B.1.7. Strategy: TRAVIS CO. ASST. DA SUPPLEMENTS	$ 5,616	$ 5,616
Travis County Assistant District Attorney Salary Supplements.		
Total, Goal B: PROSECUTOR SALARIES AND PAYMENTS	$ 21,054,057	$ 21,145,587
C. Goal: CO.-LEVEL JUDGES SALARY SUPPLEMENTS		
County-Level Judges Salary Supplement Programs.		
C.1.1. Strategy: CONST. CO. JUDGE GR SUPPLEMENT	$ 1,080,000	$ 1,080,000
$5,000 Salary Supplement per Gov. Code 26.006 and 26.007. Estimated.		
C.1.2. Strategy: CONST. CO. JUDGE 573 SUPPLEMENT	$ 1,216,665	$ 1,216,665
Per Gov. Code 26.006 from Receipts per Gov. Code 51.703(d). Estimated.		
C.1.3. Strategy: STATUTORY CO. JUDGE GR SUPPLEMENT	$ 775,000	$ 775,000
$5,000 Salary Supplement per Gov. Code 25.0015. Estimated.		
C.1.4. Strategy: STATUTORY CO. JUDGE 573 SUPPLEMENT	$ 4,974,851	$ 4,974,851
Per Gov. Code 25.0015 from Receipts per Gov. Code 51.702(d). Estimated.		
C.1.5. Strategy: STATUTORY PROBATE JUDGE SUPPLEMENT	$ 923,311	$ 923,311
Per Gov. Code 25.00211 from Receipts per Gov Code 51.704(c). Estimated.		
Total, Goal C: CO.-LEVEL JUDGES SALARY SUPPLEMENTS	$ 8,969,827	$ 8,969,827
D. Goal: SPECIAL PROGRAMS		
D.1.1. Strategy: ASST. DIST. ATTYS LONGEVITY PAY	$ 2,350,000	$ 2,350,000
Per Gov. Code 41.255(d). Estimated.		
D.1.2. Strategy: COUNTY ATTORNEY SUPPLEMENT	$ 4,288,350	$ 4,288,350
Per Gov. Code 46.0031. Estimated.		

D.1.3. Strategy: WITNESS EXPENSES Per Code of Criminal Procedure, Articles 24.28 and 35.27. Estimated.	$ 1,100,000	$ 1,100,000
D.1.4. Strategy: PUBLIC INTEGRITY UNIT, TRAVIS CO Public Integrity Unit, 53rd Judicial District.	$ 3,358,252	$ 3,396,116 & UB
D.1.5. Strategy: SPECIAL PROSECUTION UNIT, WALKER CO Special Prosecution Unit, Walker County.	$ 2,173,926	$ 2,173,926
D.1.6. Strategy: DEATH PENALTY REPRESENTATION Death Penalty Habeas Representation.	$ 500,000	$ 500,000 & UB
D.1.7. Strategy: NATIONAL CENTER FOR STATE COURTS National Center for State Courts. Estimated.	$ 276,158	$ 276,158 & UB
Total, Goal D: SPECIAL PROGRAMS	$ 14,046,686	$ 14,084,550
Grand Total, JUDICIARY SECTION, COMPTROLLER'S DEPARTMENT	$ 91,983,283	$ 92,112,677

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 66,025,284	$ 66,117,975
Other Personnel Costs	1,352,309	1,389,012
Professional Fees and Services	153,930	153,930
Fuels and Lubricants	13,115	13,115
Consumable Supplies	55,300	55,300
Utilities	25,675	25,675
Travel	804,285	804,285
Rent - Building	344,523	344,523
Rent - Machine and Other	19,624	19,624
Other Operating Expense	1,732,350	1,732,350
Grants	21,456,888	21,456,888
Total, Object-of-Expense Informational Listing	$ 91,983,283	$ 92,112,677

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 912,629	$ 930,882
Group Insurance	6,103,912	6,647,299
Social Security	4,317,161	4,403,504
Benefits Replacement	350,561	333,033
Subtotal, Employee Benefits	$ 11,684,263	$ 12,314,718
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 11,684,263	$ 12,314,718

1. **Appropriation Source.** Pursuant to Government Code § 21.006, all revenues to, and fund balances in, the Judicial Fund No. 573, which are not deposited into the Basic Civil Legal Services Account, are hereby appropriated to the Judiciary Section, Comptroller's Department. In the event that revenues into Fund No. 573 during a fiscal year exceed the amount identified in the Method of Financing as being appropriated out of Fund No. 573 in this Act for that fiscal year the difference shall be appropriated to the Judiciary Section, Comptroller's Department and the General Revenue Fund appropriation for that fiscal year shall be reduced by a like amount (estimated to be $0).

2. **Salary Limitation, District Judges.** Funds appropriated above in Strategy A.1.1. shall be expended for the payment of the state salary for each district judge. Unless otherwise provided by law, in no event shall the aggregate, excluding any county supplement, of the state paid salary and any service retirement annuity paid pursuant to Government Code, Chapter 834 exceed the base salary for any district court judge during any twelve month period. If a district judge draws a salary as a district judge and a retirement annuity pursuant to Government Code, Chapter 834, and the combined amounts exceed the annual base salary for a district judge, the amount expended out of Strategy A.1.1. for the state salary of that district judge shall be reduced

by an amount which will bring the total amount received by the judge to the base salary paid a district judge for a 12 month period. This provision does not apply to either retired or former judges or justices called to duty as visiting judges pursuant to Government Code, Chapters 74 and 75 and § 24.604 of the Government Code.

3. **Trial Court Measures.** Each district court judge shall provide an annual report no later than September 20, to the Office of Court Administration, indicating the Clearance Rate during the previous year. A Clearance Rate is calculated by dividing the total number of cases disposed by the total number of cases added to the docket.

4. **Public Integrity Unit: Appropriation Source, Unexpended Balances, and Performance Reporting.** Out of the funds appropriated above in Strategy D.1.4. the following amounts are appropriated specifically to the Public Integrity Unit for the following purposes:

	For the Years Ending August 31, 2006	August 31, 2007
Motor Fuel Tax Fraud Investigations Method of Financing, State Highway Fund No. 006	$ 899,962	$ 910,499 & UB
Insurance Fraud Investigations Method of Financing, General Revenue Fund - Insurance Companies Maintenance Tax and Insurance Department Fees	1,178,936	1,202,625 & UB
General State Government Investigations Method of Financing, General Revenue Fund	1,279,354	1,282,992 & UB
Total, Method of Financing	$ 3,358,252	$ 3,396,116 & UB

In no event shall the funds granted to the Public Integrity Unit exceed the amounts specified. In no event shall any funds appropriated above out of Judicial Fund No. 573 be allocated to the Public Integrity Unit. Any unexpended balances from appropriations made to the Public Integrity Unit for fiscal year 2006 are appropriated to the Public Integrity Unit for fiscal year 2007 for the same purposes.

Included in amounts appropriated above is $596,902 to maintain 40.0 staff positions in 2006-07 with performance-based pay increases and related benefits in the General State, Insurance Fraud, and Motor Fuels Tax Fraud Divisions, which includes an additional 1.0 forensic analyst position in the Motor Fuels Tax Fraud Division.

The Public Integrity Unit shall submit a report each January 1 to the Legislative Budget Board and the Governor for the preceding fiscal year ending August 31. The report must be in a format prescribed by the Legislative Budget Board and the Governor and must include annual statistical information on fraud investigations of the Public Integrity Unit.

5. **Special Prosecution Unit: Appropriation Source, Unexpended Balances, and Performance Reporting.** Out of the funds appropriated above in Strategy D.1.5. and under the authority of Article 104.003, Code of Criminal Procedure, and Article V, § 21 of the Texas Constitution, Walker County is allocated an amount not to exceed $1,365,541 in Criminal Justice Grants and $808,385 from General Revenue in fiscal year 2006; and $1,365,541 in Criminal Justice Grants and $808,385 from General Revenue in fiscal year 2007, through the Judiciary Section, Comptroller's Department, for the payment of salaries and other necessary expenses for the operation of the Special Prosecution Unit. The funds are to be used for the investigation and prosecution of felony offenses committed by prisoners of the Texas Department of Criminal Justice; for the investigation and prosecution of other felonies and misdemeanors committed by agency employees and others when criminal conduct affects the operation of the agency in the various counties of the State where Texas Department of Criminal Justice facilities are located; and for the civil commitment of sexually violent predators program.

The funds appropriated above in Strategy D.1.5. shall be used to employ the services of legal and support staff plus the payment of their necessary capital and operating expenses in carrying

out the purposes of the Special Prosecution Unit as established by its Board of Directors which is made up of those elected prosecutors who have Texas Department of Criminal Justice facilities within their respective counties.

Out of amounts appropriated above in Strategy D.1.5, an amount not to exceed $182,253 each fiscal year out of the General Revenue Fund may be used only for the purposes of funding pay increases and related benefits costs for the following positions in the Criminal and Civil Divisions:

Headcount	Division/Title	2004-05 Salary	2006-07 Salary Limit
	Criminal and Civil Divisions		
1	Chief Prosecutor	$85,000	$96,081
	Criminal Division		
1	Prosecutor III	$63,963	$73,571
3	Prosecutor III	$58,633	$67,440
1	Prosecutor II	$56,408	$64,881
1	Prosecutor II	$52,000	$59,811
1	Prosecutor I	$51,750	$59,523
1	Prosecutor I	$49,680	$57,142
1	Chief Investigator	$45,023	$51,786
1	Investigator III	$43,988	$50,595
2	Investigator II	$38,000	$43,708
3	Investigator II	$37,000	$42,557
1	Investigator I/Paralegal	$31,982	$36,786
1	Investigator I/Paralegal	$30,015	$34,524
1	Office Administrator	$27,945	$32,142
1	Victim Asst. Coord.	$19,665	$22,619
	Civil Division		
1	Section Chief	$63,000	$65,583
1	Appellate Attorney	$49,000	$51,009
1	Attorney	$48,000	$49,968
1	Chief Investigator	$40,000	$41,640
1	Investigator	$38,000	$39,558
1	Office Administrator	$31,000	$32,271
1	Paralegal	$25,000	$26,025

Walker County is the designated agency to administer the funds provided for the support of the Special Prosecution Unit. Walker County shall submit a voucher containing an itemized statement of expenses to include salaries, fringe benefits and authorized expenses incurred to the Judiciary Section, Comptroller's Department each month of the fiscal year. Such vouchers shall be reviewed by the Walker County Auditor's Office to ensure compliance with applicable state and county regulations concerning the expenditures of public funds. Upon receipt of said vouchers, the Judiciary Section, Comptroller's Department shall issue warrants each month to reimburse Walker County. The total reimbursement each year shall not exceed the amount appropriated.

Any unexpended balances from appropriations out of the General Revenue Fund made to the Special Prosecution Unit for fiscal year 2006 are appropriated to the Special Prosecution Unit in fiscal year 2007 for the same purposes.

The Special Prosecution Unit shall submit a report each January 1 to the Legislative Budget Board and the Governor for the preceding fiscal year ending August 31. The report must be in a format prescribed by the Legislative Budget Board and the Governor and must include annual statistical information on activities of the Special Prosecution Unit.

6. **Witness Expenses.** The appropriation made above to the Judiciary Section, Comptroller's Department for the payment of witness expenses under the Code of Criminal Procedure is based on legislative intent that such expenses are not paid at rates that exceed the maximum rates provided by law for state employees.

7. **Felony Prosecutors: Expenses.** For the payment of salaries of assistant district attorneys, investigators and/or secretarial help and expenses, including travel for these personnel as determined by the prosecutors designated in Strategies B.1.l, B.1.2, B.l.3, and B.1.4. Reimbursement shall be limited to expenses for supplies or items that would normally be consumed or utilized within the fiscal year for which the funds in this item are designated. Payments shall not exceed $34,450 per district per year in multi-county districts and $17,050 per district per year in single-county districts and $34,450 for both multi-county and single-county districts for those district attorneys, criminal district attorneys and county attorneys performing the duties of a district attorney prohibited from the private practice of law per Government Code, Chapter 46; and shall be made available in three equal installments issued on the first day of September, January and May of each fiscal year. These payments shall be made directly to the district attorney, criminal district attorney, or county attorney for the purposes of disbursement as required by the attorney. The attorney receiving these payments shall be responsible to the Comptroller for accounting for all expenditures of these funds.

8. **Administration of Visiting Judge Strategies.** It is the intent of the Legislature that the Judiciary Section, Comptroller's Department shall maintain a system to account for all expenditures in each fiscal year made for the services of 1) visiting former judges serving in the judicial regions, 2) visiting former judges serving in the appellate courts, 3) visiting retired judges serving in the judicial regions, and 4) visiting retired judges serving in the appellate courts.

RETIREMENT AND GROUP INSURANCE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund, estimated	$ 44,103,795	$ 45,845,212
General Revenue Dedicated Accounts, estimated	55,183	57,620
Federal Funds, estimated	31,767	33,149
Other Special State Funds, estimated	1,632,965	1,659,898
Total, Method of Financing	$ 45,823,710	$ 47,595,879
Items of Appropriation:		
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS Retirement Contributions. Estimated.	$ 2,995,393	$ 3,055,302
A.1.2. Strategy: GROUP INSURANCE Group Insurance. Estimated.	$ 10,861,793	$ 11,682,327
A.1.3. Strategy: JUDICIAL RETIREMENT SYSTEM - PLAN 2 Judicial Retirement System - Plan 2. Estimated.	$ 8,924,368	$ 9,051,094
A.1.4. Strategy: JUDICIAL RETIREMENT SYSTEM - PLAN 1 Judicial Retirement System - Plan 1. Estimated.	$ 23,042,156	$ 23,807,156
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	$ 45,823,710	$ 47,595,879
Grand Total, RETIREMENT AND GROUP INSURANCE	$ 45,823,710	$ 47,595,879

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund, estimated	$ 7,932,567	$ 8,049,999
General Revenue Dedicated Accounts, estimated	30,331	30,792
Federal Funds, estimated	15,979	16,282
Other Special State Funds, estimated	70,372	70,634
Total, Method of Financing	$ 8,049,249	$ 8,167,707

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY
(Continued)

Items of Appropriation:		
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT		
Comptroller - Social Security.		
A.1.1. Strategy: STATE MATCH – EMPLOYER	$ 7,441,718	$ 7,590,552
State Match – Employer. Estimated.		
A.1.2. Strategy: BENEFIT REPLACEMENT PAY	$ 607,531	$ 577,155
Benefit Replacement Pay. Estimated.		
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	$ 8,049,249	$ 8,167,707
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	$ 8,049,249	$ 8,167,707

LEASE PAYMENTS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 2,498,229	$ 2,495,750
Total, Method of Financing	$ 2,498,229	$ 2,495,750
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: LEASE PAYMENTS	$ 2,498,229	$ 2,495,750 & UB
To TBPC for Payment to TPFA.		
Grand Total, LEASE PAYMENTS	$ 2,498,229	$ 2,495,750

SPECIAL PROVISIONS - JUDICIARY

Sec. 2. Judicial Salary Enforcement. Each District Court Judge and Justice of the Courts of Appeals shall file a sworn statement with the Comptroller of Public Accounts setting forth the yearly amounts to be received from state and county as salary payments during the ensuing fiscal year. Amended statements shall be filed setting forth any change in the salary rate which occurs during a fiscal year.

For the purpose of salary payments by the state, the Comptroller of Public Accounts shall determine from the filed statements that the required salary differential set out in Government Code § 659.012 is maintained, unless otherwise provided by law. In the event a salary is in excess of the differential provided by law, the Comptroller is directed to reduce the state's portion of that salary by the amount of excess.

The appropriations for salaries of District Court Judges and Justices of Courts of Appeals are made contingent upon strict compliance with the provisions of this section and the Comptroller shall have no authority to issue a warrant for salaries which violate these provisions.

Sec. 3. Public Integrity Unit. In Strategy D.1.4, Public Integrity Unit, Judiciary Section, Comptroller's Department, warrants shall be drawn as necessary to reimburse the District Attorney of the 53rd Judicial District for salary and expenses previously incurred. The District Attorney shall submit a voucher containing an itemized statement of expenses to substantiate each claim. This appropriation shall be allocated in three equal installments over the fiscal year. Any unencumbered, unexpended balance existing in a previous allocation period may be used in a subsequent period provided that period occurs within the same biennium.

Sec. 4. Restriction, New District Courts. No new district court may be funded until it has been approved by the commissioner's court of the county or a majority of the counties in that district.

Sec. 5. Transfer of Cases. The Chief Justices of the 14 Courts of Appeals are encouraged to cooperate with the Chief Justice of the Supreme Court to transfer cases between appellate courts which are in neighboring jurisdictions in order to equalize the disparity between the workloads of the various courts of appeals.

Sec. 6. Voice Recording. It is the intent of the Legislature that the Supreme Court and Court of Criminal Appeals will promulgate rules authorizing the use of voice or video recording technology, including CD ROM, to make a record of court proceedings. The Legislature does not intend that the recording be a substitute for the written transcript.

Sec. 7. Systems Compatibility. No funds shall be utilized to purchase information technology unless it interfaces with other courts and with the Office of Court Administration and complies with the plans filed with the Legislative Budget Board.

Sec. 8. Judicial Internship Program. It is the intent of the Legislature that the Judicial Branch cooperate with law schools to establish a judicial internship program for Texas appellate and trial courts. The Judicial Branch is encouraged to work with the Texas Judicial Council in the development of the judicial internship program.

Sec. 9. Appellate Court Exemptions. The following provisions of Article IX of this Act do not apply to the appellate courts:

a. Article IX, § 5.08, Limitation on Travel Expenditures
b. Article IX, § 6.14, Limitation on State Employment Levels
c. Article IX, § 6.16, Limit on Expenditures-Capital Budget
d. Article IX, § 6.24, Performance Rewards and Penalties

Sec. 10. Appropriation: Unexpended Balances Between Fiscal Years within the Biennium. Any unexpended balances from appropriations made to the appellate courts for fiscal year 2006 are hereby appropriated to the same court for fiscal year 2007 for the same purposes.

Sec. 11. Intermediate Appellate Court Local Funding Information. The Office of Court Administration shall assist the appellate courts in the submission of a report for local funding information each January 1 to the Legislative Budget Board and the Governor for the preceding fiscal year ending August 31. The report must be in a format prescribed by the Legislative Budget Board and the Governor.

Sec. 12. Appellate Court Salary Limits. It is the intent of the Legislature that no intermediate appellate court may pay more than one chief staff attorney promoted or hired after September 1, 2005, more than $84,000 annually under this provision. Further, it is the intent of the Legislature that no intermediate appellate court may pay other permanent legal staff hired or promoted after September 1, 2005 more than $72,500 annually. This provision does not apply to law clerk positions at any appellate court.

Sec. 13. Interagency Contracts for Assigned Judges for Appellate Courts. Out of funds appropriated in this article to Strategies A.1.1, Appellate Court Operations, the Supreme Court of Texas, the Court of Criminal Appeals, or any of the 14 Courts of Appeals may enter into a contract with the Office of the Comptroller for fiscal years 2006 and 2007, for the purpose of reimbursing the Comptroller for amounts expended for judges assigned under Chapter 74, Government Code to hear cases of the appellate courts. It is the intent of the Legislature that any amounts reimbursed under this contract for judges assigned to the appellate courts are in addition to amounts appropriated for the use of assigned judges in Strategy A.1.3, Visiting Judges - Appellate in the Judiciary Section, Comptroller's Department.

Sec. 14. Appellate Court Transfer Authority. The Chief Justice of the Supreme Court of Texas, the Presiding Judge of the Court of Criminal Appeals, or the Chair of the Council of Chief Justices is authorized to transfer funds between appellate courts, notwithstanding any other provision in this Act and subject to prior approval of any transfer of funds by the Legislative Budget Board and the Governor. Any such transfer shall be made for the purpose of efficient and effective appellate court operations and management of court caseloads. It is the intent of the Legislature that transfers made under this provision are addressed by the Legislative Budget Board and the Governor in reviewing amounts requested in the appellate courts' Legislative Appropriations Request for the 2008-09 biennium.

Sec. 15. Schedule of Exempt Positions. Notwithstanding other provisions of this bill, including Article IX, § 3.05 setting maximum salaries for exempt positions, the chief justice of the Supreme Court of Texas may set the rate of compensation for the Administrative Director of the Office of

Court Administration in an amount not to exceed the Maximum Salary but no less than the Minimum Salary for the appropriate salary group for the Administrative Director as listed in the bill pattern for the Office of Court Administration, Schedule of Exempt Positions. Any salary increase from appropriated funds within the limits provided by this provision must be in writing; signed by the chief justice of the Supreme Court of Texas; and submitted to the Governor, the Legislative Budget Board and the Comptroller.

RECAPITULATION - ARTICLE IV
THE JUDICIARY
(General Revenue)

	For the Years Ending August 31, 2006	August 31, 2007
Supreme Court of Texas	$ 4,097,179	$ 4,097,179
Court of Criminal Appeals	4,230,436	4,230,435
First Court of Appeals District, Houston	2,953,601	2,953,599
Second Court of Appeals District, Fort Worth	2,288,557	2,288,557
Third Court of Appeals District, Austin	2,027,760	2,027,760
Fourth Court of Appeals District, San Antonio	2,196,952	2,196,951
Fifth Court of Appeals District, Dallas	4,025,865	4,025,864
Sixth Court of Appeals District, Texarkana	1,101,049	1,101,048
Seventh Court of Appeals District, Amarillo	1,436,899	1,436,899
Eighth Court of Appeals District, El Paso	1,118,799	1,118,800
Ninth Court of Appeals District, Beaumont	1,407,146	1,407,146
Tenth Court of Appeals District, Waco	1,120,878	1,120,878
Eleventh Court of Appeals District, Eastland	1,130,091	1,130,091
Twelfth Court of Appeals District, Tyler	1,125,127	1,125,127
Thirteenth Court of Appeals District, Corpus Christi-Edinburg	2,025,598	2,025,598
Fourteenth Court of Appeals District, Houston	2,947,814	2,947,814
Office of Court Administration, Texas Judicial Council	6,729,611	6,130,702
Office of the State Prosecuting Attorney	341,024	341,022
State Law Library	764,077	764,078
State Commission on Judicial Conduct	829,881	829,881
Judiciary Section, Comptroller's Department	68,252,953	68,371,810
Subtotal, Judiciary	$ 112,151,297	$ 111,671,239
Retirement and Group Insurance	44,103,795	45,845,212
Social Security and Benefit Replacement Pay	7,932,567	8,049,999
Subtotal, Employee Benefits	$ 52,036,362	$ 53,895,211
Lease Payments	2,498,229	2,495,750
TOTAL, ARTICLE IV - THE JUDICIARY	$ 166,685,888	$ 168,062,200

RECAPITULATION - ARTICLE IV
THE JUDICIARY
(General Revenue - Dedicated)

	For the Years Ending August 31, 2006	August 31, 2007
Office of Court Administration, Texas Judicial Council	$ 15,107,093	$ 13,627,091
Subtotal, Judiciary	$ 15,107,093	$ 13,627,091
Retirement and Group Insurance	55,183	57,620
Social Security and Benefit Replacement Pay	30,331	30,792
Subtotal, Employee Benefits	$ 85,514	$ 88,412
TOTAL, ARTICLE IV - THE JUDICIARY	$ 15,192,607	$ 13,715,503

RECAPITULATION - ARTICLE IV
THE JUDICIARY
(Federal Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Retirement and Group Insurance	$ 31,767	$ 33,149
Social Security and Benefit Replacement Pay	15,979	16,282
Subtotal, Employee Benefits	$ 47,746	$ 49,431
TOTAL, ARTICLE IV - THE JUDICIARY	$ 47,746	$ 49,431

RECAPITULATION - ARTICLE IV
THE JUDICIARY
(Other Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Supreme Court of Texas	$ 18,375,000	$ 9,725,000
Court of Criminal Appeals	9,775,755	8,883,755
Office of Court Administration, Texas Judicial Council	5,889,802	5,889,803
Contingency Appropriations	103,550	24,848
Total	5,993,352	5,914,651
State Law Library	41,100	41,100
Judiciary Section, Comptroller's Department	23,730,330	23,740,867
Subtotal, Judiciary	$ 57,915,537	$ 48,305,373
Retirement and Group Insurance	1,632,965	1,659,898
Social Security and Benefit Replacement Pay	70,372	70,634
Subtotal, Employee Benefits	$ 1,703,337	$ 1,730,532
Less Interagency Contracts	$ 8,368,579	$ 8,368,579
TOTAL, ARTICLE IV - THE JUDICIARY	$ 51,250,295	$ 41,667,326

RECAPITULATION - ARTICLE IV
THE JUDICIARY
(All Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Supreme Court of Texas	$ 22,472,179	$ 13,822,179
Court of Criminal Appeals	14,006,191	13,114,190
First Court of Appeals District, Houston	2,953,601	2,953,599
Second Court of Appeals District, Fort Worth	2,288,557	2,288,557
Third Court of Appeals District, Austin	2,027,760	2,027,760
Fourth Court of Appeals District, San Antonio	2,196,952	2,196,951
Fifth Court of Appeals District, Dallas	4,025,865	4,025,864
Sixth Court of Appeals District, Texarkana	1,101,049	1,101,048
Seventh Court of Appeals District, Amarillo	1,436,899	1,436,899
Eighth Court of Appeals District, El Paso	1,118,799	1,118,800
Ninth Court of Appeals District, Beaumont	1,407,146	1,407,146
Tenth Court of Appeals District, Waco	1,120,878	1,120,878
Eleventh Court of Appeals District, Eastland	1,130,091	1,130,091
Twelfth Court of Appeals District, Tyler	1,125,127	1,125,127
Thirteenth Court of Appeals District, Corpus Christi-Edinburg	2,025,598	2,025,598
Fourteenth Court of Appeals District, Houston	2,947,814	2,947,814
Office of Court Administration, Texas Judicial Council	27,726,506	25,647,596
Contingency Appropriations	103,550	24,848
Total	27,830,056	25,672,444
Office of the State Prosecuting Attorney	341,024	341,022
State Law Library	805,177	805,178
State Commission on Judicial Conduct	829,881	829,881
Judiciary Section, Comptroller's Department	91,983,283	92,112,677
Subtotal, Judiciary	$ 185,173,927	$ 173,603,703
Retirement and Group Insurance	45,823,710	47,595,879
Social Security and Benefit Replacement Pay	8,049,249	8,167,707
Subtotal, Employee Benefits	$ 53,872,959	$ 55,763,586
Lease Payments	2,498,229	2,495,750
Less Interagency Contracts	$ 8,368,579	$ 8,368,579
TOTAL, ARTICLE IV - THE JUDICIARY	$ 233,176,536	$ 223,494,460
Number of Full-Time-Equivalents (FTE)	1,334.4	1,334.4

ARTICLE V

PUBLIC SAFETY AND CRIMINAL JUSTICE

Sec. 1. The several sums of money herein specified, or so much thereby as may be necessary, are appropriated out of any funds in the State Treasury not otherwise appropriated, or out of special funds as indicated, for the support, maintenance, or improvement of the designated public safety and criminal justice agencies.

ADJUTANT GENERAL'S DEPARTMENT

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 11,929,044	$ 11,213,402
Federal Funds		
Adjutant General Federal Fund No. 449	33,892,725	33,881,625
Federal Funds	160,000	160,000
Subtotal, Federal Funds	$ 34,052,725	$ 34,041,625
Other Funds		
Appropriated Receipts	190,000	190,000
Bond Proceeds - General Obligation Bonds	4,700,000	UB
Interagency Contracts - Transfer from Foundation School Fund No. 193	175,000	175,000
Subtotal, Other Funds	$ 5,065,000	$ 365,000
Total, Method of Financing	$ 51,046,769	$ 45,620,027
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	545.0	545.0
Schedule of Exempt Positions:		
Adjutant General, Group 4	$105,000	$105,000
Items of Appropriation:		
A. Goal: OPERATIONS RESPONSE		
Provide a Professional Force Capable of Response.		
A.1.1. Strategy: STATE ACTIVE DUTY - DISASTER Respond to Disaster Relief/Emergency Missions.	$ 1,000,000	$ 1,000,000
A.1.2. Strategy: MANAGEMENT AND TRAINING Execute an Effective Personnel Management and Training Program.	$ 495,401	$ 495,400
Total, Goal A: OPERATIONS RESPONSE	$ 1,495,401	$ 1,495,400
B. Goal: OPERATIONS SUPPORT		
Provide Adequate Facilities for Operations Training.		
B.1.1. Strategy: FACILITIES/EQUIPMENT MODERNIZATION Pursue Facilities and Equipment Modernization.	$ 21,937,491	$ 16,237,491
B.1.2. Strategy: DEBT SERVICE Pay Armory Rental to the Texas Military Facilities Commission.	$ 2,872,333	$ 3,156,692
B.1.3. Strategy: UTILITIES Pay All Utilities.	$ 5,660,000	$ 5,660,000
Total, Goal B: OPERATIONS SUPPORT	$ 30,469,824	$ 25,054,183
C. Goal: COMMUNITY SUPPORT		
Community Support and Involvement.		
C.1.1. Strategy: YOUTH EDUCATION PROGRAMS Train Youth in Specialized Education Programs.	$ 2,795,775	$ 2,795,775
C.1.2. Strategy: TEXAS STATE GUARD	$ 80,400	$ 80,400

C.1.3. Strategy: ENVIRONMENTAL CLEAN-UP Conduct Clean-up and Compliance Activities.	$ 4,061,200	$ 4,061,200
Total, Goal C: COMMUNITY SUPPORT	$ 6,937,375	$ 6,937,375
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: INDIRECT ADMINISTRATION	$ 12,144,169	$ 12,133,069
Grand Total, ADJUTANT GENERAL'S DEPARTMENT	$ 51,046,769	$ 45,620,027
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 17,630,901	$ 17,630,900
Other Personnel Costs	497,500	497,500
Professional Fees and Services	2,672,380	2,597,380
Fuels and Lubricants	20,600	20,600
Consumable Supplies	155,700	155,700
Utilities	7,600,220	7,600,220
Travel	295,600	295,600
Rent - Building	2,909,123	3,193,482
Rent - Machine and Other	571,200	571,200
Other Operating Expense	10,409,345	10,362,245
Client Services	915,000	915,000
Capital Expenditures	7,369,200	1,780,200
Total, Object-of-Expense Informational Listing	$ 51,046,769	$ 45,620,027
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 946,395	$ 965,323
Group Insurance	2,973,819	3,206,637
Social Security	1,313,516	1,339,786
Benefits Replacement	129,725	123,239
Subtotal, Employee Benefits	$ 5,363,455	$ 5,634,985
Debt Service		
Bond Debt Service	$ 292,553	$ 298,992
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 5,656,008	$ 5,933,977

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Adjutant General's Department. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Adjutant General's Department. In order to achieve the objectives and service standards established by this Act, the Adjutant General's Department shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: OPERATIONS RESPONSE		
Outcome (Results/Impact):		
Percent of Eligible Texas National Guard Personnel Who Are Retained	90%	90%
A.1.1. Strategy: STATE ACTIVE DUTY - DISASTER		
Output (Volume):		
Total Number of Assigned Military Strength	20,112	20,115
B. Goal: OPERATIONS SUPPORT		
B.1.1. Strategy: FACILITIES/EQUIPMENT MODERNIZATION		
Efficiencies:		
Average Maintenance Cost Per Square Foot of All Buildings (Less Texas Military Facilities Commission State-owned Armories)	5.06	3.75
B.1.3. Strategy: UTILITIES		
Efficiencies:		
Utilities Cost Per Square Foot, All Buildings	.84	.84

C. Goal: COMMUNITY SUPPORT		
Outcome (Results/Impact):		
Percent of Students Completing Specialized Education Programs	93%	93%

2. Capital Budget. None of the general revenue funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103. This rider does not limit the use of federal funds obtained by the department.

	2006	2007
a. Construction of Buildings and Facilities	$ 800,000	$ 800,000
b. Repair or Rehabilitation of Buildings and Facilities	11,700,000	6,200,000
c. Acquisition of Information Resource Technologies	58,500	64,500
Total, Capital Budget	$ 12,558,500	$ 7,064,500
Method of Financing (Capital Budget):		
General Revenue Fund	$ 1,018,225	$ 35,325
Adjutant General Federal Fund No. 449	7,040,275	7,029,175
Bond Proceeds - General Obligation Bonds	4,500,000	UB
Total, Method of Financing	$ 12,558,500	$ 7,064,500

3. Support and Maintenance Expenditures. It is hereby provided that all monies currently appropriated to the Adjutant General's Department for support and maintenance of the Texas National Guard are authorized for like expenditures for the support and maintenance, including organization, of units of the Texas State Guard supplementing the Texas National Guard or replacing National Guard units inducted into federal service.

4. Transferability. The Adjutant General's Department is hereby authorized to transfer such amounts as may be necessary from one strategy to another strategy. No transfers shall be made into Strategy B.1.2, Debt Service. No transfer of federal reimbursements for state active duty shall be made out of Strategy A.1.1, State Active Duty - Disaster.

5. Travel Limitations. Subject to the travel limitations set out in the General Provisions of this Act, the Adjutant General's Department shall pay the travel expenses of members of the National Guard when said members are acting as official representatives of the Adjutant General's Department on behalf of the Texas National Guard.

6. Payment of Travel - Limitation. None of the funds appropriated above may be expended for the payment of travel of any officer or employee, except the Adjutant General of the State of Texas, Assistant Adjutant General-Army, Assistant Adjutant General-Air, and State Judge Advocate or the Adjutant General's designee for any one of these officers, to meetings of the National Guard Association of the United States.

7. Armory Closure. It is the intent of the Legislature that the Adjutant General's Department not close any armories due solely to insufficient funds to pay for utilities.

8. Armory Utilities. The Adjutant General's Department shall study each armory to ensure utility costs are kept to a minimum and the Adjutant General's Department shall charge rental fees for armories that are comparable to fees charged for similar facilities in the area where the armory is located. In any case, the rent charged must be adequate to recover any additional utility costs associated with the rental of the armory.

9. **Federally Funded Projects.** Federal funds for any 100 percent federally funded project are hereby appropriated, and related additional federally funded personnel and additional travel expenditures are authorized.

10. **Road Construction and Maintenance at Camp Mabry Facilities.** The Texas Department of Transportation shall construct, repair, and maintain roads in and providing access to and from Camp Mabry facilities.

11. **Quarters and Utilities Allowance.** The Adjutant General, Assistant Adjutant General-Air, and the Assistant Adjutant General-Army are authorized to live in state-owned housing and are exempt from paying housing costs. The Adjutant General's Department may also allocate existing department housing to other department employees with a demonstrated need based on location and job description at a rate in accordance with Article IX, § 11.05 of this Act. Fees for employee housing are hereby appropriated to be used for maintaining employee housing.

12. **Appropriation - Billet Receipts.** Any billet receipts in excess of $190,000 in fiscal year 2006 and $190,000 in fiscal year 2007 (included in Appropriated Receipts above) are hereby appropriated for use in Strategy B.1.1, Facilities/Equipment Modernization (estimated to be $0).

13. **Unexpended Balances, Payments to National Guard for State Active Duty.** Any unexpended balances as of August 31, 2006, in Strategy A.1.1, State Active Duty - Disaster, for payments to the National Guard for State Active Duty, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2006.

14. **Cash Flow Contingency.** Contingent upon the receipt of federal funds, the Adjutant General's Department may temporarily utilize additional general revenue funds, pending receipt of federal reimbursement, in an amount not to exceed $3 million in each fiscal year of the biennium. The general revenue amounts utilized above the department's general revenue method of finance must be repaid upon receipt of federal reimbursement and shall be utilized only for the purpose of temporary cash flow needs. At the end of each fiscal year, the $3 million must be repaid by November 30 of the following fiscal year. These transfers and repayments shall be credited to the fiscal year being reimbursed and shall be in accordance with procedures established by the Comptroller of Public Accounts. All transfers of the method of finance shall be reported by the department to the Governor and the Legislative Budget Board.

15. **Travel Limitations - State Guard.** Subject to the travel limitations set out in the General Provisions of this Act, the Adjutant General's Department may pay the travel expenses of members of the Texas State Guard when said members are acting as official representatives of the Adjutant General's Department on behalf of the Texas State Guard.

16. **Seaborne/ChalleNGe Youth Education Program.** Out of funds appropriated above in Strategy C.1.1, Youth Education Programs, $175,000 is appropriated from the Foundation School Fund for each fiscal year of the biennium. In the event the available amount is greater than $175,000 in each fiscal year, general revenue funds equal to the difference between the Foundation School Funds and $175,000 shall lapse to the unobligated portion of the General Revenue Fund.

17. **ChalleNGe Youth Program.** It is the intent of the Legislature that the Adjutant General's Department coordinate with the Texas Youth Commission and the Texas Juvenile Probation Commission to ensure no duplication of services and to maximize the efficiency of the services offered by the ChalleNGe Youth Education Program.

18. **Unexpended Balances, General Obligation Bonds.** Any unexpended balances as of August 31, 2005, in the general obligation bonds appropriated by the 77th Legislature, Regular Session, for Repair or Rehabilitation of Buildings and Facilities (estimated at $200,000 and included in amounts above) are hereby appropriated for the same purposes for the biennium beginning September 1, 2005.

ALCOHOLIC BEVERAGE COMMISSION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 36,757,370	$ 34,613,267
Federal Funds	360,000	360,000
Other Funds		
Appropriated Receipts	5,000	5,000
Interagency Contracts	30,000	30,000
Criminal Justice Grants	120,000	120,000
Subtotal, Other Funds	$ 155,000	$ 155,000
Total, Method of Financing	$ 37,272,370	$ 35,128,267
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 10,167,785	$ 10,046,686
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	700.7	700.7
Schedule of Exempt Positions:		
Administrator, Group 4	$105,000	$105,000
Items of Appropriation:		
A. Goal: REGULATE DISTRIBUTION		
Promote the Health, Safety, and Welfare of the Public.		
A.1.1. Strategy: ENFORCEMENT	$ 21,189,217	$ 19,266,543
A.1.2. Strategy: EDUCATION PROGRAMS Deter Code Violations through Education.	$ 878,584	$ 861,676
Total, Goal A: REGULATE DISTRIBUTION	$ 22,067,801	$ 20,128,219
B. Goal: LICENSING AND INVESTIGATION		
Process Applications and Issue Alcoholic Beverage Licenses & Permits.		
B.1.1. Strategy: LICENSING AND INVESTIGATION	$ 2,622,150	$ 2,610,365
C. Goal: COLLECT FEES AND TAXES		
Ensure Compliance with Fees & Taxes.		
C.1.1. Strategy: COMPLIANCE MONITORING Conduct Inspections and Monitor Compliance.	$ 4,998,634	$ 4,910,819
C.2.1. Strategy: PORTS OF ENTRY Nontransferable.	$ 3,638,092	$ 3,556,274
Total, Goal C: COLLECT FEES AND TAXES	$ 8,636,726	$ 8,467,093
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: CENTRAL ADMINISTRATION	$ 2,011,178	$ 2,000,151
D.1.2. Strategy: INFORMATION RESOURCES	$ 1,355,200	$ 1,346,158
D.1.3. Strategy: OTHER SUPPORT SERVICES	$ 579,315	$ 576,281
Total, Goal D: INDIRECT ADMINISTRATION	$ 3,945,693	$ 3,922,590
Grand Total, ALCOHOLIC BEVERAGE COMMISSION	$ 37,272,370	$ 35,128,267
Supplemental Appropriations Made in Riders:	$ 2,000	$ 2,000
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 26,102,435	$ 26,558,175
Other Personnel Costs	663,105	666,885
Professional Fees and Services	110,500	110,500
Fuels and Lubricants	405,032	405,032
Consumable Supplies	216,521	221,171
Utilities	477,622	297,307
Travel	870,208	666,048
Rent - Building	1,953,260	1,953,260
Rent - Machine and Other	193,925	193,925

Other Operating Expense	2,658,650	2,260,152
Grants	360,000	360,000
Capital Expenditures	3,263,112	1,437,812
Total, Object-of-Expense Informational Listing	$ 37,274,370	$ 35,130,267
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,184,590	$ 1,208,282
Group Insurance	4,515,472	4,909,808
Social Security	1,579,750	1,611,345
Benefits Replacement	252,621	239,990
Subtotal, Employee Benefits	$ 7,532,433	$ 7,969,425
Debt Service		
Lease Payments	$ 55,506	$ 55,491
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 7,587,939	$ 8,024,916

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Alcoholic Beverage Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Alcoholic Beverage Commission. In order to achieve the objectives and service standards established by this Act, the Alcoholic Beverage Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: REGULATE DISTRIBUTION		
Outcome (Results/Impact):		
Percentage of Licensed Establishments Inspected Annually	78.5%	78.5%
A.1.1. Strategy: ENFORCEMENT		
Output (Volume):		
Number of Inspections Made	116,104	128,447
Efficiencies:		
Average Cost Per Inspection	192.36	158.94
B. Goal: LICENSING AND INVESTIGATION		
Outcome (Results/Impact):		
Percent of Original License/Permit Applications Processed within 14 Days	99%	99%
B.1.1. Strategy: LICENSING AND INVESTIGATION		
Output (Volume):		
Number of Licenses/Permits Issued	102,000	102,000
Efficiencies:		
Average Cost Per License/Permit Processed	37.28	36.87
C. Goal: COLLECT FEES AND TAXES		
Outcome (Results/Impact):		
Percent of Inspections, Analyses, and Compliance Activities Resulting in Administrative or Compliance Actions	32%	32%
C.1.1. Strategy: COMPLIANCE MONITORING		
Output (Volume):		
Number of Inspections, Analyses, and Compliance Activities	96,000	118,000
Efficiencies:		
Average Cost Per Inspection, Analysis, and Compliance Activity	52.95	42.2
C.2.1. Strategy: PORTS OF ENTRY		
Output (Volume):		
Number of Alcoholic Beverage Containers and Cigarette Packages Stamped	5,500,000	5,500,000

2. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease payments to the Master Lease

Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2006	2007
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Computer Equipment - Leased	$ 321,890	$ 321,890
(2) Excise Tax Automation	250,000	75,000
(3) Other Information Resource Projects	169,441	169,441
Total, Acquisition of Information Resource Technologies	$ 741,331	$ 566,331
b. Transportation Items		
(1) Fleet Acquisitions (90 Vehicles)	1,268,500	946,000
c. Acquisition of Capital Equipment and Items		
(1) Ports of Entry Tax Collection Automation	80,000	25,000
Total, Capital Budget	$ 2,089,831	$ 1,537,331

3. **Hazardous Duty Pay Authorized.** The Texas Alcoholic Beverage Commission is authorized to pay hazardous duty pay to any commissioned law enforcement personnel as prescribed by law.

   It is further provided that individuals who had received hazardous duty pay as of August 31, 1981, shall continue to receive hazardous duty pay for the biennium beginning with the effective date of this Act. Individuals hired after August 31, 1981, shall not receive hazardous duty pay unless so authorized by § 659.062, Government Code.

4. **Witness Expenses Authorized.** No other provisions of this Article shall prevent payment by the State of Texas of salaries and expenses incurred by representatives of the Texas Alcoholic Beverage Commission in attendance on state or federal grand jury proceedings, and who may be called as witnesses in the trial of criminal or civil cases in state or federal courts involving offenses complained of against state or federal liquor regulatory or revenue laws. It is further provided that any fees collected by such representatives in performing such duties shall be deposited in the State Treasury to the credit of the appropriations made above.

5. **Revolving Fund.** The revolving change fund created by prior legislatures in the amount of $15,000 for use at the several International Bridges is hereby appropriated out of the funds above for the biennium beginning with the effective date of this Act for the same purposes.

6. **State Police Agency.** For purposes of application to the federal government for licenses, permits, or other authorizations, including radio frequencies, or for law enforcement assistance grants, the Texas Alcoholic Beverage Commission shall be considered a state police agency in accordance with the Alcoholic Beverage Code and other applicable laws.

7. **Fleet of Motor Vehicles Authorized.** It is the intent of the Legislature that the agency purchase and maintain a fleet of vehicles. If these vehicles are unmarked for law enforcement purposes, these vehicles shall be utilized only by personnel who are commissioned peace officers or those persons responsible for the maintenance and repair of these vehicles. Vehicles which are properly marked pursuant to state requirements, may be utilized for other legitimate agency purposes as needed by personnel employed in the Enforcement and Compliance Divisions.

8. **Purchase of Evidence Authorized.** From the amounts authorized above, the Texas Alcoholic Beverage Commission is hereby authorized to establish a cash fund not to exceed $50,000 for the purchase of evidence and/or information and surveillance expenses deemed necessary by the Commission.

9. **Appropriations Limited to Revenue Collections.** It is the intent of the Legislature that fees, fines and other miscellaneous revenues as authorized and generated by the agency cover, at a minimum, the cost of the appropriations made above as well as an amount equal to the amount

identified above in the informational item "Other Direct and Indirect Costs Appropriated Elsewhere in this Act." In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

10. Agent Training. It is the intent of the Legislature that the Texas Alcoholic Beverage Commission, as part of its initial and ongoing training of its certified peace officers, emphasize the evidentiary threshold required in prosecution of criminal cases as it applies to minors in possession of alcoholic beverages.

11. Clothing Provisions.

a. A commissioned officer who received a $1,200 clothing allowance pursuant to the General Appropriations Act during the 2004-05 biennium shall receive a $1,200 clothing allowance in the 2006-07 biennium.

b. It is the intent of the Legislature that no person shall receive a $1,200 clothing allowance unless eligible in subsection (a).

c. An individual who is newly hired or newly commissioned after September 1, 1997, is eligible to receive a $500 cleaning allowance. No rank other than that of agent is entitled to a $500 cleaning allowance.

d. The Texas Alcoholic Beverage Commission may purchase uniforms for Tax Collectors at International Bridges.

12. Contingency Rider - Ports of Entry (Anzalduas Bridge). Included in the amounts appropriated above in Strategy C.2.1, Ports of Entry, is $119,803 in fiscal year 2006 and $119,803 in fiscal year 2007 out of the General Revenue Fund for the purpose of regulating the personal importation of alcoholic beverages and cigarettes at the Anzalduas Bridge. These amounts represent 12 months of estimated operating costs per fiscal year. The appropriation of these funds is contingent upon the opening of the Anzalduas Bridge. In the event the bridge does not open prior to September 2005, the level of appropriation described above is to be prorated based on the number of months remaining in the fiscal year.

13. Contingency Rider - Ports of Entry (Donna Bridge). Included in the amounts appropriated above in Strategy C.2.1, Ports of Entry, is $139,872 in fiscal year 2006 and $139,872 in fiscal year 2007 out of the General Revenue Fund for the purpose of regulating the personal importation of alcoholic beverages and cigarettes at the Donna Bridge. These amounts represent 12 months of estimated operating costs per fiscal year. The appropriation of these funds is contingent upon the opening of the Donna Bridge. In the event the bridge does not open prior to September 2005, the level of appropriation described above is to be prorated based on the number of months remaining in the fiscal year.

14. Texas Wine Marketing Assistance Program. Included in the amounts appropriated above in Strategy D.1.1, Central Administration, is $250,000 in fiscal year 2006 and $250,000 in fiscal year 2007 out of the General Revenue Fund for the Texas Wine Marketing Assistance Program. The Texas Alcoholic Beverage Commission shall transfer these funds to the Department of Agriculture pursuant to § 5.55, Alcoholic Beverage Code.

15. Sunset Contingency. Funds appropriated above for fiscal year 2007 for the Alcoholic Beverage Commission are made contingent on the continuation of the Alcoholic Beverage Commission by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

16. Contingency Appropriation. Included in the amounts appropriated above, $9,589,043 in fiscal year 2006 and $7,423,440 in fiscal year 2007 in General Revenue Funds are appropriated to the Texas Alcoholic Beverage Commission for current operating expenses, DWI prevention and enforcement, compliance officer reclassifications, ports of entry tax collection automation, and excise tax automation. These appropriations are contingent upon the Texas Alcoholic Beverage Commission increasing fees and surcharges, pursuant to §5.50, Alcoholic Beverage Code, by $20,250,309 and providing such information deemed necessary by the Comptroller of Public Accounts to issue a finding of fact that the increased revenues are estimated to be available in

excess of the Comptroller's Biennial Revenue Estimate and the amounts specified in Article IX, Section 3.08, including supplemental estimates used in certifying this Act, to fund the increased appropriations and benefits. Also contingent on the finding of fact, the "Number of Full-Time-Equivalents (FTE)" indicated above includes 153.2 FTEs for fiscal year 2006 and 153.2 FTEs for fiscal year 2007.

17. Gasoline Contingency. In addition to funds appropriated above and contingent upon certification by the Comptroller of Public Accounts, the Alcoholic Beverage Commission is hereby appropriated up to $2,000 per year from General Revenue Funds for each cent increase in the average gasoline cost per gallon to the agency above $1.32 per gallon (estimated to be $2,000 in fiscal year 2006 and $2,000 in fiscal year 2007 from the General Revenue Fund). The level of appropriation described above is to be prorated based on the number of months remaining in the fiscal year from the date of certification by the Comptroller of Public Accounts.

18. Accountability Tracking System for DWI Prevention and Enforcement. From funds appropriated above, the Alcoholic Beverage Commission shall develop a specific accountability system for tracking the impact of funds appropriated for enhanced DWI prevention and enforcement ($12,928,950 in General Revenue and 119 Full-Time-Equivalent Positions in fiscal years 2006-07). In addition to implementing the recommendations made by the Sunset Advisory Commission (Staff Report, October 2004), the commission shall develop the following accountability system. By January 1st of each fiscal year, the commission shall report to the Governor and the Legislative Budget Board the specific prevention and enforcement activities performed with the funds to include locations where the monies were spent, what programs were implemented, the impact of enforcement efforts compared to the previous biennium, and the impact on DWI-related fatalities and arrests.

DEPARTMENT OF CRIMINAL JUSTICE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 2,275,924,703	$ 2,314,598,123
Education and Recreation Program Receipts	74,955,477	74,955,477
Texas Correctional Industries Receipts	8,888,000	8,888,000
Subtotal, General Revenue Fund	$ 2,359,768,180	$ 2,398,441,600
General Revenue Fund - Dedicated		
Fugitive Apprehension Account No. 5028	10,158,674	10,158,674
Private Sector Prison Industry Expansion Account No. 5060	2,000,000	2,000,000
Compensation to Victims of Crime Account No. 469	1,439,318	1,439,318
Subtotal, General Revenue Fund - Dedicated	$ 13,597,992	$ 13,597,992
Federal Funds		
Federal Funds	11,095,088	0
Federal Funds for Incarcerated Aliens	17,126,820	17,126,820
Subtotal, Federal Funds	$ 28,221,908	$ 17,126,820
Other Funds		
Interagency Contracts - Texas Correctional Industries	37,012,038	37,012,038
Appropriated Receipts	23,632,144	10,932,143
Interagency Contracts	7,632,360	7,632,361
Bond Proceeds - General Obligation Bonds	30,000,000	50,000,000
Governor's Emergency and Deficiency Grant	3,250,000	3,250,000
Criminal Justice Grants	6,888,625	6,888,625
Subtotal, Other Funds	$ 108,415,167	$ 115,715,167
Total, Method of Financing	$ 2,510,003,247	$ 2,544,881,579

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE):	39,339.0	39,368.0
Schedule of Exempt Positions:		
Executive Director, Group 6	$165,000	$165,000
Presiding Officer, Board of Pardons & Paroles, Group 3	90,000	90,000
Parole Board Member, Group 3	(6) 85,000	(6) 85,000

Items of Appropriation:

A. Goal: PROVIDE PRISON DIVERSIONS		
Provide Prison Diversions through Probation & Community-based Programs.		
A.1.1. Strategy: BASIC SUPERVISION	$ 97,957,161	$ 97,600,616
A.1.2. Strategy: DIVERSION PROGRAMS	$ 89,048,185	$ 89,048,185
A.1.3. Strategy: COMMUNITY CORRECTIONS	$ 42,544,637	$ 42,544,637
A.1.4. Strategy: TRMT ALTERNATIVES TO INCARCERATION Treatment Alternatives to Incarceration Program.	$ 14,000,000	$ 14,000,000
Total, Goal A: PROVIDE PRISON DIVERSIONS	$ 243,549,983	$ 243,193,438
B. Goal: SPECIAL NEEDS OFFENDERS		
B.1.1. Strategy: SPECIAL NEEDS PROJECTS	$ 15,369,173	$ 15,369,173
C. Goal: INCARCERATE FELONS		
C.1.1. Strategy: CORRECTIONAL SECURITY OPERATIONS	$ 843,616,814	$ 843,616,813
C.1.2. Strategy: CORRECTIONAL SUPPORT OPERATIONS	$ 69,493,392	$ 69,493,392
C.1.3. Strategy: OFFENDER SERVICES	$ 11,619,952	$ 11,619,951
C.1.4. Strategy: INSTITUTIONAL GOODS	$ 141,511,860	$ 141,511,858
C.1.5. Strategy: INSTITUTIONAL SERVICES	$ 136,101,172	$ 136,101,171
C.1.6. Strategy: INST'L OPERATIONS & MAINTENANCE Institutional Operations and Maintenance.	$ 165,441,398	$ 165,441,398
C.1.7. Strategy: PSYCHIATRIC CARE Correctional Managed Psychiatric Care.	$ 43,094,589	$ 43,094,589
C.1.8. Strategy: MANAGED HEALTHCARE Correctional Managed Healthcare.	$ 313,174,719	$ 313,174,720
C.1.9. Strategy: HEALTH SERVICES	$ 3,487,053	$ 3,487,053
C.1.10. Strategy: CONTRACTED TEMPORARY CAPACITY Provide for Contract Correctional Beds.	$ 19,850,729	$ 43,814,542
C.2.1. Strategy: TEXAS CORRECTIONAL INDUSTRIES	$ 64,505,317	$ 64,505,315
C.2.2. Strategy: ACADEMIC/VOCATIONAL TRAINING Academic and Vocational Training.	$ 2,332,714	$ 2,332,715
C.2.3. Strategy: PROJECT RIO	$ 3,259,735	$ 3,259,735
C.2.4. Strategy: TREATMENT SERVICES	$ 13,478,023	$ 13,478,023
C.2.5. Strategy: SUBSTANCE ABUSE TREATMENT	$ 36,247,455	$ 36,247,455
C.3.1. Strategy: CONTRACT PRISONS/PRIVATE ST JAILS Contract Prisons and Privately Operated State Jails.	$ 104,124,605	$ 104,124,603
Total, Goal C: INCARCERATE FELONS	$ 1,971,339,527	$ 1,995,303,333
D. Goal: ENSURE ADEQUATE FACILITIES		
Ensure and Maintain Adequate Facilities.		
D.1.1. Strategy: FACILITIES CONSTRUCTION Construction and Repair of Facilities.	$ 30,000,000	$ 50,000,000
D.1.2. Strategy: LEASE-PURCHASE OF FACILITIES Provide for Lease-purchase of Facilities.	$ 18,835,425	$ 11,451,175
Total, Goal D: ENSURE ADEQUATE FACILITIES	$ 48,835,425	$ 61,451,175
E. Goal: OPERATE PAROLE SYSTEM		
E.1.1. Strategy: BOARD OF PARDONS AND PAROLES	$ 9,155,040	$ 9,155,040
E.1.2. Strategy: PAROLE RELEASE PROCESSING	$ 13,596,569	$ 13,596,569
E.2.1. Strategy: PAROLE SUPERVISION	$ 83,197,181	$ 84,351,681

E.2.2. Strategy: RESIDENTIAL PRE-PAROLE FACILITIES	$ 31,190,414	$ 31,249,476
E.2.3. Strategy: HALFWAY HOUSE FACILITIES	$ 13,124,653	$ 13,451,991
E.2.4. Strategy: INTERMEDIATE SANCTION FACILITIES	$ 14,622,788	$ 14,622,788
Total, Goal E: OPERATE PAROLE SYSTEM	$ 164,886,645	$ 166,427,545
F. Goal: INDIRECT ADMINISTRATION		
F.1.1. Strategy: CENTRAL ADMINISTRATION	$ 22,782,656	$ 22,782,655
F.1.2. Strategy: CORRECTIONAL TRAINING	$ 3,766,085	$ 3,766,085
F.1.3. Strategy: INSPECTOR GENERAL	$ 5,516,185	$ 5,516,185
F.1.4. Strategy: VICTIM SERVICES	$ 1,665,620	$ 1,665,621
F.1.5. Strategy: INFORMATION RESOURCES	$ 27,160,143	$ 24,274,565
F.1.6. Strategy: OTHER SUPPORT SERVICES	$ 5,131,805	$ 5,131,804
Total, Goal F: INDIRECT ADMINISTRATION	$ 66,022,494	$ 63,136,915
Grand Total, DEPARTMENT OF CRIMINAL JUSTICE	$ 2,510,003,247	$ 2,544,881,579
Supplemental Appropriations Made in Riders:	$ (765,717)	$ (838,017)
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,138,434,553	$ 1,140,528,585
Other Personnel Costs	31,086,682	31,136,467
Professional Fees and Services	388,651,634	387,704,736
Fuels and Lubricants	5,769,384	5,769,732
Consumable Supplies	16,580,784	16,613,390
Utilities	103,216,241	103,228,363
Travel	6,517,063	6,536,959
Rent - Building	13,108,098	13,108,222
Rent - Machine and Other	6,061,482	6,154,682
Other Operating Expense	390,464,366	415,905,702
Client Services	27,838,870	27,838,871
Food for Persons - Wards of State	88,011,311	88,011,310
Grants	241,951,435	241,594,890
Capital Expenditures	51,545,627	59,911,653
Total, Object-of-Expense Informational Listing	$ 2,509,237,530	$ 2,544,043,562
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 71,608,336	$ 73,040,503
Group Insurance	239,407,686	256,634,387
Social Security	90,692,260	92,506,105
Benefits Replacement	14,331,954	13,615,357
Subtotal, Employee Benefits	$ 416,040,236	$ 435,796,352
Debt Service		
Bond Debt Service	$ 230,451,416	$ 230,096,862
Lease Payments	792,703	792,030
Subtotal, Debt Service	$ 231,244,119	$ 230,888,892
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 647,284,355	$ 666,685,244

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Criminal Justice. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Department of Criminal Justice. In order to achieve the objectives and service standards established by this Act, the Department of Criminal Justice shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: PROVIDE PRISON DIVERSIONS		
A.1.1. Strategy: BASIC SUPERVISION		
Output (Volume):		
Average Number of Felony Offenders under Direct Supervision	155,278	154,316
Efficiencies:		
Average Monthly Caseload	95	95
A.1.3. Strategy: COMMUNITY CORRECTIONS		
Output (Volume):		
Number of Residential Facility Beds Funded through Community Corrections	604	604
B. Goal: SPECIAL NEEDS OFFENDERS		
Outcome (Results/Impact):		
Offenders with Special Needs Reincarceration Rate	25%	25%
B.1.1. Strategy: SPECIAL NEEDS PROJECTS		
Output (Volume):		
Number of Special Needs Offenders Served Through the Continuity of Care Programs	22,500	22,500
C. Goal: INCARCERATE FELONS		
Outcome (Results/Impact):		
Escaped Offenders as Percentage of Number of Offenders Incarcerated	0%	0%
Three-year Recidivism Rate	30%	30%
Turnover Rate of Correctional Officers	18%	18%
C.1.1. Strategy: CORRECTIONAL SECURITY OPERATIONS		
Output (Volume):		
Average Number of Offenders Incarcerated	139,459	139,459
C.1.7. Strategy: PSYCHIATRIC CARE		
Output (Volume):		
Psychiatric Inpatient Average Daily Census	1,963	1,963
C.1.8. Strategy: MANAGED HEALTHCARE		
Output (Volume):		
Average Number of Inmates under Correctional Managed Healthcare	149,984	149,984
Efficiencies:		
Medical Care Cost Per Inmate Day	5.72	5.72
C.1.10. Strategy: CONTRACTED TEMPORARY CAPACITY		
Explanatory:		
Average Number of Inmates in Contractual Correctional Bed Capacity	1,361	3,004
C.2.1. Strategy: TEXAS CORRECTIONAL INDUSTRIES		
Output (Volume):		
Number of Inmates Assigned to the Texas Correctional Industries Program	6,100	6,100
C.2.2. Strategy: ACADEMIC/VOCATIONAL TRAINING		
Output (Volume):		
Inmate Students Enrolled	13,463	13,463
C.2.4. Strategy: TREATMENT SERVICES		
Output (Volume):		
Number of Sex Offenders Receiving Psychological Counseling While on Parole/Mandatory Supervision	1,745	1,745
C.2.5. Strategy: SUBSTANCE ABUSE TREATMENT		
Output (Volume):		
Number of Confinees Completing Treatment in Substance Abuse Felony Punishment Facilities	5,400	5,400
C.3.1. Strategy: CONTRACT PRISONS/PRIVATE ST JAILS		
Output (Volume):		
Average Number of Offenders in Contract Prisons and Privately Operated State Jails	11,375	11,375
E. Goal: OPERATE PAROLE SYSTEM		
Outcome (Results/Impact):		
Releasee Annual Revocation Rate	11%	11%
E.1.1. Strategy: BOARD OF PARDONS AND PAROLES		
Output (Volume):		
Number of Parole Cases Considered	78,000	78,000
E.1.2. Strategy: PAROLE RELEASE PROCESSING		
Output (Volume):		
Number of Parole Cases Processed	40,750	40,750

E.2.1. Strategy: PAROLE SUPERVISION		
Output (Volume):		
Average Number of Offenders Under Active Parole Supervision	78,883	80,460
Efficiencies:		
Average Monthly Caseload	62	62
E.2.2. Strategy: RESIDENTIAL PRE-PAROLE FACILITIES		
Output (Volume):		
Average Number of Pre-parole Transferees in Pre-parole Transfer Facilities	2,122	2,122

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2006	2007
a. Construction of Buildings and Facilities		
(1) Lease-Purchase of Facilities	$ 18,835,425	$ 11,451,175
b. Repair or Rehabilitation of Buildings and Facilities		
(1) Repair or Rehabilitation of Buildings/Facilities	27,000,000	50,000,000
(2) Marlin Correctional Facility	3,000,000	UB
Total, Repair or Rehabilitation of Buildings and Facilities	$ 30,000,000	$ 50,000,000
c. Acquisition of Information Resource Technologies		
(1) Lease Payments (MLPP) for Scheduled Computer Replacements 2004-05	1,260,224	630,112
(2) Computer and Software Acquisitions	2,886,716	631,250
Total, Acquisition of Information Resource Technologies	$ 4,146,940	$ 1,261,362
d. Transportation Items		
(1) Lease Payments (MLPP) for Transportation Items 2004-05	590,730	590,730
e. Acquisition of Capital Equipment and Items	3,697,114	3,697,112
Total, Capital Budget	$ 57,270,209	$ 67,000,379
Method of Financing (Capital Budget):		
General Revenue Fund		
General Revenue Fund	$ 26,042,999	$ 15,773,169
Texas Correctional Industries Receipts	306,803	306,803
Subtotal, General Revenue Fund	$ 26,349,802	$ 16,079,972
Other Funds		
Bond Proceeds - General Obligation Bonds	30,000,000	50,000,000
Interagency Contracts - Texas Correctional Industries	920,407	920,407
Subtotal, Other Funds	$ 30,920,407	$ 50,920,407
Total, Method of Financing	$ 57,270,209	$ 67,000,379

3. Disposition of Construction Appropriation. Construction appropriations may be used to pay salaries of engineers, architects, superintendents, supervisors and administrative expenses and support personnel of construction projects; architectural fees and the actual and necessary travel expenses incurred by them or their representatives in making special trips of inspection at the

instance of the Board of Criminal Justice or the Department of Criminal Justice's Executive Director or designee during construction or repair of buildings or installation of fixed equipment in such buildings. The State Classification Officer shall approve job titles and rates of pay for such salaried positions.

4. **Temporary Loan of Construction Resources.** The Texas Department of Criminal Justice (TDCJ) may temporarily utilize materials and equipment acquired and personnel paid from one project appropriated for construction, repairs, and renovation, including construction of additional capacity and building maintenance, to construct any other similar project for which funds have been appropriated. The receiving project must reimburse the providing project within twelve months with funds and/or a like amount of materials, equipment, equipment usage or personnel of equivalent value. Reimbursement with funds may be accomplished by transfer in a manner which records appropriate expenditures to the borrowing project and negative expenditures to the lending project. These transfers may be summary amounts in a manner approved by the Comptroller of Public Accounts. However, the TDCJ must maintain adequate detailed records to support such summary transfer amounts.

5. **Architectural Fees.** Notwithstanding other provisions of this Act, in those instances where inmate labor is used on construction projects, the Department of Criminal Justice is authorized to pay architectural fees based on the estimated total cost of a project as if it were to be done by a private contractor. The department shall employ an independent firm, separate from the architect, to estimate the total cost of a project. Architectural fees based on the estimated cost shall be governed by other provisions of this Act.

6. **Construction Encumbrances.** Any funds legally encumbered for construction contracts for projects which are in effect as of August 31, 2005, are considered encumbered and may be carried forward to fiscal year 2006.

7. **Review of Construction Change Orders.** It is the intent of the Legislature that the Texas Department of Criminal Justice (TDCJ), upon the review of any change order, develop a procedure whereby cause of such change order shall be determined and documented in the project file. If it is determined that the change was necessitated by the error or omission of any contracted party, the TDCJ shall hold such party financially responsible.

8. **Utilization of Existing Correctional Facilities.** It is the intent of the Legislature that full consideration be given to utilizing existing correctional facilities located in the State of Texas and currently owned or operated by federal or local governments. Appropriations to the department may be used for the purposes of leasing, purchasing or contracting for operations if agreements can be reached which are beneficial to the State.

9. **Prison Construction Prioritization.** It is the intent of the Legislature that the Department of Criminal Justice prioritize any construction of additional capacity in such a way as to ensure the expeditious completion of any units on which work had been started and subsequently suspended.

10. **Salary Adjustment Authorized.** Notwithstanding other provisions of this Act, the Texas Department of Criminal Justice is authorized to adjust salaries of the following position series to rates within the designated salary group for the purpose of recruiting, employing, and retaining career correctional personnel:

    a. Correctional Officer;
    b. Sergeant, Lieutenant, Captain, and Major of Correctional Officers;
    c. Food Service Manager;
    d. Laundry Manager; and
    e. Caseworker and Parole Officer.

    Merit raises are prohibited for all employees who are receiving or are eligible to receive step adjustments in the career ladder system.

11. **Appropriation: Meals Authorized.** Department employees assigned to work inside correctional facilities or on travel status may receive up to two free meals per shift and employees residing in employee dormitories may receive three free meals per day. None of the funds appropriated above shall be utilized to provide meals to other employees for a charge of less than $1.00 per meal or to grow, purchase, prepare, or provide food products for employees to use at their homes. All meal fees received are appropriated above in Strategy C.1.4,

Institutional Goods. Any fees collected in excess of $6,339 in fiscal year 2006 and $6,339 in fiscal year 2007 are hereby appropriated to the department for the same purpose.

12. Restriction, Food Service. The Texas Department of Criminal Justice may provide food items to employees in employee dining facilities, only after the food requirements of inmates are met. The food served to inmates shall be of the same quality as food served to employees.

13. Payroll Deduction. Fees for employee services will be made by payroll deduction whenever practical.

14. Benefit Policy Required. The Board of Criminal Justice shall adopt a written policy relating to benefits provided in Riders 11 and 16 specifying the criteria used to award these benefits to employees, and shall develop a system to account for all costs related to these benefits and all revenues from collection of fees.

15. Appropriation: State-owned Housing Authorized.

a. The department's Regional Directors, Chief Wardens, Assistant Wardens, Majors of Correctional Officers, Captain of Correctional Officers, Lieutenant of Correctional Officers, Kennel Sergeants, Maintenance Supervisors, and Fire/Safety Managers at each facility are authorized to live in state-owned housing at rental rates determined by the department.

b. Other department employees may live in available state-owned housing as set forth in Article IX, § 11.05, State Owned Housing - Recover Housing Costs of this Act.

c. All fees received for employee housing are appropriated above in Strategy C.1.6, Institutional Operations and Maintenance to be used for maintaining employee housing. Any fees collected in excess of $607,001 in fiscal year 2006 and $607,001 in fiscal year 2007 are hereby appropriated to the department for the same purpose.

d. Notwithstanding Article IX, § 11.05 the department may allocate housing at reduced or no cost to employees with a demonstrated need based on location and job description.

16. Appropriation: Laundry Service. The department may launder or dry clean the uniforms of correctional officers at no charge. None of the funds appropriated above may be used to launder or dry clean other employee clothing or to provide other services unless fees are charged to recover the cost of providing the services. All fees collected for laundry and other related services are appropriated above in Strategy C.1.4, Institutional Goods. Any fees collected in excess of $862,769 in fiscal year 2006 and $862,769 in fiscal year 2007 are hereby appropriated to the department for the same purpose.

17. Inmate Labor. It is the intent of the Legislature that inmate labor not be used to provide personal services for employees. Inmate labor may be used to provide maintenance and upkeep to state property and equipment.

18. Employee Medical Care. Appropriations made in this Act not otherwise restricted in use may also be expended to provide medical attention and hospitalization by correctional medical staff and the correctional hospital facilities, or to pay necessary medical expenses for employees injured while performing the duties of any hazardous position which is not reimbursed by workers' compensation and/or employees' state insurance. For the purpose of this section, "hazardous position" shall mean one for which the regular and normal duties inherently involve the risk or peril of bodily injury or harm. Appropriations made in this Act not otherwise restricted in use may also be expended for medical tests and procedures on employees that are required by federal or state law or regulations when the tests or procedures are required as a result of the employee's job assignment or when considered necessary due to potential or existing litigation.

19. Compensatory Time. Exceptions to the prohibition against substituting other days for holidays may be authorized by the Director of the Texas Department of Criminal Justice for employees who are required to work on holidays due to the continuing operation of the department. Any employee who is required to work on any of the holidays authorized in the general provisions of this Act, and who does work on any of the said holidays, shall be entitled to compensating time off to be taken on such day as may be mutually agreed upon by the employee and supervisor.

20. Hazardous Duty Pay. It is the legislative intent that all persons receiving hazardous duty pay as of August 31, 1985, continue to receive it. However, all persons hired after August 31, 1985, must occupy positions approved by the Texas Board of Criminal Justice and meet statutory criteria to receive hazardous duty pay.

21. Employment Limitation. It is the intent of the Legislature that no one shall be employed by the Department of Criminal Justice who, in the course of his official duties, conducts business with individuals or firms with which the employee has either a direct or indirect financial interest.

22. Grievance Procedures. The Board of Criminal Justice shall maintain employee disciplinary and grievance procedures in compliance with this section.

The Board's disciplinary procedures shall allow an employee of the department to be represented by a designee of the employee's selection who may participate in the hearing on behalf of an employee charged with any type of disciplinary violation.

The Board's grievance procedure shall attempt to solve problems through a process which recognizes the employee's right to bring grievances pursuant to the procedures in this section. The grievance procedure shall include either independent mediation or independent, non-binding arbitration of disputes between the employer and the employee if the disciplining authority recommends that the employee be terminated or the employee is terminated.

Any grievance or disciplinary hearing in which a department employee serves as a representative shall be held during normal business hours on a week day, unless the employer and employee agree otherwise. The employee subject to the hearing attends such hearing as a part of regular employment duties. An employee representative who is a department employee must obtain prior approval to be placed on unpaid leave to attend a hearing.

Nothing in this provision shall authorize expenditures of appropriated funds not authorized elsewhere in this Act.

23. Transfer Authority within and between Goals. Subject to capital budget provisions contained in this Act, the Texas Department of Criminal Justice is authorized to transfer such amounts as may be necessary within appropriations made for each goal.

Funds may be transferred between goals; provided, that before any transfer between goals which will have the cumulative effect of changing expenditures for any goal by more than 20 percent of the amount appropriated for that goal for the fiscal year, written notification of intent to transfer be provided the Governor, the Legislative Budget Board, the Senate Finance Committee, and the House Appropriations Committee.

24. Petty Cash Fund Authorized. The local Petty Cash Revolving Fund in the amount of $10,000 is continued for the biennium beginning September 1, 2005, and may be used to advance or reimburse transfer agents and for the care and maintenance of convicted felons while enroute to the department from points in Texas and elsewhere in the United States; and for the payment of C.O.D. freight and express charges and similar items requiring immediate cash disbursements. The funds shall be reimbursed by warrants drawn and approved by the Comptroller out of appropriated funds to the Texas Department of Criminal Justice.

25. Revolving Fund Authorized. The local Inmate Release Revolving Fund of $500,000 is continued for each year of the biennium beginning September 1, 2005, and is deposited in a bank or banks in Texas; and all inmates released on parole, mandatory supervision, discharge, or conditional pardon shall be paid out of this fund. The fund shall be reimbursed by warrants drawn and approved by the Comptroller out of appropriated funds to the Texas Department of Criminal Justice.

26. Appropriation: Agriculture Receipts. It is the intent of the Legislature that each year of the biennium the Texas Department of Criminal Justice (TDCJ) may exchange agricultural products for other agricultural products and finished goods, and all revenue accruing from the sale of agricultural commodities or livestock and other revenues as they apply to sales of equipment, salvage, refunds and to recover damage claims are appropriated above in Strategy C.1.5, Institutional Services. Any revenues collected in excess of $5,725,974 in fiscal year 2006 and $5,725,974 in fiscal year 2007 are hereby appropriated to the department for agricultural operations. Any unexpended balance up to $2,000,000 remaining from revenues on August 31,

2005, and August 31, 2006, is appropriated to allow for continuity of agricultural production and sales cycles which do not conform to fiscal years (fiscal year 2005 unexpended balance estimated to be $0).

27. Appropriation: Acceptance of Grants, Gifts. The Board of Criminal Justice is authorized to accept federal grants, donations and gifts, including those of real property, for the programs and projects of the agency. All such gifts, donations, and grants are appropriated above in Strategy C.1.1, Correctional Security Operations, for the purposes for which they are made available; provided, however, that in taking advantage of or accepting such funds, the Board shall not incur any indebtedness which would necessitate a supplemental or additional appropriation out of any funds of this State nor deplete any of the funds herein appropriated to an amount which would necessitate a supplemental or additional appropriation out of any funds of this state to replenish said fund or funds.

28. Appropriation: Controlled Substance Receipts. All funds received under Chapter 59, Code of Criminal Procedure, and Chapter 71, Property Code, by the Texas Department of Criminal Justice are hereby appropriated above in Strategy F.1.3, Inspector General, to be used for law enforcement purposes. Any funds unexpended at the close of each fiscal year are appropriated for the following year (fiscal year 2005 unexpended balance estimated to be $0).

29. Appropriation: Texas Correctional Industries Receipts. Receipts collected from the sales of products produced by Texas Correctional Industries (TCI) are appropriated above in Strategy C.2.1, Texas Correctional Industries. Any receipts collected in excess of $45,900,038 in fiscal year 2006 and $45,900,038 in fiscal year 2007 are hereby appropriated to the department for the continued production of TCI goods and services (estimated to be $0). Any unexpended and unobligated balance up to $5,000,000 remaining from TCI revenues on August 31, 2005, and August 31, 2006, is appropriated to the department for the same purpose. The State Comptroller shall transfer any unobligated fund balances from Texas Correctional Industries receipts in excess of $5,000,000 to the General Revenue Fund at the end of each fiscal year (fiscal year 2005 unexpended balance estimated to be $0).

30. Appropriation: Unexpended Balances for Increased Offender Populations. In order to operate new correctional facilities or programs necessary for increased offender populations under the department's supervision, unexpended balances from appropriations made to the Department of Criminal Justice for fiscal year 2006 are hereby appropriated to the Department for fiscal year 2007 contingent upon written notification to the Governor and the Legislative Budget Board by the Texas Board of Criminal Justice, not less than 45 days prior to encumbrance, which details the amount and purpose of expenditures of funds carried forward into fiscal year 2007 under authority of this provision.

31. Transfer Limitation. Upon any order from a federal court that requires the Texas Department of Criminal Justice to transfer funds from any appropriation made hereinabove, those funds which were attempted to be transferred shall lapse and the Comptroller shall return the amount appropriated to its respective source.

32. Offender Information Management System. It is the intent of the Legislature that the Department of Criminal Justice automate the offender management function to the greatest extent possible. To this end, the department may contract for automation/reengineering assistance after receiving prior approval from the Legislative Budget Board. Funds for this payment may come from benefits and savings as realized.

The Texas Department of Criminal Justice shall demonstrate that the current phase (Phase III, Period 1) of the Offender Information Management System meets the business needs of the agency and the technical capabilities, performance, and specifications identified during the development phase of the project. The Texas Department of Criminal Justice shall validate that all product requirements are satisfied and that no outstanding issues exist. Senior management of the Board of Pardons and Paroles, the Texas Department of Criminal Justice, and the Parole Division of the Texas Department of Criminal Justice shall provide to the Governor and the Legislative Budget Board, a letter of certification validating the usability and functionality of the current system (Phase III, Period 1) before expenditure of funds by the Texas Department of Criminal Justice for the next phase of the project (Phase III, Period 2).

The Texas Department of Criminal Justice shall provide a detailed project plan for the next phase of the Offender Information Management System (Phase III, Period 2), to the Governor and the Legislative Budget Board prior to the expenditure of funds for project implementation.

This plan shall include a detailed description of tasks, deliverables, milestones, work efforts, responsible individuals, and due dates. The Texas Department of Criminal Justice shall provide performance measures to assist in evaluating the progress of the project. The Texas Department of Criminal Justice shall continue to provide monthly status reports to the Quality Assurance Team to include project status, change management, risk management, issue and action items, deliverables and scheduled accomplishments.

33. Appropriation: Recreational Facility Fees. Fees charged for recreation facilities owned and operated by the department are to be deposited in a special account with the Comptroller of Public Accounts. All recreational facility fees received are appropriated above in Strategy C.1.6, Institutional Operations and Maintenance. Any fees collected in excess of $30,545 in fiscal year 2006 and $30,545 in fiscal year 2007 are hereby appropriated to the department for continued operation and maintenance of the department's recreational facilities.

34. Purchasing Through Request for Proposal. The Texas Department of Criminal Justice may purchase care, treatment services, and residential services through the Request for Proposal process.

The Texas Department of Criminal Justice shall:

a. negotiate purchases to achieve fair and reasonable prices at rates that do not exceed any maximum provided by law, and

b. select service providers according to each provider's qualifications and demonstrated competence.

35. Parole Supervision Ratio. It is the intent of the Legislature that in fiscal years 2006 and 2007 a ratio of 75 active releasees to one parole officer be maintained. The ratio will be calculated by dividing the number of supervising parole officers and caseworkers currently employed into the total number of releasees supervised, exclusive of those under intensive and super intensive supervision, for which a ratio of 25 and 20 releasees to one supervising officer respectively is to be maintained. In the event that this ratio is not maintained, the Texas Department of Criminal Justice shall file a statement documenting the reasons for noncompliance with the Governor and the Legislative Budget Board.

36. Project RIO. It is the intent of the Legislature that the Texas Workforce Commission, the Texas Department of Criminal Justice, and the Texas Youth Commission together enhance the effectiveness of Project RIO by improving cohesive program delivery among the three agencies. The agencies shall together develop and implement a biennial strategic plan for the implementation of a more cohesive and effective Project RIO program which will emphasize necessary skill development, rehabilitation and appropriate assessment of the offender prior to release. Not later than March 1, 2006, the biennial strategic plan, jointly prepared by the three agencies, and including specific strategies, measures, timeframes for program improvement, and a methodology for program evaluation, shall be submitted to the Legislative Budget Board and the Governor. The Texas Workforce Commission shall maintain interagency contracts at $3,259,735 in each fiscal year of the biennium to the Texas Department of Criminal Justice to fund Project RIO. The agencies shall enter into interagency contracts, to include the reporting of performance levels, for the 2006-07 biennium.

37. Aircraft Authorization. The Texas Department of Criminal Justice (TDCJ) is authorized to own or lease, operate, and maintain one aircraft and to replace it if necessary. In the event that a temporary need arises, the TDCJ is authorized to expend funds for the lease or rental of aircraft on an as-needed basis.

38. Expenditure Limitation - Windham School District. None of the funds provided to the Windham School District through the Texas Education Agency shall be expended unless the Board of Criminal Justice has approved an annual operating budget for the school district prior to the expenditure of any funds. The Department of Criminal Justice shall file a copy of that operating budget of the Windham School District with the Governor, the Legislative Budget Board and the appropriate legislative oversight committees at the beginning of each fiscal year.

39. Residential Status of Inmates. All inmates of the Texas Department of Criminal Justice are, for educational purposes only, residents of the State of Texas.

40. Postsecondary Education Programs. Postsecondary education courses shall be available only to inmates who have:

a. demonstrated a clear and convincing record of rehabilitation while incarcerated, and

b. demonstrated an interest in a field of study that lends itself to performing specific and beneficial tasks while incarcerated, and

c. demonstrated the aptitude and capabilities to do college-level study.

The costs of such postsecondary education programs shall be reimbursed by the inmate as a condition of parole.

The Department of Criminal Justice shall not provide in-cell tutoring for inmates who are in administrative segregation.

The Department of Criminal Justice may not transfer appropriations out of Strategy C.2.2, Academic/Vocational Training.

41. Appropriation: Education and Recreation Program Receipts. All receipts collected from the operation of facility commissaries and all gifts and other income for inmate welfare accruing together with Education and Recreation Program account balances at the beginning of each year of the biennium beginning September 1, 2005 are hereby appropriated above in Strategy C.1.5, Institutional Services, to the Department of Criminal Justice subject to the following provisions:

a. all receipts collected shall be deposited in accordance with applicable statutes: (1) in the General Revenue Fund of the State Treasury; (2) in trust with the State Comptroller; or (3) in a local bank account on approval by the State Comptroller.

b. salaries of personnel employed by the Education and Recreation Program shall conform with the provisions of the Classification Plan except as otherwise provided by this Act.

c. funds deposited in Education and Recreation Program accounts shall be expended only with the advance, written approval of the Board of Criminal Justice.

d. it is the intent of the Legislature that Education and Recreation Program receipts be expended first for the construction, maintenance, equipment and operations of recreational facilities and for the income producing operations of the program. Any remaining balances may be expended for other programs benefiting the welfare of department confinees.

Any Education and Recreation Program receipts collected in excess of $74,955,477 in fiscal year 2006 and $74,955,477 in fiscal year 2007 are hereby appropriated to the department subject to the above-cited provisions.

42. Private Sector Prison Industries Oversight Authority. Out of funds appropriated above in Strategy C.2.1, Texas Correctional Industries, the Texas Department of Criminal Justice shall provide reimbursement of travel expenses incurred by members of the Private Sector Prison Industries Oversight Authority in accordance with Government Code § 497.055 and provisions of this Act related to the per diem of board or commission members.

43. Appropriation: Sex Offender Notification Fees. All fees collected from offenders for reimbursement to local law enforcement authorities for costs incurred in providing notice for publication, including any costs incurred in publishing any photographs needed to provide notice, to a newspaper in accordance with Government Code § 508.186, are appropriated above in Strategy E.2.1, Parole Supervision, for reimbursing local law enforcement authorities. Any fees collected in excess of $10,046 in fiscal year 2006 and $10,046 in fiscal year 2007 are hereby appropriated to the department for the same purpose.

44. Appropriation: Parole Supervision Fees. All parole supervision fees collected from offenders in accordance with Government Code § 508.182, are appropriated above in Strategy E.2.1, Parole Supervision. Any fees collected in excess of $8,985,000 in fiscal year 2006 and $10,108,000 in fiscal year 2007 are hereby appropriated to the department for parole supervision.

45. Appropriation Transfers Between Fiscal Years. In addition to the transfer authority provided elsewhere in this Act, the Texas Department of Criminal Justice may transfer appropriations in an amount not to exceed $150 million made for fiscal year 2007 to fiscal year 2006, subject to the following conditions provided by this section:

a. transfers under this section may be made only:

(1) if correctional populations exceed the capacity of the department, or

(2) if Federal Funds for Incarcerated Aliens appropriated in fiscal year 2006 to the department are not received in the amount identified in the method of finance for that year, or

(3) for any other emergency expenditure requirements, including expenditures necessitated by public calamity.

b. a transfer authorized by this section above must receive the prior approval of the Governor and the Legislative Budget Board.

c. the Comptroller of Public Accounts shall cooperate as necessary to assist the completion of a transfer and spending made under this section.

46. Managed Health Care - Reporting Requirements. The Correctional Managed Health Care Committee is required to submit to the Legislative Budget Board and Governor a report detailing:

a. correctional managed health care actual and projected expenditures for on-site, off-site and pharmaceutical costs;

b. health care cost for inmates over age 55 including utilization data;

c. other health care information determined by the Office of the Governor and the Legislative Budget Board; and

d. all monies held in reserve during any quarterly reporting period by the Correctional Managed Health Care Committee or for Correctional Managed Health Care by the University of Texas Medical Branch at Galveston and the Texas Tech University Health Sciences Center.

Such reports shall be submitted on a quarterly basis.

47. Managed Health Care Operational Shortfalls. For the purpose of offsetting operational shortfalls occurring in correctional managed health care and out of funds appropriated above, the department shall transfer funds as necessary into Strategy C.1.8, Managed Healthcare, for payment to the Correctional Managed Health Care Committee to address any managed health care operational shortfalls for fiscal years 2006-07, not to exceed $5 million for the biennium. If the department and committee do not agree on transfer amounts deemed necessary, supporting documentation shall be provided to the Governor and the Legislative Budget Board. The Governor and Legislative Budget Board shall then make the final decision.

48. Computer Refurbishing Program. The Texas Department of Criminal Justice shall develop and implement an inmate work program in which donated, second-hand computers are refurbished in prisons for use by public schools.

49. Capital Expenditures Authorized. Notwithstanding the limitations placed on the expenditure of funds for capital budget items contained in the general provisions of this Act, the Texas Department of Criminal Justice is hereby authorized to expend funds appropriated to the Texas Department of Criminal Justice for the acquisition of capital budget items and unforeseen building maintenance as approved by the Texas Board of Criminal Justice.

50. Recruitment and Retention of Staff. TDCJ shall submit a biennial report on its recruitment and retention efforts to the Governor and the Legislative Budget Board not later than January 1, 2007. The report shall include information on vacancy rates, turnover rates, average years of service, and average number of continuing education training hours for security and nonsecurity staff.

51. Parole Transitional Support Program. Out of funds appropriated above in Strategy E.2.1, Parole Supervision, the Texas Department of Criminal Justice (TDCJ) shall use $50,000 each fiscal year of the 2006-07 biennium for the Transitional Support Program. The TDCJ shall use these funds for the sole purpose of providing contracts for services with recognized non-profit organizations in order to facilitate parolees with their transition from incarceration to release on parole. The contracted services shall emphasize and promote family support and involvement in the transition and should establish the goal of reducing recidivism rates of the individuals who participate in the program.

52. Human Resources Management Plan. From funds appropriated above, the Texas Department of Criminal Justice shall develop a Human Resources Management Plan designed to improve employee morale and retention. The plan must focus on reducing employee turnover through better management. The Texas Department of Criminal Justice shall report, by October 1 of each year of the biennium, to the Senate Finance Committee, the House Committee on Appropriations, the Legislative Budget Board, and the Governor the employee turnover rate, by job category, at the agency during the preceding fiscal year. The effectiveness of an agency's plan shall be measured by whether or not there is a reduction in annual employee turnover rates at the agency, specifically by the reduction in the turnover rates for correctional officers.

53. Texas Board of Criminal Justice. It is the intent of the Legislature that the Texas Board of Criminal Justice hold its meetings in Austin, Texas unless there is an exceptional reason to meet in Huntsville, Texas.

54. Ombudsman Activity. It is the intent of the Legislature that the Ombudsman for the Texas Department of Criminal Justice (TDCJ) respond to all agency and legislatively referred complaints in a timely manner. The TDCJ shall develop performance measures, trend analysis, and a method of resolution for issues presented. The TDCJ shall provide summary reports regarding this activity to the Legislative Budget Board and the Governor on an annual basis.

55. Correctional Officer Training. Out of funds appropriated above, the Texas Department of Criminal Justice shall provide at least 284 hours of training for new correctional officers.

56. Safe Prisons Program. It is the intent of the Legislature that out of funds appropriated above the Texas Department of Criminal Justice (TDCJ) maintain a Safe Prisons Program for the purpose of preventing and limiting the number of sexual assaults by inmates on inmates. Strategies to prevent sexual assaults that may be used in the Safe Prisons Program include, but are not limited to, use of protective custody; use of an inmate's assault history in making cell assignments; use of an inmate's likelihood of victimization in cell assignments; education of correctional officers on the importance of preventing sexual assault; education of new prisoners on the risks of sexual assault, including prosecution; and use of surveillance cameras. TDCJ shall report annually to the Legislative Budget Board and the Governor the number of sexual assaults by inmates on inmates and the actions taken on each assault. Additional reporting elements may be established by the Legislative Budget Board and the Governor. It is the intent of the Legislature that TDCJ designate a Safe Prisons Program coordinator who reports directly to the TDCJ Executive Director.

57. Priority of Employment Opportunities. It is the intent of the Legislature that with the funds appropriated above the Department of Criminal Justice shall prioritize any employee who has been subject to a reduction in force by the department and who has left employment with the department in good standing priority in application for employment in other vacancies within the department.

58. Interagency Contract for Legal Services. Out of funds appropriated above, $1.3 million for each fiscal year of the 2006-07 biennium is for an interagency contract with the Office of the Attorney General for legal services provided by the Office of the Attorney General to the Texas Department of Criminal Justice (TDCJ). Any interagency contract funded by appropriated funds may not exceed reasonable attorney fees for similar legal services in the private sector, shall not jeopardize the ability of the TDCJ to carry out its legislative mandates, and shall not affect the budget for the TDCJ such that employees must be terminated in order to pay the amount of the interagency contract.

59. Appropriation: Unexpended Balances of Construction Bonds. Any unexpended balances as of August 31, 2005, for the Texas Department of Criminal Justice (TDCJ) in the general obligation bond appropriations made by the Seventy-eighth Legislature for construction appropriations are hereby appropriated to the TDCJ for the biennium beginning September 1,

2005, provided that such appropriated funds shall not be expended without approval of the Board of Criminal Justice and that copies of such approvals shall be filed with the Governor and the Legislative Budget Board. Unexpended balances appropriated for the 2006-07 biennium may be used only for facilities repair and rehabilitation projects and shall not be used for the construction of additional facilities (fiscal year 2005 unexpended balance estimated to be $14,000,000 and included in the amounts appropriated above).

60. Misdemeanor Funding. The Texas Department of Criminal Justice shall distribute funds at a rate not to exceed $.70 per day for each misdemeanor defendant directly supervised by a community supervision and corrections department. Funding for each misdemeanor defendant may not exceed the period of time authorized by statute.

61. Appropriation: Refunds of Unexpended Balances from CSCDs. The Texas Department of Criminal Justice (TDCJ) shall maintain procedures to ensure that the state is refunded all unexpended and unencumbered balances of state funds held as of the close of this biennium by local community supervision and corrections departments (CSCDs). All fiscal years 2004-05 refunds received from CSCDs by TDCJ are appropriated above in Strategies A.1.1, Basic Supervision, A.1.2, Diversion Programs, A.1.3, Community Corrections, and A.1.4, Treatment Alternatives to Incarceration. Any Basic Supervision refunds received in excess of $6,500,000 in fiscal year 2006 are hereby appropriated to TDCJ for Basic Supervision. Any Diversion Programs refunds received in excess of $2,600,000 in fiscal year 2006 are hereby appropriated to TDCJ for Diversion Programs. Any Community Corrections refunds received in excess of $2,500,000 in fiscal year 2006 are hereby appropriated to TDCJ for Community Corrections. Any Treatment Alternatives to Incarceration refunds received in excess of $1,100,000 in fiscal year 2006 are hereby appropriated to TDCJ for the Treatment Alternatives to Incarceration Program (estimated to be $0).

62. Transportation - Substance Abuse. The Department of Criminal Justice shall provide transportation for inmates who are released from Substance Abuse Felony Punishment Facilities (SAFPF) or In-Prison Therapeutic Community (IPTC) facilities and transferred to a residential setting.

63. Treatment Alternatives to Incarceration Program. The Texas Department of Criminal Justice is directed to expend at least $6.5 million each fiscal year of the biennium on the Treatment Alternatives to Incarceration Program as specified in Government Code § 76.017.

64. Harris County Community Corrections Facility. Out of funds appropriated above in Strategy A.1.2, Diversion Programs, $6,500,000 in fiscal year 2006 and $6,500,000 in fiscal year 2007 in discretionary grants shall be made to the Harris County Community Supervision and Corrections Department for the continued operations of the Harris County Community Corrections Facility.

65. Continuity of Care. Out of the funds appropriated above in Strategy B.1.1, Special Needs Projects, the Texas Correctional Office on Offenders with Medical or Mental Impairments shall coordinate with the Texas Department of State Health Services, county and municipal jails, and community mental health and mental retardation centers on establishing methods for the continuity of care for pre- and post-release activities of defendants who are returned to the county of conviction after the defendant's competency has been restored. The Council shall coordinate in the same manner it performs continuity of care activities for offenders with special needs.

66. Contract Review. It is the intent of the Legislature that the Texas Department of Criminal Justice shall review its contracts with county jails and private vendors that provide contract services to the department for prison, parole, and state jail beds. The department shall determine whether contracts with counties and private vendors pay an appropriate rate to retain an adequate capacity of contract beds to ensure that the state will not face a shortage of prison capacity during the next biennium. The department shall first review the contracts which have the lowest rates and have not had rate increases for the longest period of time. If the department determines that rate increases are necessary, it may fund such increases out of funds appropriated.

67. Texas State Council for Interstate Adult Supervision Authority. Out of funds appropriated above, TDCJ shall provide reimbursement of travel expenses incurred by members of the Texas State Council for Interstate Adult Offender Supervision while conducting the business of the council in accordance with Government Code, Chapters 510 and 2110, and provisions of this Act related to the per diem of board or commission members.

68. Advisory Committee on Offenders with Medical or Mental Impairments. Out of the funds appropriated above, TDCJ shall provide reimbursement of travel expenses incurred by members of the Advisory Committee on Offenders with Medical or Mental Impairments incurred while conducting business of the committee in accordance with Government Code, Chapters 614 and 2110, and provisions of this Act related to the per diem of board or commission members.

69. Correctional Managed Healthcare: Limitation of Expenditure. Out of the funds appropriated above, the Correctional Managed Healthcare Committee shall not transfer any funds in excess of capitation rates established in contracts to the University of Texas Medical Branch or the Texas Tech University Health Sciences Center without prior approval of the Governor and the Legislative Budget Board. Any funds appropriated for Correctional Managed Healthcare remaining unexpended or unobligated on August 31 of each fiscal year, shall lapse to the General Revenue Fund.

70. Minimum Standards of Contracted Facilities. The Texas Department of Criminal Justice may only use funds appropriated above in Strategy C.1.10, Contracted Temporary Capacity, to contract with facilities that met the minimum standards promulgated by the Texas Commission on Jail Standards at the time of their most recent audit.

71. Probation Caseload Reduction. Out of funds appropriated above to the Texas Department of Criminal Justice in Strategy A.1.2, Diversion Programs, $14,092,422 in fiscal year 2006 and $14,092,422 in fiscal year 2007 shall be used to fund additional community supervision officers to reduce caseloads consisting of medium and high risk offenders.

72. Progressive Sanctions Model. It is the intent of the Legislature that the Community Justice Assistance Division of the Texas Department of Criminal Justice shall encourage community supervision and corrections departments to employ the progressive sanctions community supervision model. To the maximum extent possible and from funds appropriated to the Texas Department of Criminal Justice in Strategy A.1.2, Diversion Programs, the Community Justice Assistance Division shall give preference to community supervision and corrections departments using the progressive sanctions community supervision model to make a positive impact on the criminal justice system.

73. Residential Treatment and Sanction Beds Funding. Out of the funds appropriated above in Strategy A.1.2, Diversion Programs, $13,637,500 shall be expended in fiscal year 2006 and $13,637,500 shall be expended in fiscal year 2007 on additional residential treatment and sanction beds. In distribution of these funds, the Community Justice Assistance Division of the Texas Department of Criminal Justice shall give preference to community supervision and corrections departments having access to currently existing, unfunded residential treatment and sanction beds. The Community Justice Assistance Division shall also give preference to community supervision and corrections departments that have higher rates of community supervision technical revocations in order to maximize the positive effect on the criminal justice system.

74. Medically Recommended Intensive Supervision. It is the intent of the Legislature that the Texas Department of Criminal Justice (TDCJ) develop an automated report to assist in identifying offenders eligible for medically recommended intensive supervision (MRIS). TDCJ should work with the University of Texas Medical Branch and the Texas Tech University Health Sciences Center to develop uniform diagnosis codes to signal offenders eligible for release on MRIS.

It is also the intent of the Legislature that the TDCJ expedite its screening process for MRIS by requesting an offender's board file at the same time it assigns a caseworker to complete an interview of the offender.

75. Unexpended Balance Authority for Special Needs Projects. Any unexpended balances as of August 31, 2006, for the Texas Department of Criminal Justice in appropriations made above in Strategy B.1.1, Special Needs Projects, are hereby appropriated to the department for the fiscal year beginning September 1, 2006 for the same purpose.

76. Marlin Correctional Facility. Out of funds appropriated above to the Texas Department of Criminal Justice in Strategy D.1.1, Facilities Construction, $3,000,000 in general obligation bond proceeds may be expended to convert the Marlin Veterans Affairs Hospital into a correctional facility for the Texas Department of Criminal Justice. Possible uses of the facility include, but are not limited to:

a. housing for offenders in a combined drug treatment and job skills pilot program;

b. an intermediate sanction facility; or

c. a facility for long-term health care for terminally ill offenders released from custody.

77. Contracted Temporary Capacity. Funds appropriated above in Strategy C.1.10, Contracted Temporary Capacity, shall only be used to contract for additional capacity when inmate populations exceed 97.5% of total capacity. If actual incarceration populations are less than projected in the January 2005 Adult and Juvenile Correctional Population Projections, appropriations in excess of actual need are to be transferred to Strategy A.1.2, Diversion Programs, on a semi-annual basis. The Texas Department of Criminal Justice shall include a written report on the average number of beds contracted for in the preceding six-month period and the actual costs of contracting for temporary capacity in each approval request for the transfer of funds sent to the Legislative Budget Board and the Governor's Office. The Texas Department of Criminal Justice shall give written notification to the Legislative Budget Board and the Governor's Office of the date and the amount of each fund transfer.

Federal funds as appropriated above in Strategy C.1.10, Contracted Temporary Capacity, shall be used before other funding sources to the maximum extent possible and as early in the biennium as possible. Any unexpended balance on August 31, 2006, from appropriations in Strategy C.1.10, Contracted Temporary Capacity, is hereby appropriated to the department for the fiscal year beginning on September 1, 2006, for the same purpose.

Of the amount appropriated above in Strategy C.1.10, Contracted Temporary Capacity, $8,097,872 is intended for contracting for the period between September 1, 2005, and February 28, 2006. Within one month after February 28, 2006, the Texas Department of Criminal Justice shall determine any savings between $8,097,872 and actual costs for contracted temporary capacity during the first six-month period and, upon approval of the Legislative Budget Board and the Governor's Office, shall transfer any savings as General Revenue to Strategy A.1.2, Diversion Programs.

Of the amount appropriated above in Strategy C.1.10, Contracted Temporary Capacity, $11,752,857 is intended for contracting for the period between March 1, 2006, and August 31, 2006. Within one month after August 31, 2006, the Texas Department of Criminal Justice shall determine any savings between $11,752,857 and actual costs for contracted temporary capacity during the second six-month period and, upon approval of the Legislative Budget Board and the Governor's Office, shall transfer any savings as General Revenue to Strategy A.1.2, Diversion Programs.

Of the amount appropriated above in Strategy C.1.10, Contracted Temporary Capacity, $17,312,870 is intended for contracting for the period between September 1, 2006, and February 28, 2007. Within one month after February 28, 2007, the Texas Department of Criminal Justice shall determine any savings between $17,312,870 and actual costs for contracted temporary capacity during the third six-month period and, upon approval of the Legislative Budget Board and the Governor's Office, shall transfer any savings as General Revenue to Strategy A.1.2, Diversion Programs.

Of the amount appropriated above in Strategy C.1.10, Contracted Temporary Capacity, $26,501,672 is intended for contracting for the period between March 1, 2007, and August 31, 2007. Within one month of March 1, 2007, the Texas Department of Criminal Justice shall estimate the funding required for contracted temporary capacity for the last six-month period and, upon approval of the Legislative Budget Board and the Governor's Office, shall transfer any General Revenue amounts in excess of that calculated funding requirement to Strategy A.1.2, Diversion Programs. The Texas Department of Criminal Justice shall include documentation supporting the estimate for contracted temporary capacity for the last six-month period in the approval request to the Legislative Budget Board and the Governor's Office.

If actual costs for contracted temporary capacity in any of the six-month periods listed above exceed the amounts specified above, the General Revenue savings in subsequent six-month periods shall not be transferred to Strategy A.1.2, Diversion Programs, until the amount of savings exceeds the additional amounts expended.

78. Cost Effective Study for TDCJ Regional Medical Facilities. Out of funds appropriated the Texas Department of Criminal Justice shall develop a study to identify the cost effectiveness of regional medical facilities across the state. The study shall include state, regional, and local factors affecting issues related to costs savings to the department by housing and treating offenders with similar medical conditions. The department will also evaluate potential locations based on location to current facilities and construction costs. The department shall submit the findings of the study to the Legislature, no later than September 1, 2006.

79. Monitoring of Community Supervision Diversion Funds. From funds appropriated above, the Texas Department of Criminal Justice (TDCJ) shall develop a specific accountability system for tracking community supervision funds targeted at making a positive impact on the criminal justice system.

In addition to implementing the recommendations made by the State Auditor's Office in the September 2004 report (Report No. 05-002) to the Texas Department of Criminal Justice to increase the accuracy and completeness of information used to allocate funds for adult probation services and to improve the monitoring agreements made with the community supervision and corrections departments (CSCDs), the agency shall implement a monitoring system so that the use of funds appropriated in Strategies A.1.2, A.1.3, and A.1.4. can be specifically identified.

The agency shall produce, on an annual basis, detailed monitoring, tracking, utilization, and effectiveness information on the above mentioned funds. This information shall include information on the impact of any new initiatives. Examples include, but are not limited to, number of offenders served, number of residential beds funded, number of community supervision officers hired, and caseload sizes. The agency shall provide documentation regarding the methodology used to distribute the funds. In addition to any other requests for information, the agency shall report the above information for the previous fiscal year to the Legislative Budget Board and the Governor's Office by December 1st of each year.

80. Mental Health Services. Out of the funds appropriated above to the Texas Department of Criminal Justice (TDCJ) in Strategy A.1.2, Diversion Programs, and Strategy B.1.1, Special Needs Projects, $31,000,000 shall be expended for enhanced mental health services. Funds appropriated in Strategy A.1.2, Diversion Programs, include $4,000,000 that shall be used in fiscal year 2006 and $4,000,000 that shall be used in fiscal year 2007 for specialized mental health caseloads. Funds appropriated in Strategy B.1.1, Special Needs Projects, include $11,500,000 in fiscal year 2006 and $11,500,000 in fiscal year 2007 that shall be used to provide case management and mental health services for adult and juvenile offenders.

81. Battering Intervention Program. Out of funds appropriated above in Strategy A.1.2, Diversion Programs, the Texas Department of Criminal Justice (TDCJ) shall allocate $1,250,000 in fiscal year 2006 and $1,250,000 in fiscal year 2007 for funding the Battering Intervention and Prevention Program (BIPP) in the manner required by Article 42.141 of the Code of Criminal Procedure. The BIPP shall be administered using a statewide allocation of direct grants from TDCJ to local non-profit organizations in the manner described in Government Code § 509.011. Funds subject to this provision shall be allocated at the local level and designated for use only for these programs. Funds subject to this provision may not be utilized for administrative expenses of local community supervision and corrections departments nor may they be used to supplant local funding.

82. Contingency Appropriation for House Bill 1093. Contingent upon the enactment of House Bill 1093 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to the eligibility of certain inmates of the Texas Department of Criminal Justice for medically recommended intensive supervision, the Texas Department of Criminal Justice's appropriations in Strategy C.1.8, Managed Healthcare, are hereby reduced by $765,717 for fiscal year 2006 and $838,017 for fiscal year 2007 from General Revenue Funds.

83. Permian Basin Mental Health Deputy Pilot Program. Out of the funds appropriated above in Strategy B.1.1, Special Needs Projects, up to $160,000 per fiscal year shall be used to provide grants to counties in the Permian Basin to establish the Permian Basin Mental Health Deputy Pilot Program. The Permian Basin Mental Health Deputy Pilot Program shall provide funding

for two deputies in both Ector and Midland counties. The deputies shall promote the diversion of mentally ill individuals from incarceration and facilitate assessments for appropriate treatment.

84. Payments to County Prosecutors. Out of the funds appropriated above, the district clerks in counties with more than four Texas Department of Criminal Justice operational correctional facilities are to be allocated during each year of the biennium, an amount not to exceed $12,000 annually, to be allocated in equal monthly installments. The allocation shall be used for the purpose of prosecuting persons charged with criminal violations on Texas Department of Criminal Justice property.

85. Expansion of Temporary Pre-Parole Transfer Beds. The Board of Pardons and Paroles shall conduct a review of the pre-parole eligibility pool by September 1, 2005. Contingent upon the determination by the Board of Pardons and Paroles and approval by the Legislative Budget Board and the Governor's Office that there are sufficient eligible inmates available to be housed in such facilities, the Texas Department of Criminal Justice (TDCJ) shall request proposals from private vendors to operate temporary pre-parole transfer facilities (not to exceed 500 beds). If TDCJ receives proposals for pre-parole transfer facilities that are less costly than TDCJ's daily costs per bed for contracted temporary capacity, TDCJ shall enter into contract(s) to expand pre-parole transfer facilities. Any privately-operated pre-parole transfer facilities TDCJ contracts with must provide job training, offender reintegration instruction, and life skill courses to inmates consistent with policies in effect at pre-parole transfer facilities operated by TDCJ.

If TDCJ receives a proposal for a privately-operated pre-parole transfer facility less costly than contracted temporary capacity, TDCJ shall transfer funds from Strategy C.1.10, Contracted Temporary Capacity, to Strategy E.2.2, Residential Pre-Parole Facilities.

TDCJ shall report to the Legislative Budget Board and the Governor's Office no later than December 1st any savings realized in the previous fiscal year resulting from transferring funds from Strategy C.1.10, Contracted Temporary Capacity, to Strategy E.2.2, Residential Pre-Parole Facilities.

If funds are transferred from Strategy C.1.10, Contracted Temporary Capacity, to Strategy E.2.2, Residential Pre-Parole Facilities, the amount of funds transferred in a given six-month period shall be reduced from the amount of funds specified for the period in Rider 77, Contracted Temporary Capacity.

COMMISSION ON FIRE PROTECTION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue - Insurance Companies Maintenance Tax and Insurance Department Fees	$ 2,832,930	$ 2,832,930
Appropriated Receipts	18,283	18,283
Total, Method of Financing	$ 2,851,213	$ 2,851,213
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	32.0	32.0
Schedule of Exempt Positions:		
Executive Director, Group 3	$85,800	$85,800
Items of Appropriation:		
A. Goal: EDUCATION & ASSISTANCE		
Provide Fire-related Information and Resources.		
A.1.1. Strategy: FIRE SAFETY INFO & EDUC PROGRAMS	$ 110,944	$ 110,944
Fire Safety Information & Educational Programs.		

A.2.1. Strategy: ADMINISTER GRANT PROGRAM Administer Grant/Loan Program.	$ 1,000,000	$ 1,000,000
Total, Goal A: EDUCATION & ASSISTANCE	$ 1,110,944	$ 1,110,944
B. Goal: FIRE DEPARTMENT STANDARDS Enforce Fire Department Standards.		
B.1.1. Strategy: CERTIFY & REGULATE FIRE SERVICE Certify and Regulate Fire Departments and Personnel.	$ 1,044,840	$ 1,044,840
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMINISTRATION	$ 695,429	$ 695,429
Grand Total, COMMISSION ON FIRE PROTECTION	$ 2,851,213	$ 2,851,213
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,406,672	$ 1,406,672
Other Personnel Costs	19,160	19,160
Professional Fees and Services	6,000	6,000
Fuels and Lubricants	500	500
Consumable Supplies	11,358	11,358
Utilities	29,000	29,000
Travel	99,146	99,146
Rent - Building	122,600	122,600
Rent - Machine and Other	27,952	28,077
Other Operating Expense	111,538	111,413
Grants	1,000,000	1,000,000
Capital Expenditures	17,287	17,287
Total, Object-of-Expense Informational Listing	$ 2,851,213	$ 2,851,213
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 85,504	$ 87,214
Group Insurance	274,850	299,369
Social Security	106,878	109,015
Benefits Replacement	12,279	11,665
Subtotal, Employee Benefits	$ 479,511	$ 507,263
Debt Service		
Lease Payments	$ 3,730	$ 2,713
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 483,241	$ 509,976

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Commission on Fire Protection. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Commission on Fire Protection. In order to achieve the objectives and service standards established by this Act, the Commission on Fire Protection shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: EDUCATION & ASSISTANCE		
Outcome (Results/Impact):		
Percentage of Total Amount Requested for Loans/Grants Compared with Requests Awarded	24%	24%
B. Goal: FIRE DEPARTMENT STANDARDS		
Outcome (Results/Impact):		
Percentage of Inspected Fire Certificate Holders with No Recent Violations	95%	95%

B.1.1. Strategy: CERTIFY & REGULATE FIRE SERVICE		
Explanatory:		
Number of Fire Service Personnel Certified	23,000	23,000

2. **Training Restriction.** None of the funds appropriated above may be expended for fire protection or fire management training except through contract with Texas Commission on Fire Protection approved training programs external to the commission in order to avoid duplication of service.

3. **Appropriation of Receipts - Loan Repayments Revolving Fund.** In addition to the amounts appropriated above, the Texas Commission on Fire Protection is hereby appropriated all loan repayments, loan forfeitures and other revenue accruing to the revolving loan fund in excess of $268,000 for fiscal year 2006 and in excess of $268,000 for fiscal year 2007 for the purpose of making additional loans as established in Government Code, Chapter 419, Subchapter C (estimated to be $0). The unexpended balance in Strategy A.2.1, Administer Grant Program, and of collections in excess of $268,000 in the revolving loan fund at the end of fiscal year 2006 is hereby appropriated for fiscal year 2007 for the same purpose.

4. **Fire Department Inspections.** It is the intent of the Legislature that the Texas Commission on Fire Protection not provide prior notification of an inspection to a fire department.

5. **Co-location of Regional Offices.** It is the intent of the Legislature that the Texas Commission on Fire Protection and the Texas Forest Service enter into an agreement to co-locate regional offices to the maximum space available.

6. **Staffing of Regional Offices.** The Texas Commission on Fire Protection shall staff each regional office with at least one standards compliance officer from available staff.

7. **Contingency Appropriation: Increased Fire Fighter Certification Fees**. Included in amounts appropriated above in Strategies A.1.1, B.1.1, and C.1.1. is $138,000 in General Revenue each year of the biennium contingent on the Commission on Fire Protection increasing fees pursuant to Government Code, Section 419.026, in excess of $711,000 per fiscal year included in the Comptroller's Biennial Revenue Estimate for fiscal years 2006 and 2007. This appropriation is contingent on the Commission on Fire Protection providing such information deemed necessary by the Comptroller of Public Accounts to issue a finding of fact that the increased revenues are estimated to be available in excess of the Comptroller's Biennial Revenue Estimate, including supplemental estimates used in certifying this Act, to fund the increased appropriations.

COMMISSION ON JAIL STANDARDS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 793,735	$ 793,735
Other Funds		
Criminal Justice Grants	40,000	40,000
Appropriated Receipts	6,000	6,000
Subtotal, Other Funds	$ 46,000	$ 46,000
Total, Method of Financing	$ 839,735	$ 839,735
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	18.0	18.0
Schedule of Exempt Positions:		
Executive Director, Group 2	$68,500	$68,500

Items of Appropriation:		
A. Goal: EFFECTIVE JAIL STANDARDS Assist Local Govts through Effective Standards & Technical Assistance.		
A.1.1. Strategy: INSPECTION AND ENFORCEMENT Perform Inspections of Facilities and Enforce Standards.	$ 319,147	$ 319,147
A.1.2. Strategy: JUVENILE JUSTICE SURVEY Perform Annual Survey of Jails to Determine Compliance with JJDPA.	$ 40,000	$ 40,000
A.2.1. Strategy: CONSTRUCTION PLAN REVIEW Assist with Facility Need Analysis and Construction Document Review.	$ 203,453	$ 203,453
A.2.2. Strategy: MANAGEMENT CONSULTATION Assist with Staffing Analysis, Operating Plans, & Program Development.	$ 93,268	$ 93,268
A.3.1. Strategy: AUDITING POPULATION AND COSTS Collect and Analyze Data Concerning Inmate Population/Backlogs/Costs.	$ 183,867	$ 183,867
Total, Goal A: EFFECTIVE JAIL STANDARDS	$ 839,735	$ 839,735
Grand Total, COMMISSION ON JAIL STANDARDS	$ 839,735	$ 839,735
Supplemental Appropriations Made in Riders:	$ 5,000	$ 5,000
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 657,043	$ 657,043
Other Personnel Costs	8,423	8,423
Professional Fees and Services	41,683	41,683
Consumable Supplies	6,485	6,485
Utilities	4,548	4,548
Travel	49,719	49,719
Rent - Building	525	525
Rent - Machine and Other	24,344	24,344
Other Operating Expense	33,453	33,453
Capital Expenditures	18,512	18,512
Total, Object-of-Expense Informational Listing	$ 844,735	$ 844,735
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 40,951	$ 41,770
Group Insurance	98,208	105,813
Social Security	53,694	54,768
Benefits Replacement	4,556	4,329
Subtotal, Employee Benefits	$ 197,409	$ 206,680
Debt Service		
Lease Payments	$ 54,550	$ 54,504
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 251,959	$ 261,184

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Commission on Jail Standards. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Commission on Jail Standards. In order to achieve the objectives and service standards established by this Act, the Commission on Jail Standards shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: EFFECTIVE JAIL STANDARDS		
Outcome (Results/Impact):		
Number of Jails Achieving Compliance with Standards	215	215
Percent of Jails with Management-related Deficiencies	13%	13%

A.1.1. Strategy: INSPECTION AND ENFORCEMENT		
Output (Volume):		
Number of Annual Inspections Conducted	256	256
A.2.1. Strategy: CONSTRUCTION PLAN REVIEW		
Output (Volume):		
Number of On-site Planning and Construction Consultations with Jail Representatives	90	90
A.2.2. Strategy: MANAGEMENT CONSULTATION		
Output (Volume):		
Number of On-site Operation and Management Consultations with Jail Representatives	230	230
A.3.1. Strategy: AUDITING POPULATION AND COSTS		
Output (Volume):		
Number of Paper-ready Reports Analyzed	6,300	6,300

2. Mentally Ill Offender Screening. It is the intent of the legislature that the Commission on Jail Standards amend its rules and procedures to require county and local jails to:

a. check each offender upon intake into jail against the Department of State Health Services' CARE system to determine if the offender has previously received state mental healthcare;

b. record whether the CARE system was checked on the initial intake screening form; and

c. include any relevant mental health information on the mental health screening instrument and, if sentenced to the Department of Criminal Justice, on the Uniform Health Status Update form.

The Commission shall use funds appropriated above to include in its annual inspection of county and local jails a determination of each jail's compliance with the requirement to check each offender upon intake against the Department of State Health Services' CARE database for previous state mental healthcare. The Commission on Jail Standards shall report any jails that are found to not be in compliance with the screening requirements to the Texas Correctional Office on Offenders with Medical or Mental Impairments of the Texas Department of Criminal Justice on a quarterly basis.

3. Contingency Appropriation for Senate Bill 1264. Contingent on the enactment of Senate Bill 1264, or similar legislation establishing a fee for jails that request a re-inspection before previously cited compliance issues have been corrected and for re-inspection of construction found non-compliant in an initial occupancy inspection, by the Seventy-ninth Legislature, Regular Session, the Commission on Jail Standards is appropriated any revenues generated from such fees (estimated to be $5,000 in fiscal year 2006 and $5,000 in fiscal year 2007 from the General Revenue Fund).

JUVENILE PROBATION COMMISSION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 93,643,697	$ 94,311,662
Federal Funds	30,250,000	30,250,000
Other Funds		
Appropriated Receipts	1,245,000	1,245,000
Interagency Contracts - Transfer from Foundation School Fund No. 193	8,187,641	8,951,455
Criminal Justice Grants	1,200,000	1,200,000
Subtotal, Other Funds	$ 10,632,641	$ 11,396,455
Total, Method of Financing	$ 134,526,338	$ 135,958,117

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE):	62.0	62.0
Schedule of Exempt Positions:		
Executive Director, Group 3	$99,192	$99,192
Items of Appropriation:		
A. Goal: BASIC PROBATION		
A.1.1. Strategy: BASIC PROBATION SERVICES	$ 28,000,007	$ 28,667,971
A.1.2. Strategy: PROGRESSIVE SANCTIONS LEVELS 1-3	$ 18,993,570	$ 18,993,571
Total, Goal A: BASIC PROBATION	$ 46,993,577	$ 47,661,542
B. Goal: COMMUNITY CORRECTIONS		
B.1.1. Strategy: COMMUNITY CORRECTIONS SERVICES	$ 34,370,074	$ 34,370,074
B.1.2. Strategy: HARRIS COUNTY BOOT CAMP	$ 1,000,000	$ 1,000,000
B.1.3. Strategy: LVL 5 POST-ADJUDICATION FACILITIES Level 5 Post-adjudication Facilities.	$ 4,394,436	$ 4,394,436
B.1.4. Strategy: LOCAL POST-ADJUDICATION FACILITIES	$ 4,147,038	$ 4,147,038
B.1.5. Strategy: SPECIAL NEEDS DIVERSIONARY PROGRAMS	$ 1,974,033	$ 1,974,033
Total, Goal B: COMMUNITY CORRECTIONS	$ 45,885,581	$ 45,885,581
C. Goal: PROBATION ASSISTANCE		
C.1.1. Strategy: PROBATION ASSISTANCE Training/Technical Assistance on Community-based Corrections.	$ 32,382,738	$ 32,382,738
D. Goal: JUVENILE JUSTICE ALTERNATIVE ED PGM Juvenile Justice Alternative Education Programs.		
D.1.1. Strategy: JUVENILE JUSTICE ALTERNATIVE ED PGM Juvenile Justice Alternative Education Programs.	$ 8,187,641	$ 8,951,455
E. Goal: INDIRECT ADMINISTRATION		
E.1.1. Strategy: CENTRAL ADMINISTRATION	$ 944,848	$ 944,848
E.1.2. Strategy: INFORMATION RESOURCES	$ 131,953	$ 131,953
Total, Goal E: INDIRECT ADMINISTRATION	$ 1,076,801	$ 1,076,801
Grand Total, JUVENILE PROBATION COMMISSION	$ 134,526,338	$ 135,958,117
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 2,956,486	$ 2,956,486
Other Personnel Costs	146,002	146,002
Professional Fees and Services	40,000	40,000
Fuels and Lubricants	1,500	1,500
Consumable Supplies	36,518	36,518
Utilities	25,000	25,000
Travel	82,500	82,500
Rent - Machine and Other	45,000	45,000
Other Operating Expense	126,533	126,533
Grants	131,066,799	132,498,578
Total, Object-of-Expense Informational Listing	$ 134,526,338	$ 135,958,117
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 166,305	$ 169,632
Group Insurance	336,762	362,645
Social Security	228,392	232,959
Benefits Replacement	21,469	20,396
Subtotal, Employee Benefits	$ 752,928	$ 785,632

Debt Service		
Bond Debt Service	$ 4,875,578	$ 4,895,768
Lease Payments	159,380	159,245
Subtotal, Debt Service	$ 5,034,958	$ 5,055,013
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 5,787,886	$ 5,840,645

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Juvenile Probation Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Juvenile Probation Commission. In order to achieve the objectives and service standards established by this Act, the Juvenile Probation Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: BASIC PROBATION		
Outcome (Results/Impact):		
Rate of Successful Completion of Deferred Prosecution Cases	85%	85%
Rate of Successful Completion of Court-ordered Probation	87%	87%
A.1.1. Strategy: BASIC PROBATION SERVICES		
Output (Volume):		
Average Daily Population of Youth Supervised under Deferred Prosecution	11,295	11,666
Average Daily Population of Youth Supervised under Court-ordered Probation	24,052	24,251
Average Daily Population of Youth Supervised Prior to Court Proceedings	6,587	6,610
Efficiencies:		
Average State Cost Per Juvenile Referred	802.01	788.08
Explanatory:		
Total Number of Referrals	115,808	118,703
B. Goal: COMMUNITY CORRECTIONS		
Outcome (Results/Impact):		
Number of Juveniles under Probation Supervision Committed to Texas Youth Commission	1,300	1,300
B.1.1. Strategy: COMMUNITY CORRECTIONS SERVICES		
Output (Volume):		
Average Daily Population of Youth Supervised under Intensive Supervision Probation	3,187	3,298
Average Daily Population of Residential Placements	3,365	3,567
Efficiencies:		
Cost Per Day for Youth Served on Intensive Supervision Probation	15	15
Cost Per Day Per Youth for Residential Placement	86	86
C. Goal: PROBATION ASSISTANCE		
C.1.1. Strategy: PROBATION ASSISTANCE		
Efficiencies:		
State Cost Per Training Hour	7.35	7.35
D. Goal: JUVENILE JUSTICE ALTERNATIVE ED PGM		
D.1.1. Strategy: JUVENILE JUSTICE ALTERNATIVE ED PGM		
Output (Volume):		
Number of Mandatory Students in Juvenile Justice Alternative Education Programs	2,723	3,004
Mandatory Student Attendance Days in JJAEP During the Regular School Year	130,299	143,245

2. **Restriction, State Aid.** None of the funds appropriated above in Strategy A.1.1, Basic Probation Services, and allocated to local juvenile probation boards, shall be expended for salaries or expenses of juvenile board members.

3. **Appropriation of Federal Title IV-E Receipts.** The provisions of Title IV-E of the Social Security Act shall be used in order to increase funds available for juvenile justice services. The Texas Juvenile Probation Commission shall certify or transfer state funds to the Texas Department of Family and Protective Services so that federal financial participation can be claimed for Title IV-E services provided by counties. The Texas Juvenile Probation

Commission shall direct necessary general revenue funding to ensure that the federal match for the Title IV-E Social Security Act is maximized for use by participating counties. Such federal receipts are appropriated to the Texas Juvenile Probation Commission for the purpose of reimbursing counties for services provided to eligible children.

4. Juvenile Boot Camp Funding. Out of the funds appropriated above in Strategy B.1.2, Harris County Boot Camp, the amount of $1,000,000 annually may be expended only for the purpose of providing a juvenile boot camp in Harris County.

5. Residential Facilities. Juvenile Boards may use funds appropriated in Goal A, Basic Probation, and Goal B, Community Corrections, to lease, contract for, or reserve bed space with public and private residential facilities for the purpose of diverting juveniles from commitment to the Texas Youth Commission.

6. Funding for Progressive Sanctions.

a. Out of the funds appropriated above in Strategy A.1.2, Progressive Sanctions Levels 1-3, $10,200,000 in fiscal year 2006 and $10,200,000 in fiscal year 2007 can be distributed only to local probation departments for funding juvenile probation services associated with sanction levels described in §§ 59.003(a)(1), 59.003(a)(2), and 59.003(a)(3) of the Family Code, or for salaries of juvenile probation officers hired after the effective date of this Act. These funds may not be used by local juvenile probation departments for salary increases, employee benefits, or other costs (except salaries) associated with the employment of juvenile probation officers hired after the effective date of this Act.

b. Out of the funds appropriated above in Strategy B.1.3, Level 5 Post-adjudication Facilities, $4,394,436 in fiscal year 2006 and $4,394,436 in fiscal year 2007 can be used only for the purpose of funding secure post-adjudication placements for (1) juveniles who have a progressive sanction guideline level of 5 or higher as described by §§ 59.003(a)(5), 59.003(a)(6), and 59.003(a)(7); (2) are adjudicated for a felony offense that includes as an element of the offense the possession, carrying, using or exhibiting of a deadly weapon; (3) the juvenile court's order of adjudication contains a finding that the child committed a felony offense and the child used or exhibited a deadly weapon during the commission of the conduct or during immediate flight from commission of the conduct; or (4) are adjudicated for a sex offense of the grade of felony that requires registration under the Texas Sexual Offender Registration Program.

The Texas Juvenile Probation Commission shall reimburse a county juvenile probation department a specified number of placements under this section, as determined by the Texas Juvenile Probation Commission, after the requirements for reimbursement as outlined herein have been met to the satisfaction of the Texas Juvenile Probation Commission.

c. The Texas Juvenile Probation Commission shall maintain procedures to ensure that only those juvenile offenders identified above are submitted for reimbursement of secure post-adjudication placements under this section. The Texas Juvenile Probation Commission shall no later than March 1 of each fiscal year submit an expenditure report for the prior fiscal year reflecting all secure post-adjudication placement costs to the Legislative Budget Board and the Governor.

7. County Funding Levels. To receive the full amount of state aid funds for which a juvenile board may be eligible, a juvenile board must demonstrate to the commission's satisfaction that the amount of local or county funds budgeted for juvenile services is at least equal to the amount spent for those services, excluding construction and capital outlay expenses, in the 1994 county fiscal year. This requirement shall not be waived by the commission unless the juvenile board demonstrates to the satisfaction of the commission that unusual, catastrophic or exceptional circumstances existed during the year in question to adversely affect the level of county fiscal effort. If the required local funding level is not met and no waiver is granted by the commission, the commission shall reduce the allocation of state aid funds to the juvenile board by the amount equal to the amount that the county funding is below the required funding.

8. **Local Post-adjudication Facilities.** Out of the funds appropriated above in Strategy B.1.4, Local Post-Adjudication Facilities, the amount of $ 4,147,038 in fiscal year 2006 and $4,147,038 in fiscal year 2007 may be used only for the purpose of funding local post-adjudication facilities. The agency shall fund these facilities based on historical occupancy rates, rather than the number of beds in the facility.

9. **Juvenile Justice Alternative Education Programs (JJAEP).** Out of the funds transferred to the Texas Juvenile Probation Commission pursuant to Texas Education Agency (TEA) Rider 37 and appropriated above in Strategy D.1.1, Juvenile Justice Alternative Education Programs, the Texas Juvenile Probation Commission shall allocate $1,500,000 at the beginning of each fiscal year to be distributed on the basis of juvenile age population among the mandated counties identified in Chapter 37, Texas Education Code, and those counties with populations between 72,000 and 125,000 which choose to participate under the requirements of Chapter 37.

   An additional $500,000 shall be set aside in a reserve fund for each fiscal year of the biennium to allow mandated and non-mandated counties to apply for additional funds on a grant basis.

   The remaining funds shall be allocated for distribution to the counties mandated by the § 37.011(a) Texas Education Code, at the rate of $59 per student per day of attendance in the JJAEP for students who are required to be expelled as provided under § 37.007, Texas Education Code, and are intended to cover the full cost of providing education services to such students. Counties are not eligible to receive these funds until the funds initially allocated at the beginning of each fiscal year have been expended at the rate of $59 per student per day of attendance. Counties in which populations exceed 72,000, but are 125,000 or less, may participate in the JJAEP, and are eligible for state reimbursement at the rate of $59 per student per day.

   The Texas Juvenile Probation Commission may expend any remaining funds for summer school programs in counties with a population over 72,000 which are funded as mandated counties in Chapter 37. Funds may be used for any student assigned to a JJAEP. Summer school expenditures may not exceed $3.0 million in any fiscal year.

   Unspent balances in fiscal year 2006 shall be appropriated to fiscal year 2007 for the same purposes in Strategy D.1.1.

   The allocations made in this rider for the JJAEP are estimated amounts and not intended to be an entitlement and are limited to the amounts transferred from the Foundation School Program pursuant to TEA Rider 37. The amount of $59 per student per day may vary depending on the total number of students actually attending the JJAEPs. Any unexpended or unobligated appropriations shall lapse at the end of fiscal year 2007 to the Foundation School Fund.

   The Texas Juvenile Probation Commission may reduce, suspend, or withhold Juvenile Justice Alternative Education Program funds to counties that do not comply with standards, accountability measures, or Texas Education Code Chapter 37.

10. **Funding for Additional Eligible Students in JJAEPs.** Out of funds appropriated above in Strategy D.1.1, Juvenile Justice Alternative Education Programs, a maximum of $500,000 in each fiscal year (for a maximum of 90 attendance days per child), is allocated for counties with a population of at least 72,000 which operate a JJAEP under the standards of Chapter 37, Texas Education Code. The county is eligible to receive funding from the Texas Juvenile Probation Commission at the rate of $59 per day per student for students who are required to be expelled under § 37.007, Texas Education Code, and who are expelled from a school district in a county that does not operate a JJAEP.

11. **Use of JJAEP Funds.** None of the funds appropriated above for the support of JJAEPs shall be used to hire a person or entity to do lobbying.

12. **JJAEP Accountability.** Out of funds appropriated above in Strategy D.1.1, Juvenile Justice Alternative Education Programs (JJAEP), the Texas Juvenile Probation Commission and the Texas Education Agency shall ensure that Juvenile Justice Alternative Education Programs are held accountable for student academic and behavioral success. The agencies are to jointly submit a performance assessment report to the Legislative Budget Board and the Governor by May 1, 2006. The report shall include, but is not limited to, the following:

a. an assessment of the degree to which each JJAEP enhanced the academic performance and behavioral improvement of attending students;

b. a detailed discussion on the use of standard measures used to compare program formats and to identify those JJAEPs most successful with attending students;

c. the percent of eligible JJAEP students statewide and by program demonstrating academic growth in the Texas Assessment of Knowledge and Skills (TAKS);

d. standardized cost reports from each JJAEP and their contracting independent school district(s) to determine differing cost factors and actual costs per each JJAEP program by school year; and

e. inclusion of a comprehensive five-year strategic plan for the continuing evaluation of JJAEPs which shall include oversight guidelines to improve: school district compliance with minimum program and accountability standards, attendance reporting, consistent collection of costs and program data, training and technical assistance needs.

13. Training. It is the intent of the Legislature that the Texas Juvenile Probation Commission provide training to local juvenile probation personnel and to local Juvenile Judges to maximize the appropriate placement of juveniles according to the progressive sanction guidelines.

14. Unexpended Balances - Hold Harmless Provision. Any unexpended balances as of August 31, 2006 in Strategy A.1.1, Basic Probation Services (estimated to be $200,000), and in Strategy B.1.1, Community Corrections Services (estimated to be $200,000), above are hereby appropriated to the Juvenile Probation Commission in fiscal year 2007 for the purpose of providing funding for juvenile probation departments whose allocation would otherwise be affected as a result of reallocations related to population shifts.

15. Appropriation: Refunds of Unexpended Balances from Local Juvenile Probation Departments. The Texas Juvenile Probation Commission (JPC) shall maintain procedures to ensure that the state is refunded all unexpended and unencumbered balances of state funds held as of the close of each fiscal year by local juvenile probation departments. All fiscal year 2006 and fiscal year 2007 refunds received from local juvenile probation departments by JPC are appropriated above in Strategy B.1.1, Community Corrections Services. Any Basic Probation refunds received in excess of $650,000 in fiscal year 2006 and $650,000 in fiscal year 2007 are hereby appropriated to JPC for the Level 5 Secure Correction Placement Program. Any Community Corrections refunds received in excess of $500,000 in fiscal year 2006 and $500,000 in fiscal year 2007 are hereby appropriated to JPC for the Level 5 Secure Correction Placement Program.

16. Reporting Requirements to the Legislative Budget Board (LBB). The Juvenile Probation Commission shall report juvenile population data as requested by the Legislative Budget Board on a monthly basis for the most recent month available. JPC shall report to the Legislative Budget Board on all populations specified by the LBB, including, but not limited to, additions, releases, and end-of-month populations. End of fiscal year data shall be submitted indicating each reporting county to the LBB no later than two months after the close of each fiscal year.

17. Special Needs Diversionary Programs. Out of the funds appropriated above in Strategy B.1.5, Special Needs Diversionary Programs, $1,974,033 in fiscal year 2006 and $1,974,033 in fiscal year 2007 shall be used for specialized mental health caseloads. The agency shall use these funds to work in coordination with the Texas Correctional Office on Offenders with Medical or Mental Impairments (TCOOMMI), and local mental health services agencies, to provide specialized supervision caseloads to youth with mental illness.

COMMISSION ON LAW ENFORCEMENT OFFICER STANDARDS AND EDUCATION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund - Dedicated		
Law Enforcement Officer Standards and Education Account No. 116	$ 2,494,164	$ 2,458,591
Texas Peace Officer Flag Account No. 5059	12,000	6,000
Subtotal, General Revenue Fund - Dedicated	$ 2,506,164	$ 2,464,591
Appropriated Receipts	82,000	82,000
Total, Method of Financing	$ 2,588,164	$ 2,546,591
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	43.0	43.0
Schedule of Exempt Positions:		
Executive Director, Group 2	$80,000	$80,000
Items of Appropriation:		
A. Goal: LICENSE AND APPROVE COURSES		
Licensing and Course Development.		
A.1.1. Strategy: LICENSING	$ 829,968	$ 830,581
A.1.2. Strategy: COURSE DEVELOPMENT	$ 800,754	$ 772,412
Course Development and Academy Evaluations.		
Total, Goal A: LICENSE AND APPROVE COURSES	$ 1,630,722	$ 1,602,993
B. Goal: REGULATION		
Regulate Licensed Law Enforcement Population.		
B.1.1. Strategy: ENFORCEMENT	$ 526,268	$ 519,974
Enforcement through License Revocation, Suspension, or Reprimand.		
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMINISTRATION	$ 431,174	$ 423,624
Grand Total, COMMISSION ON LAW ENFORCEMENT OFFICER STANDARDS AND EDUCATION	$ 2,588,164	$ 2,546,591
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,709,860	$ 1,709,861
Other Personnel Costs	32,000	32,000
Professional Fees and Services	208,383	177,378
Consumable Supplies	77,778	72,000
Utilities	34,289	27,780
Travel	56,943	56,943
Rent - Building	196,394	196,394
Other Operating Expense	149,391	144,235
Capital Expenditures	123,126	130,000
Total, Object-of-Expense Informational Listing	$ 2,588,164	$ 2,546,591
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 94,638	$ 96,531
Group Insurance	381,741	416,906
Social Security	141,974	144,814
Benefits Replacement	13,033	12,381
Subtotal, Employee Benefits	$ 631,386	$ 670,632
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 631,386	$ 670,632

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Commission on Law Enforcement Officer Standards and Education. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Commission on Law Enforcement Officer Standards and Education. In order to achieve the objectives and service standards established by this Act, the Commission on Law Enforcement Officer Standards and Education shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: LICENSE AND APPROVE COURSES		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	99.9%	99.9%
A.1.1. Strategy: LICENSING		
Output (Volume):		
Number of New Licenses Issued to Individuals	12,000	12,000
Efficiencies:		
Average Licensing Cost Per Individual License Issued	14.5	14.5
A.1.2. Strategy: COURSE DEVELOPMENT		
Output (Volume):		
Number of TCLEOSE Approved Courses Maintained	28	28
Number of On-site Academy Evaluations Conducted	98	98
B. Goal: REGULATION		
Outcome (Results/Impact):		
Percent of Complaints Resulting in Disciplinary Action	95%	95%
B.1.1. Strategy: ENFORCEMENT		
Output (Volume):		
Complaints Resolved	2,700	2,700
Efficiencies:		
Average Cost Per Complaint Resolved	135	135

2. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2006	2007
Out of the GR Dedicated - Law Enforcement Officer Standards and Education Account No. 116:		
a. Acquisition of Information Resource Technologies		
(1) Cycled Replacement/Upgrade of Computers and Servers	$ 63,250	$ 54,000
(2) Distance Learning Program	$ 318,000	$ 318,000
Total, Acquisition of Information Resource Technologies	$ 381,250	$ 372,000
Total, Capital Budget	$ 381,250	$ 372,000

3. **Appropriations Limited to Revenue Collections: Proficiency Certificate Fees.** Appropriations above in Strategy A.1.1, Licensing, include $142,840 in fiscal year 2006 and $142,840 in fiscal year 2007 for revenues collected in the Law Enforcement Officer Standards and Education GR-Dedicated Account No. 116 for the processing of proficiency certificates pursuant to Occupations Code § 1701.154. All revenue collected, in excess of such amounts appropriated above, is hereby appropriated to the Texas Commission on Law Enforcement Officer Standards and Education (estimated to be $0). In the event that actual and/or projected revenue collections are insufficient to offset the appropriations made above, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriations authority provided to be within the amount of revenue expected to be available.

4. **Appropriations Limited to Revenue Collections: Reinstatement Fees.** Appropriations above in Strategy A.1.1, Licensing, include $66,750 in fiscal year 2006 and $66,750 in fiscal year 2007 for fees collected in the Law Enforcement Officer Standards and Education GR-Dedicated Account No. 116 for establishing a person's eligibility to reinstate a license that has lapsed. All fee revenue collected, in excess of such amounts appropriated above, is hereby appropriated to the Texas Commission on Law Enforcement Officer Standards and Education (estimated to be $0). In the event that actual and/or projected revenue collections are insufficient to offset the appropriations made above, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriations authority provided to be within the amount of revenue expected to be available.

5. **Appropriation: State Flag Fund for Deceased Texas Peace Officers.** Appropriations above in Strategy A.1.2, Course Development, include $12,000 in fiscal year 2006 and $6,000 in fiscal year 2007 for the Texas Peace Officer Flag Account No. 5059 as provided by § 1701.161, Occupations Code, and § 615.105, Government Code. All contributions and earned interest collected during the 2006-07 biennium and any unexpended and unencumbered balances from the biennium ending August 31, 2005, in excess of such amounts appropriated above, are hereby appropriated to the Texas Commission on Law Enforcement Officer Standards and Education (estimated to be $0). These appropriations are to be deposited in the state treasury to the credit of the GR-Dedicated Texas Peace Officer Flag Account No. 5059. These appropriations shall be used to provide state flags to families of deceased Texas peace officers pursuant to § 1701.161, Occupations Code, and § 615.105, Government Code. None of these appropriations shall be used by the commission for administration and support costs.

6. **Distance Learning Program.** It is the intent of the Legislature that the Texas Commission on Law Enforcement Officer Standards and Education continue to maintain, update, and upgrade its internet training system, the Distance Learning Program, out of the funds appropriated above.

7. **Board Meetings at State Facilities.** It is the intent of the Legislature that, in order to minimize cost out of the funds appropriated above, meetings of the Commission on Law Enforcement Officer Standards and Education be held only at state facilities in Austin, Texas.

8. **Use of Commission Name or Acronym.** It is the intent of the Legislature that the Commission on Law Enforcement Officer Standards and Education use its full name or acronym (TCLEOSE) for all agency business.

9. **Limitation on Employment.** It is the intent of the Legislature that no one shall be employed by the Commission on Law Enforcement Officer Standards and Education who, in the course of his official duties, conducts business with individuals, firms or educational institutions with which the employee has either a direct or indirect financial interest.

TEXAS MILITARY FACILITIES COMMISSION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 1,337,808	$ 1,651,690
Federal Funds	662,362	1,895,528
Other Funds		
Current Fund Balance	949,788	971,939
Interagency Contracts	4,052,409	4,120,411
Bond Proceeds - Revenue Bonds	0	9,206,545
Subtotal, Other Funds	$ 5,002,197	$ 14,298,895
Total, Method of Financing	$ 7,002,367	$ 17,846,113

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE):	40.0	40.0
Schedule of Exempt Positions:		
Executive Director, Group 2	$67,000	$67,000
Per Diem of Board Members	5,700	5,700
Items of Appropriation:		
A. Goal: MAINTAIN PROPERTIES		
A.1.1. Strategy: BUILDING MAINTENANCE Evaluate and Maintain Buildings and Facilities.	$ 3,486,846	$ 12,807,288
A.1.2. Strategy: DEBT SERVICE Debt Service - Rent from Adjutant General.	$ 2,872,333	$ 3,156,691
Total, Goal A: MAINTAIN PROPERTIES	$ 6,359,179	$ 15,963,979
B. Goal: CONSTRUCT AND RENOVATE FACILITIES Construct and Renovate Facilities to Achieve Energy Efficiency/Safety.		
B.1.1. Strategy: NEW FACILITY CONSTRUCTION	$ 0	$ 1,245,937
B.1.2. Strategy: RENOVATION OF EXISTING FACILITIES	$ 210,089	$ 196,451
Total, Goal B: CONSTRUCT AND RENOVATE FACILITIES	$ 210,089	$ 1,442,388
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMINISTRATION	$ 433,099	$ 439,746
Grand Total, TEXAS MILITARY FACILITIES COMMISSION	$ 7,002,367	$ 17,846,113
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,380,032	$ 1,484,900
Other Personnel Costs	128,398	145,879
Professional Fees and Services	204,952	1,683,917
Fuels and Lubricants	26,115	40,575
Consumable Supplies	43,400	49,430
Utilities	49,900	51,400
Travel	138,450	158,150
Rent - Machine and Other	349,803	350,103
Debt Service	2,618,225	2,885,078
Other Operating Expense	977,188	1,039,316
Capital Expenditures	1,085,904	9,957,365
Total, Object-of-Expense Informational Listing	$ 7,002,367	$ 17,846,113
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 79,498	$ 81,088
Group Insurance	259,805	281,008
Social Security	59,720	60,914
Benefits Replacement	10,817	10,277
Subtotal, Employee Benefits	$ 409,840	$ 433,287
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 409,840	$ 433,287

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Military Facilities Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas Military Facilities Commission. In order to achieve the objectives and service standards established by this Act, the Texas Military Facilities Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: MAINTAIN PROPERTIES		
Outcome (Results/Impact):		
Percent of Needed Routine or Preventive Maintenance Completed	58%	63%
A.1.1. Strategy: BUILDING MAINTENANCE		
Explanatory:		
Number of Facilities Maintained	295	299
B. Goal: CONSTRUCT AND RENOVATE FACILITIES		
Outcome (Results/Impact):		
Percent of Facilities That Comply with Texas Accessibility Standards	25%	25%

2. **Capital Budget.** None of the general revenue funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103. This rider does not limit the use of federal funds obtained by the department.

	2006	2007
a. Construction of Buildings and Facilities	$ 0	$ 1,224,700
b. Repair or Rehabilitation of Buildings and Facilities		
(1) Roof Replacements/Major Maintenance	1,064,516	10,190,664
c. Transportation Items	29,055	29,697
d. Acquisition of Capital Equipment and Items	142,785	135,721
Total, Capital Budget	$ 1,236,356	$ 11,580,782
Method of Financing (Capital Budget):		
General Revenue Fund	$ 363,040	$ 658,346
Federal Funds	0	1,224,700
Interagency Contracts	873,316	653,665
Bond Proceeds - Revenue Bonds	0	9,044,071
Total, Method of Financing	$ 1,236,356	$ 11,580,782

3. **Appropriation of Refunded Money.** There is hereby appropriated to the Texas Military Facilities Commission all money refunded to said Commission from any source when such money was originally expended for any of the purposes in A.1.1, Building Maintenance, B.1.1, New Facility Construction, and B.1.2, Renovation of Existing Facilities, above. Such appropriated funds may be expended for any of the purposes enumerated in A.1.1, B.1.1, and B.1.2. above.

4. **Local Fund Authorization.** The Texas Military Facilities Commission is hereby authorized to spend, and there is hereby made available to it, any or all local funds which the Commission now has or which it may hereinafter acquire, in accordance with the provisions of its bond indenture dated October 1, 1979, and subsequently amended.

5. **Bond Indenture Revenues.** There is hereby appropriated to the Texas Military Facilities Commission all revenues that the Commission has pledged, assigned and set over and does pledge, assign and set over unto its trustee and its successors in trust, and all revenues it has received or may hereinafter receive in accordance with the provisions of its bond indenture dated October 1, 1979, and subsequently amended.

6. **Superseding of Statutes and Bond Covenants.** None of the appropriations or provisions herein shall supersede Government Code, Chapter 435, or the covenants under which bonds are issued by or on behalf of the Texas Military Facilities Commission, regarding the Commission's obligations as a public bonding authority, body politic and corporate.

7. **Disposition of State-owned Property.** Appropriations above include $400,000 in fiscal year 2006 and $415,162 in fiscal year 2007 from the Current Fund Balance to the Texas Military Facilities Commission in funds derived from sales, in previous biennia and in the current biennium, of State-owned National Guard camps and other property owned by the Commission and of land, improvements, buildings, facilities, installations and personal property in connection therewith as authorized by Government Code, Chapter 435. Such funds shall be expended by the Commission in one or more of the following ways: (1) as a participating fund in the construction and maintenance of facilities financed in part by the United States Government; or (2) as a construction fund to be used by the Texas Military Facilities Commission; or (3) as a debt-servicing fund as provided in Government Code, Chapter 435. Provided, however, that all such funds that are not actually used for the purposes hereinbefore specified shall remain on deposit in the state treasury to the credit of the Commission for the use and benefit of the Texas National Guard, their successors or components, as provided in Government Code, Chapter 435. The Texas Military Facilities Commission is hereby authorized to carry forward unexpended balances from fiscal year 2006 into fiscal year 2007 for the same purpose.

8. **Transferability.** The Texas Military Facilities Commission is hereby authorized to transfer such amounts as may be necessary between strategies A.1.1, Building Maintenance, B.1.1, New Facility Construction, and B.1.2, Renovation of Existing Facilities. Such transfers shall not be used to increase the bond indebtedness of the Commission.

9. **Support and Maintenance Expenditures.** It is hereby provided that all monies currently appropriated to the Texas Military Facilities Commission for support and maintenance of the Texas National Guard are authorized for like expenditures for the support and maintenance of units of the Texas State Guard replacing the Texas National Guard units inducted into federal service.

10. **Master Plan for Military Facilities.** Funds appropriated to the Texas Military Facilities Commission for capital construction projects are intended to be expended for those projects which are part of the Commission's Master Plan. The Adjutant General and his staff shall cooperate with and provide information to the Commission in updating the Master Plan. The Commission shall revise the plan at least biennially and submit the plan to the Legislative Budget Board and the Governor by July 1 of every even-numbered year as part of the Legislative Appropriations Request.

11. **Renovation Priorities.** The Texas Military Facilities Commission shall give priority to renovations which: (1) insure the structural integrity of the facilities; (2) bring such facilities into compliance with current building and safety codes and accessibility standards; (3) increase the economic efficiency of the facilities; and (4) simplify future maintenance of the facilities.

12. **Reallocation of Unexpended Bond Proceeds.** The Texas Military Facilities Commission is authorized to reallocate the unexpended bond proceeds of canceled projects only to other projects listed in its current Master Plan and only after notifying the Texas Public Finance Authority, the Texas Bond Review Board, the Governor, and the Legislative Budget Board. Any unexpended bond proceeds from prior fiscal years are appropriated to subsequent fiscal years.

13. **Federally Funded Projects.** Federal funds for any 100 percent federally funded project are hereby appropriated, and related additional federally funded personnel and additional travel expenditures are authorized.

14. **Projects Funded with Bond Proceeds.** In addition to the number of FTEs authorized in the Commission's bill pattern above, the Texas Military Facilities Commission is authorized to employ one additional person for the purpose of managing any project(s) that are funded 100% with bond proceeds. The Commission is authorized to employ the additional person only for the duration of the project(s) the personnel are hired to manage. All salaries, benefits, and other expenses incurred (including a fair allocation of agency indirect expenses related to the additional personnel) are to be paid out of the bond proceeds.

15. **Priority of Accessibility Maintenance and Construction Projects.** It is the intent of the Legislature that the Texas Military Facilities Commission prioritize any maintenance or construction projects designed to ensure compliance with the Texas Accessibility Standards (as administered by the Texas Department of Licensing and Regulation) by placing a higher priority on such projects at facilities which are used by the public as compared to similar projects at facilities which are not used by the public.

DEPARTMENT OF PUBLIC SAFETY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 6,768,087	$ 8,782,739
General Revenue Fund - Dedicated		
Texas Department of Insurance Operating Fund Account No. 036	750,000	750,000
Operators and Chauffeurs License Account No. 099	921,268	921,267
Subtotal, General Revenue Fund - Dedicated	$ 1,671,268	$ 1,671,267
Federal Funds		
Federal Funds	18,644,566	19,497,385
Motor Carrier Act Enforcement	10,000,000	10,000,000
Subtotal, Federal Funds	$ 28,644,566	$ 29,497,385
Other Funds		
Appropriated Receipts	5,872,460	5,872,460
Interagency Contracts	850,812	850,812
Bond Proceeds - General Obligation Bonds	25,745,577	UB
Criminal Justice Grants	600,000	600,000
State Highway Fund No. 006	394,112,137	384,193,314
Subtotal, Other Funds	$ 427,180,986	$ 391,516,586
Total, Method of Financing	$ 464,264,907	$ 431,467,977
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 178,504	$ 155,660
This bill pattern represents an estimated 98.8% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	7,665.0	7,677.0
Number of FTEs in Riders:	76.0	76.0
Schedule of Exempt Positions:		
Director, Group 6 (Department of Public Safety)	$150,000	$150,000
Executive Officer, Group 1 (Polygraph Examiners Board)	46,000	46,000
Per Diem of Board Members (Private Security Board)	2,500	2,500
Items of Appropriation:		
A. Goal: LAW ENFORCEMENT ON HIGHWAYS		
A.1.1. Strategy: HIGHWAY PATROL	$ 113,118,527	$ 113,118,527
A.1.2. Strategy: COMMERCIAL VEHICLE ENFORCEMENT	$ 31,652,237	$ 31,652,237
A.1.3. Strategy: VEHICLE INSPECTION PROGRAM	$ 20,367,159	$ 20,367,158
A.1.4. Strategy: BREATH AND BLOOD TESTING Breath Alcohol and Blood Testing.	$ 2,044,246	$ 2,044,246
A.1.5. Strategy: CAPITOL COMPLEX SECURITY	$ 11,277,231	$ 11,277,231
Total, Goal A: LAW ENFORCEMENT ON HIGHWAYS	$ 178,459,400	$ 178,459,399
B. Goal: DRIVER SAFETY AND RECORDS		
B.1.1. Strategy: DRIVER LICENSE AND RECORDS	$ 61,720,256	$ 63,843,052
B.1.2. Strategy: DRIVER LICENSE REENGINEERING	$ 12,201,359	$ 3,650,906
B.1.3. Strategy: TRAFFIC ACCIDENT RECORDS	$ 1,396,977	$ 1,396,977
B.1.4. Strategy: CRASH RECORDS INFORMATION SYSTEM	$ 750,000	$ 750,000
B.1.5. Strategy: MOTORCYCLE OPERATOR TRAINING	$ 1,066,811	$ 1,066,810
Total, Goal B: DRIVER SAFETY AND RECORDS	$ 77,135,403	$ 70,707,745
C. Goal: PREVENT AND DETECT CRIME		
C.1.1. Strategy: NARCOTICS ENFORCEMENT Narcotics Enforcement Program.	$ 36,273,305	$ 37,673,305
C.1.2. Strategy: VEHICLE THEFT ENFORCEMENT Motor Vehicle Theft Enforcement.	$ 9,100,952	$ 9,300,953
C.1.3. Strategy: SPECIAL CRIMES	$ 16,638,264	$ 14,529,576

C.1.4. Strategy: TEXAS RANGERS	$ 8,365,860	$ 8,365,860
C.1.5. Strategy: UNSOLVED CRIMES INVESTIGATION Unsolved Crimes Investigation Team.	$ 666,974	$ 666,974
C.1.6. Strategy: CRIME LABS	$ 12,372,402	$ 13,078,969
Total, Goal C: PREVENT AND DETECT CRIME	$ 83,417,757	$ 83,615,637
D. Goal: EMERGENCY MANAGEMENT		
D.1.1. Strategy: EMERGENCY PLANNING Emergency Management Training and Planning Assistance.	$ 6,680,220	$ 6,680,220
D.1.2. Strategy: RESPONSE COORDINATION Emergency and Disaster Response Coordination.	$ 558,513	$ 558,512
D.1.3. Strategy: DISASTER RECOVERY Recovery and Mitigation Assistance.	$ 813,855	$ 813,855
D.1.4. Strategy: EMERGENCY OPERATIONS CTR Emergency Operations Center.	$ 388,112	$ 388,112
Total, Goal D: EMERGENCY MANAGEMENT	$ 8,440,700	$ 8,440,699
E. Goal: REGULATORY PROGRAMS		
E.1.1. Strategy: CONCEALED HANDGUNS	$ 4,316,895	$ 4,316,895
E.2.1. Strategy: POLYGRAPH EXAMINERS BOARD Administer and Enforce the Polygraph Examiners Act.	$ 92,716	$ 92,716
E.3.1. Strategy: PSB INVESTIGATIONS Private Security Board-Investigations.	$ 362,235	$ 356,889
E.3.2. Strategy: PSB ENFORCEMENT Private Security Board-Enforcement.	$ 95,172	$ 95,171
E.3.3. Strategy: PSB LICENSES AND REGISTRATION Private Security Board-Licenses and Registration.	$ 214,856	$ 214,855
E.4.1. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 68,500	$ 68,500
Total, Goal E: REGULATORY PROGRAMS	$ 5,150,374	$ 5,145,026
F. Goal: INDIRECT ADMINISTRATION AND SUPPORT		
F.1.1. Strategy: CENTRAL ADMINISTRATION	$ 8,767,955	$ 8,767,955
F.1.2. Strategy: INFORMATION RESOURCES	$ 26,113,131	$ 24,913,132
F.1.3. Strategy: REGIONAL ADMINISTRATION	$ 8,759,283	$ 8,759,283
F.1.4. Strategy: COMMUNICATIONS SERVICE	$ 8,760,356	$ 8,760,356
F.1.5. Strategy: CRIME RECORDS	$ 14,970,724	$ 14,957,477
F.1.6. Strategy: PHYSICAL PLANT	$ 32,003,658	$ 6,271,928
F.1.7. Strategy: TRAINING ACADEMY EDUCATION COURSES	$ 1,870,007	$ 1,870,007
F.1.8. Strategy: RECRUIT SCHOOLS	$ 1,559,049	$ 1,559,049
F.1.9. Strategy: FLEET OPERATIONS	$ 2,153,250	$ 2,153,250
F.1.10. Strategy: AIRCRAFT OPERATIONS	$ 2,985,156	$ 3,368,331
F.1.11. Strategy: OTHER SUPPORT SERVICES	$ 3,718,704	$ 3,718,703
Total, Goal F: INDIRECT ADMINISTRATION AND SUPPORT	$ 111,661,273	$ 85,099,471
Grand Total, DEPARTMENT OF PUBLIC SAFETY	$ 464,264,907	$ 431,467,977
Supplemental Appropriations Made in Riders:	$ 3,562,771	$ 1,961,007
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 279,819,076	$ 280,789,005
Other Personnel Costs	6,228,902	6,229,826
Professional Fees and Services	10,346,541	11,815,491
Fuels and Lubricants	8,029,517	8,050,408
Consumable Supplies	8,397,114	8,787,985
Utilities	5,333,964	5,347,811
Travel	3,887,421	3,884,842
Rent - Building	2,607,918	2,608,918
Rent - Machine and Other	954,714	954,762
Debt Service	1,686,479	1,725,702

Other Operating Expense	58,414,407	58,059,022
Grants	6,393,637	6,393,637
Capital Expenditures	75,727,988	38,781,575
Total, Object-of-Expense Informational Listing	$ 467,827,678	$ 433,428,984
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 16,384,627	$ 16,712,319
Group Insurance	56,724,422	61,351,822
Social Security	22,907,093	23,365,237
Benefits Replacement	3,433,941	3,262,241
Subtotal, Employee Benefits	$ 99,450,083	$ 104,691,619
Debt Service		
Bond Debt Service	$ 1,942,934	$ 1,915,917
Lease Payments	103,156	96,829
Subtotal, Debt Service	$ 2,046,090	$ 2,012,746
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 101,496,173	$ 106,704,365

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Public Safety. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Department of Public Safety. In order to achieve the objectives and service standards established by this Act, the Department of Public Safety shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: LAW ENFORCEMENT ON HIGHWAYS		
Outcome (Results/Impact):		
Annual Texas Rural Traffic Death Rate	2.8	2.8
A.1.1. Strategy: HIGHWAY PATROL		
Output (Volume):		
Traffic Law Violator Contacts	2,500,000	2,500,000
A.1.2. Strategy: COMMERCIAL VEHICLE ENFORCEMENT		
Output (Volume):		
Commercial Traffic Law Violator Contacts	1,500,000	1,500,000
A.1.4. Strategy: BREATH AND BLOOD TESTING		
Output (Volume):		
Number of Breath Alcohol Tests Supervised	46,600	46,600
B. Goal: DRIVER SAFETY AND RECORDS		
B.1.1. Strategy: DRIVER LICENSE AND RECORDS		
Output (Volume):		
Number of Examinations Administered	6,300,000	6,300,000
B.1.3. Strategy: TRAFFIC ACCIDENT RECORDS		
Output (Volume):		
Number of Accident Reports Processed	700,000	700,000
C. Goal: PREVENT AND DETECT CRIME		
Outcome (Results/Impact):		
Annual Texas Index Crime Rate	5,200	5,200
C.1.1. Strategy: NARCOTICS ENFORCEMENT		
Output (Volume):		
Number of Arrests for Narcotics Violations	2,800	2,800
C.1.2. Strategy: VEHICLE THEFT ENFORCEMENT		
Output (Volume):		
Number of Arrests for Motor Vehicle Theft	1,200	1,200
C.1.3. Strategy: SPECIAL CRIMES		
Output (Volume):		
Number of Special Crimes Arrests	2,175	2,175
C.1.4. Strategy: TEXAS RANGERS		
Output (Volume):		
Number of Arrests	1,800	1,800

C.1.6. Strategy: CRIME LABS		
Output (Volume):		
Number of Drug Cases Examined	47,000	47,000
D. Goal: EMERGENCY MANAGEMENT		
Outcome (Results/Impact):		
Percentage of Local Governments Achieving an Acceptable or Greater Level of Emergency Preparedness	30%	30%
D.1.2. Strategy: RESPONSE COORDINATION		
Output (Volume):		
Number of Emergency Incidents Coordinated	2,000	2,000
D.1.3. Strategy: DISASTER RECOVERY		
Output (Volume):		
Number of Counties Provided Disaster Financial Assistance	90	90
E. Goal: REGULATORY PROGRAMS		
Outcome (Results/Impact):		
Percent of Polygraph Licensees with No Recent Violations	99%	99%
Percent of Private Security Board Documented Complaints Resolved within Six Months	99%	99%
Percent of Private Security Board Licensees with No Recent Violations	99%	99%
E.1.1. Strategy: CONCEALED HANDGUNS		
Output (Volume):		
Number of Original Handgun Licenses Issued	28,000	28,000
Number of Renewal Handgun Licenses Issued	34,000	40,000
E.2.1. Strategy: POLYGRAPH EXAMINERS BOARD		
Output (Volume):		
Number of Examination Sessions Conducted	6	6
E.3.1. Strategy: PSB INVESTIGATIONS		
Output (Volume):		
Number of Investigations Conducted	12,900	12,900
Efficiencies:		
Average Time for Case Resolution	32	32
Average Cost Per Case Resolved	34.85	34.85
E.3.2. Strategy: PSB ENFORCEMENT		
Efficiencies:		
Average Cost Per Disciplinary Action	383.25	383.25
E.3.3. Strategy: PSB LICENSES AND REGISTRATION		
Output (Volume):		
Number of New Licenses Issued to Individuals	19,000	19,000
Efficiencies:		
Average Licensing Cost Per Individual License Issued	6.37	6.37

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to Government Code § 1232.103.

	2006	2007
a. Construction of Buildings and Facilities		
(1) Building Program	$ 25,745,577	$ UB
b. Repair or Rehabilitation of Buildings and Facilities	1,125,000	1,125,000
c. Acquisition of Information Resource Technologies		
(1) Lease Payments (MLPP) for 1998-99 NCIC/TLETS Upgrade	2,248,638	2,300,936
(2) AFIS/Image Archive Enhancements	2,296,250	2,296,250
(3) Driver License Reengineering	10,932,143	2,381,690
(4) Computer Equipment Replacement	5,171,850	3,971,850
(5) Other Information Resource Projects	2,730,825	2,985,237
Total, Acquisition of Information Resource Technologies	$ 23,379,706	$ 13,935,963
d. Transportation Items (Approximately 1,677 vehicles)	16,664,538	16,664,538

e. Acquisition of Capital Equipment and Items		
(1) Radios	2,000,000	2,000,000
(2) Other Capital Equipment and Items	2,630,280	2,471,610
Total, Acquisition of Capital Equipment and Items	$ 4,630,280	$ 4,471,610
Total, Capital Budget	$ 71,545,101	$ 36,197,111
Method of Financing (Capital Budget):		
State Highway Fund No. 006	$ 45,799,524	$ 36,197,111
Bond Proceeds - General Obligation Bonds	25,745,577	UB
Total, Method of Financing	$ 71,545,101	$ 36,197,111

3. Additional Capital Budget Authority. In addition to the provisions of Rider 2, Capital Budget, the Department of Public Safety is authorized to make the following capital purchases at the following amounts from federal funds appropriated by this Act:

	2006	2007
a. Replacement Aircraft and Helicopter	$ 2,656,193	$ UB
Total, Additional Capital Budget	$ 2,656,193	$ UB

4. Marked Vehicles. None of the funds appropriated hereinabove may be expended for the salaries of personnel operating motor vehicles used to stop and actually arrest offenders of highway speed laws unless such vehicles are black, white, or a combination thereof and plainly marked with the department's insignia.

5. Restriction of Vehicle Use. Notwithstanding the provisions of Article IX of this Act, the Department of Public Safety may certify no more than 15 exceptions to the prohibition related to use of a state car for commuting to and from work.

6. Emergency Calls. The department shall maintain for each fiscal year, the number of times supervisory officers above the rank of lieutenant respond to emergency calls requiring departure from the officer's private residence or from the office. This information shall contain specific references as to the nature of each emergency.

7. Aircraft Authority. The Department of Public Safety is authorized to purchase, own, maintain, and operate helicopters in performance of its responsibilities. The department may purchase additional aircraft through seized funds. In addition to authority to purchase, own, maintain, and operate aircraft, the department is authorized to own, maintain, and operate any aircraft seized pursuant to authority contained in Chapter 481, Health and Safety Code, Chapter 59, Code of Criminal Procedure or under any other statute authorizing the department to own, maintain, or operate seized aircraft. The department is directed to submit, as part of its Annual Report, details on the acquisition and disposition of seized aircraft.

8. Aviator Reimbursement. From the amounts appropriated above, an amount not to exceed $10,000 each fiscal year of the biennium may be used for reimbursement of costs related to aviator assistance to state agencies, such as search and rescue or disaster-related functions. Reimbursements may include actual costs of aircraft operation including fuel, oil, maintenance and routine costs incurred by trained and certified private volunteer aviators using privately owned aircraft in state-authorized flight operations and training exercises associated with disaster-related activities. The reimbursement shall not exceed the rate approved by the state per flying hour, when such aircraft costs are not reimbursable by other governmental agencies in accordance with Chapter 418, Government Code.

9. Seized Assets Report. The Department of Public Safety shall file with the Governor and the Legislative Budget Board, no later than the first Friday of October of each year and in a manner approved by the State Auditor's Office, a report disclosing information on seized/forfeited assets. The report shall contain a summary of receipts, disbursements, and fund balances for the fiscal year derived from both federal and state sources and supporting detail. The detail information shall, at a minimum, include the following:

a. Regarding receipts: the court in which the case was adjudicated, the nature of the assets, the value of the assets, and the specific, intended use of the assets; and

b. Regarding disbursements: the departmental control number, the departmental category, the division making the request, the specific item and amount requested, the amount the department approved, and the actual amount expended per item.

10. Disposition of Seized Funds. The Department of Public Safety is hereby directed to deposit all funds currently held, or obtained in the future pursuant to seizure actions or judicial forfeiture according to rules and procedures developed by the Comptroller of Public Accounts. The department shall cooperate with the Comptroller of Public Accounts in developing agreements and procedures for the deposit of seized state funds in accounts in the State Treasury.

11. Controlled Substances. Included in the amounts appropriated above in Strategy C.1.1, Narcotics Enforcement, is $6.5 million in fiscal year 2006 and $7.6 million in fiscal year 2007 from Federal Funds. All revenues in excess of these amounts collected under federal forfeiture programs are hereby appropriated to the Department of Public Safety to be used for law enforcement purposes (estimated to be $0). Any funds unexpended at the close of each fiscal year are appropriated for the following year. Funding priority shall be given to the purchase of new equipment for field employees.

12. Witness Fees. From the appropriations made herein, the Department of Public Safety may pay the witness fees and travel expenses of out-of-state witnesses, subject to the advance, written approval of the District Attorney for the county having venue over the law violation under investigation.

13. Purchase of Evidence. From the amounts appropriated above to the Department of Public Safety, an amount not to exceed one million dollars ($1,000,000) each fiscal year of the biennium, exclusive of amounts forfeited to the Department of Public Safety by any court of competent jurisdiction and amounts received from the United States government derived from the forfeiture of monies and property, is hereby designated for the purchase of evidence and/or information and surveillance expenses deemed necessary by the Department of Public Safety; and accountability for expenditures as set forth above shall be governed by such rules and regulations as the director of the Department of Public Safety may recommend, subject to review and approval by the State Auditor. Such amounts may be maintained in cash to facilitate the purchase of evidence, information and/or surveillance expense.

14. Academy Costs. The Department of Public Safety (DPS) may charge employees and students of the DPS Academy for tuition, lodging, and meals at such prices as may be set by the department. Such funds as received are hereby appropriated to cover the expenses entailed in providing such students and employees their lodging, meals, incidental expenses, and to pay visiting instructors.

15. Medical and Funeral Costs. Monies appropriated above may be expended for drugs, medical, hospital, laboratory and funeral costs of law enforcement employees or other employees performing duties involving unusual risk when injury or death occurs in the performance of such duties. It is the intent of the Legislature that monies appropriated above shall not be expended for drugs, medical, hospital, laboratory or funeral costs of employees who are not actively engaged in the performance of law enforcement or other hazardous duties or of law enforcement employees when injury or death occurs in the performance of clerical or office duties as distinguished from law enforcement or other duties involving unusual risk. Monies appropriated above may also be expended for physical examinations and testing when such examinations and tests are a condition of employment or exposure to infectious diseases or hazardous materials occurs in the line of duty.

16. Authorization of Funeral Travel Reimbursement. The Department of Public Safety may reimburse a commissioned peace officer or communications officer in its employ the costs for lodging, transportation and meals, in accordance with Article IX travel regulations of this Act, when such travel is for the purpose of representing the department at the funeral of a fallen peace officer. The reimbursement authorized by this provision applies to out-of-state, as well as, in-state travel. It is the intent of the Legislature that the department send only a small delegation to any single out-of-state funeral.

17. Moving Expenses. Notwithstanding any other provision of this Act, and with the approval of the Director, the department may use appropriated funds to pay the reasonable, necessary, and resulting costs of moving the household goods and effects of a commissioned peace officer employed by the department who is transferred from one designated headquarters to another so long as the department determines that the best interests of the State will be served by such transfer.

18. Travel for Security Personnel. Notwithstanding other provisions of this Act, commissioned Department of Public Safety personnel when transporting and providing security for the Governor or Governor-elect and his or her spouse and immediate family; other members of the executive, legislative, and judicial branches of state government; and visiting governors from other states when assigned, shall be reimbursed for their actual meals, lodging and incidental expenses when on official travel in or out of the state.

19. Historical Museum. The Department of Public Safety is authorized to allow the Department of Public Safety Historical Museum to utilize department property for the purpose of a historical museum. No state funds are appropriated for this purpose.

20. Polygraph Examinations. None of the funds appropriated to the Department of Public Safety may be expended for polygraph testing of commissioned law enforcement officers of the Department of Public Safety, unless requested by the officer.

21. Stranded Motorist Assistance. The Department of Public Safety is designated as the lead state agency to help motorists whose vehicles are disabled on state and federal roads. The department shall obtain the cooperation of all relevant state agencies, especially the Texas Department of Transportation, and coordinate its efforts with all local law enforcement agencies and interested private businesses. As part of this initiative, the Department of Public Safety shall establish and publicize a toll free number and a universal distress signal for motorists that are in need of assistance.

22. Supply and Inventory Cost Allocation. The Department of Public Safety is hereby authorized to establish a supply and inventory cost pool to which appropriations may be transferred from any strategy item. These transfers shall be restricted to the purchase of supplies and inventory items. Expenditures from the cost pool shall be allocated back to the applicable strategies of the Department of Public Safety within 30 days following the close of each fiscal quarter.

23. Criminal History Checks to Specified Licensing Agencies. The Department of Public Safety shall provide to the agencies listed in §60.061, Code of Criminal Procedure, a system for checking at least annually, but not more than quarterly, or as otherwise provided by §60.061, the existing licensees of these agencies against information in criminal history files. The Department of Public Safety may not charge or assess a fee to an agency providing information to the department that is in excess of the actual direct cost incurred by the department.

24. Appropriations of Receipts - Parking Violation Revenues. The Department of Public Safety shall collect a $10.00 fine for all parking violations in the Capitol Complex. All revenue received from parking violations shall be deposited to the General Revenue Fund and is hereby appropriated for use by the Department of Public Safety for Capitol Police Security and parking for the 2006-07 biennium (estimated to be $141,000 annually included in the amounts appropriated above). All revenues collected from parking meters in the Capitol Complex are hereby appropriated to the Preservation Board, or as otherwise specified by statute.

25. Contingency Appropriation Reduction. The funds appropriated above to the department are hereby reduced by an equal amount from the General Revenue Fund, State Highway Fund 006, or a combination of the two funds in the event the Department of Public Safety expends any funds not authorized by the General Appropriations Act, any provision within this Act which places a limitation on expenditures, or an affirmative action by the Legislature.

26. Appropriation Transfers. Notwithstanding any other provision of this bill, the Department of Public Safety may not transfer funds between items of appropriation in excess of 25 percent and shall provide 45-days notification to the Governor and the Legislative Budget Board any time the department plans to transfer an amount of $100,000 or more between items of appropriation. No later than the first Friday of October of each year, the department shall report to the Governor and the Legislative Budget Board the total number and amount of transfers during the previous fiscal year. The report shall include the amount transferred, the strategies involved, and

justification for the transfer. In addition, the Department of Public Safety is hereby prohibited from transferring any and all appropriations from Strategy C.1.4. into any other strategies without consent of the Governor and the Legislative Budget Board.

27. Complex Crime Unit. From monies appropriated above, the Department of Public Safety shall maintain a Complex Crime Unit to investigate offenses involving theft or misapplication of government property, the investigation of which requires a level of expertise in disciplines such as accounting, computer technology, or another that is not readily available to local law enforcement agencies.

a. The total cost of assistance including administrative costs shall not exceed $500,000 in fiscal year 2006 and $500,000 in fiscal year 2007.

b. The director of the department shall employ commissioned peace officers and noncommissioned employees to perform duties required of the unit. To be eligible for employment by the Complex Crime Unit, a peace officer must have not less than four years of experience as a peace officer; and a degree from an accredited institution of higher education in law, accounting or computer science; or two or more years of experience in the investigation of complex criminal offenses or similar law. To be eligible for employment under this section, a noncommissioned employee must meet the experience, training, and educational qualifications set by the director as requirements for investigating or assisting in the investigation of a crime.

c. On the request of an attorney representing the state and with approval of the director, the Complex Crime Unit of the department may assist local law enforcement in the investigation of crime. On the request of the Governor and with the approval of the director, the Complex Crime Unit of the department may investigate a crime involving harm to the interests of a state agency.

28. Appropriations Limited to Revenue Collections: Automobile Emission Inspections. Included in amounts appropriated above in Strategy A.1.3, Vehicle Inspection Program, is $7,341,226 ($5,064,268 in State Highway Funds and $2,276,958 in General Revenue Funds) each fiscal year for the operation of the vehicle emissions inspection and maintenance program pursuant to § 382.037, Health and Safety Code, and Executive Order GWB96-1.

If additional counties are brought into the vehicle emissions inspection and maintenance program, 80 percent of revenues generated from the vehicle emissions and inspections fee in excess of the Comptroller's Biennial Revenue Estimate in each fiscal year 2006 and 2007 are hereby appropriated to the agency for the purpose of developing, administering, evaluating, and maintaining the vehicle emissions inspection and maintenance program in the additional counties. In addition, if additional counties are brought into the vehicle emissions inspection and maintenance program, the "Number of Full-Time-Equivalents (FTE)" is further increased by 15 for fiscal year 2006 and 15 for fiscal year 2007, to implement the program in the additional counties.

29. Clothing Provisions.

a. A commissioned officer who received a $1,200 clothing allowance pursuant to the General Appropriations Act during the 2004-05 biennium shall receive a $1,200 clothing allowance in the 2006-07 biennium.

b. A commissioned officer who received a $500 cleaning allowance pursuant to the General Appropriations Act for the 2004-05 biennium shall receive a $500 cleaning allowance in the 2006-07 biennium irrespective of promotion to any rank.

c. It is the intent of the Legislature that no person shall receive a $1,200 clothing allowance unless eligible in subsection (a).

d. An individual who is newly hired or newly commissioned after September 1, 1997, is eligible to receive a $500 cleaning allowance.

e. All noncommissioned personnel required to wear uniforms are entitled to a $500 cleaning allowance.

30. Recruit Schools. Recruits participating in the recruit school of the Department of Public Safety shall not be counted toward the limit on the number of full-time-equivalent positions (FTEs) for the agency until their graduation. Upon graduation, the additional officers shall not cause the department to exceed the department's limit on FTEs. The number of participants in the recruit schools shall be included in all required reports concerning FTEs and vacancies, but the recruits shall be reported as a separate total from the agency's other FTEs.

31. Training for Local Law Enforcement Agencies. The Department of Public Safety shall provide training to local law enforcement agencies and implement changes with the objective of enhancing participation.

32. Reporting Procedure for Land Acquisition and Construction Projects. The Department of Public Safety shall report to the Governor, the House Appropriations Committee, the Senate Finance Committee and the Legislative Budget Board if a department project managed by the Building and Procurement Commission and funded through appropriations by the Legislature lags six months or more behind the project's original timeline and/or exceeds the original budget by more than 25 percent. Reports should not include delays or cost overruns caused by acts of nature or other factors outside the control of the Building and Procurement Commission.

33. Hardship Stations. Out of funds appropriated above, the Department of Public Safety is authorized to designate 40 hardship stations across the state based on excessive vacancies in the Texas Highway Patrol Division. The department shall provide incentives to commissioned peace officers accepting positions at these posts.

34. Response to Bomb or Other Terrorist Threats in the Capitol Complex. The Department of Public Safety shall review the procedures for responding to a bomb or other terrorist threat in the Capitol Complex, determine what changes, if any, would ensure a more effective response to a threat and adopt necessary changes.

The Department of Public Safety shall also provide written procedures and guidance for responding to a bomb or other terroristic threat to each agency director in the Capitol Complex as well as any individual in charge of risk management for such agency.

35. Security Services in the Capitol Complex. The Department of Public Safety shall periodically review the security services provided by each law enforcement agency or security agency in the Capitol Complex (including the law enforcement services provided by the Internal Investigations Division of the Office of the Attorney General in the Capitol Complex) and adopt rules to coordinate these services and insure maximum effectiveness. The review and adopted rules should aim to eliminate any duplication of services.

36. Contingency Personnel, DNA Analyses. Contingent on the receipt of federal funds for DNA analyses or DNA backlog elimination purposes in an amount sufficient to cover the costs related to the additional personnel authorized by this rider, the "Number of Full-Time-Equivalents (FTE)" figure indicated above is hereby increased by 12 each fiscal year. Seven of these authorized FTEs are to be assigned to the department's primary DNA facility, while the remaining five are to be assigned to field laboratories.

37. Authorized Trooper Strength. From funds appropriated, the Department of Public Safety shall maintain the number of highway patrol trooper positions at no less than 1,873.

38. Contingency Personnel, North Texas Tollway Authority Contract. The department is authorized 25 highway patrol service positions upon entering into an interlocal cooperation contract with the North Texas Tollway Authority to police the Dallas North Tollway Systems. The "Number of Full-Time-Equivalents (FTE)" figure indicated above is hereby increased by eight each fiscal year. The eight FTEs authorized by this rider may not be added until the department reaches the number of troopers patrolling Texas highways in accordance with the goals as outlined in Rider Number 37, Authorized Trooper Strength.

The contract shall include salaries, retirement, group insurance, auto operation costs, operational expenses, and amortization of equipment, including, but not limited to, vehicles. The expenses to be covered must also include expenses related to radio communications, office space and furniture, printing, postage, personnel moving expenses, telephone services, patrol car equipment, and secretarial and clerical services. Upon termination of the contract, the department must notify the Governor, Legislative Budget Board, and the State Auditor's Office of the termination and phase out the additional FTEs.

39. Information Services. It is the intent of the Legislature that the Department of Public Safety utilize the State Data Center to the maximum extent possible.

40. Unsolved Crimes Investigation Team. Included in the amounts appropriated above in Strategy C.1.5, Unsolved Crimes Investigation, is $666,974 in fiscal year 2006 and $666,974 in fiscal year 2007 for the purpose of providing assistance to Texas law enforcement agencies with the investigation of unsolved murders and serial or linked criminal transactions. Also included above are 13 full-time-equivalent positions (FTEs) that are provided specifically for the staffing of the unsolved crimes investigation team with the intent that at least nine of the FTEs are commissioned personnel.

41. Appropriation: Unexpended Balance Authority Between Biennia. Any unexpended balances from appropriations for the Motor Vehicle Financial Responsibility Verification Program (House Bill 3588, Seventy-eighth Legislature, Regular Session, 2003, and House Bill 2, Seventy-eighth Legislature,Third Called Session, 2003) as of August 31, 2005, in Strategy B.1.2, Driver License Reengineering, are hereby appropriated for the same purpose for the biennium beginning September 1, 2005 (estimated to be $0).

42. Interagency Contract for Legal Services. Out of funds appropriated above, $1.3 million for the 2006-07 biennium is for an interagency contract with the Office of the Attorney General for legal services provided by the Office of the Attorney General to the Department of Public Safety. Any interagency contract funded by appropriated funds may not exceed reasonable attorney fees for similar legal services in the private sector, shall not jeopardize the ability of the Department of Public Safety to carry out its legislative mandates, and shall not affect the budget for the Department of Public Safety such that employees must be terminated in order to pay the amount of the interagency contract.

43. Polygraph Examiners Board. The Polygraph Examiners Board, Strategy E.2.1, is an agency of the State of Texas fully autonomous and independent of the Department of Public Safety pursuant to Occupations Code § 1703.001. The board is responsible for hiring an Executive Officer, and shall pay this exempt employee a salary in an amount not to exceed $46,000 per annum. The Executive Officer position is subject to Article IX provisions regarding Scheduled Exempt Positions. Board member per diem shall not exceed $4,200 per year.

Fee Rates

The Polygraph Examiners Board shall establish reasonable fees pursuant to Government Code § 316.043, to be effective during the biennium beginning on the effective date of this Act, not to exceed:

a. Polygraph Examiners License	$	500.00
b. Internship License Application Fee		300.00
c. Duplicate License		100.00
d. Renewal Fee for Examiners License		500.00
e. Extension or Renewal of an Internship License		150.00
f. Examination Fee		200.00
g. Late Fee		200.00

Assistance from the Department of Public Safety

The Department of Public Safety will be responsible for providing administrative support, as is necessary, to ensure that the Polygraph Examiners Board complete all written reports, including the legislative appropriations request, the strategic plan and the annual financial report, and all data entry into ABEST, USAS, and other state systems as is required of the Polygraph Examiners Board by statute or by oversight agency directives.

It is the intent of this rider that the Department of Public Safety assist the Polygraph Examiners Board in meeting the aforementioned requirements. The Executive Officer and staff of the Polygraph Examiners Board remain solely responsible for completing administrative tasks imposed by the Polygraph Examiners Board.

44. Appropriations Limited to Revenue Collections. It is the intent of the Legislature that fees and other miscellaneous revenues as authorized and generated by the Private Security Board cover, at a minimum, the cost of the appropriations made above in Strategies E.3.1, E.3.2, and E.3.3. as well as the "other direct and indirect costs" indicated above (the amounts are solely

related to the Private Security Board). In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above in Strategies E.3.1, E.3.2, and E.3.3. to be within the amount of revenue expected to be available.

45. Board Meetings at State Facilities. It is the intent of the Legislature that, in order to minimize cost, meetings of the Private Security Board be held only at state facilities in Austin, Texas.

46. Contract Reports. It is the intent of the Legislature that the Private Security Board provide the Governor and the Legislative Budget Board detailed information on all current contracts, and an annual report by November 30th of all contracts initiated during the previous fiscal year, in addition to other contract reporting requirements in statute.

47. Staffing Patterns - Private Security Board. It is the intent of the Legislature that the Private Security Board achieve greater compliance with the Private Security Act by strategically locating its investigators across the state to maximize the use of Department of Public Safety regional offices, minimize travel related costs and support/represent a significant number of companies and persons regulated in the region. None of the funds appropriated above shall be expended to maintain or support offices that are located in the homes of any employees.

48. Private Security Board Vehicles. The Department of Public Safety shall maintain a minimun fleet of five vehicles for the Private Security Board. The vehicles are to be maintained in accordance with the State Vehicle Fleet Management Plan. The vehicles are for the sole use of the Private Security Board and are intended for use by investigators and are prohibited for use for commuting to and from work.

49. Selective Traffic Enforcement Program. Funds appropriated above to Strategy A.1.1, Highway Patrol, include $10,000,000 in fiscal year 2006 and $10,000,000 in fiscal year 2007 from the State Highway Fund No. 006 and shall be used for the Selective Traffic Enforcement Program at the Department of Public Safety.

50. Appropriations Limited to Revenue Collections: Driver Responsibility Program. Included in the amounts appropriated above in Strategy B.1.1, Driver License and Records, pursuant to §780.002, Health and Safety Code, and estimated to be $764,000 in fiscal year 2006 and $1,168,000 in fiscal year 2007 from the General Revenue Fund, is one percent of the surcharges collected by the driver responsibility program. These funds are appropriated above for the administration of the driver responsibility program.

Also included in the amounts appropriated above in Strategy B.1.1, Driver License and Records, pursuant to §708.155, Transportation Code, are amounts collected in excess of surcharge amounts of the driver responsibility program as vendor base compensation and related costs for the collection of the surcharges. These amounts are estimated to be $3,055,000 in fiscal year 2006 and $4,671,000 in fiscal year 2007 from the General Revenue Fund. All funds collected for vendor base compensation and related costs shall be processed in accordance with procedures established by the Comptroller of Public Accounts. The amount of vendor compensation shall not exceed rates specified in statute.

51. Crash Records Information System. Included in the amounts appropriated above in Strategy B.1.4, Crash Records Information System, is $750,000 in fiscal year 2006 and $750,000 in fiscal year 2007 from the Department of Insurance Operating Fund, No. 36 for ongoing maintenance of the Crash Records Information System.

52. Physical Fitness Standards. Out of funds appropriated above, the Department of Public Safety shall develop criteria that include physical fitness and appearance standards that must be met prior to any commissioned peace officer receiving a pay increase or promotion as authorized by Article IX, Section 2.01, Salary Schedule C of this Act. It is the intent of the Legislature that these requirements become effective for commissioned peace officers promoted or authorized pay increases in Salary Schedule C after August 31, 2006.

53. Gasoline Contingency. In addition to funds appropriated above and contingent upon certification by the Comptroller of Public Accounts, the Department of Public Safety is hereby appropriated up to $40,000 per year from State Highway Fund No. 006 for each cent increase in the average gasoline cost per gallon to the department above $1.38 per gallon (estimated to be

$40,000 in fiscal year 2006 and $40,000 in fiscal year 2007 from the State Highway Fund No. 006). The level of appropriation described above is to be prorated based on the number of months remaining in the fiscal year from the date of certification by the Comptroller of Public Accounts.

54. Transfer of Vehicles to Walker County. The Department of Public Safety shall transfer five vehicles to Walker County. Three of these vehicles shall have mileage not to exceed 80,000, while the remaining two vehicles shall be newly purchased by the department out of funds appropriated above in Goal A, Law Enforcement on Highways. The vehicles transferred from the Department of Public Safety are for the sole use of the Special Prosecution Unit, Criminal Division.

55. Texas Rangers Construction Project. Included in the amounts appropriated above in Strategy F.1.6, Physical Plant, is $2,100,000 in fiscal year 2006 in General Obligation Bond Proceeds for the construction of a new Texas Rangers headquarters as well as a public room for viewing Ranger memorabilia in Waco, Texas. It is the intent of the Legislature that the Department of Public Safety contract with the City of Waco for architecture and programming.

56. Emergency Vehicle Operations Course Study. From funds appropriated above, the Department of Public Safety shall develop a feasibility study and implementation plan for the development of an emergency vehicle operations course. The feasibility study and implementation plan shall include an assessment of the need for the course and a detailed analysis of costs. By January 1, 2007, the department shall report to the Governor and the Legislative Budget Board the results of the study and implementation plan.

57. Additional Capital Budget - Helicopter. In addition to the provisions of Rider 3, Additional Capital Budget Authority, the Department of Public Safety is authorized to make the capital purchase of one additional helicopter in the amount of $2,406,193 to be stationed in San Antonio utilizing seized funds. The Department is also authorized two additional pilot investigator positions. The "Number of Full-Time-Equivalent Positions (FTE)" indicated above is hereby increased by two. The Department is hereby appropriated $397,226 for fiscal year 2006 and $301,226 for fiscal year 2007 for the additional FTE positions, capital, and operating costs from the State Highway Fund No. 006.

58. Driver's License Office. Included in the amounts appropriated above is $9,900 in General Revenue Funds for the state fiscal year beginning September 1, 2005, and $9,900 in General Revenue Funds for the state fiscal year beginning September 1, 2006, for the Department of Public Safety of the State of Texas to pay rent for the driver's license office in Katy.

59. Contingency Appropriation for House Bill 2303. Contingent upon the enactment of House Bill 2303 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to the administration of the Private Security Act including increased fees, the Department of Public Safety is appropriated any revenue generated from increased private security fees in excess of the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007 up to $3,125,545 in fiscal year 2006 and $1,619,781 in fiscal year 2007 in General Revenue Funds. This appropriation is contingent on the Department of Public Safety providing such information deemed necessary by the Comptroller of Public Accounts to issue a finding of fact that the increased revenues are estimated to be available in excess of the Comptroller's Biennial Revenue Estimate, including supplemental estimates used in certifying this Act, to fund the increased appropriations. Also contingent on the passage of such legislation, the "Number of Full-Time-Equivalents (FTE)" indicated above is hereby increased by 39 in fiscal year 2006 and 39 in fiscal year 2007.

YOUTH COMMISSION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 211,901,185	$ 214,998,181
Earned Federal Funds	85,000	85,000
Subtotal, General Revenue Fund	$ 211,986,185	$ 215,083,181
Federal Funds	14,559,992	14,559,992
Other Funds		
Appropriated Receipts	836,176	735,741
Interagency Contracts	1,172,250	1,172,250
Bond Proceeds - General Obligation Bonds	10,656,804	UB
Interagency Contracts - Transfer from Foundation School Fund No. 193	9,811,899	9,811,899
Subtotal, Other Funds	$ 22,477,129	$ 11,719,890
Total, Method of Financing	$ 249,023,306	$ 241,363,063
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	4,959.0	4,959.0
Schedule of Exempt Positions:		
Executive Director, Group 5	$125,000	$125,000
Per Diem of Board Members	3,600	3,600
Items of Appropriation:		
A. Goal: PROTECT PUBLIC		
Protect Public and Provide for TYC Youth while in Residential Care.		
A.1.1. Strategy: ASSESSMENT AND ORIENTATION Assess & Orient Youth for Appropriate Treatment and Placement.	$ 3,235,802	$ 3,236,729
A.1.2. Strategy: INSTITUTIONAL SERVICES Provide TYC-operated Secure Correctional Programs.	$ 122,955,956	$ 122,966,343
A.1.3. Strategy: CONTRACTED CAPACITY Provide Additional Secure and Nonsecure Residential Capacity.	$ 17,227,814	$ 19,676,025
A.1.4. Strategy: HALFWAY HOUSE SERVICES Provide TYC-operated Nonsecure Correctional Programs.	$ 7,460,701	$ 7,460,701
A.1.5. Strategy: HEALTH CARE SERVICES Provide a System of Health Care.	$ 12,658,008	$ 12,845,310
A.1.6. Strategy: PSYCHIATRIC SERVICES Provide a System of Psychiatric Services.	$ 1,666,089	$ 1,690,742
A.1.7. Strategy: CONSTRUCT AND RENOVATE FACILITIES Construct & Renovate TYC Facilities for Sufficient Capacity.	$ 10,656,804	$ UB
Total, Goal A: PROTECT PUBLIC	$ 175,861,174	$ 167,875,850
B. Goal: ENABLE PRODUCTIVITY		
Enable TYC Youth to Become Productive and Responsible Citizens.		
B.1.1. Strategy: EDUCATION AND WORKFORCE PROGRAMS Provide Academic, GED, and Workforce Preparation Programs.	$ 31,799,357	$ 31,799,357
C. Goal: PROVIDE REHABILITATION		
Reduce Delinquent and Criminal Behavior of Youth Released from TYC.		
C.1.1. Strategy: CORRECTIONAL TREATMENT Provide Correctional Treatment Programs.	$ 15,422,407	$ 15,683,744

C.1.2. Strategy: SPECIALIZED CORRECTIONAL TREATMENT Trtmnt for Capital/Sex Crimes, Drug Abuse, Emotional & Mental Problems.	$ 5,385,490	$ 5,385,488
C.1.3. Strategy: PAROLE SERVICES Provide a System of Parole Services.	$ 9,423,420	$ 9,487,168
C.1.4. Strategy: INTERSTATE AGREEMENT Interstate Agreement on Supvsn of Runaways, Probationers, and Parolees.	$ 232,250	$ 232,250
Total, Goal C: PROVIDE REHABILITATION	$ 30,463,567	$ 30,788,650
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: CENTRAL ADMINISTRATION	$ 6,035,164	$ 6,035,163
D.1.2. Strategy: INFORMATION RESOURCES	$ 3,416,663	$ 3,416,663
D.1.3. Strategy: OTHER SUPPORT SERVICES	$ 1,447,381	$ 1,447,380
Total, Goal D: INDIRECT ADMINISTRATION	$ 10,899,208	$ 10,899,206
Grand Total, YOUTH COMMISSION	$ 249,023,306	$ 241,363,063
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 156,715,983	$ 156,752,197
Other Personnel Costs	3,541,902	3,541,902
Professional Fees and Services	18,400,503	17,152,468
Fuels and Lubricants	408,500	408,500
Consumable Supplies	2,412,610	2,412,610
Utilities	5,401,941	5,443,291
Travel	1,615,730	1,615,730
Rent - Building	1,770,906	1,770,906
Rent - Machine and Other	818,562	818,562
Other Operating Expense	39,470,850	42,075,668
Client Services	3,767,326	3,767,326
Food for Persons - Wards of State	3,544,370	3,544,370
Capital Expenditures	11,154,123	2,059,533
Total, Object-of-Expense Informational Listing	$ 249,023,306	$ 241,363,063
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 9,091,199	$ 9,273,023
Group Insurance	27,449,772	29,443,690
Social Security	12,197,425	12,441,373
Benefits Replacement	998,965	949,016
Subtotal, Employee Benefits	$ 49,737,361	$ 52,107,102
Debt Service		
Bond Debt Service	$ 17,887,201	$ 18,114,724
Lease Payments	948,378	947,573
Subtotal, Debt Service	$ 18,835,579	$ 19,062,297
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 68,572,940	$ 71,169,399

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Youth Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Youth Commission. In order to achieve the objectives and service standards established by this Act, the Youth Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: PROTECT PUBLIC		
Outcome (Results/Impact):		
Turnover Rate of Juvenile Correctional Officers	25%	25%

A.1.1. Strategy: ASSESSMENT AND ORIENTATION		
Output (Volume):		
Average Daily Population: Assessment and Orientation	436	436
A.1.2. Strategy: INSTITUTIONAL SERVICES		
Output (Volume):		
Average Daily Population: Institutional Programs	4,244	4,244
Efficiencies:		
Capacity Cost in Institutional Programs Per Youth Day	79.37	79.38
A.1.3. Strategy: CONTRACTED CAPACITY		
Output (Volume):		
Average Daily Population: Contract Programs	539	613
Efficiencies:		
Capacity Cost in Contract Programs Per Youth Day	87.57	87.94
A.1.4. Strategy: HALFWAY HOUSE SERVICES		
Output (Volume):		
Average Daily Population: Halfway House Programs	218	218
Efficiencies:		
Capacity Cost in Halfway Houses Per Youth Day	93.76	93.76
A.1.5. Strategy: HEALTH CARE SERVICES		
Efficiencies:		
Cost of Health Care Services Per Youth Day	6.93	6.93
A.1.6. Strategy: PSYCHIATRIC SERVICES		
Efficiencies:		
Cost of Psychiatric Care Services Per Youth Day	.91	.91
B. Goal: ENABLE PRODUCTIVITY		
Outcome (Results/Impact):		
Diploma or GED Rate (TYC-operated Schools)	49%	49%
Percent Reading at Grade Level at Release	19%	19%
B.1.1. Strategy: EDUCATION AND WORKFORCE PROGRAMS		
Output (Volume):		
Average Daily Attendance in TYC-operated Schools	4,018	4,018
Percent of Math Level Gain	67%	71%
Percent of Reading Level Gain	69%	71%
Average Daily Attendance in Career and Technology Education Courses	1,943	1,986
C. Goal: PROVIDE REHABILITATION		
Outcome (Results/Impact):		
One-year Rearrest Rate	54%	54%
One-year Rearrest Rate for Violent Offenses	8.6%	8.6%
One-year Reincarceration Rate: Total	26%	26%
Three-year Reincarceration Rate: Total	48%	48%
C.1.1. Strategy: CORRECTIONAL TREATMENT		
Output (Volume):		
Average Daily Population: Correctional Treatment	4,367	4,441
Efficiencies:		
Correctional Treatment Cost Per Youth Day	9.68	9.68
C.1.2. Strategy: SPECIALIZED CORRECTIONAL TREATMENT		
Output (Volume):		
Average Daily Population: Specialized Correctional Treatment	998	998
Efficiencies:		
Specialized Correctional Treatment Cost Per Youth Day	14.78	14.78
C.1.3. Strategy: PAROLE SERVICES		
Output (Volume):		
Average Daily Population: Parole	2,882	2,943
Efficiencies:		
Parole Cost Per Youth Day	8.96	8.83

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2006	2007
a. Construction of Buildings and Facilities		
(1) Education Building at Evins Regional Juvenile Center	$ 224,594	$ UB

b. Repair or Rehabilitation of Buildings and Facilities		
(1) Utility, Road and Site Work	2,699,564	UB
(2) Roof Repairs and Replacements	2,804,395	UB
(3) Rehabilitate Buildings and Systems	4,928,251	UB
Total, Repair or Rehabilitation of Buildings and Facilities	$ 10,432,210	$ UB
c. Acquisition of Information Resource Technologies		
(1) Computer Workstation and Infrastructure Equipment Replacement - Business	655,500	655,500
(2) Computer Workstation and Infrastructure Equipment Replacement - Education	716,472	716,472
Total, Acquisition of Information Resource Technologies	$ 1,371,972	$ 1,371,972
d. Transportation Items		
(1) Vehicle Replacement (30 Cargo/Passenger Vans)	272,100	272,100
e. Acquisition of Capital Equipment and Items		
(1) Radio System Upgrade - Phase II	1,173,709	1,275,933
Total, Capital Budget	$ 13,474,585	$ 2,920,005
Method of Financing (Capital Budget):		
General Revenue Fund	$ 2,101,309	$ 2,203,533
Federal Funds	716,472	716,472
Bond Proceeds - General Obligation Bonds	10,656,804	UB
Total, Method of Financing	$ 13,474,585	$ 2,920,005

3. **Interagency Contract Authorized, West Texas State School.** The Texas Youth Commission is authorized to lease from The University of Texas, for a term of years and upon conditions that are mutually agreeable to the Texas Youth Commission and The University of Texas, under authority of the Interagency Cooperation Act, certain facilities situated at Pyote Air Force Base, in Ward County, Texas (same being located in Block 16, University Lands). The Texas Youth Commission is authorized to pay to The University of Texas as rental for such a lease a sum not to exceed $3,000 per year.

4. **Appropriation of Other Agency Funds.** Any unexpended balances remaining in Independent School District Funds (not to exceed $155,000 and included in the amounts above), the Student Benefit Fund (not to exceed $250,000 and included in the amounts above), the Canteen Revolving Funds (not to exceed $7,500 and included in the amounts above), and the Conference Account (not to exceed $3,500 and included in the amounts above), any gifts, grants, and donations as of August 31, 2005, and August 31, 2006 (estimated to be $247,000 per year and included in the amounts above), and any revenues accruing to those funds are appropriated to those funds for the succeeding fiscal years. Funds collected by vocational training shops at Texas Youth Commission institutions, including unexpended balances as of August 31, 2005 (not to exceed $35,000 and included in the amounts above), are hereby appropriated for the purpose of purchasing and maintaining parts, tools, and other supplies necessary for the operation of those shops. Funds collected for the sale or license of a treatment program, including unexpended balances from August 31, 2005, and August 31, 2006 (estimated to be $125,435 in fiscal year 2006 and $25,000 in fiscal year 2007 and included in the amounts above), shall be appropriated for the purpose of training and development related to the program.

5. **Revolving Funds.** The Texas Youth Commission may establish out of any funds appropriated herein a revolving fund not to exceed $10,000 in the Central Office, and $10,000 in each institution, field office, or facility under its direction. Payments from these revolving funds may be made as directed by the commission. Reimbursement to such revolving funds shall be made out of appropriations provided for in this Article.

6. **Student Employment.** Subject to the approval of the Texas Youth Commission, students residing in any Texas Youth Commission facility may be assigned necessary duties in the operations of the facility and be paid on a limited basis out of any funds available to the respective institutions or facility not to exceed $50,000 a year for each institution and $10,000 a year for any other facility.

7. **Support Payment Collections.** The Texas Youth Commission shall annually report to the Governor and to the Legislative Budget Board the number of active accounts, including the amounts owed to the state pursuant to the Texas Family Code, § 54.06(a) court orders, and the total amount of funds collected.

8. **Federal Foster Care Claims.** Within the appropriations made above, the Texas Department of Family and Protective Services, the Texas Youth Commission, and the Texas Juvenile Probation Commission shall document possible foster care claims for children in juvenile justice programs and maintain an interagency agreement to implement strategies and responsibilities necessary to claim additional federal foster care funding; and consult with juvenile officials from other states and national experts in designing better foster care funding initiatives.

9. **Employee Medical Care.** Appropriations made in this Act for the Texas Youth Commission not otherwise restricted in use may also be expended to provide medical attention by medical staff and infirmaries at Texas Youth Commission facilities, or to pay necessary medical expenses, including the cost of broken eyeglasses and other health aids, for employees injured while performing the duties of any hazardous position which is not reimbursed by workers' compensation and/or employees' state insurance. For the purpose of this section, "hazardous position" shall mean one for which the regular and normal duties inherently involve the risk or peril of bodily injury or harm. Appropriations made in this Act not otherwise restricted in use may also be expended for medical tests and procedures on employees that are required by federal or state law or regulations when the tests or procedures are required as a result of the employee's job assignment or when considered necessary due to potential or existing litigation.

10. **Fire Prevention and Safety.** In instances in which regular employees of facilities operated by the Texas Youth Commission are assigned extra duties on fire prevention teams or on special tactics and response teams, supplementary payments, not to exceed $125 per month for team leaders and $100 per month for team members, are authorized in addition to the salary rates stipulated by the provisions of Article IX of this Act relating to the position classifications and assigned salary ranges.

11. **Charges to Employees and Guests.**

    a. Collections for services rendered Texas Youth Commission employees and guests shall be made by a deduction from the recipient's salary or by cash payment in advance. Such deductions and other receipts for these services from employees and guests are hereby appropriated to the facility. Refunds of excess collections shall be made from the appropriation to which the collection was deposited.

    b. As compensation for services rendered and notwithstanding any other provision in this Act, any facility under the jurisdiction of the Texas Youth Commission may provide free meals for food service personnel and volunteer workers and may furnish housing facilities, meals and laundry service in exchange for services rendered by interns, chaplains in training, and student nurses.

12. **Specialized Treatment Report.** The Texas Youth Commission shall, in its annual report, provide an assessment of the effectiveness of specialized treatment, emphasizing re-arrest rates of offenders receiving treatment.

13. **Salaries, Education Professionals.**

    a. Each principal, supervisor, and classroom teacher employed in an institution operated by the Texas Youth Commission shall receive a monthly salary to be computed as follows: The applicable monthly salary rate specified in § 21.402, Texas Education Code, as amended, shall be multiplied by ten to arrive at a ten month salary rate. Such rate shall be divided by the number of days required in §21.401, Texas Education Code, for 10-month employees, and the resulting daily rate shall be multiplied by the number of on-duty days required of Texas Youth Commission educators, resulting in the adjusted annual salary. The adjusted annual salary is to be divided by 12 to arrive at the monthly rate. Salary rates

for educational aides commencing employment before September 1, 1999, shall be calculated in the same manner, using 60 percent of the salary rate specified in § 21.402, Texas Education Code.

b. The Texas Youth Commission may authorize salary rates at amounts above the adjusted annual salary determined in the preceding formula, but such rates, including longevity for persons commencing employment on September 1, 1983, or thereafter, and excluding hazardous duty pay, shall never exceed the rates of pay for like positions paid in the public schools of the city in which the Texas Youth Commission institution is located. Any authorized local increments will be in addition to adjusted annual salaries.

c. There is hereby appropriated to the Texas Youth Commission from any unexpended balances on hand as of August 31, 2006, funds necessary to meet the requirements of this section in fiscal year 2007 in the event adjustments are made in the salary rates specified in the Texas Education Code or in salary rates paid by the public schools where Texas Youth Commission facilities are located.

14. State-owned Housing Authorized. As of September 1, 1998, the chief superintendent, assistant superintendent and the director of security are authorized to live in state-owned housing at a rate determined by the commission. Notwithstanding general provisions of this Act, commission employees first employed at the Sheffield Boot Camp and West Texas State School on or after September 1, 1999, are authorized to live in state-owned housing at the same rate as persons employed prior to September 1, 1999. Other commission employees may live in state-owned housing as set forth in Article IX, § 11.05, State Owned Housing - Recover Housing Costs, of this Act. Fees for employee housing are hereby appropriated to be used for maintaining employee housing.

15. Appropriation Transfers Between Fiscal Years. In addition to the transfer authority provided elsewhere in this Act, the Texas Youth Commission may transfer appropriations in an amount not to exceed $9.8 million made for fiscal year 2007 to fiscal year 2006 subject to the following conditions provided by this section:

a. Transfers under this section may be made only if (1) juvenile correctional populations exceed appropriated areas of daily population targets or (2) for any other emergency expenditure, including expenditures necessitated by public calamity.

b. A transfer authorized by this section must receive prior approval from the Governor and the Legislative Budget Board.

c. The Comptroller of Public Accounts shall cooperate as necessary to assist the completion of a transfer and spending under this section.

16. Project RIO. It is the intent of the Legislature that the Texas Workforce Commission, the Texas Department of Criminal Justice, and the Texas Youth Commission together enhance the effectiveness of Project RIO by improving cohesive program delivery among the three agencies. The agencies shall together develop and implement a biennial strategic plan for the implementation of a more cohesive and effective Project RIO program which will emphasize necessary skill development, rehabilitation, and appropriate assessment of the offender prior to release. Not later than March 1, 2006, the biennial strategic plan, jointly prepared by the three agencies, and including specific strategies, measures, timeframes for program improvement, and a methodology for program evaluation, shall be submitted to the Legislative Budget Board and the Governor. The Texas Workforce Commission shall maintain interagency contracts at $446,250 in each year of the biennium to the Texas Youth Commission to fund Project RIO. The agencies shall enter into interagency contracts for the 2006-07 biennium to include the reporting of performance levels.

17. Training for GED and Reading Skills. It is the intent of the Legislature that the Texas Youth Commission, to the extent possible, use funds appropriated above in Strategy B.1.1, Education and Workforce Programs, to prioritize reading at grade level and preparation for the GED in its educational program. A report containing statistical information regarding student performance on the Test of Adult Basic Education (TABE) shall be submitted to the Legislative Budget Board and the Governor on or before December 1, 2006.

18. Salary Adjustment Authorized. Notwithstanding other provisions of this Act, the Texas Youth Commission is authorized to adjust salaries of Juvenile Correctional Officers I, Juvenile Correctional Officers II, Juvenile Correctional Officers III, Juvenile Correctional Officers IV, Juvenile Correctional Officers V, and Juvenile Correctional Officers VI to rates within the designated salary group for the purpose of recruiting, employing and retaining career juvenile correctional personnel. Merit raises are prohibited for all Juvenile Correctional Officers who are receiving or are eligible to receive step adjustments in the career ladder system.

19. Human Resources Management Plan. From funds appropriated above, the Texas Youth Commission shall develop a Human Resources Management Plan designed to improve employee morale and retention. The plan must focus on reducing employee turnover through better management. The Texas Youth Commission shall report, by October 1 of each year of the biennium, to the Legislative Budget Board and the Governor the employee turnover rate, by job category, at the agency during the preceding fiscal year. The effectiveness of an agency's plan shall be measured by whether or not there is a reduction in annual employee turnover rates at the agency, specifically by the reduction in the turnover rates for juvenile correctional officers.

20. Unexpended Balances. Unobligated balances (estimated to be $799,054 in General Obligation Bonds and included in the amounts appropriated above) as of August 31, 2005, in appropriations made by House Bill 1, Acts of the Seventy-eighth Legislature, Regular Session, 2003, as identified in Article V, § 1, Capital Budget, and Senate Bill 1, Acts of the Seventy-seventh Legislature, Regular Session, 2001, as identified in Article V, § 1, Capital Budget, are appropriated for the identical purposes for the biennium beginning September 1, 2005.

21. Utilization of Existing Youth Commission Facilities. It is the intent of the Legislature for the Youth Commission (TYC) to utilize existing TYC facilities to the maximum extent possible without overcrowding. Appropriations included above in Strategy A.1.3, Contracted Capacity, may be used to contract for additional capacity for 350 beds in fiscal years 2006 and 2007 for specialized treatment services that cannot be provided within TYC institutions. Appropriations included above in Strategy A.1.3, Contracted Capacity, may be used to contract for beds in excess of 350 beds in fiscal years 2006 and 2007 only if the agency's residential population is over 97.5 percent of total capacity or if beds are needed due to an emergency situation that causes a reduction in the number of youth that can be safely housed in TYC-operated facilities and agreements can be reached that are beneficial to the State. If the residential populations in fiscal years 2006 and 2007 are below appropriated levels, up to $2,954,553 may be used for information resource maintenance and PC replacements and/or up to $1,214,924 may be used for caseworker career ladder enhancements. Any remaining General Revenue Funds not used for these purposes or above these amounts shall lapse to the General Revenue Fund.

RETIREMENT AND GROUP INSURANCE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund, estimated	$ 360,338,355	$ 379,292,543
General Revenue Dedicated Accounts, estimated	4,126,488	4,428,130
Federal Funds, estimated	8,318,250	8,808,501
Other Funds		
State Highway Fund No. 006, estimated	74,601,265	79,140,195
Other Special State Funds, estimated	203,334	213,765
Subtotal, Other Funds	$ 74,804,599	$ 79,353,960
Total, Method of Financing	$ 447,587,692	$ 471,883,134
Items of Appropriation:		
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS Retirement Contributions. Estimated.	$ 105,791,377	$ 107,907,206
A.1.2. Strategy: GROUP INSURANCE Group Insurance. Estimated.	$ 336,316,414	$ 358,496,026
A.1.3. Strategy: PUBLIC SAFETY BENEFITS Public Safety Benefits. Estimated.	$ 5,479,901	$ 5,479,902
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	$ 447,587,692	$ 471,883,134
Grand Total, RETIREMENT AND GROUP INSURANCE	$ 447,587,692	$ 471,883,134

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund, estimated	$ 117,360,502	$ 118,629,833
General Revenue Dedicated Accounts, estimated	514,525	521,069
Federal Funds, estimated	2,668,601	2,697,388
Other Funds		
State Highway Fund No. 006, estimated	26,037,990	26,321,249
Other Special State Funds, estimated	300,023	305,079
Subtotal, Other Funds	$ 26,338,013	$ 26,626,328
Total, Method of Financing	$ 146,881,641	$ 148,474,618
Items of Appropriation:		
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT Comptroller - Social Security.		
A.1.1. Strategy: STATE MATCH – EMPLOYER State Match – Employer. Estimated.	$ 127,672,281	$ 130,225,727
A.1.2. Strategy: BENEFIT REPLACEMENT PAY Benefit Replacement Pay. Estimated.	$ 19,209,360	$ 18,248,891
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	$ 146,881,641	$ 148,474,618
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	$ 146,881,641	$ 148,474,618

BOND DEBT SERVICE PAYMENTS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 259,148,048	$ 263,027,195
Current Fund Balance	188,000	232,000
Total, Method of Financing	$ 259,336,048	$ 263,259,195
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: BOND DEBT SERVICE	$ 259,336,048	$ 263,259,195 & UB
To Texas Public Finance Authority for Payment of Bond Debt Service.		
Grand Total, BOND DEBT SERVICE PAYMENTS	$ 259,336,048	$ 263,259,195

LEASE PAYMENTS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 2,003,836	$ 1,994,565
Total, Method of Financing	$ 2,003,836	$ 1,994,565
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: LEASE PAYMENTS	$ 2,003,836	$ 1,994,565 & UB
To TBPC for Payment to TPFA.		
Grand Total, LEASE PAYMENTS	$ 2,003,836	$ 1,994,565

SPECIAL PROVISIONS RELATING TO PUBLIC SAFETY AND CRIMINAL JUSTICE AGENCIES

Sec. 2. Authorization to Receive, Administer, and Disburse Federal Crime Funds. Out of funds appropriated above, the Texas Department of Criminal Justice, the Texas Juvenile Probation Commission, and the Texas Youth Commission, may allocate matching funds in order to secure federal grants for the construction, expansion, renovation, and operation of correctional facilities and services, as authorized by federal legislation. These agencies are authorized to receive and disburse, in accordance with plans acceptable to the responsible federal agency, all federal monies that are made available to the state for programs, projects, or services that otherwise could not be funded or undertaken without the receipt of such funding. Such federal funds are hereby appropriated to the specific purpose or purposes for which they are granted or otherwise made available. At least 45 days prior to any expenditure of such federal funds, documentation of the proposed use of the funds shall be provided to the Legislative Budget Board and the Governor.

Sec. 3. Purchase of TDCJ Products. It is the intent of the Legislature that state public safety and criminal justice agencies use products produced by the Texas Department of Criminal Justice to the greatest extent possible when either renovating existing facilities or constructing new facilities.

Sec. 4. Prioritization of DNA Samples. It is the intent of the Legislature that the Texas Department of Criminal Justice (TDCJ) prioritize the drawing of blood samples from inmates for the purpose of having these samples processed for DNA information needed for entry into the Department of Public Safety's (DPS) DNA database. The factors to be weighed by TDCJ shall include the severity of the offense, and the proximity to the time of release for the offender. It is also the intent of the Legislature that DPS prioritize any samples received prior to this Act taking effect with assistance from TDCJ using the above mentioned factors. At any time, DPS may request that TDCJ prioritize any particular sample for drawing and shipping to DPS, if DPS has information to the effect that the sample may provide evidence vital to a criminal investigation or judicial proceeding.

RECAPITULATION - ARTICLE V
PUBLIC SAFETY AND CRIMINAL JUSTICE
(General Revenue)

	For the Years Ending August 31, 2006	August 31, 2007
Adjutant General's Department	$ 11,929,044	$ 11,213,402
Alcoholic Beverage Commission	36,757,370	34,613,267
Contingency Appropriations	2,000	2,000
Total	36,759,370	34,615,267
Department of Criminal Justice	2,359,768,180	2,398,441,600
Contingency Appropriations	(765,717)	(838,017)
Total	2,359,002,463	2,397,603,583
Commission on Fire Protection	2,832,930	2,832,930
Commission on Jail Standards	793,735	793,735
Contingency Appropriations	5,000	5,000
Total	798,735	798,735
Juvenile Probation Commission	93,643,697	94,311,662
Texas Military Facilities Commission	1,337,808	1,651,690
Department of Public Safety	6,768,087	8,782,739
Contingency Appropriations	3,125,545	1,619,781
Total	9,893,632	10,402,520
Youth Commission	211,986,185	215,083,181
Subtotal, Public Safety and Criminal Justice	$ 2,728,183,864	$ 2,768,512,970
Retirement and Group Insurance	360,338,355	379,292,543
Social Security and Benefit Replacement Pay	117,360,502	118,629,833
Subtotal, Employee Benefits	$ 477,698,857	$ 497,922,376
Bond Debt Service Payments	259,148,048	263,027,195
Lease Payments	2,003,836	1,994,565
Subtotal, Debt Service	$ 261,151,884	$ 265,021,760
TOTAL, ARTICLE V - PUBLIC SAFETY AND CRIMINAL JUSTICE	$ 3,467,034,605	$ 3,531,457,106

RECAPITULATION - ARTICLE V
PUBLIC SAFETY AND CRIMINAL JUSTICE
(General Revenue - Dedicated)

	For the Years Ending August 31, 2006	August 31, 2007
Department of Criminal Justice	$ 13,597,992	$ 13,597,992
Commission on Law Enforcement Officer Standards and Education	2,506,164	2,464,591
Department of Public Safety	1,671,268	1,671,267
Subtotal, Public Safety and Criminal Justice	$ 17,775,424	$ 17,733,850
Retirement and Group Insurance	4,126,488	4,428,130
Social Security and Benefit Replacement Pay	514,525	521,069
Subtotal, Employee Benefits	$ 4,641,013	$ 4,949,199
TOTAL, ARTICLE V - PUBLIC SAFETY AND CRIMINAL JUSTICE	$ 22,416,437	$ 22,683,049

RECAPITULATION - ARTICLE V
PUBLIC SAFETY AND CRIMINAL JUSTICE
(Federal Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Adjutant General's Department	$ 34,052,725	$ 34,041,625
Alcoholic Beverage Commission	360,000	360,000
Department of Criminal Justice	28,221,908	17,126,820
Juvenile Probation Commission	30,250,000	30,250,000
Texas Military Facilities Commission	662,362	1,895,528
Department of Public Safety	28,644,566	29,497,385
Youth Commission	14,559,992	14,559,992
Subtotal, Public Safety and Criminal Justice	$ 136,751,553	$ 127,731,350
Retirement and Group Insurance	8,318,250	8,808,501
Social Security and Benefit Replacement Pay	2,668,601	2,697,388
Subtotal, Employee Benefits	$ 10,986,851	$ 11,505,889
TOTAL, ARTICLE V - PUBLIC SAFETY AND CRIMINAL JUSTICE	$ 147,738,404	$ 139,237,239

RECAPITULATION - ARTICLE V
PUBLIC SAFETY AND CRIMINAL JUSTICE
(Other Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Adjutant General's Department	$ 5,065,000	$ 365,000
Alcoholic Beverage Commission	155,000	155,000
Department of Criminal Justice	108,415,167	115,715,167
Commission on Fire Protection	18,283	18,283
Commission on Jail Standards	46,000	46,000
Juvenile Probation Commission	10,632,641	11,396,455
Commission on Law Enforcement Officer Standards and Education	82,000	82,000
Texas Military Facilities Commission	5,002,197	14,298,895
Department of Public Safety	427,180,986	391,516,586
Rider Appropriations	397,226	301,226
Contingency Appropriations	40,000	40,000
Total	427,618,212	391,857,812
Youth Commission	22,477,129	11,719,890
Subtotal, Public Safety and Criminal Justice	$ 579,511,629	$ 545,654,502
Retirement and Group Insurance	74,804,599	79,353,960
Social Security and Benefit Replacement Pay	26,338,013	26,626,328
Subtotal, Employee Benefits	$ 101,142,612	$ 105,980,288
Bond Debt Service Payments	188,000	232,000
Subtotal, Debt Service	$ 188,000	$ 232,000
Less Interagency Contracts	$ 68,924,409	$ 69,756,226
TOTAL, ARTICLE V - PUBLIC SAFETY AND CRIMINAL JUSTICE	$ 611,917,832	$ 582,110,564

RECAPITULATION - ARTICLE V
PUBLIC SAFETY AND CRIMINAL JUSTICE
(All Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Adjutant General's Department	$ 51,046,769	$ 45,620,027
Alcoholic Beverage Commission	37,272,370	35,128,267
Contingency Appropriations	2,000	2,000
Total	37,274,370	35,130,267
Department of Criminal Justice	2,510,003,247	2,544,881,579
Contingency Appropriations	(765,717)	(838,017)
Total	2,509,237,530	2,544,043,562
Commission on Fire Protection	2,851,213	2,851,213
Commission on Jail Standards	839,735	839,735
Contingency Appropriations	5,000	5,000
Total	844,735	844,735
Juvenile Probation Commission	134,526,338	135,958,117
Commission on Law Enforcement Officer Standards and Education	2,588,164	2,546,591
Texas Military Facilities Commission	7,002,367	17,846,113
Department of Public Safety	464,264,907	431,467,977
Rider Appropriations	397,226	301,226
Contingency Appropriations	3,165,545	1,659,781
Total	467,827,678	433,428,984
Youth Commission	249,023,306	241,363,063
Subtotal, Public Safety and Criminal Justice	$ 3,462,222,470	$ 3,459,632,672
Retirement and Group Insurance	447,587,692	471,883,134
Social Security and Benefit Replacement Pay	146,881,641	148,474,618
Subtotal, Employee Benefits	$ 594,469,333	$ 620,357,752
Bond Debt Service Payments	259,336,048	263,259,195
Lease Payments	2,003,836	1,994,565
Subtotal, Debt Service	$ 261,339,884	$ 265,253,760
Less Interagency Contracts	$ 68,924,409	$ 69,756,226
TOTAL, ARTICLE V - PUBLIC SAFETY AND CRIMINAL JUSTICE	$ 4,249,107,278	$ 4,275,487,958
Number of Full-Time-Equivalents (FTE)	53,479.7	53,520.7

ARTICLE VI

NATURAL RESOURCES

Sec. 1. The several sums of money herein specified, or so much thereby as may be necessary, are appropriated out of any funds in the State Treasury not otherwise appropriated, or out of special funds as indicated, for the support, maintenance, or improvement of the designated natural resources agencies.

DEPARTMENT OF AGRICULTURE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 39,881,959	$ 38,380,068
Earned Federal Funds	371,162	371,162
Subtotal, General Revenue Fund	$ 40,253,121	$ 38,751,230
General Revenue Fund - Dedicated		
Young Farmer Loan Guarantee Account No. 5002	106,209	106,209
GO TEXAN Partner Program Account No. 5051	1,070,906	70,906
Subtotal, General Revenue Fund - Dedicated	$ 1,177,115	$ 177,115
Federal Funds	11,379,025	12,179,025
Other Funds		
Farm and Ranch Finance Program Fund Account No. 575	81,835	81,835
Appropriated Receipts	1,416,051	317,551
Texas Agricultural Fund No. 683	266,215	266,215
Interagency Contracts	1,095,000	1,095,000
Subtotal, Other Funds	$ 2,859,101	$ 1,760,601
Total, Method of Financing	$ 55,668,362	$ 52,867,971
This bill pattern represents an estimated 68.6% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	521.5	521.5
Schedule of Exempt Positions:		
Commissioner of Agriculture, Group 6	$125,000	$125,000
Items of Appropriation:		
A. Goal: MARKETS & PUBLIC HEALTH		
Expand Markets While Protecting Public Health & Natural Resources.		
A.1.1. Strategy: GENERATE MARKETING OPPORTUNITIES Generate Marketing Opportunities for Texas Agriculture.	$ 14,324,665	$ 10,726,197
A.1.2. Strategy: REGULATE PESTICIDE USE	$ 5,858,300	$ 5,858,324
A.1.3. Strategy: INTEGRATED PEST MANAGEMENT Reduce Pesticide Use through Integrated Pest Management Practices.	$ 16,665,913	$ 16,665,918
A.1.4. Strategy: CERTIFY PRODUCE Certify Fruits, Vegetables and Peanuts to Enhance Their Marketability.	$ 64,762	$ 64,762
Total, Goal A: MARKETS & PUBLIC HEALTH	$ 36,913,640	$ 33,315,201
B. Goal: ENFORCE STANDARDS Protect Consumers, Establish and Enforce Standards for Ag Commodities.		
B.1.1. Strategy: NURSERY/FLORAL REGULATION Inspect and Register Nursery and Floral Production and Retail Outlets.	$ 2,495,398	$ 2,495,408

B.1.2. Strategy: VERIFY SEED QUALITY Verify the Quality and Type of Seed Desired.	$ 1,856,831	$ 1,856,838
B.1.3. Strategy: AGRICULTURAL COMMODITY REGULATION Regulate Commodity through Verification, Licensing, Inspect, & Enfmnt.	$ 1,023,784	$ 1,023,788
Total, Goal B: ENFORCE STANDARDS	$ 5,376,013	$ 5,376,034
C. Goal: ENSURE PROPER MEASUREMENT Increase Likelihood That Goods Offered for Sale Are Properly Measured.		
C.1.1. Strategy: INSPECT MEASURING DEVICES Inspect Weighing and Measuring Devices/Reduce Violations.	$ 3,279,585	$ 3,277,612
D. Goal: FOOD AND NUTRITION Provide Funding and Assistance on Food and Nutrition Programs.		
D.1.1. Strategy: SUPPORT NUTRITION PROGRAMS Support Nutrition Programs in Schools.	$ 10,099,124	$ 10,899,124
Grand Total, DEPARTMENT OF AGRICULTURE	$ 55,668,362	$ 52,867,971
Supplemental Appropriations Made in Riders:	$ 231,000	$ 231,000
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 20,474,883	$ 20,473,333
Other Personnel Costs	907,725	907,725
Professional Fees and Services	1,155,386	1,155,386
Fuels and Lubricants	253,680	253,680
Consumable Supplies	196,759	196,759
Utilities	321,120	321,120
Travel	421,173	421,173
Rent - Building	943,067	943,067
Rent - Machine and Other	139,149	139,149
Other Operating Expense	3,526,179	2,927,679
Client Services	721,171	721,171
Grants	25,920,859	23,720,859
Capital Expenditures	918,211	917,870
Total, Object-of-Expense Informational Listing	$ 55,899,362	$ 53,098,971
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,150,910	$ 1,173,928
Group Insurance	3,707,235	4,018,241
Social Security	1,504,045	1,534,126
Benefits Replacement	222,368	211,249
Subtotal, Employee Benefits	$ 6,584,558	$ 6,937,544
Debt Service		
Bond Debt Service	$ 3,436	$ 3,402
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 6,587,994	$ 6,940,946

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Agriculture. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Department of Agriculture. In order to achieve the objectives and service standards established by this Act, the Department of Agriculture shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: MARKETS & PUBLIC HEALTH		
Outcome (Results/Impact):		
Percent Increase from the Previous Biennium in the Number of Marketing Opportunities for Individuals Enrolled in TDA Marketing Programs	3%	3%
Percent of Texas Farmers, Ranchers and Agribusinesses Inspected Found to Be in Full Compliance with Pesticide Laws	97%	97%
Percent of Total Technical Assists to Rural Communities	55%	55%
A.1.1. Strategy: GENERATE MARKETING OPPORTUNITIES		
Output (Volume):		
Number of Acres Inspected for Seed Certification	190,000	190,000
Number of Rural Communities Assisted	600	600
Rural Development Activities and Events Held	120	120
Businesses Developed as Expansion and Recruitment Prospects in Rural Texas	975	975
A.1.2. Strategy: REGULATE PESTICIDE USE		
Output (Volume):		
Number of Pesticide Complaint Investigations Conducted	225	225
A.1.3. Strategy: INTEGRATED PEST MANAGEMENT		
Output (Volume):		
Hours Spent Informing Producers and Surveying Cotton for Compliance with Cotton Stalk Destruction Deadlines	11,500	11,500
Number of Inspections to Verify Compliance for Organic or Other Crop Production Certification Programs	378	378
A.1.4. Strategy: CERTIFY PRODUCE		
Output (Volume):		
Number of Pounds of Fruits, Vegetables, Peanuts and Nuts Inspected (In Billions)	2.5	2.5
B. Goal: ENFORCE STANDARDS		
Outcome (Results/Impact):		
Percent of Seed Samples Found to Be in Full Compliance with State and Federal Standards	97%	97%
B.1.1. Strategy: NURSERY/FLORAL REGULATION		
Output (Volume):		
Number of Nursery and Floral Establishment Inspections Conducted	9,500	9,500
B.1.2. Strategy: VERIFY SEED QUALITY		
Output (Volume):		
Number of Seed Samples Analyzed	20,500	20,500
B.1.3. Strategy: AGRICULTURAL COMMODITY REGULATION		
Output (Volume):		
Number of Egg Packer, Dealer, Wholesaler, and Retailer Inspections Conducted	2,000	2,000
Number of Grain Warehouse Inspections, Re-inspections and Audits Conducted	395	395
C. Goal: ENSURE PROPER MEASUREMENT		
Outcome (Results/Impact):		
Percent of Total Weights and Measures Inspections Conducted That Are Found to Be in Full Compliance with State and Federal Standards	96%	96%
C.1.1. Strategy: INSPECT MEASURING DEVICES		
Output (Volume):		
Number of Weights and Measures Inspections Conducted	85,000	85,000
D. Goal: FOOD AND NUTRITION		
Outcome (Results/Impact):		
Percent of School Districts in Compliance with Nutrition Regulations	85%	85%
D.1.1. Strategy: SUPPORT NUTRITION PROGRAMS		
Output (Volume):		
Number of School District Staff Trained	10,000	10,000

2. **Capital Budget.** Funds appropriated above may be expended for capital budget items as listed below. The amounts identified for each item may be adjusted or expended on other capital expenditures, subject to the aggregate dollar restrictions on capital budget expenditures provided in the General Provisions of this Act.

	2006	2007
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Information Systems Development	$ 165,000	$ 165,000
b. Transportation Items		
(1) Fleet Vehicles	$ 337,500	$ 337,500
c. Acquisition of Capital Equipment and Items		
(1) Octane Analyzers	$ 40,000	$ 40,000
d. Other Lease Payments to the Master Lease Purchase Program (MLPP)		
(1) Lease Payments - Metrology Laboratory	$ 142,490	$ 142,149
Total, Capital Budget	$ 684,990	$ 684,649

3. **Appropriation: Land Donations.** The Texas Department of Agriculture is hereby authorized to lease and/or accept the donation of land or the use of land from either governmental agencies, private firms, corporations, or individuals to be used in connection with the performance of its various responsibilities and programs.

4. **Fee Increase Authority and Limitation.** For the purpose of implementing the intent of the Legislature that the Texas Department of Agriculture collect fee amounts which offset, when feasible, the direct and indirect costs of administering its regulatory activities, the department is hereby authorized to and shall increase fees by a percentage sufficient to offset costs associated with its regulatory activities. It is the intent of the Legislature that the cost offset percentage shall be 100 percent. The following activities are exempt from this requirement: Seed Testing, Quarantine Enforcement/Education; Piece Rate Crop Survey; Pest Management Program; Agriculture Hazard Communication Act; Boll Weevil Control Act; and, Predatory Management Program.

5. **Pay for Regular Compensatory Time: Livestock Export Pen Operations.** It is expressly provided that the Texas Department of Agriculture, to the extent permitted by law, may pay Fair Labor Standards Act (FLSA) nonexempt employees in classified positions who are stationed at Texas Department of Agriculture livestock export pens for compensatory time hours on a straight-time basis when the taking of compensatory time off would be disruptive to normal working activities and other critical functions relating to livestock export pen operations.

6. **Transfer Authority.** Notwithstanding limitations on appropriation transfers contained in the General Provisions of this Act, the Texas Department of Agriculture is hereby authorized to direct agency resources, and transfer such amounts appropriated above between strategy line items.

7. **Appropriation: Young Farmer Loan Guarantee Program.** Out of the Young Farmer Loan Guarantee Account No. 5002, the Texas Agricultural Finance Authority is hereby appropriated for fiscal years 2006 and 2007, all necessary amounts required to cover any defaults on loans referenced under § 58.055, Texas Agriculture Code, or for payments for the purpose of providing reduced interest rates on loans guaranteed to borrowers as authorized by § 58.052(e), Texas Agriculture Code.

8. **Appropriation: Earned Federal Funds.** The Texas Department of Agriculture is hereby appropriated all earned federal funds received during the biennium beginning with the effective date of this Act that are in addition to those earned federal funds specified in the method of financing above. (Estimated to be $0.)

9. **Unexpended Balances Within the Biennium.** Any unexpended balances as of August 31, 2006, in the appropriations made herein to the Texas Department of Agriculture are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2006.

10. **Appropriations Limited to Revenue Collections: Octane Testing.** Included in amounts appropriated above to the Texas Department of Agriculture in Strategy C.1.1, Inspect Measuring Devices, the amount of $355,137 from the General Revenue Fund (Revenue Object Code 3015)

in each fiscal year of the biennium is contingent on the collection of fees, in accordance with Article 8614, § 9, Vernon's Texas Civil Statutes, to be used solely for the purpose of administering an octane testing program.

11. Appropriations: License Plate Receipts. Included in the amounts appropriated above in Strategy A.1.1, Generate Marketing Opportunities, are all balances and revenue collected on or after September 1, 2005 (estimated to be $60,000 in GO TEXAN Partner Program Account No. 5051 in each fiscal year) from the sale of license plates as provided by Texas Transportation Code § 504.625. Any unexpended balances as of August 31, 2006, out of the appropriations made herein are appropriated to the Texas Department of Agriculture for the fiscal year beginning September 1, 2006.

12. Interagency Contract: Oyster Promotions and Education. Contingent upon sufficient funds in the Oyster Sales Account No. 5022, the Texas Department of Agriculture shall enter into an interagency contract with the Texas Department of State Health Services for oyster industry advertising and promotion efforts and to provide information, education and/or training to wholesalers, retailers, and consumers on the safe and proper handling of oysters, in accordance with Texas Agriculture Code, § 47.

13. Master Lease Purchase Program (MLPP) Payments for the Metrology Laboratory. Included in the amounts appropriated above to the Texas Department of Agriculture in Strategy C.1.1, Inspect Measuring Devices, out of the General Revenue Fund, are amounts required in fiscal years 2006 and 2007 to make lease payments to the Texas Public Finance Authority for the revenue bonds issued to finance construction of the metrology laboratory. The amount of the required lease payments are estimated to be $142,490 in fiscal year 2006 and $142,149 in fiscal year 2007.

It is the intent of the Legislature that the Texas Department of Agriculture set fees for the metrology program to recover an amount equal to the amount of the appropriations made herein for lease payments, and that the fee rate be maintained in such an amount during the term of any revenue obligations authorized herein.

14. Appropriation: GO TEXAN Partner Program. Included in amounts appropriated above to the Texas Department of Agriculture in Strategy A.1.1, Generate Marketing Opportunities, is $1,000,000 out of the GO TEXAN Partner Program Account No. 5051 in fiscal year 2006, for the purpose of promoting Texas agricultural products. This amount consists of $1,000,000 out of the General Revenue Fund to be transferred to the GO TEXAN Partner Program Account No. 5051.

Also included in amounts appropriated above, the Texas Department of Agriculture is appropriated $1,000,000 in Appropriated Receipts received as matching funds from program participants including gifts. All appropriations shall be transferred to the GO TEXAN Partner Program Account No. 5051 and are appropriated for the purpose of administering the program.

15. Contingency to Increase the Full-Time-Equivalents (FTE) Cap for New Initiatives. Contingent upon the receipt of federal funds above those appropriated herein for programs related to surveying, controlling or eradicating invasive pests or disease, the Texas Department of Agriculture is hereby authorized to increase its number of FTEs to the extent that federal funds are allocated for salary costs. These FTEs shall not be counted in the agency's "Number of Full-Time-Equivalents (FTE)" cap.

The Texas Department of Agriculture shall report all additional FTEs authorized by this provision to the Comptroller of Public Accounts, Legislative Budget Board and the Governor prior to filling such positions.

16. Appropriations Limited to Revenue Collections: Prescribed Burn Manager Certification Program. In addition to amounts appropriated above, the Texas Department of Agriculture is hereby appropriated fees collected (estimated to be $0) in accordance with § 153.048, Natural Resources Code, to be used solely for the purpose of administering a prescribed burn manager certification program.

17. Agricultural Sustainability Programs. Out of funds appropriated above, the Texas Department of Agriculture may study, develop, and implement, creative technology and innovative solutions to mitigate agricultural non-point source pollution in the state from confined animal feeding operations and improve total resource management of agricultural and wildlife resources in the state.

18. Texas Capital Fund. All grants awarded by the Texas Department of Agriculture for infrastructure development and real estate development under the federal Community Development Block Grant Program shall be distributed with a priority on assisting manufacturers and value-added processors. To the greatest extent practicable, these funds are to be distributed equitably to all regions of this state.

19. Appropriation of Receipts: Yardage Fees. Included in the amounts appropriated above pursuant to Agriculture Code, § 146.021 and included above in Strategy A.1.1, Generate Marketing Opportunities, and identified above in the method of finance as General Revenue in an amount not to exceed $200,000 for each fiscal year is yardage fee revenue collected by the Texas Department of Agriculture for maintenance and operating expenses for livestock export pens.

Included in the amounts appropriated above, any unexpended and unobligated balances remaining as of August 31, 2005 are hereby appropriated for the same purposes for the biennium beginning September 1, 2005, to Strategy A.1.1, Generate Marketing Opportunities, not to exceed $98,500 in General Revenue.

Contingent upon a finding of fact by the Comptroller that revenue generated by yardage fees exceeds the Comptroller's Biennial Revenue Estimate by $462,000, in addition to amounts appropriated above the Texas Department of Agriculture is appropriated $231,000 per fiscal year for maintenance and operating expenses for livestock export pens.

20. Child Nutrition Program. It is the intent of the Seventy-ninth Legislature that as designated by the United States Department of Agriculture (USDA), the Texas Department of Agriculture will administer the $2,211,798,248 ($2,182,600,000 Federal Funds and $29,198,248 General Revenue Fund) Child Nutrition Program. The Texas Department of Agriculture has accepted responsibility for the distribution of the funds in accordance with the applicable rules and regulations for the National School Lunch Program, the School Breakfast Program, the Special Milk Program, and the Commodity Schools Program and all other applicable rules and regulations.

Included in the amounts appropriated above to the Texas Department of Agriculture for the 2006-07 biennium is $20,600,000 out of Federal Funds and $398,248 out of the General Revenue Fund in Strategy D.1.1, Support Nutrition Programs to administer the Child Nutrition Program.

It is also the intent of the Legislature that the Child Nutrition Program payments to independent school districts be budgeted at the Texas Education Agency and administered through an interagency contract with the Texas Department of Agriculture. Included in the amounts appropriated elsewhere in this Act to the Texas Education Agency for the 2006-07 biennium is $2,162,000,000 out of Federal Funds and $28,800,000 out of the General Revenue Fund to provide reimbursement for the School Lunch, Breakfast and After School Snack programs.

21. Texas Wine Marketing Assistance Program. Included in the amounts appropriated above out of the General Revenue Fund is $250,000 each fiscal year in Strategy A.1.1, Generate Marketing Opportunities, from fee revenue transferred from the Texas Alcoholic Beverage Commission pursuant to Texas Alcoholic Beverage Code § 5.5 for the purpose of administering the Texas Wine Marketing program.

22. Texas Shrimp Marketing Assistance Program. Included in the amounts appropriated above out of the General Revenue Fund in Strategy A.1.1, Generate Marketing Opportunities, is $25,000 each fiscal year from fees collected pursuant to Agriculture Code § 134.014(b) and $250,000 each fiscal year from fee revenue transferred from the Texas Parks and Wildlife Department pursuant to Parks and Wildlife Code § 77.002(c) for the purpose of administering the Texas Shrimp Marketing program.

23. Appropriation: Texas Yes! Program. Included in amounts appropriated above to the Texas Department of Agriculture in Strategy A.1.1, Generate Marketing Opportunities, is $1,000,000 out of the General Revenue Fund in fiscal year 2006 for the Texas Yes! program.

24. Appropriation: Feral Hog Abatement Program. Included in the amounts appropriated above out of the General Revenue Fund in Strategy A.1.1, Generate Marketing Opportunities, is $500,000 in fiscal year 2006 to be used to establish a Feral Hog Abatement program.

Any unexpended balances as of August 31, 2006 out of appropriations made herein are appropriated to the Texas Department of Agriculture for the same purpose for the fiscal year beginning September 1, 2006.

ANIMAL HEALTH COMMISSION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 7,780,835	$ 7,780,835
Earned Federal Funds	106,313	106,313
Subtotal, General Revenue Fund	$ 7,887,148	$ 7,887,148
Federal Funds	4,007,768	4,007,768
Total, Method of Financing	$ 11,894,916	$ 11,894,916
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	189.0	189.0
Number of FTEs in Riders:	11.0	11.0
Schedule of Exempt Positions:		
Executive Director, Group 5	$95,000	$95,000
Per Diem of Board Members	2,500	2,500
Items of Appropriation:		
A. Goal: PROTECT/ENHANCE TEXAS ANIMAL HEALTH		
Protect/Enhance Health of Texas Animal Populations.		
A.1.1. Strategy: FIELD OPERATIONS	$ 8,305,638	$ 8,282,038
Field Operations for Animal Health Management and Assurance Programs.		
A.1.2. Strategy: DIAGNOSTIC/EPIDEMIOLOGICAL SUPPORT	$ 1,818,927	$ 1,845,127
Diagnostic/Epidemiological Support Services.		
A.1.3. Strategy: PROMOTE COMPLIANCE	$ 270,542	$ 270,542
Promote Compliance and Resolve Violations.		
Total, Goal A: PROTECT/ENHANCE TEXAS ANIMAL HEALTH	$ 10,395,107	$ 10,397,707
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: CENTRAL ADMINISTRATION	$ 960,437	$ 957,837
B.1.2. Strategy: INFORMATION RESOURCES	$ 317,799	$ 317,799
B.1.3. Strategy: OTHER SUPPORT SERVICES	$ 221,573	$ 221,573
Total, Goal B: INDIRECT ADMINISTRATION	$ 1,499,809	$ 1,497,209
Grand Total, ANIMAL HEALTH COMMISSION	$ 11,894,916	$ 11,894,916
Supplemental Appropriations Made in Riders:	$ 620,000	$ 620,000
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 6,956,053	$ 6,956,053
Other Personnel Costs	280,630	280,630
Professional Fees and Services	270,252	267,652

Fuels and Lubricants	22,250	22,250
Consumable Supplies	662,983	662,983
Utilities	130,172	130,172
Travel	668,417	668,417
Rent - Building	387,407	387,407
Rent - Machine and Other	42,340	42,340
Other Operating Expense	2,806,962	2,809,562
Grants	287,450	287,450
Total, Object-of-Expense Informational Listing	$ 12,514,916	$ 12,514,916
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 407,781	$ 415,936
Group Insurance	1,679,531	1,825,903
Social Security	557,998	569,158
Benefits Replacement	117,735	111,849
Subtotal, Employee Benefits	$ 2,763,045	$ 2,922,846
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,763,045	$ 2,922,846

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Animal Health Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Animal Health Commission. In order to achieve the objectives and service standards established by this Act, the Animal Health Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: PROTECT/ENHANCE TEXAS ANIMAL HEALTH		
Outcome (Results/Impact):		
Percent Change in Known Prevalence of Bovine Brucellosis from the 1994 Level	(100)%	(100)%
A.1.1. Strategy: FIELD OPERATIONS		
Output (Volume):		
Number of Livestock Shipments Inspected	4,000	4,000
A.1.2. Strategy: DIAGNOSTIC/EPIDEMIOLOGICAL SUPPORT		
Output (Volume):		
Number of Specimens Processed through the State/Federal Cooperative Laboratory System	2,700,000	2,700,000
A.1.3. Strategy: PROMOTE COMPLIANCE		
Output (Volume):		
Number of Compliance Actions Completed	255	255

2. **Unexpended Balance Authority: Within the Biennium.** The Texas Animal Health Commission is hereby authorized to carry forward and is hereby appropriated any unexpended balances from fiscal year 2006 to fiscal year 2007.

3. **Laboratory Testing.** It is the intent of the Legislature that laboratory testing for animal diseases be performed at the Texas Veterinary Medical Diagnostic Lab (TVMDL) to the extent of its capabilities, unless the Texas Animal Health Commission (TAHC) State-Federal Laboratory can perform the testing for TAHC programs more cost effectively. Furthermore, the Texas Animal Health Commission will work with TVMDL to reduce duplication and ensure that all testing is performed in Texas to the extent possible.

4. **Contingency to Increase the Full-Time-Equivalents (FTE) Cap for the Tuberculosis Eradication Program.** Contingent upon the receipt of federal funds for the tuberculosis eradication program, the Texas Animal Health Commission is hereby authorized to increase its number of FTEs to the extent that federal funds for the tuberculosis eradication program are allocated for salary costs. The "Number of Full-Time-Equivalents (FTE)" cap is hereby increased by five FTEs each fiscal year.

The Texas Animal Health Commission shall report all additional FTEs authorized by this provision to the Comptroller of Public Accounts, the Legislative Budget Board, and the Governor prior to filling such positions.

5. **Contingency to Increase the Full-Time-Equivalents (FTE) Cap for the Exotic Newcastle Disease Program.** Contingent upon the receipt of federal funds for the Exotic Newcastle Disease program, the Texas Animal Health Commission is hereby authorized to increase its number of FTEs to the extent that federal funds for the Exotic Newcastle Disease program are allocated for salary costs. The "Number of Full-Time-Equivalents (FTE)" cap is hereby increased by six FTEs each fiscal year.

   The Texas Animal Health Commission shall report all additional FTEs authorized by this provision to the Comptroller of Public Accounts, the Legislative Budget Board, and the Governor prior to filling such positions.

6. **Testing and Immunization of Employees.** Funds appropriated above may be expended for any immunization or testing, which is required of employees at risk in the performance of their duties.

7. **Fee Revenue: Poultry Registration.** Included in the amounts appropriated above out of the General Revenue Fund is $137,705 each fiscal year in Strategy A.1.1, Field Operations, from fees collected pursuant to Agriculture Code § 161.0411 for the purpose of administering the poultry registration program.

8. **Contingency Appropriation for Bovine Brucellosis First Point Testing.** Contingent upon the passage of Senate Bill 590 or similar legislation that allows the Texas Animal Health Commission to increase the fee for veterinary health certificates by Commission rule, in addition to the amounts appropriated above the Texas Animal Health Commission is hereby appropriated $440,000 each fiscal year out of the General Revenue Fund to be used in Strategy A.1.1, Field Operations to administer the bovine brucellosis first point testing program.

   This appropriation is contingent upon new revenue being generated due to the passage of legislation and deposited to the credit of the General Revenue Fund in an amount not to exceed $440,000 in each fiscal year. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Comptroller of Public Accounts shall reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

9. **Contingency to Increase the Full-Time-Equivalents (FTE) Cap for Federally Funded Programs.** Contingent upon the receipt of federal funds above those appropriated in this Act for programs related to animal identification or surveillance, control, or eradication of animal health pests or diseases, the Texas Animal Health Commission is hereby authorized to increase its number of FTEs to the extent that federal funds are allocated for salary costs. These FTEs shall not be counted against the agency's "Number of Full-Time-Equivalents (FTE)" cap.

   The Texas Animal Health Commission shall report all additional FTEs authorized by this provision to the Comptroller of Public Accounts, the Legislative Budget Board, and the Governor prior to filling a position described by this rider.

10. **Appropriation: Targeted Pay Raise for Veterinarians.** In addition to the amounts appropriated above, the Animal Health Commission (AHC) is hereby appropriated out of the General Revenue Fund $180,000 in fiscal year 2006 and $180,000 in fiscal year 2007 to be used for salary increases for veterinarians located in AHC field offices. This appropriation shall be allocated to the appropriate strategies (Items of Appropriation) listed above.

COMMISSION ON ENVIRONMENTAL QUALITY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 3,006,433	$ 2,402,980
Earned Federal Funds	2,105,939	2,105,959
Subtotal, General Revenue Fund	$ 5,112,372	$ 4,508,939
General Revenue Fund - Dedicated		
Low Level Waste Account No. 088	990,428	990,425
Used Oil Recycling Account No. 146	907,972	907,972
Clean Air Account No. 151	54,580,263	49,000,342
Water Resource Management Account No. 153	45,326,060	45,090,433
Watermaster Administration No. 158	836,878	829,381
TCEQ Occupational Licensing Account No. 468	1,417,152	1,367,150
Waste Management Account No. 549	41,115,649	36,056,226
Hazardous and Solid Waste Remediation Fee Account No. 550	25,939,717	25,989,044
Petroleum Storage Tank Remediation Account No. 655	97,548,734	0
Solid Waste Disposal Account No. 5000	13,386,324	10,986,324
Environmental Testing Laboratory Accreditation Account No. 5065	88,000	88,000
Texas Emissions Reduction Plan Account No. 5071	128,520,574	128,520,572
Dry Cleaning Facility Release Account No. 5093	7,160,303	7,160,302
Operating Permit Fees Account No. 5094	27,511,364	27,357,790
Subtotal, General Revenue Fund - Dedicated	$ 445,329,418	$ 334,343,961
Federal Funds		
Federal Funds	39,193,743	39,061,840
Federal Air Control Board Fund No. 102	5,979,366	5,979,366
Subtotal, Federal Funds	$ 45,173,109	$ 45,041,206
Other Funds		
Appropriated Receipts	3,145,349	14,845,348
Interagency Contracts	5,287,318	5,287,318
Subtotal, Other Funds	$ 8,432,667	$ 20,132,666
Total, Method of Financing	$ 504,047,566	$ 404,026,772
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 458,318	$ 466,094
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	2,987.5	2,933.5
Number of FTEs in Riders:	2.0	2.0
Schedule of Exempt Positions:		
Commissioner, Group 5	$111,792	$111,792
Commissioner, Group 5	(2) 109,200	(2) 109,200
Executive Director, Group 5	132,000	132,000
Items of Appropriation:		
A. Goal: ASSESSMENT, PLANNING AND PERMITTING		
A.1.1. Strategy: AIR QUALITY ASSESSMENT AND PLANNING	$ 178,631,782	$ 185,010,856
A.1.2. Strategy: WATER ASSESSMENT AND PLANNING Water Resource Assessment and Planning.	$ 26,296,167	$ 25,869,542
A.1.3. Strategy: WASTE ASSESSMENT AND PLANNING Waste Management Assessment and Planning.	$ 13,478,058	$ 13,474,559
A.2.1. Strategy: AIR QUALITY PERMITTING	$ 11,162,488	$ 11,238,495
A.2.2. Strategy: WATER RESOURCE PERMITTING	$ 11,177,926	$ 11,170,438
A.2.3. Strategy: WASTE MANAGEMENT AND PERMITTING	$ 8,634,338	$ 8,401,941
A.2.4. Strategy: OCCUPATIONAL LICENSING	$ 2,978,402	$ 2,928,401

A.3.1. Strategy: LOW-LEVEL RADIOACTIVE WASTE MGMT Low-level Radioactive Waste Management.	$ 990,428	$ 990,425
Total, Goal A: ASSESSMENT, PLANNING AND PERMITTING	$ 253,349,589	$ 259,084,657
B. Goal: DRINKING WATER AND WATER UTILITIES		
B.1.1. Strategy: SAFE DRINKING WATER Safe Drinking Water Oversight.	$ 9,453,388	$ 9,453,403
B.1.2. Strategy: WATER UTILITIES OVERSIGHT	$ 2,309,106	$ 2,167,623
Total, Goal B: DRINKING WATER AND WATER UTILITIES	$ 11,762,494	$ 11,621,026
C. Goal: ENFORCEMENT AND COMPLIANCE SUPPORT Enforcement and Compliance Assistance.		
C.1.1. Strategy: FIELD INSPECTIONS & COMPLAINTS Field Inspections and Complaint Response.	$ 36,105,496	$ 36,062,669
C.1.2. Strategy: ENFORCEMENT & COMPLIANCE SUPPORT Enforcement and Compliance Support.	$ 11,696,288	$ 11,442,304
C.1.3. Strategy: POLLUTION PREVENTION RECYCLING Pollution Prevention, Recycling and Innovative Programs.	$ 7,191,775	$ 4,791,781
Total, Goal C: ENFORCEMENT AND COMPLIANCE SUPPORT	$ 54,993,559	$ 52,296,754
D. Goal: POLLUTION CLEANUP Pollution Cleanup Programs to Protect Public Health & the Environment.		
D.1.1. Strategy: STORAGE TANK ADMIN & CLEANUP Storage Tank Administration and Cleanup.	$ 106,641,223	$ 4,661,481
D.1.2. Strategy: HAZARDOUS MATERIALS CLEANUP	$ 32,618,594	$ 32,701,925
Total, Goal D: POLLUTION CLEANUP	$ 139,259,817	$ 37,363,406
E. Goal: INDIRECT ADMINISTRATION		
E.1.1. Strategy: CENTRAL ADMINISTRATION	$ 18,310,877	$ 17,860,973
E.1.2. Strategy: INFORMATION RESOURCES	$ 12,754,139	$ 12,320,901
E.1.3. Strategy: OTHER SUPPORT SERVICES	$ 13,617,091	$ 13,479,055
Total, Goal E: INDIRECT ADMINISTRATION	$ 44,682,107	$ 43,660,929
Grand Total, COMMISSION ON ENVIRONMENTAL QUALITY	$ 504,047,566	$ 404,026,772
Supplemental Appropriations Made in Riders:	$ 644,686	$ 889,018
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 130,372,091	$ 128,032,292
Other Personnel Costs	5,220,100	5,125,196
Professional Fees and Services	65,126,925	59,282,065
Fuels and Lubricants	324,106	324,106
Consumable Supplies	1,275,984	1,271,986
Utilities	3,185,172	3,179,724
Travel	2,047,408	2,047,438
Rent - Building	7,966,090	7,966,089
Rent - Machine and Other	1,049,296	1,049,296
Other Operating Expense	232,767,944	135,107,661
Client Services	16,064,137	27,764,139
Grants	31,023,307	28,118,703
Capital Expenditures	8,269,692	5,647,095
Total, Object-of-Expense Informational Listing	$ 504,692,252	$ 404,915,790
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 7,763,985	$ 7,919,267
Group Insurance	17,555,571	18,879,903

Social Security	10,072,546	10,273,995
Benefits Replacement	1,379,717	1,310,730
Subtotal, Employee Benefits	$ 36,771,819	$ 38,383,895
Debt Service		
Lease Payments	$ 708,180	$ 833,176
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 37,479,999	$ 39,217,071

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Commission on Environmental Quality. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Commission on Environmental Quality. In order to achieve the objectives and service standards established by this Act, the Commission on Environmental Quality shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: ASSESSMENT, PLANNING AND PERMITTING		
Outcome (Results/Impact):		
Annual Percent of Stationary and Mobile Source Pollution Reductions in Nonattainment Areas	6%	6%
Nitrogen Oxides (NOx) Emissions Reduced through the Texas Emissions Reduction Plan (TERP)	42%	63%
Annual Percent Reduction in Pollution from Permitted Wastewater Facilities Discharging to the Waters of the State	.8%	.8%
Percent of Texas Surface Water Meeting or Exceeding Water Quality Standards	84%	84%
Annual Percent Reduction in Disposal of Municipal Solid Waste Per Capita	1.5%	1.5%
Annual Percent Decrease in the Toxic Releases in Texas	2%	2%
Percent of New Technology Research and Development (NTRD) Technologies Verified by the EPA	10%	10%
Percent of Scheduled Licensing Activities Complete	82%	86%
A.1.1. Strategy: AIR QUALITY ASSESSMENT AND PLANNING		
Output (Volume):		
Number of Point Source Air Quality Assessments	2,000	2,000
Number of Area Source Air Quality Assessments	2,500	2,500
Number of Mobile Source Air Quality Assessments	1,250	1,250
Number of Tons of Nitrous Oxides Reduced Per Year through Texas Emissions Reduction Plan Expenditures	26,164	26,576
Number of New Technology Grant Proposals Reviewed	80	80
Efficiencies:		
Average Cost of Low Income Repair Assistance Program (LIRAP) Vehicle Emissions Repairs/Retrofits	480	480
Average Cost Per Ton of Nitrous Oxides Reduced through Texas Emissions Reduction Plan Expenditures	5,000	5,000
Average Number of Days to Review a Grant Proposal	14	14
A.1.2. Strategy: WATER ASSESSMENT AND PLANNING		
Output (Volume):		
Number of Surface Water Assessments	45	43
Number of Groundwater Assessments	50	50
A.1.3. Strategy: WASTE ASSESSMENT AND PLANNING		
Output (Volume):		
Number of Municipal Solid Waste Facility Capacity Assessments	250	255
Efficiencies:		
Average Cost per Municipal Solid Waste Facility Capacity Assessment	35	35
A.2.1. Strategy: AIR QUALITY PERMITTING		
Output (Volume):		
Number of State and Federal New Source Review Air Quality Permit Applications Reviewed	5,600	5,600
Number of Federal Air Quality Operating Permits Reviewed	800	800
A.2.2. Strategy: WATER RESOURCE PERMITTING		
Output (Volume):		
Number of Applications to Address Water Quality Impacts Reviewed	15,458	15,458
Number of Concentrated Animal Feeding Operation (CAFO) Authorizations Reviewed	85	1,385

A.2.3. Strategy: WASTE MANAGEMENT AND PERMITTING		
Output (Volume):		
Number of Nonhazardous Waste Permit Applications Reviewed	236	236
Number of Hazardous Waste Permit Applications Reviewed	160	160
A.2.4. Strategy: OCCUPATIONAL LICENSING		
Output (Volume):		
Number of Examinations Administered	10,500	10,500
B. Goal: DRINKING WATER AND WATER UTILITIES		
Outcome (Results/Impact):		
Percent of Texas Population Served by Public Water Systems Which Meet Drinking Water Standards	93%	94%
B.1.1. Strategy: SAFE DRINKING WATER		
Output (Volume):		
Number of Public Drinking Water Systems Which Meet Primary Drinking Water Standards	6,200	6,000
Number of Drinking Water Samples Collected	36,000	36,000
B.1.2. Strategy: WATER UTILITIES OVERSIGHT		
Output (Volume):		
Number of Utility Rate Reviews Performed	100	100
C. Goal: ENFORCEMENT AND COMPLIANCE SUPPORT		
Outcome (Results/Impact):		
Percent of Inspected or Investigated Air Sites in Compliance	98%	98%
Percent of Inspected or Investigated Water Sites and Facilities in Compliance	97%	97%
Percent of Inspected or Investigated Waste Sites in Compliance	97%	97%
Percent of Identified Noncompliant Sites and Facilities for Which Appropriate Action Is Taken	85%	85%
C.1.1. Strategy: FIELD INSPECTIONS & COMPLAINTS		
Output (Volume):		
Number of Inspections and Investigations of Air Sites	16,000	16,000
Number of Inspections and Investigations of Water Rights Sites	34,000	34,000
Number of Inspections and Investigations of Water Sites and Facilities	8,500	8,500
Number of Inspections and Investigations of Livestock and Poultry Operation Sites	700	700
Number of Inspections and Investigations of Waste Sites	7,358	7,358
C.1.2. Strategy: ENFORCEMENT & COMPLIANCE SUPPORT		
Output (Volume):		
Number of Small Businesses and Local Governments Assisted	54,000	54,000
Number of Drinking Water Labs Certified	117	117
D. Goal: POLLUTION CLEANUP		
Outcome (Results/Impact):		
Percent of Leaking Petroleum Storage Tank Sites Cleaned up	85%	86%
Percent of Superfund Sites Cleaned up	58%	59%
Percent of Voluntary and Brownfield Cleanup Properties Made Available for Commercial, Industrial and Community Redevelopment, or Other Economic Reuse	56%	57%
D.1.1. Strategy: STORAGE TANK ADMIN & CLEANUP		
Output (Volume):		
Number of Petroleum Storage Tank Reimbursement Applications Processed	6,000	0
D.1.2. Strategy: HAZARDOUS MATERIALS CLEANUP		
Output (Volume):		
Number of Voluntary and Brownfield Cleanups Completed	70	70
Number of Superfund Evaluations under Way	25	27
Number of Superfund Cleanups under Way	28	28
Number of Superfund Cleanups Completed	5	5
Number of Dry Cleaner Remediation Program Applications Received	25	20

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease

Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code, § 1232.103.

	2006	2007
a. Acquisition of Information Resource Technologies		
(1) Air Quality Integration and Reporting (AQIR)	$ 167,000	$ 267,000
(2) Consolidated Compliance and Enforcement Database Interface Online (CCEDS Interface Online)	50,000	0
(3) Core Data Migration	100,000	0
(4) Electronic Data Management System (EDMS)	375,000	0
(5) Environmental Monitoring and Response Systems (EMRS)	482,000	208,000
(6) Hand-Held Devices (HHD)	325,000	325,000
(7) Online Permitting System	150,000	0
(8) Policy Review Tracking System (PRTS)	83,500	0
(9) Resource Planning Tool (RPT)	30,000	0
(10) State Implementation Plan Emissions Data Management System (SIP EDMS)	600,000	600,000
(11) State of Texas Air Reporting System (STARS)	150,000	0
(12) Surface Water Quality Monitoring Information System (SWQMIS)	1,000,000	0
(13) Water Supply Spatial System (WSSS)	130,983	0
(14) Life Cycle Replacement	1,336,037	1,218,452
(15) New Capacity	744,000	745,631
(16) Personal Computer and Printer Replacement	852,110	1,086,650
(17) Software	$ 1,150,506	$ 99,369
Total, Acquisition of Information Resource Technologies	$ 7,726,136	$ 4,550,102
b. Transportation Items		
(1) Replacement Boats	117,000	35,500
(2) Replacement Vehicles for Agency Fleet	$ 1,440,000	$ 87,000
Total, Transportation Items	$ 1,557,000	$ 122,500
c. Acquisition of Capital Equipment and Items		
(1) Air Monitoring Equipment	1,407,010	1,406,260
(2) Water Monitoring and Analysis Equipment	$ 750,000	$ 750,000
Total, Acquisition of Capital Equipment and Items	$ 2,157,010	$ 2,156,260
Total, Capital Budget	$ 11,440,146	$ 6,828,862

Method of Financing (Capital Budget):

General Revenue Fund - Dedicated		
Used Oil Recycling Account No. 146	$ 26,569	$ 26,569
Clean Air Account No. 151	4,731,599	3,304,337
Water Resource Management Account No. 153	2,157,137	1,014,117
Watermaster Administration No. 158	26,000	56,000
TCEQ Occupational Licensing Account No. 468	96,160	46,160
Waste Management Account No. 549	2,680,385	2,223,710
Hazardous and Solid Waste Remediation Fee Account No. 550	522,296	132,969
Operating Permit Fees Account No. 5094	200,000	25,000
Subtotal, General Revenue Fund - Dedicated	$ 10,440,146	$ 6,828,862
Federal Funds	1,000,000	0
Total, Method of Financing	$ 11,440,146	$ 6,828,862

3. **Contingency Cash Flow.** If the Legislative Budget Board and Governor determine after review of relevant information that cash flow difficulties will occur as a result of the appropriations made above, the board and Governor may authorize the Texas Commission on Environmental Quality (TCEQ) to temporarily expend general revenue funds for the purpose of meeting the temporary cash flow needs of the TCEQ, limited to the amounts appropriated above. The transfer of funds shall be repaid to the General Revenue Fund by the end of the fiscal year in which the funds were transferred under procedures and standards established by the Comptroller of Public Accounts.

4. **Authorization: Aircraft Chartering.** Notwithstanding any other provision of this Act, the Texas Commission on Environmental Quality is authorized to spend appropriated funds for the chartering of aircraft for the purposes of monitoring environmental quality, and the enforcement of environmental and water rights laws of the State.

5. **Local Air Pollution Grants Allocation.** Out of the amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, an amount not less than $2,800,000 in each year of the biennium shall be utilized to fund grants or cooperative agreements with eligible local air pollution programs under Health and Safety Code, § 382.0622. It is provided, however, that the combined federal and state share of the funding for any such local air pollution programs shall not exceed 67 percent of the total allocation to the programs, with the local share being based on the local dollars allocated pursuant to maintenance-of-effort requirements for federal air pollution grants.

6. **Fee Revenue: Pollution Control Equipment Exemptions.** Pursuant to Tax Code, § 11.31, included in amounts appropriated above out of the General Revenue Fund in Strategy C.1.3, Pollution Prevention, Recycling, and Innovative Programs, is $133,600 each fiscal year from fee revenue collected beginning with the effective date of this Act for the purpose of determining whether pollution control equipment is exempt from taxation.

   In addition to amounts appropriated above, any amounts collected by the Texas Commission on Environmental Quality pursuant to Tax Code, § 11.31 on or after September 1, 2005, in excess of $133,600 in each fiscal year of the biennium are hereby appropriated to the agency.

7. **Authorization: Operating Fund.** The Texas Commission on Environmental Quality (TCEQ) is hereby authorized to make transfers from any appropriation made to TCEQ into a single account in the General Revenue Fund known as the "Texas Commission on Environmental Quality Operating Fund" for the purpose of making expenditures for which appropriations were made in this Act. After the expenditures have been made from the fund and as soon as the proper strategies have been identified, TCEQ shall process adjustments to the Comptroller in summary accounts to facilitate accurate cost allocations; provided, however, that each special account and fund shall be used for the purposes as now described by law and nothing shall be done to jeopardize or divert the special accounts and funds or any portion thereof including federal aid.

8. **Appropriation: Air Quality Planning.** Included in amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is $5,075,000 for the biennium for air quality planning activities to reduce ozone in areas including Austin, Corpus Christi, Longview-Tyler-Marshall, San Antonio, and Victoria. These activities may include identifying, inventorying, and monitoring of current pollution levels; modeling future pollution levels; and the identification, quantification, and implementation of potential pollution reduction through voluntary controls. The areas receiving funds shall coordinate with the Texas Commission on Environmental Quality (TCEQ) to ensure that these activities are consistent with agency monitoring, inventory and modeling approaches and infrastructure.

   Any unexpended balances from this appropriation as of August 31, 2006, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2006.

9. **Appropriations Limited to Revenue Collections: Occupational Licensing.** It is the intent of the Legislature that fees, fines and other miscellaneous revenues deposited to the Occupational Licensing Account No. 468 as authorized and generated by the agency cover, at a minimum, the cost of the appropriations made above for strategy item A.2.4, Occupational Licensing, as well as the "Other direct and indirect costs" associated with this strategy, appropriated elsewhere in this Act. "Other direct and indirect costs" for strategy A.2.4, Occupational Licensing, are estimated to be $304,250 for fiscal year 2006 and $307,456 for fiscal year 2007. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by

this provision, the Legislative Budget Board may direct the Comptroller of Public Accounts to reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

10. **Contract with the State Office of Administrative Hearings.** Included in the amounts appropriated above is $938,860 in fiscal year 2006 and $938,860 in fiscal year 2007 to cover the cost of contracting with the State Office of Administrative Hearings for funding the Natural Resources Division for the purpose of conducting administrative hearings and for related expenses. The Texas Commission on Environmental Quality (TCEQ) and the State Office of Administrative Hearings may not enter into a contract for an amount less than the amounts specified herein. If the State Office of Administrative Hearings determines, at the end of each fiscal year, that the amount paid under the contract exceeds the necessary funding, it shall refund the difference to TCEQ. If the State Office of Administrative Hearings determines that the amounts are insufficient to fund the Natural Resources Division, the State Office of Administrative Hearings may enter into negotiations with TCEQ in order to renegotiate the interagency contract to provide additional funds for administrative hearings. The State Office of Administrative Hearings is not appropriated any state funds from such renegotiated contracts until it gives written notice to the Legislative Budget Board and the Governor, together with written permission of the agency.

11. **Petroleum Storage Tank Administration.** Out of funds appropriated above in Strategy D.1.1, Storage Tank Administration and Cleanup, not more than $7,385,406 in fiscal year 2006 and not more than $2,954,000 in fiscal year 2007 in gross receipts to the Petroleum Storage Tank Remediation (PSTR) Account No. 655 may be transferred to the Waste Management Account No. 549 for necessary expenses associated with the PSTR Account No. 655 and the groundwater protection cleanup program, in accordance with Water Code, § 26.3573 (d)-(e). Furthermore, the Texas Commission on Environmental Quality (TCEQ) shall not transfer funds, from the PSTR Account No. 655 from Strategy D.1.1, Storage Tank Administration and Cleanup, to any other strategy.

    For the purposes of implementing activities supported in Strategy D.1.1, Storage Tank Administration and Cleanup, the TCEQ is exempt from provisions of Article IX relating to the inclusion of temporary or contract workers in the calculation of the number of Full-Time Equivalent (FTE) positions by a state agency.

12. **Certification of Section 404 Permits.** Except for the review of a federal permit or license by the state that is required in order to maintain delegation of a federal program or to comply with a requirement of federal law, none of the funds appropriated above may be expended by the commission for the purpose of certification of a federal permit issued by the US Army Corps of Engineers under § 404 of the Federal Clean Water Act.

13. **Texas Parks and Wildlife Environmental Special Investigations Unit.** Included in amounts appropriated above in Strategy C.1.2, Enforcement and Compliance Support, is $250,000 out of Waste Management Account No. 549 for each fiscal year of the biennium for the purpose of supporting the Texas Parks and Wildlife Department's Environmental Special Investigations Unit to enforce state and federal laws on illegal dumping. This appropriation is contingent on a memorandum of understanding and an interagency transfer of the funds between the Texas Parks and Wildlife Department and the Texas Commission on Environmental Quality to jointly administer the program. Any unexpended balance of this appropriation from fiscal year 2006 is appropriated for the same purpose for fiscal year 2007.

14. **Federal Funds and Capital Budget Expenditures.** To comply with the legislative intent to maximize the use of federal funds and to fulfill grant requirements required for the receipt and expenditure of federal funds, the Texas Commission on Environmental Quality (TCEQ) is hereby exempted from the Capital Budget Rider Provisions contained in Article IX of ths Act, "Limitations on Expenditures - Capital Budget", when federal funds are received in excess of amounts identified in the agency's Capital Budget Rider and such funds are federally designated solely for the purchase of specific capital items. In addition, TCEQ also is hereby exempted from the Capital Budget Rider provisions within Article IX of this Act when funds are received in the form of gifts to the agency in excess of amounts identified in the agency's Capital Budget Rider and such funds are designated solely for the purchase of specific capital items. The TCEQ shall notify the Legislative Budget Board and the Governor upon receipt of such federal funds or gift proceeds, of the amount received and items to be purchased.

15. **Appropriation: Refinement and Enhancement of Modeling to Demonstrate Attainment with the Clean Air Act.** Included in amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is $1,500,000 in fiscal year 2006 for research to obtain the data and information to refine and enhance any model used to demonstrate attainment with the National Ambient Air Quality Standard (NAAQS) for ozone and other pollutants under the Federal Clean Air Act. These funds may also be used to collect data and for modeling to demonstrate attainment with the National Ambient Air Quality Standard for Ozone and other pollutants. The Commission on Environmental Quality may contract as necessary to carry out these activities.

    Any unexpended balances remaining in this appropriation on August 31, 2006 are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2006.

16. **Waste Tires.** Out of amounts appropriated above, the Texas Commission on Environmental Quality (TCEQ) shall enforce statutory requirements relating to waste, scrap, or used tires. It is the intent of the Legislature that all reasonable steps be taken to minimize the illegal storage, transport, or disposal of waste or scrap tires. The TCEQ shall audit or otherwise monitor businesses that sell, transport, or store such tires and identify illegal or improper activities as well as study methods for achieving a greater level of compliance for tire disposal within the State of Texas. The TCEQ also shall seek opportunities for coordination with other agencies, such as the Comptroller of Public Accounts, through interagency agreements or contracts. Cooperating agencies shall use routine contracts with taxpayers during audits or other activity to obtain copies of tire manifests or other information relating to tire transport or storage in accordance with Health and Safety Code, § 361.112. Such agreements shall provide that the cooperating agency transmit such records to the commission for review and analysis and should be designed to have minimal costs for the cooperating agency. The TCEQ shall submit a report not later than December 1, 2006, to the Legislative Budget Board and the Governor detailing their efforts and findings in accordance with this provision.

17. **Reallocation of Revenue and Balances for Certain Accounts.** Pursuant to Water Code, § 5.707, and notwithstanding provisions relating to Appropriation Transfers within the General Appropriations Act, the Texas Commission on Environmental Quality is hereby authorized to reallocate not more than 7 percent of the All Funds amount identified in the Method of Finance above from the following accounts (consisting of revenues and balances) to be used for purposes identified in the above strategies.

    Used Oil Recycling Account No. 146
    Clean Air Account No. 151
    Water Resource Management Account No. 153
    Watermasters Administration Account No. 158
    Occupational Licensing Account No. 468
    Waste Management Account No. 549
    Hazardous and Solid Waste Remediation Fee Account No. 550
    Solid Waste Disposal Account No. 5000
    Operating Permit Fee Account No. 5094

    The Commission shall notify the Governor and the Legislative Budget Board of any decision to reallocate funds between accounts prior to any such reallocations.

18. **Appropriation: Low-income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program (LIRAP).** Included in the amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is $4,000,000 in each fiscal year of the 2006-07 biennium in estimated fee revenues from vehicle inspection and maintenance fees generated pursuant to Health and Safety Code, § 382.202, to fund the Low-income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program (LIRAP). Of the amounts, not more than $149,285 in each fiscal year shall be used by the Texas Commission on Environmental Quality (TCEQ) for costs associated with administering the LIRAP as authorized in Health and Safety Code, § 382.202, and all remaining funds shall be used as LIRAP grants to local governments.

    In addition to the amounts appropriated above, there is hereby appropriated to the TCEQ for the biennium beginning on September 1, 2005 any additional revenues from vehicle inspection and maintenance fees generated from additional counties participating in the LIRAP beginning on or after September 1, 2005. Such funds shall be used to provide grants to local governments and to cover administrative costs of the TCEQ in administering the LIRAP.

19. Statewide Implementation Plan Credit. The Texas Commission on Environmental Quality (TCEQ) shall evaluate all expenditures by the Texas Department of Transportation that result in quantifiable improvements to air quality in areas considered to be nonattainment for federal air quality standards to determine whether such expenditures could result in nitrous oxide (NOx) emissions reductions that could be used as credit in the Statewide Implementation Plan (SIP) submitted to the Environmental Protection Agency (EPA).

At least annually, the TCEQ shall notify the Texas Emissions Reductions Plan (TERP) Advisory Board of its findings regarding potential additional SIP credit. In addition, the TCEQ shall include such items in any amendments to the SIP submitted to the EPA.

20. Appropriations Limited to Revenue Collections: Automobile Emission Inspections. Included in amounts appropriated above out of the Clean Air Account No. 151 in Strategy A.1.1, Air Quality Assessment and Planning, is $2,062,582 in fiscal year 2006 and $2,082,459 in fiscal year 2007 for the operation of the vehicle emissions inspection and maintenance program pursuant to § 382.037, Health and Safety Code. These funds are for the purpose of developing, administering, evaluating, and maintaining the vehicle emissions inspection and maintenance program, including federally required reporting measures to demonstrate compliance with applicable federal and state laws.

In addition, if additional counties enter the vehicle emissions inspection and maintenance program during fiscal years 2006-07, 20 percent of revenues generated from the vehicle emissions and inspections fee in the additional counties in each fiscal year are hereby appropriated to the agency for the same purposes.

It is the intent of the Legislature that 20 percent of the fees authorized and generated by the operation of the vehicle emissions inspection and maintenance program cover, at a minimum, the costs of the appropriations made above, as well as the "Other direct and indirect costs" associated with the program, appropriated elsewhere in this Act. "Other direct and indirect costs" for the vehicle emissions inspection and maintenance program are estimated to be $154,068 for fiscal year 2006 and $158,683 for fiscal year 2007. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

21. Appropriation: Operating Permit Fees. In calculating the amount of the fee to be collected under Health and Safety Code, § 382.0621, the commission shall include upset and maintenance emissions in the total emissions for each source.

Included in the amounts appropriated above out of the Clean Air Act No. 151 is $520,000 in each fiscal year of the biennium in fee revenues from upset and maintenance emissions. These funds shall be used for enforcement and monitoring activities in Strategy A.2.1, Air Quality Permitting.

22. Bosque River Water Quality Monitoring. Out of funds appropriated above in Strategy A.1.2, Water Assessment and Planning, the Texas Commission on Environmental Quality shall conduct water quality monitoring of the Bosque River.

23. Appropriation: Administration Costs for the Texas River Compact Commission. Out of the amounts appropriated above, the Texas Commission on Environmental Quality (TCEQ) shall allocate at least $37,500 each fiscal year to provide administrative services, support, and operating costs for the Texas River Compact Commissions.

24. Nuisance Surveys for the Economically Distressed Areas Program. Out of amounts appropriated above out of the General Revenue Fund in Strategy A.1.2, Water Resource Assessment and Planning, the Texas Commission on Environmental Quality shall reimburse the Texas Department of State Health Services for costs incurred by the Department in conducting nuisance surveys for applicants for financial assistance through the Economically Distressed Areas program administered by the Water Development Board. The Commission shall reimburse such costs through Interagency Contracts with the Texas Department of State Health Services in an amount not to exceed a total of $250,000 for the biennium beginning on September 1, 2005.

25. Contingency Appropriation and Unexpended Balance Authority within the Biennium: Low-Level Radioactive Waste Disposal. Included in amounts appropriated above in strategy A.3.1, Low-Level Radioactive Waste Management is $990,428 in fiscal year 2006 and $990,425 in fiscal year 2007 out of the Low Level Waste Account No. 88 for costs incurred in the review and evaluation of applications received for a license to operate a low-level radioactive waste disposal site.

In addition to amounts appropriated above and contingent upon the Texas Commission on Environmental Quality (TCEQ) assessing additional fees to recover costs in reviewing and evaluating low-level radioactive waste disposal applications pursuant to Health and Safety Code, Chapter 401, there is hereby appropriated to the TCEQ fee revenues deposited to the credit of the Low-Level Waste Management Account No. 88 in excess of the Comptroller's Biennial Revenue Estimate for 2006-07 and not to exceed $250,000 in fiscal year 2006 and not to exceed $500,000 in fiscal year 2007 for the same purposes.

Any unexpended balances remaining in these appropriations on August 31, 2006, are hereby appropriated to the Commission for the same purposes for the fiscal year beginning in September 1, 2006.

26. Appropriation: Perpetual Care Account. In the event of an incident involving the release of radioactive material at a disposal, processing, or storage facility licensed by the Texas Commission on Environmental Quality (TCEQ), the TCEQ is hereby appropriated any revenues from the TCEQ licensee, including the proceeds of securities, deposited to the credit of the Perpetual Care Account pursuant to Health and Safety Code, § 401.305 (b) and § 401.301 (d) during the biennium beginning September 1, 2005 (estimated to be $0). The funds shall be used in Strategy A.3.1, Low-Level Radioactive Waste Management, to mitigate radioactive pollution resulting from activities of a TCEQ licensee as provided in Health and Safety Code, § 401.305 (c)-(d), and pursuant to a memorandum of understanding with the Department of State Health Services relating to the regulations for the control of radiation.

27. Environmental Health Institute. Out of amounts appropriated above, the Texas Commission on Environmental Quality (TCEQ) shall use up to $500,000 out of the Hazardous and Solid Waste Remediation Fee Account No. 550 during the biennium beginning on September 1, 2005 for the support of the Texas Environmental Health Institute (TEHI) established in conjunction with the Texas Department of State Health Services in Health and Safety Code, Chapter 427.

Any penalty amounts generated during the biennium beginning on September 1, 2005 from the TCEQ's administrative or civil enforcement actions that are invested in a Supplemental Environmental Project conducted by the TEHI or by any other organization in association with the TEHI, shall be considered an expenditure of the TCEQ for the purpose of supporting the TEHI.

28. Unexpended Balance Authority within the Biennium. Any unexpended balances on August 31, 2006 in the appropriations made above to the Commission on Environmental Quality are hereby appropriated for the same purposes for the fiscal year beginning on September 1, 2006.

29. On-Site Wastewater Treatment Research Council Fee. Included in amounts appropriated above in Strategy A.1.2, Water Resource Assessment and Planning, is an amount not to exceed $330,000 in each fiscal year of the biennium from fees collected and deposited to the General Revenue Fund pursuant to Health and Safety Code, Chapter 367, for costs relating to the On-Site Wastewater Treatment Research Council.

30. Texas Emissions Reduction Plan (TERP): Grants and Administration. Included in amounts appropriated above in Strategy A.1.1, Air Quality Assessment and Planning, is $128,520,574 in fiscal year 2006 and $128,520,572 in fiscal year 2007 out of the Texas Emissions Reduction Plan Account No. 5071. Of these amounts, not more than $116,323,671 in fiscal year 2006 and $116,323,670 in fiscal year 2007 shall be used as incentive payments for the Diesel Emissions Reduction Programs established in Health and Safety Code, Chapter 386, Subchapter C; not more than $683,950 in fiscal year 2006 and $683,948 in fiscal year 2007 shall be used to administer the Diesel Emissions Reduction Program; not more than $11,262,953 in fiscal year 2006 and $11,262,954 shall be used for grant funding for the New Technology Research Development Program established in Health and Safety Code, Chapter 387; and not more than $250,000 each fiscal year shall be used to administer the New Technology Research Development Program.

Any unexpended balances in the appropriations made to the Commission on Environmental Quality out of the Texas Emissions Reduction Plan Account No. 5071 on August 31, 2006 are hereby appropriated for the same purposes for the fiscal year beginning on September 1, 2006.

31. Reimbursement of Advisory Committees. Pursuant to Government Code, § 2001.004, reimbursement of expenses for advisory committee members out of funds appropriated above is limited to the following advisory committees:

Irrigators Advisory Council
Small Business Compliance Advisory Panel
Municipal Solid Waste Management and Resource Recovery Advisory Council
Pollution Prevention Advisory Committee
Dry Cleaners Advisory Committee

32. Appropriation: Contracting for Debt Collection. In addition to amounts appropriated above, there is hereby appropriated to the Texas Commission on Environmental Quality (TCEQ) for the biennium beginning on September 1, 2005, all proceeds from overdue and delinquent penalties and fees collected by a contractor working on behalf of the TCEQ to collect such funds. This appropriation shall be limited to the amount necessary to pay the contractor collecting such fees for its services and shall not exceed 18 percent of fine and fee proceeds collected by the contractor (estimated to be $293,388 for the 2006-07 biennium). All other amounts collected shall be deposited to the General Revenue Fund or to a General Revenue-Dedicated Account, based on the applicable statutory provisions.

33. Authorization: Water and Air Program Fee Rates. To provide for the recovery of costs of processing certain water and air applications, the following fee rates are established pursuant to Government Code, Chapter 315, Subchapter E, to be effective during the biennium beginning on September 1, 2005.

The maximum rate for the fees authorized in Water Code, §§5.701 (b-c), shall be $2,000.

The maximum rate for fees authorized in Health and Safety Code, §382.062, shall be $80,000.

34. Contingency Appropriation: Concho River Watermaster. In addition to the amounts appropriated above out of the Watermaster Administration Account No. 158 in Strategy A.2.2, Water Resource Permitting, and contingent upon the creation of a watermaster office for the Concho River watershed and upon the Texas Commission on Environmental Quality (TCEQ) assessing new fees on water rights holders in the Concho River watershed, there is hereby appropriated to the TCEQ $139,768 in fiscal year in fiscal year 2006 and $110,548 in fiscal year 2007 in fee revenues deposited to the credit of the Watermaster Administration Account No. 158. These funds shall be used to administer the Concho River watermaster's office.

This appropriation is contingent upon the TCEQ assessing fees sufficient to generate, during the 2006-07 biennium, revenue to cover, at a minimum, appropriations for the Concho River watermaster's office as well as "Other direct and indirect costs" for the program appropriated elsewhere in this Act. "Other direct and indirect costs" associated with the Concho River Watermaster are estimated to be $12,243 in fiscal year 2006 and $13,042 in fiscal year 2007. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct the Comptroller of Public Accounts to reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

Also contingent upon the creation of a watermaster office for the Concho River watershed and upon the TCEQ assessing new fees on water rights holders in the Concho River watershed, the "Number of Full-Time-Equivalents (FTE)" figure indicated above is hereby increased by 2 in each fiscal year of the 2006-07 biennium, and the TCEQ's Capital Budget authority is hereby increased for the following item and in the following amount.

	2006	2007
b. Transportation Items		
(1) Replacement Vehicles for Agency Fleet	$25,000	$0

35. Appropriation: North Bosque and Leon Watersheds Compost Project. Included in amounts appropriated above in Strategy A.1.2, Water Assessment and Planning, is $98,853 in General Revenue in fiscal year 2006 to be used as matching funds to obtain Federal Funds to be used in the development and implementation of a manure compost project in the North Bosque and Leon River watersheds.

Any unexpended balances remaining in this appropriation on August 31, 2006 are hereby appropriated for the fiscal year beginning on September 1, 2006 for the same purpose.

36. Appropriation: Unexpended Balances for Waste Tire Disposal Grants. Included in amounts appropriated above in Strategy C.1.3, Pollution Prevention and Recycling, is $2,400,000 in unexpended balances as of August 31, 2005, from funds appropriated out of the Solid Waste Disposal Account No. 5000 for grants for the disposal of waste tires and scrap tires. The Commission on Environmental Quality is authorized to expend these funds only for their original purpose.

Any unexpended balances remaining in this appropriation on August 31, 2006 are hereby appropriated for the fiscal year beginning on September 1, 2006.

37. Contingency Appropriation: Revenue from Increased Fee Rates at Watermaster Offices. In addition to amounts appropriated above in Strategy A.2.2, Water Resource Permitting, there is hereby appropriated to the Texas Commission on Environmental Quality (TCEQ) fee revenues collected and deposited to the credit of the Watermaster Administration Account No. 158 in an amount not to exceed $110,000 in fiscal year 2006 and not to exceed $130,000 in fiscal year 2007 from additional fees generated pursuant to Water Code, § 11.329 due to the implementation of increased fee rates at the watermaster offices and in excess of the Comptroller's Biennial Revenue Estimate. These funds shall be used for operating costs of the watermaster offices.

This appropriation is contingent upon the TCEQ and the watermaster offices assessing fees sufficient to generate, during the 2006-07 biennium, revenue to cover the appropriations out of the Watermaster Administration Account No. 158. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Comptroller of Public Accounts shall reduce the appropriation authority provided above to be within the amount of revenue expected to be available. The TCEQ and the watermaster offices, upon completion of necessary actions to assess or increase additional fees, shall furnish copies of minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues in excess of those estimated in the Biennial Revenue Estimate for 2006-07, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purpose.

38. Memorandum of Understanding. It is the intent of the Legislature that the Texas Commission on Environmental Quality (TCEQ) and each of the five River Compact Commissions enter into a memorandum of understanding (MOU) that specifies the manner in which the TCEQ shall manage and support the operations of each River Compact Commission, including the transfer of compact commission Full-Time-Equivalents (FTEs) and appropriations to the TCEQ. However, in no event shall this MOU interfere with the activities of each interstate river compact or individual compact commissioner in appropriating water supply between compact states or resolving water-related problems between compact states.

GENERAL LAND OFFICE AND VETERANS' LAND BOARD

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 983,486	$ 986,846
General Revenue Fund - Dedicated		
Coastal Protection Account No. 027	10,486,169	10,486,169

Coastal Public Lands Management Fee Account No. 450	184,063	184,063
Subtotal, General Revenue Fund - Dedicated	$ 10,670,232	$ 10,670,232
Federal Funds	3,410,216	3,410,216
Other Funds		
Appropriated Receipts	3,716,854	2,516,854
Interagency Contracts	54,581	54,581
Veterans Land Program Administration Fund No. 522	14,479,015	14,351,788
Permanent School Fund No. 044	8,566,932	8,506,225
Texas Veterans Homes Administration Fund No. 374	234,515	234,515
Subtotal, Other Funds	$ 27,051,897	$ 25,663,963
Total, Method of Financing	$ 42,115,831	$ 40,731,257
This bill pattern represents an estimated 3.7% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	572.0	572.0
Schedule of Exempt Positions:		
Land Commissioner, Group 6	$125,000	$125,000
Items of Appropriation:		
A. Goal: ENHANCE STATE ASSETS		
Enhance State Assets and Revenues by Managing State-owned Lands.		
A.1.1. Strategy: ENERGY LEASE MANAGEMENT & REV AUDIT	$ 3,716,183	$ 3,666,495
Assess State Lands' Revenue Potential & Manage Energy Leases/Revenues.		
A.1.2. Strategy: ENERGY MARKETING	$ 662,726	$ 687,535
A.1.3. Strategy: DEFENSE AND PROSECUTION	$ 3,036,663	$ 1,836,663
Royalty and Mineral Lease Defense and Prosecution.		
A.1.4. Strategy: UPLANDS LEASING	$ 451,034	$ 451,034
Uplands Leasing and Inspection.		
A.1.5. Strategy: COASTAL LEASING	$ 1,949,503	$ 1,956,675
Coastal Leasing and Inspection.		
A.1.6. Strategy: ASSET MANAGEMENT	$ 1,791,017	$ 1,748,017
PSF & State Agency Real Estate Management & Disposition.		
A.1.7. Strategy: SURVEYING AND APPRAISAL	$ 1,379,527	$ 1,379,527
PSF & State Agency Surveying and Appraisal.		
Total, Goal A: ENHANCE STATE ASSETS	$ 12,986,653	$ 11,725,946
B. Goal: PROTECT THE ENVIRONMENT		
Protect the Environment, Promote Wise Resource Use, and Create Jobs.		
B.1.1. Strategy: COASTAL MANAGEMENT	$ 1,960,168	$ 1,963,528
B.1.2. Strategy: COASTAL EROSION	$ 169,311	$ 169,311
B.1.3. Strategy: OIL SPILL RESPONSE	$ 6,696,370	$ 6,696,370
B.1.4. Strategy: OIL SPILL PREVENTION	$ 3,789,799	$ 3,789,799
Total, Goal B: PROTECT THE ENVIRONMENT	$ 12,615,648	$ 12,619,008
C. Goal: VETERANS' LAND BOARD (VLB)		
Provide Benefit Programs to Texas Veterans.		
C.1.1. Strategy: VETERANS' LOAN PROGRAMS	$ 11,849,583	$ 11,736,185
C.1.2. Strategy: VETERANS' HOMES	$ 2,322,061	$ 2,322,061
State Veterans' Homes.		
C.1.3. Strategy: VETERANS' CEMETERIES	$ 2,341,886	$ 2,328,057
State Veterans' Cemeteries.		
Total, Goal C: VETERANS' LAND BOARD (VLB)	$ 16,513,530	$ 16,386,303
Grand Total, GENERAL LAND OFFICE AND VETERANS' LAND BOARD	$ 42,115,831	$ 40,731,257

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 26,384,438	$ 26,285,884
Other Personnel Costs	742,215	742,315
Professional Fees and Services	5,124,913	3,924,914
Fuels and Lubricants	92,964	92,964
Consumable Supplies	372,077	379,149
Utilities	214,702	221,427
Travel	699,751	703,827
Rent - Building	410,206	416,118
Rent - Machine and Other	155,524	156,875
Other Operating Expense	3,788,150	3,785,275
Grants	1,145,993	1,147,993
Capital Expenditures	2,984,898	2,874,516
Total, Object-of-Expense Informational Listing	$ 42,115,831	$ 40,731,257
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,723,157	$ 1,757,620
Group Insurance	3,749,494	4,040,598
Social Security	2,235,909	2,280,627
Benefits Replacement	296,354	281,537
Subtotal, Employee Benefits	$ 8,004,914	$ 8,360,382
Debt Service		
Lease Payments	$ 156,797	$ 176,885
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 8,161,711	$ 8,537,267

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the General Land Office and Veterans' Land Board. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the General Land Office and Veterans' Land Board. In order to achieve the objectives and service standards established by this Act, the General Land Office and Veterans' Land Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: ENHANCE STATE ASSETS		
Outcome (Results/Impact):		
Percent of Permanent School Fund Uplands Acreage Leased	85%	85%
A.1.1. Strategy: ENERGY LEASE MANAGEMENT & REV AUDIT		
Output (Volume):		
Amount of Revenue Detected from Audits	8,000,000	8,000,000
A.1.2. Strategy: ENERGY MARKETING		
Output (Volume):		
Average Monthly Volume of In-kind Gas Sold in Thousand Cubic Feet (MCF)	2,937,341	2,937,341
Average Monthly Volume of In-kind Oil Sold in Barrels	56,565	56,565
A.1.4. Strategy: UPLANDS LEASING		
Output (Volume):		
Annual Revenue from Uplands Surface Leases	8,000,000	8,000,000
A.1.5. Strategy: COASTAL LEASING		
Output (Volume):		
Annual Revenue from Coastal Leases	2,400,000	2,700,000
A.1.6. Strategy: ASSET MANAGEMENT		
Output (Volume):		
Annual Value of State Agency Real Estate Transactions	10,000,000	10,000,000
B. Goal: PROTECT THE ENVIRONMENT		
B.1.3. Strategy: OIL SPILL RESPONSE		
Output (Volume):		
Number of Oil Spill Responses	1,167	1,152
B.1.4. Strategy: OIL SPILL PREVENTION		
Output (Volume):		
Number of Prevention Activities - Vessels	1,800	1,800

C. Goal: VETERANS' LAND BOARD (VLB)		
Outcome (Results/Impact):		
Percent of Texas Veterans Reached through Outreach Efforts	25%	25%
Percent of Total Loan Income Used for Administrative Purposes	14.4%	14.3%
C.1.1. Strategy: VETERANS' LOAN PROGRAMS		
Output (Volume):		
Dollar Volume of Program Loans Serviced by Veterans' Land Board	422,000,000	421,000,000
Efficiencies:		
Average Number of Loans Serviced Per Loan Servicer	2,610	2,703
C.1.2. Strategy: VETERANS' HOMES		
Output (Volume):		
Occupancy Rate at Veterans Homes	70	77
C.1.3. Strategy: VETERANS' CEMETERIES		
Output (Volume):		
Number of Interments Provided by the State Veterans Cemetery Program	900	1,240

2. Capital Budget. Funds appropriated above may be expended for capital budget items listed below. The amounts identified for each item may be adjusted or expended on other capital expenditures, subject to the aggregate dollar restrictions on capital budget expenditures provided in the General Provisions of this Act.

	2006	2007
a. Construction of Buildings and Facilities		
(1) Oily Bilge Reclamation Systems	$ 130,000	$ 130,000
b. Acquisition of Information Resource Technologies		
(1) Disaster Recovery Project	95,000	95,000
(2) Hardware/Server Rotation Project	390,000	390,000
(3) Aggregated Hardware/Software Project	65,392	68,752
(4) Office Productivity Licensing Project	$ 191,000	$ 0
Total, Acquisition of Information Resource Technologies	$ 741,392	$ 553,752
c. Transportation Items		
(1) Vehicles - Replacement	290,780	290,780
(2) Boats - Replacement	$ 52,128	$ 94,000
Total, Transportation Items	$ 342,908	$ 384,780
d. Acquisition of Capital Equipment and Items		
(1) Equipment - Replacement	$ 85,772	$ 43,900
Total, Capital Budget	$ 1,300,072	$ 1,112,432
Method of Financing (Capital Budget):		
General Revenue Fund - Dedicated		
GR Dedicated - Coastal Protection Account No. 027	$ 501,379	$ 446,544
Subtotal, General Revenue Fund - Dedicated	$ 501,379	$ 446,544
Other Funds		
Permanent School Fund No. 044	225,978	211,150
Veterans Land Program Administration Fund No. 522	572,715	454,738
Subtotal, Other Funds	$ 798,693	$ 665,888
Total, Method of Financing	$ 1,300,072	$ 1,112,432

3. Per Diem: Boards, Commissions, and Councils. Citizen members of the School Land Board, Veterans' Land Board, Boards for Lease, and the Coastal Coordination Council may be paid per diem at a rate not to exceed the amount established elsewhere in this Act and actual expenses from funds appropriated above.

4. **Appropriation Source: Veterans' Land Program.** In addition to amounts appropriated above, there is hereby appropriated from the Veterans' Land Funds, the Veterans' Housing Assistance Funds and the fund for State Veterans' Homes, all amounts necessary to administer the Veterans' Land Program, Veterans' Housing Assistance Program, State Veterans' Homes, and Veterans' Cemeteries, including the amounts incurred in issuing bonds, in compensating a Housing Program Administrator, and in paying contracts for services rendered in administering the land and housing programs, as created and authorized by Article III, § 49b of the Texas Constitution, as amended and Chapter 164 of the Natural Resources Code.

5. **Appropriation of Receipts: Land Sales Expenses.** Pursuant to §§ 31.1571, 31.158 and 32.112, Natural Resources Code, there is hereby appropriated to the General Land Office receipts from land sales sufficient to cover the usual and customary costs of conducting real estate transactions as authorized to be retained by the General Land Office and the School Land Board.

6. **Transfer Authority.** Notwithstanding limitations on appropriation transfers contained in the General Provisions of this Act, the General Land Office and Veterans' Land Board, is hereby authorized to direct agency resources within the General Land Office and Veterans' Land Board, and transfer such amounts appropriated above between strategy line items.

7. **Appropriation: Defense of Title to Permanent School Fund Land and Prosecution of Mineral Lease Claims or Cases.** Included in amounts appropriated above in Strategy A.1.3, Defense and Prosecution, is $2,450,000 in fiscal year 2006 and $1,250,000 in fiscal year 2007 in Appropriated Receipts from funds recovered for the Permanent School Fund by the General Land Office from the prosecution of Relinquishment Act, royalty deficiency and other mineral lease claims or cases. Such funds are to be used for the defense of title to Permanent School Fund lands, and the prosecution of Relinquishment Act, royalty deficiency and other mineral lease claims or cases.

8. **Unexpended Balances Within the Biennium.** Any unexpended balances as of August 31, 2006 in the appropriations made herein to the General Land Office and Veterans' Land Board are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2006.

9. **Appropriation: Easement Fees for Use of State-owned Riverbeds.** Included in the amounts appropriated above in Strategy A.1.4, Uplands Leasing, are all unencumbered balances on hand as of August 31, 2005 (not to exceed $100,000 in General Revenue), and all amounts collected as easement fees for use of state-owned riverbeds pursuant to § 51.291, Natural Resources Code, or agency rules, during the biennium beginning September 1, 2005, for the removal or improvement of unauthorized structures on Permanent School Fund lands.

10. **Reporting Requirements: Veterans' Land Board Loan Programs.** It is the intent of the Legislature that the General Land Office and Veterans' Land Board submit the following information on the Veterans' Land Board Housing and Land Loan Programs to the Bond Review Board on a semi-annual basis: the current and historical program cash flows for the last five fiscal years; a comparison of the net revenues of the programs to the debt service on the bonds; a comparison of actual to forecasted loan and investment income; and, the number and dollar amount of foreclosures as a percentage of all active loans in the programs.

11. **Medicaid Reimbursement Rates for Texas State Veterans Homes.** It is the intent of the Legislature that the Health and Human Services Commission, in consultation with the General Land Office and Veterans' Land Board and pursuant to existing general law authority, should establish Medicaid reimbursement rates for long-term care services provided to Medicaid-eligible veterans who reside in veterans homes established and operated pursuant to Chapter 164, Natural Resources Code, that contract with the Texas Department of Aging and Disability Services to provide nursing facility services. The Health and Human Services Commission shall report on December 1 of each fiscal year in the biennium to the Legislative Budget Board and the Governor on the following: how many, on average, Medicaid-eligible veterans are in the veteran's homes; how many current residents of the homes are determined to be Medicaid eligible in the prior fiscal year; how many Medicaid-eligible veterans transfer into the homes and how many enter the homes as their initial nursing facility during the previous fiscal year. In addition, the report shall contain the total amount of Medicaid reimbursements paid in the prior fiscal year for veterans, the average daily rate paid to the facilities, and any other information requested by the Legislative Budget Board and the Governor.

12. **State Veterans Homes.** It is the intent of the Legislature that no further state veterans homes' sites be selected by the General Land Office and Veterans' Land Board until all sites identified and selected through the agency's request for proposal process as of January 1, 2005 have the necessary state and federal funds to begin construction.

TRUSTEED PROGRAMS WITHIN THE GENERAL LAND OFFICE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
GR Dedicated - Coastal Protection Account No. 027	$ 325,000	$ 325,000
Permanent School Fund No. 044	77,975,000	78,021,000
Federal Funds	3,000,000	5,000,000
Appropriated Receipts	2,625,000	3,125,000
Total, Method of Financing	$ 83,925,000	$ 86,471,000
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: PRESERVE/PROTECT COASTAL AREAS		
Preserve/Protect Beaches and Coastal Areas from Erosion.		
A.1.1. Strategy: COASTAL EROSION GRANTS	$ 5,950,000	$ 8,450,000
B. Goal: MANAGE STATE LAND		
Manage State Land on Behalf of the Permanent School Fund (PSF).		
B.1.1. Strategy: PURCHASE LAND Purchase Land for the Permanent School Fund.	$ 77,975,000	$ 78,021,000
Grand Total, TRUSTEED PROGRAMS WITHIN THE GENERAL LAND OFFICE	$ 83,925,000	$ 86,471,000
Object-of-Expense Informational Listing:		
Professional Fees and Services	$ 200,000	$ 200,000
Other Operating Expense	1,253,974	521,000
Grants	5,171,026	8,450,000
Capital Expenditures	77,300,000	77,300,000
Total, Object-of-Expense Informational Listing	$ 83,925,000	$ 86,471,000

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Trusteed Programs Within the General Land Office. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Trusteed Programs Within the General Land Office. In order to achieve the objectives and service standards established by this Act, the Trusteed Programs Within the General Land Office shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: PRESERVE/PROTECT COASTAL AREAS		
Outcome (Results/Impact):		
Percent of Eroding Shorelines Maintained, Protected, or Restored for Gulf Beaches and Other Shorelines	7%	18%
B. Goal: MANAGE STATE LAND		
B.1.1. Strategy: PURCHASE LAND		
Output (Volume):		
Annual Value of Permanent School Fund Real Estate Transactions	150,000,000	150,000,000

2. **Unexpended Balances Within the Biennium.** Any unexpended balances as of August 31, 2006 in the appropriations made herein to the Trusteed Programs Within the General Land Office are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2006.

3. **Appropriation: Shared Project Funds.** Included in amounts appropriated above as Appropriated Receipts, estimated to be $2,625,000 for fiscal year 2006 and $3,125,000 for fiscal year 2007, are estimated receipts from shared project funds received in accordance with Natural Resources Code, Chapter 33, Subchapter H, § 33.603(c)(1) and § 33.604.

4. **Appropriation of Receipts: Real Property Sales and Mineral Royalties.** Included in amounts appropriated above in Strategy B.1.1, Purchase Land, pursuant to § 51.401, Natural Resources Code, and estimated to be $77,975,000 in fiscal year 2006 and $78,021,000 in fiscal year 2007, the Trusteed Programs Within the General Land Office is hereby appropriated all additional receipts from land sales of Permanent School Fund (PSF) property conducted by the General Land Office and all receipts from the lease of PSF land for mineral development, including royalties from existing and future active mineral leases of PSF lands that are necessary to purchase fee or lesser interests in real property for the use and benefit of the PSF, or for the purpose of purchasing easements for access to PSF land as authorized by § 11.079, Natural Resources Code. Any of these appropriated receipts from the sale of PSF land or lease of PSF minerals which remain unexpended for more than two years are to be transferred into the PSF as required by Natural Resources Code § 51.401(d).

5. **Appropriation: Receipts and Account Balances for Surface Damages.** Included in the amounts appropriated above as Permanent School Fund No. 044 funds in Strategy B.1.1, Purchase Land, is $300,000 in fiscal year 2006 and $300,000 in fiscal year 2007 in receipts collected as surface damages pursuant to §§ 52.297, 53.155, 31.051, 51.291, 51.295, and 51.296, Natural Resources Code. Such funds are appropriated for the purpose of funding conservation or reclamation projects, making permanent improvements on Permanent School Fund (PSF) land, and making grants to a lessee of PSF land for these purposes, and for the purpose of purchasing easements for access to PSF land, as authorized by § 11.079, Natural Resources Code. In addition to funds appropriated above, additional revenues received from surface damage receipts are hereby appropriated to the Trusteed Programs Within the General Land Office for the same purposes, estimated to be $0.

6. **Marketing, Acquisition, or Disposition of Lands Purchased by the Permanent School Fund Land.** Included in amounts appropriated above in Strategy B.1.1, Purchase Land, funds generated by the leasing of Permanent School Fund land surface interests, are funds necessary to pay reasonable and necessary costs (estimated to be $375,000 in fiscal year 2006 and $421,000 in fiscal year 2007) incurred by the Trusteed Programs Within the General Land Office for the marketing, acquisition or disposition of lands purchased by the Permanent School Fund.

7. **School Land Board Acquisition of Land, Buildings, or Facilities.** If the School Land Board (SLB) acquires land, buildings, or facilities that are currently occupied by a state agency and, with the consent of the SLB, the agency continues to occupy the building or facility, all maintenance of the buildings and premises shall be funded from appropriations provided for the maintenance of the building, facility, or premises as set forth elsewhere in this Act. The SLB may retain an amount equal to 5.0 percent of the purchase price, for each year of the biennium that the agency uses the land, building, or facility pro-rated on a monthly basis. The funds retained shall be deposited as rental into the Permanent School Fund.

8. **Appropriation and Transfer Authority of Coastal Protection Account Funds.** Included in amounts appropriated above in Strategy A.1.1, Coastal Erosion Grants, is an estimated $325,000 in fiscal year 2006 and an estimated $325,000 in fiscal year 2007 in interest earnings out of the Coastal Protection Account No. 027.

   Notwithstanding limitations on appropriation transfers contained elsewhere in this Act, the General Land Office is hereby authorized to transfer up to 40 percent of appropriations made out of the Coastal Protection Account No. 027 in Strategy A.1.1, Coastal Erosion Grants, from the Trusteed Programs Within the General Land Office to Strategy B.1.1, Coastal Management and Strategy B.1.2, Coastal Erosion, of the General Land Office and Veterans' Land Board.

9. **State Energy Marketing Program.** It is the intent of the Legislature that the General Land Office use a portion of the revenue from land sales of Permanent School Fund (PSF) property and all receipts from the lease of PSF land for mineral development, including royalties from existing and future active mineral leases of PSF land to manage the State Energy Marketing Program as authorized by Natural Resources Code, § 31.401 and §§ 35.102 and 104.2545 of the Utilities Code.

PARKS AND WILDLIFE DEPARTMENT

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 6,108,012	$ 6,327,839
Earned Federal Funds	0	225,000
Unclaimed Refunds of Motorboat Fuel Tax	13,977,784	13,977,784
Boat and Boat Motor Sales and Use Tax	5,300,000	5,300,000
Sporting Goods Sales Tax - Transfer to:		
State Parks Account No. 64	15,500,000	15,500,000
Texas Recreation and Parks Account No. 467	5,231,242	5,231,242
Subtotal, General Revenue Fund	$ 46,117,038	$ 46,561,865
General Revenue Fund - Dedicated		
Game, Fish and Water Safety Account No. 009	80,302,363	80,627,241
State Parks Account No. 064	23,039,731	22,837,638
Texas Recreation and Parks Account No. 467	417,563	417,562
Non-Game and Endangered Species Conservation Account No. 506	23,315	23,315
Lifetime License Endowment Account No. 544	12,287	12,287
Texas Parks and Wildlife Capital Account No. 5004	106,000	106,000
Shrimp License Buy Back Account No. 5023	96,000	96,000
Big Bend National Park Account No. 5030	56,500	56,500
Waterfowl/Wetland Conservation License Plates Account No. 5057	27,500	27,500
Texas Lions Camp License Plate Account No. 5116	13,288	17,688
Marine Mammal Recovery License Plate Account No. 5120	12,135	16,535
Subtotal, General Revenue Fund - Dedicated	$ 104,106,682	$ 104,238,266
Federal Funds	45,214,108	44,636,489
Other Funds		
Appropriated Receipts	3,723,352	2,840,952
Texas Parks Development Fund No. 408 - General Obligation Bonds	249,982	0
Interagency Contracts	250,000	250,000
Bond Proceeds - General Obligation Bonds	20,521,740	0
Bond Proceeds - Revenue Bonds	15,000,000	9,000,000
Subtotal, Other Funds	$ 39,745,074	$ 12,090,952
Total, Method of Financing	$ 235,182,902	$ 207,527,572
This bill pattern represents an estimated 99.6% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	2,979.4	2,979.4
Schedule of Exempt Positions:		
Executive Director, Group 5	$130,000	$130,000
Per Diem of Commission Members	5,400	5,400
Items of Appropriation:		
A. Goal: CONSERVE NATURAL RESOURCES		
Conserve Fish, Wildlife, and Natural Resources.		
A.1.1. Strategy: WILDLIFE CONSERVATION Wildlife Conservation, Habitat Management, and Research.	$ 23,132,007	$ 23,095,647
A.1.2. Strategy: TECHNICAL GUIDANCE Technical Guidance to Private Landowners and the General Public.	$ 665,674	$ 665,674
A.1.3. Strategy: HUNTING AND WILDLIFE RECREATION Enhanced Hunting and Wildlife-related Recreational Opportunities.	$ 3,343,045	$ 3,343,045
A.2.1. Strategy: INLAND FISHERIES MANAGEMENT Inland Fisheries Management, Habitat Conservation, and Research.	$ 9,665,553	$ 9,570,053
A.2.2. Strategy: INLAND HATCHERIES OPERATIONS	$ 2,920,424	$ 2,876,424

A.2.3. Strategy: COASTAL FISHERIES MANAGEMENT Coastal Fisheries Management, Habitat Conservation and Research.	$ 11,561,538	$ 11,468,438
A.2.4. Strategy: COASTAL HATCHERIES OPERATIONS	$ 2,081,654	$ 2,071,423
A.2.5. Strategy: ARTIFICIAL REEF PROGRAM	$ 452,620	$ 452,620
Total, Goal A: CONSERVE NATURAL RESOURCES	$ 53,822,515	$ 53,543,324
B. Goal: ACCESS TO STATE AND LOCAL PARKS		
B.1.1. Strategy: STATE PARK OPERATIONS State Parks, Historic Sites and State Natural Area Operations.	$ 42,253,003	$ 41,914,106
B.1.2. Strategy: PARKS MINOR REPAIR PROGRAM	$ 1,702,941	$ 1,702,941
B.1.3. Strategy: PARKS SUPPORT	$ 6,344,423	$ 6,344,423
B.2.1. Strategy: LOCAL PARK GRANTS Provide Local Park Grants.	$ 9,885,273	$ 9,885,272
B.2.2. Strategy: BOATING ACCESS AND OTHER GRANTS Provide Boating Access, Trails and Other Grants.	$ 4,760,305	$ 4,760,305
Total, Goal B: ACCESS TO STATE AND LOCAL PARKS	$ 64,945,945	$ 64,607,047
C. Goal: INCREASE AWARENESS AND COMPLIANCE		
C.1.1. Strategy: ENFORCEMENT PROGRAMS Wildlife, Fisheries and Water Safety Enforcement.	$ 32,310,231	$ 32,310,231
C.1.2. Strategy: WARDEN TRAINING ACADEMY Game Warden Training Academy.	$ 1,142,292	$ 1,142,291
C.1.3. Strategy: LAW ENFORCEMENT SUPPORT Provide Law Enforcement Oversight, Management and Support.	$ 1,427,170	$ 1,427,170
C.2.1. Strategy: HUNTER AND BOATER EDUCATION Provide Hunter, Boater and Other Conservation Education Programs.	$ 1,764,262	$ 1,764,262
C.2.2. Strategy: TP&W MAGAZINE Texas Parks & Wildlife Magazine.	$ 2,943,467	$ 2,943,467
C.2.3. Strategy: COMMUNICATION PRODUCTS AND SERVICES Provide Communication Products and Services.	$ 2,180,392	$ 2,180,392
C.2.4. Strategy: URBAN OUTREACH Provide Urban Outreach Programs.	$ 661,178	$ 661,178
C.3.1. Strategy: LICENSE ISSUANCE Hunting and Fishing License Issuance.	$ 7,882,350	$ 7,882,350
C.3.2. Strategy: BOAT REGISTRATION AND TITLING	$ 1,518,319	$ 1,518,319
Total, Goal C: INCREASE AWARENESS AND COMPLIANCE	$ 51,829,661	$ 51,829,660
D. Goal: MANAGE CAPITAL PROGRAMS		
D.1.1. Strategy: IMPROVEMENTS AND MAJOR REPAIRS Implement Capital Improvements and Major Repairs.	$ 39,465,205	$ 11,469,387
D.1.2. Strategy: LAND ACQUISITION	$ 306,115	$ 306,115
D.1.3. Strategy: INFRASTRUCTURE ADMINISTRATION Infrastructure Program Administration.	$ 3,436,938	$ 3,436,938
D.1.4. Strategy: DEBT SERVICE Meet Debt Service Requirements.	$ 5,919,168	$ 6,877,745
Total, Goal D: MANAGE CAPITAL PROGRAMS	$ 49,127,426	$ 22,090,185
E. Goal: INDIRECT ADMINISTRATION		
E.1.1. Strategy: CENTRAL ADMINISTRATION	$ 6,045,401	$ 6,045,401
E.1.2. Strategy: INFORMATION RESOURCES	$ 6,510,046	$ 6,510,047
E.1.3. Strategy: OTHER SUPPORT SERVICES	$ 2,901,908	$ 2,901,908
Total, Goal E: INDIRECT ADMINISTRATION	$ 15,457,355	$ 15,457,356
Grand Total, PARKS AND WILDLIFE DEPARTMENT	$ 235,182,902	$ 207,527,572
Supplemental Appropriations Made in Riders:	$ 3,000,000	$ 3,000,000

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 104,523,910	$ 104,523,911
Other Personnel Costs	5,323,394	5,323,394
Professional Fees and Services	6,459,649	6,459,649
Fuels and Lubricants	3,083,680	3,083,680
Consumable Supplies	3,746,092	3,746,092
Utilities	8,708,880	8,708,880
Travel	2,801,541	2,801,541
Rent - Building	1,749,336	1,749,336
Rent - Machine and Other	2,088,512	2,088,512
Debt Service	5,919,168	6,877,745
Other Operating Expense	32,701,963	32,686,921
Grants	18,337,613	18,337,612
Capital Expenditures	42,739,164	14,140,299
Total, Object-of-Expense Informational Listing	$ 238,182,902	$ 210,527,572
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 6,291,886	$ 6,417,723
Group Insurance	20,890,190	22,586,524
Social Security	8,228,830	8,393,407
Benefits Replacement	1,320,423	1,254,402
Subtotal, Employee Benefits	$ 36,731,329	$ 38,652,056
Debt Service		
Bond Debt Service	$ 8,449,914	$ 8,375,667
Lease Payments	177,591	197,069
Subtotal, Debt Service	$ 8,627,505	$ 8,572,736
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 45,358,834	$ 47,224,792

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Parks and Wildlife Department. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Parks and Wildlife Department. In order to achieve the objectives and service standards established by this Act, the Parks and Wildlife Department shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: CONSERVE NATURAL RESOURCES		
Outcome (Results/Impact):		
Percent of Private Land Acreage in Texas Managed to Enhance Wildlife	12.5%	12.8%
Percent of Fish and Wildlife Kills or Pollution Cases Resolved Successfully	71%	71%
A.1.1. Strategy: WILDLIFE CONSERVATION		
Output (Volume):		
Number of Wildlife Population and Harvest Surveys Conducted	1,750	1,750
A.1.2. Strategy: TECHNICAL GUIDANCE		
Output (Volume):		
Number of Active Management Agreements with Private Landowners	4,830	4,900
A.2.2. Strategy: INLAND HATCHERIES OPERATIONS		
Output (Volume):		
Number of Fingerlings Stocked - Inland Fisheries (in millions)	15	15
A.2.3. Strategy: COASTAL FISHERIES MANAGEMENT		
Output (Volume):		
Number of Commercial Fishing Licenses Bought Back	180	180
A.2.4. Strategy: COASTAL HATCHERIES OPERATIONS		
Output (Volume):		
Number of Fingerlings Stocked - Coastal Fisheries (in millions)	30	30

B. Goal: ACCESS TO STATE AND LOCAL PARKS		
Outcome (Results/Impact):		
Percent of State Parks Maintenance and Minor Repair Projects Completed	18%	17%
B.1.1. Strategy: STATE PARK OPERATIONS		
Output (Volume):		
Number of State Parks in Operation	111	113
B.1.2. Strategy: PARKS MINOR REPAIR PROGRAM		
Output (Volume):		
Number of State Park Minor Repair/Maintenance Projects Completed	200	200
B.2.1. Strategy: LOCAL PARK GRANTS		
Output (Volume):		
Number of Grant Assisted Projects Completed	50	39
C. Goal: INCREASE AWARENESS AND COMPLIANCE		
Outcome (Results/Impact):		
Public Compliance Rate with Agency Rules and Regulations	96.7	96.7
C.1.1. Strategy: ENFORCEMENT PROGRAMS		
Output (Volume):		
Miles Patrolled in Vehicles (in millions)	10.52	10.52
Hours Patrolled in Boats	110,000	110,000
C.2.1. Strategy: HUNTER AND BOATER EDUCATION		
Output (Volume):		
Number of Students Trained in Hunter Education	33,600	33,600
Number of Students Trained in Boater Education	10,000	10,000
C.2.4. Strategy: URBAN OUTREACH		
Output (Volume):		
Number of Outreach Events and Programs Held for Targeted User Groups	113	125
C.3.1. Strategy: LICENSE ISSUANCE		
Output (Volume):		
Number of Combination Licenses Sold	558,000	558,000
D. Goal: MANAGE CAPITAL PROGRAMS		
Outcome (Results/Impact):		
Percent of Scheduled Major Repair/Construction Projects Completed	62%	62%
D.1.1. Strategy: IMPROVEMENTS AND MAJOR REPAIRS		
Output (Volume):		
Number of Major Repair/Construction Projects Completed	55	58

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2006	2007
a. Acquisition of Land and Other Real Property		
(1) Land Acquisition	$ UB	$ UB
b. Construction of Buildings and Facilities		
(1) Construction Projects in Progress	3,200,941 & UB	UB
(2) Construction and Major Repairs	2,416,666	2,416,665 & UB
(3) Critical Repairs	18,075,000	UB
(4) East Texas Fish Hatchery	15,000,000	UB
(5) Admiral Nimitz State Historic Site	0	9,000,000
(6) San Jacinto Monument	UB	UB
(7) Game Warden Academy	700,000	UB
(8) Government Canyon Residences	255,800 & UB	UB
Total, Construction of Buildings and Facilities	$ 39,648,407	$ 11,416,665

c. Acquisition of Information Resource Technologies		
(1) Mainframe upgrades, microcomputers, and other equipment	702,841	702,842
d. Transportation Items		
(1) Purchase of Vehicles	2,152,800	1,963,300
e. Acquisition of Capital Equipment and Items		
(1) Office, field, marine and lab equipment	273,687	96,063
Total, Capital Budget	$ 42,777,735	$ 14,178,870
Method of Financing (Capital Budget):		
General Revenue Fund - Dedicated		
Game, Fish and Water Safety Account No. 009	$ 5,008,639	$ 4,761,907
State Parks Account No. 064	483,855	371,763
Subtotal, General Revenue Fund - Dedicated	$ 5,492,494	$ 5,133,670
Federal Funds	622,819	45,200
Other Funds		
Appropriated Receipts	890,700	0
Bond Proceeds - General Obligation Bonds	20,521,740	0
Bond Proceeds - Revenue Bonds	15,000,000	9,000,000
Texas Parks Development Receipts	249,982	0
Subtotal, Other Funds	$ 36,662,422	$ 9,000,000
Total, Method of Financing	$ 42,777,735	$ 14,178,870

3. **Appropriation: Escrow Accounts.** Included in the amounts appropriated above in Strategy A.1.1, Wildlife Conservation, Strategy A.2.1, Inland Fisheries Management, and Strategy A.2.3, Coastal Fisheries Management are unexpended balances as of August 31, 2005, and any revenue received during this biennium (not to exceed $793,170 each fiscal year in Game, Fish, and Water Safety Account No. 9, and $12,287 each fiscal year in Lifetime License Endowment Account No. 544), consisting of either principal or interest, from trust or escrow accounts set up to benefit the Texas Parks and Wildlife Department.

4. **Authorization: Purchase of Evidence.** From the amounts appropriated above, the Texas Parks and Wildlife Department is hereby authorized to establish a cash fund, for the purchase of evidence and/or information and surveillance deemed necessary by the department for enforcement of laws under the Parks and Wildlife Code.

5. **Authorization: Acceptance of Payment with Goods and Services.** The Texas Parks and Wildlife Department is hereby authorized to accept goods and/or services in lieu of cash for sales of products or rights on the department's public land areas. These goods and services may be on the same public land area as the product or right sold or any other public land area. In order to procure the goods and services in the amounts needed that equal the value of products or rights sold, an escrow bank account may be utilized.

6. **Commissioned Peace Officer Compensation.** The Executive Director of the Texas Parks and Wildlife Department may not provide for the compensation of a state-commissioned peace officer at a rate less than the rate paid by any other state agency to a state-commissioned peace officer performing similar duties.

7. **Outreach Programs.** Out of amounts appropriated above in Strategy B.2.2, Boating Access and Other Grants, the department shall continue partnership projects by contracting an amount equal to $470,000 in each fiscal year of the 2006-07 biennium in partnership programs for underserved populations.

8. **Appropriation: Unexpended Balance for Construction Projects.** Included in amounts appropriated above in strategies A.1.1, Wildlife Conservation, B.1.1, State Park Operations, and D.1.1, Improvements and Major Repairs are unexpended balances from appropriations made for construction, repair, acquisition, and renovation projects and listed in the capital budget riders

of Senate Bill No. 1, Acts of the Seventy-seventh Legislature, Regular Session and House Bill No. 1, Acts of the Seventy-eighth Legislature, Regular Session. These unexpended balances are estimated to be $3,339,341 out of the following funds as of August 31, 2005:

General Revenue-Dedicated Accounts		
Game, Fish, and Water Safety Account No. 9	$	0
State Parks Account No. 64	$	0
Texas Parks and Wildlife Capital Account No. 5004	$	0
Federal Funds	$	577,619
Other Funds		
Appropriated Receipts	$	65,000
Texas Parks Development Fund No. 408 - General Obligation Bonds	$	249,982
Bond Proceeds - General Obligation Bonds	$	2,446,740

Unexpended balances remaining in such appropriation items at August 31, 2005 are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2005. Unexpended balances in General Revenue-related accounts may not be carried forward from fiscal year 2005 to fiscal year 2006 without 45 days prior notification to the Legislative Budget Board and the Governor. Any appropriation made in this Act to the Texas Parks and Wildlife Department for construction and improvement projects shall include labor and all necessary costs involved in the project. It is provided, however, that the Texas Parks and Wildlife Department shall provide the Legislative Budget Board, the Governor, and the Comptroller of Public Accounts a report by no later than December 1 of each fiscal year showing the progress and costs of all projects funded by appropriations made by the Seventy-seventh and the Seventy-eighth Legislatures.

9. Construction and Land Owner Incentive Grants. Any funds appropriated above in Strategies B.2.1, Local Park Grants and B.2.2, Boating Access and Other Grants that are utilized for grants awarded for local park construction projects in excess of $25,000 and any funds appropriated above in Strategy A.1.2, Technical Guidance to private landowners and the general public that are utilized for landowner incentive grants shall be treated as construction appropriations for the purpose of determining the life of the appropriation under the provisions of § 403.071, Government Code. It is provided, however, that the Texas Parks and Wildlife Department shall provide the Governor and the Legislative Budget Board a status report at the close of each fiscal year showing the progress and costs for any grant for local park construction projects and landowner incentive grants not completed within two years of the date the grant was awarded.

10. State Parks, Community Concerns, and Inmate Labor. The Texas Parks and Wildlife Department is directed to give priority to community concerns regarding state parks, and may use inmates from the Texas Department of Criminal Justice to provide labor for park development and repair, and to provide labor for cleanup at beaches within state parks.

11. Fund Transfer Authority. The Texas Parks and Wildlife Department is hereby authorized to transfer funds between any funds/accounts authorized by the Parks and Wildlife Code in order to alleviate cash flow problems during the biennium. All funds transferred must be returned to the original fund/account before the end of the biennium.

12. Clothing Provision. It is the intent of the Legislature that no funds may be expended to provide a clothing or cleaning allowance to any non-uniformed personnel. The Texas Parks and Wildlife Department may continue to expend funds for a cleaning allowance not to exceed $500 per employee per year.

13. Lease Payments. Included in amounts appropriated above in Strategy D.1.4, Debt Service are lease payments of $5,394,168 in fiscal year 2006 and $5,298,995 in fiscal year 2007 out of the General Revenue Fund which shall be transferred to the Texas Public Finance Authority for debt service payments on revenue bonds or other revenue obligations as authorized by § 13.0045, Parks and Wildlife Code. Also included in amounts appropriated above in Strategy D.1.4, Debt Service are lease payments of $315,000 in fiscal year 2007 out of the General Revenue Fund which shall be transferred to the Texas Public Finance Authority for debt service payments on $9.0 million in revenue bonds or other revenue obligations for the Admiral Nimitz State Historic Site as authorized by § 22.233 of the Parks and Wildlife Code.

14. Appropriation: State-owned Housing Authorized. The Texas Parks and Wildlife Department (TPWD) shall recover at least 20 percent of the established fair market rental value of housing from persons residing in state-owned housing first employed before September 1, 2005 and 100 percent of the established fair market rental value of housing from persons residing in state-owned housing employed on or after September 1, 2005. If the TPWD requires an employee to live on-site in state-owned housing as a condition of employment, then the TPWD shall recover at least 20 percent of the established market rental value of housing regardless of the date of employment. Additionally, the TPWD will report biennially to the Legislative Budget Board and the Governor, the race, gender, and ethnicity, position title and classification, and salary of employees that reside in state-owned housing.

Included in the amounts appropriated above is rental income collected from employee housing (estimated to be $24,697 in Appropriated Receipts each fiscal year in Strategy A.1.1, Wildlife Conservation; estimated to be $24,698 in Appropriated Receipts each fiscal year in Strategy A.2.2, Inland Hatcheries Operations; estimated to be $24,698 in Appropriated Receipts each fiscal year in Strategy A.2.4, Coastal Hatcheries Operations; and, estimated to be $202,941 in Appropriated Receipts each fiscal year in Strategy B.1.2, Parks Minor Repair Program.) The recovered funds are appropriated to the TPWD for maintenance or replacement of employee housing, consistent with provisions in Article IX, § 11.01 of this Act.

Additionally, the TPWD is authorized to construct two new state-owned residences at Government Canyon State Park. Included in amounts appropriated above in fiscal year 2006 in Strategy D.1.1, Improvements and Major Repairs, is $117,400 in Appropriated Receipts and $138,400 in general obligation bond proceeds in fiscal year 2006 for this purpose. Any unexpended balances of these funds remaining as of August 31, 2006 are hereby appropriated to the TPWD for the fiscal year beginning September 1, 2006 for the same purpose.

15. Indoor Recreational Facilities. Included in the amounts appropriated above in Strategy B.2.1, Local Park Grants, are interest earnings accrued as of August 31, 2005 and earned through the biennium ending August 31, 2007 in the Texas Recreation and Parks Account No. 467. From this account, the Texas Parks and Wildlife Department shall use an amount equal to $835,125 of the total amounts allocated for grants in Strategy B.2.1, Local Park Grants for the 2006-07 biennium to fund local grants for the development of indoor recreation facilities. Any unexpended balances of such appropriations on August 31, 2006 are appropriated for the same purpose for the fiscal year beginning September 1, 2006.

16. Appropriation: License Plate Receipts. Included in amounts appropriated above in Strategies A.1.1, Wildlife Conservation, A.2.3, Coastal Fisheries Management, B.1.1, State Park Operations, and C.2.3, Communication Products and Services, are all balances and revenue collected on or after September 1, 2005 (estimated to be $113,000 in Big Bend National Park Account No. 5030; $55,000 in Waterfowl and Wetland Conservation License Plate Account No. 5057; $30,976 in Texas Lions Camp License Plate Account No. 5116; $28,670 in Marine Mammal Recovery License Plate Account No. 5120; and, $0 in General Revenue associated with the sale of Texas PGA Junior Golf license plates over the biennium) from the sale of license plates, including any new license plates that the Texas Parks and Wildlife Department agrees to administer on behalf of a sponsoring organization, as provided by the Texas Transportation Code §§ 504.606 (Big Bend), 504.627 (Waterfowl and Wetland), 504.629 (Texas PGA Junior Golf), 504.644 (Marine Mammal Recovery), 504.656 (Texas Lions Camp), and 504.801 (other private nonprofit organizations).

17. Reporting Requirements: Capital Equipment. The Texas Parks and Wildlife Department shall submit a report annually to the Legislative Budget Board and the Governor which documents all leases, purchases, donations, or acquisitions of major capital items. The capital equipment itemized in the report shall include, at a minimum, boats, motors, and other water safety equipment; vehicles; computers; and radio equipment. The report shall identify which strategy within the agency's budget is the source of funding for the item; the method of finance for the item; the cost or value of the item; the date the item was acquired; and the law enforcement district and region, state park or other agency facility to which the item has been delivered.

18. Reporting Requirements: Full-Time Equivalent Positions. The Texas Parks and Wildlife Department shall submit a semi-annual report to the Legislative Budget Board and the Governor which lists the number of authorized, budgeted, and filled positions in Strategy C.1.1, Enforcement Programs and C.1.2, Game Warden Training Academy. The report must include the classification of each position.

19. **Reporting Requirements: Game Warden Academies.** The Texas Parks and Wildlife Department (TPWD) shall submit an annual plan to ensure the fulfilment of the agency's FTEs for Game Wardens. The TPWD shall submit a report to the Legislative Budget Board and the Governor within 30 days of the completion of a Game Warden Academy which lists the total number of applicants, the number selected to attend the academy, and the number who successfully complete the academy. The report shall include the race, ethnicity, gender, prior law enforcement experience, and educational background of all applicants; the applicants selected to attend the academy; the graduates of the academy; and those graduates who accepted positions with the agency.

20. **Headquarters-based Vehicles.** It is the intent of the Legislature that at any given point and time during the 2006-07 biennium, no more than 60 vehicles be assigned to the Texas Parks and Wildlife Department (TPWD) headquarters facility located in Austin, Texas. However, contingent on the TPWD relocating approximately 70 staff from Austin lease space to the headquarters facility, the number of vehicles that may be assigned to the headquarters facility is increased to 90 vehicles.

21. **Appropriation of Certain Concession Receipts.** Concession receipts generated as a result of the efforts of volunteer groups in state parks or other agency facilities are included in amounts appropriated above to Strategy B.1.1, State Park Operations (estimated to be $75,000 in Appropriated Receipts for the biennium beginning September 1, 2005), and Strategy A.2.4, Coastal Hatcheries Operations (estimated to be $105,000 in Appropriated Receipts for the biennium beginning September 1, 2005). These concession receipts shall be credited for the benefit of the specific state park or other agency facility where the funds are generated by volunteer groups. Concession receipts generated as a result of the efforts of department employees or leased concession contracts with third parties are appropriated in the strategies above and are not subject to this rider.

22. **Appropriation of Earned Federal Funds.** It is the intent of the Legislature that the Texas Parks and Wildlife Department make efforts to maximize federal reimbursement of indirect costs for administering federal grants. Included in amounts appropriated above in Strategy E.1.1, Central Administration are earned federal funds received during fiscal year 2007 for this purpose (estimated to be $225,000). Earned federal funds received under this provision are appropriated to the Texas Parks and Wildlife Department for use in agency operations.

23. **Payments to License Agents.** Included in amounts appropriated above in Strategy C.3.1, License Issuance, are amounts necessary for payments to license agents (estimated to be $3,657,000 in each fiscal year out of the Game, Fish and Water Safety Account No. 9). Such amounts shall be used for the sole purpose of payments to license agents for the costs of issuing and collecting money associated with the sale of licenses, stamp endorsements, permits, tags and other similar items issued under the Parks and Wildlife Code.

24. **Appropriation: East Texas Fish Hatchery.** The Texas Public Finance Authority may issue revenue bonds or other revenue obligations in accordance with Texas Government Code, Chapter 1232 to finance construction, including construction project management and equipping, a freshwater fish hatchery for the Texas Parks and Wildlife Department (TPWD) in East Texas, at an estimated project cost of $15,000,000. From the proceeds of such bonds or other obligations, the Texas Public Finance Authority is hereby appropriated such amounts as may be necessary to pay costs associated with the issuance, including the costs of issuing the bonds or other obligations, reasonably required reserve funds, and capitalized interest, if any. From the remaining proceeds of the bonds or other obligations, the TPWD is hereby appropriated such amounts as are necessary to pay the costs of the construction of the fish hatchery, including project management and equipping the hatchery.

    Notwithstanding any other provision of this Act, the TPWD is hereby authorized to construct two new state-owned residences to provide 24-hour on-site supervision and maintenance for the new hatchery at a cost not to exceed $150,000 per residence. When this new hatchery becomes operational, the TPWD is directed to close an existing fish hatchery in East Texas and to stop housing employees at the state-owned residences at that site. It is the intent of the Legislature that bonds be used to accelerate the construction and replacement of inland fish hatcheries and that once sufficient revenue from freshwater fish stamp proceeds have accumulated in the Game, Fish and Water Safety Account No. 9, these funds shall be used to retire all outstanding debt obligations.

Included in the amounts appropriated above in Strategy D.1.4, Debt Service are lease payments of $525,000 in fiscal year 2006 and $1,263,750 in fiscal year 2007 out of the General Revenue-Dedicated Game, Fish and Water Safety Account No. 9 which shall be transferred to the Texas Public Finance Authority for debt service payments on revenue bonds or other obligations issued in fiscal year 2006 for the hatchery. Additionally, included in amounts appropriated above in Strategy A.2.2, Inland Hatcheries Operations is $150,000 per fiscal year for the purposes of stocking freshwater fish.

25. Appropriation: Game Warden Academy. The Texas Parks and Wildlife Department (TPWD) is hereby appropriated the proceeds from the sale of the department's existing Game Warden Academy facility at 100 West 50th Street in Austin (not to exceed $700,000 in fiscal year 2006, and included in amounts appropriated above in Strategy D.1.1, Improvements and Major Repairs) for the purpose of constructing and equipping a new Texas Game Warden Academy. Notwithstanding any other provision in this Act, the TPWD is hereby authorized to construct two new state-owned residences to provide 24-hour on-site supervision and maintenance for the new Texas Game Warden Academy at a cost not to exceed $150,000 per residence.

26. Capital Budget Expenditures from Federal and Other Funding Sources. The Texas Parks and Wildlife Department (TPWD) is hereby exempted from the capital budget rider provisions contained in Article IX of this Act when gifts, grants, inter-local funds and federal funds are received in excess of the amounts identified in the agency's capital budget rider and such funds are designated by the donor, grantee or federal agency solely for construction and repairs, or purchase of specific capital items.

Additionally, the TPWD is hereby exempted from the capital budget rider provisions when pass through funds to local entities are received in excess of the amounts identified in the agency's capital budget rider and such funds are designated by the donor, grantee or federal agency solely for the acquisition of land. This provision does not exempt the TPWD from capital budget rider provisions for state land acquisition.

Amounts expended from these funding sources shall not count towards the limitation imposed by capital budget provisions elsewhere in this Act. The TPWD shall notify the Legislative Budget Board and the Governor upon receipt of such funds, of the amount received and the items to be purchased.

27. Appropriation of Receipts out of General Revenue-Dedicated Accounts. For the biennium beginning September 1, 2005, the Texas Parks and Wildlife Department (TPWD) is hereby appropriated any revenues that are deposited to an account of the department that are in excess of the amounts reflected in the Comptroller's Biennial Revenue Estimate for each year of the biennium (estimated to be $1,500,000 each fiscal year in the General Revenue-Dedicated Game Fish and Water Safety Account No. 9 and $1,500,000 each fiscal year in the General Revenue-Dedicated State Parks Account No. 64). Any unexpended balances and additional revenue collections in excess of the Biennial Revenue Estimate as of August 31, 2006 are hereby appropriated for the fiscal year beginning September 1, 2006. The TPWD is specifically authorized to expend these funds for purposes authorized by the Parks and Wildlife Code, including capital budget purposes. Such expenditures must comply with limitations established for salary, travel, and capital expenditures, employment levels, and other provisions contained in Article IX of this Act.

On March 1 of each year, the TPWD shall notify the Comptroller of Public Accounts, the Legislative Budget Board, and the Governor of the amount that the department projects will be received in excess of the amount contained in the Comptroller's Biennial Revenue Estimate for each of the department's General Revenue-Dedicated accounts along with sufficient information to reflect how that estimate was determined. If the Comptroller finds the information sufficient to support the projection of additional revenues, a finding of fact to that effect shall be issued to reflect the additional revenue available for each General Revenue-Dedicated account.

It is the intent of the legislature that in the event the Comptroller issues a finding of fact that additional revenue is available in the State Parks Account No. 64 and the Game, Fish and Water Safety Account No. 9 that the first $1,565,058 in additional revenue to State Parks Account No. 64 be allocated to Strategy B.1.1, State Park Operations and Strategy B.1.3, Parks Support to restore operations, services and staffing at state parks; and that the first $1,317,465 in additional

revenue to Game, Fish and Water Safety Account No. 9 be allocated to Strategy C.1.2, Warden Training Academy and Strategy C.1.1, Enforcement Programs to restore funding for game warden cadet classes and law enforcement.

28. Appropriation: Admiral Nimitz State Historic Site. The Texas Parks and Wildlife Department (TPWD) is hereby authorized for expansion of the Admiral Nimitz State Historic Site at a cost not to exceed $9,000,000 in revenue bonds, which is included in the amounts appropriated above in Strategy D.1.1, Improvements and Major Repairs in fiscal year 2007.

29. Battleship TEXAS. It is the intent of the Legislature that $16,090,050 in federal Transportation Enhancement Program funds administered by the Texas Department of Transportation be made available during the biennium for the Battleship TEXAS project if the Battleship TEXAS project meets federal grant requirements of the Transportation Enhancement Program as defined by federal Department of Transportation, Federal Highway Administration federal regulations in Title 23 of the United States Code. The Texas Parks and Wildlife Department (TPWD) in conjunction with the Texas Department of Transportation will review the Battleship TEXAS project to determine if the Battleship TEXAS project meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. It is the intent of the Legislature that funds appropriated above would cover the administration costs of the Battleship TEXAS project approved for federal Transportation Enhancement Program funds.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Battleship TEXAS project under the Transportation Enhancement Program to other available projects should the Battleship TEXAS project fail to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

It is the intent of the Legislature that the funds awarded are to complete dry-dock repairs to the Battleship TEXAS.

30. South Padre Island Birding and Nature Center. From funds appropriated above, the Texas Parks and Wildlife Department shall allocate up to $1,000,000 of matching funds for the South Padre Island Birding and Nature Center construction.

RAILROAD COMMISSION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 26,001,990	$ 25,282,825
Earned Federal Funds	126,464	129,673
Subtotal, General Revenue Fund	$ 26,128,454	$ 25,412,498
General Revenue Fund - Dedicated		
Alternative Fuels Research and Education Account No. 101	2,007,519	2,007,519
Oil Field Cleanup Account No. 145	16,878,498	16,408,498
Subtotal, General Revenue Fund - Dedicated	$ 18,886,017	$ 18,416,017
Federal Funds		
Land Reclamation Fund No. 454	732,572	0
Federal Funds	5,053,098	5,032,991
Subtotal, Federal Funds	$ 5,785,670	$ 5,032,991
Other Funds		
Appropriated Receipts	1,489,696	1,484,696
Interagency Contracts	1,471,686	1,015,626
Subtotal, Other Funds	$ 2,961,382	$ 2,500,322
Total, Method of Financing	$ 53,761,523	$ 51,361,828

Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 514,595	$ 508,633
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	737.5	737.5
Number of FTEs in Riders:	9.5	9.5
Schedule of Exempt Positions:		
Railroad Commissioner, Group 6	(3) $125,000	(3) $125,000
Items of Appropriation:		
A. Goal: ENERGY RESOURCES		
Support Oil and Gas Resource Development.		
A.1.1. Strategy: ENERGY RESOURCE DEVELOPMENT Promote Energy Resource Development Opportunities.	$ 3,366,758	$ 3,325,757
A.2.1. Strategy: GAS UTILITY COMPLIANCE Ensure Fair Rates and Compliance to Rate Structures.	$ 1,450,935	$ 1,434,040
A.2.2. Strategy: PROMOTE LP GAS USAGE	$ 4,457,157	$ 4,404,690
Total, Goal A: ENERGY RESOURCES	$ 9,274,850	$ 9,164,487
B. Goal: SAFETY PROGRAMS		
Advance Safety Through Training, Monitoring, and Enforcement.		
B.1.1. Strategy: PIPELINE AND LP GAS SAFETY Ensure Pipeline and LPG/CNG/LNG Safety.	$ 4,427,278	$ 4,370,741
B.1.2. Strategy: RAIL SAFETY Ensure Rail Safety through Inspection and Public Education.	$ 1,172,277	$ 1,158,750
Total, Goal B: SAFETY PROGRAMS	$ 5,599,555	$ 5,529,491
C. Goal: ENVIRONMENTAL PROTECTION		
Minimize Harmful Effects of Fossil Fuel Production.		
C.1.1. Strategy: OIL/GAS MONITOR & INSPECTIONS Oil and Gas Monitoring and Inspections.	$ 11,204,914	$ 10,994,383
C.1.2. Strategy: SURFACE MINING MONITORING/INSPECT Surface Mining Monitoring and Inspections.	$ 2,254,395	$ 2,226,058
C.2.1. Strategy: OIL AND GAS REMEDIATION	$ 6,735,582	$ 6,488,616
C.2.2. Strategy: OIL AND GAS WELL PLUGGING	$ 12,380,385	$ 11,465,788
C.2.3. Strategy: SURFACE MINING RECLAMATION	$ 3,752,321	$ 2,963,442
Total, Goal C: ENVIRONMENTAL PROTECTION	$ 36,327,597	$ 34,138,287
D. Goal: PUBLIC ACCESS TO INFO AND SERVICES		
Public Access to Information and Services.		
D.1.1. Strategy: GIS AND WELL MAPPING Geographic Information Systems and Well Mapping.	$ 841,670	$ 831,677
D.1.2. Strategy: PUBLIC INFORMATION AND SERVICES	$ 1,717,851	$ 1,697,886
Total, Goal D: PUBLIC ACCESS TO INFO AND SERVICES	$ 2,559,521	$ 2,529,563
Grand Total, RAILROAD COMMISSION	$ 53,761,523	$ 51,361,828
Supplemental Appropriations Made in Riders:	$ 4,016,039	$ 3,350,331
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 32,721,083	$ 32,819,953
Other Personnel Costs	626,360	626,360
Professional Fees and Services	3,163,128	2,430,555
Fuels and Lubricants	601,115	585,860
Consumable Supplies	336,541	339,580
Utilities	342,118	336,240
Travel	527,843	527,843
Rent - Building	565,498	554,996
Rent - Machine and Other	509,316	552,596

Other Operating Expense	15,817,271	14,907,072
Capital Expenditures	2,567,289	1,031,104
Total, Object-of-Expense Informational Listing	$ 57,777,562	$ 54,712,159
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,817,955	$ 1,854,314
Group Insurance	5,544,078	6,003,311
Social Security	2,336,528	2,383,259
Benefits Replacement	360,600	342,570
Subtotal, Employee Benefits	$ 10,059,161	$ 10,583,454
Debt Service		
Lease Payments	$ 19,525	$ 19,587
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 10,078,686	$ 10,603,041

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Railroad Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Railroad Commission. In order to achieve the objectives and service standards established by this Act, the Railroad Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: ENERGY RESOURCES		
Outcome (Results/Impact):		
Percent of Oil and Gas Wells That Are Active	72%	73%
A.1.1. Strategy: ENERGY RESOURCE DEVELOPMENT		
Output (Volume):		
Number of Wells Monitored	356,200	355,900
Efficiencies:		
Average Number of Wells Monitored Per Analyst	29,683	32,355
A.2.1. Strategy: GAS UTILITY COMPLIANCE		
Output (Volume):		
Number of Gas Utility Dockets Filed	80	80
A.2.2. Strategy: PROMOTE LP GAS USAGE		
Output (Volume):		
Number of Rebate and Incentive Applications Handled	3,352	3,351
Efficiencies:		
Administrative Costs as a Percentage of Alternative Fuels Research and Education Account Fee Revenue	15.5%	15.5%
Explanatory:		
Number of Alternative Fuel Vehicles in Texas	16,669	16,502
B. Goal: SAFETY PROGRAMS		
Outcome (Results/Impact):		
Average Number of Pipeline Safety Violations Per Equivalent 100 Miles of Pipe Identified through Inspections	3.5	3.5
B.1.1. Strategy: PIPELINE AND LP GAS SAFETY		
Output (Volume):		
Number of Pipeline Safety Inspections Performed	2,600	2,600
Number of LPG/LNG/CNG Safety Inspections Performed	12,000	12,000
Efficiencies:		
Average Number of Pipeline Field Inspections Per Field Inspector	100	100
B.1.2. Strategy: RAIL SAFETY		
Output (Volume):		
Number of Federal Railroad Administration (FRA) Units Inspected	140,000	140,000
C. Goal: ENVIRONMENTAL PROTECTION		
Outcome (Results/Impact):		
Percentage of Oil and Gas Facility Inspections That Identify Environmental Violations	19%	18%
Percentage of Known Orphaned Wells Plugged with the Use of State Funds	11.4%	10.9%

C.1.1. Strategy: OIL/GAS MONITOR & INSPECTIONS		
Output (Volume):		
Number of Oil and Gas Facility Inspections Performed	106,850	108,850
Number of Oil and Gas Environmental Permit Applications and Reports Processed	87,000	86,000
Efficiencies:		
Average Number of Oil and Gas Facility Inspections Performed Per District Office Staff	900	900
Explanatory:		
Number of Oil and Gas Wells and Other Related Facilities Subject to Regulation	362,300	362,050
C.1.2. Strategy: SURFACE MINING MONITORING/INSPECT		
Output (Volume):		
Number of Coal Mining Inspections Performed	470	485
C.2.1. Strategy: OIL AND GAS REMEDIATION		
Output (Volume):		
Number of Pollution Sites Investigated, Assessed, or Cleaned Up with the Use of State Funds	306	292
C.2.2. Strategy: OIL AND GAS WELL PLUGGING		
Output (Volume):		
Number of Wells Plugged with the Use of State Funds	1,533	1,363
Total Aggregate Plugging Depth of Wells Plugged with the Use of State Funds (in Linear Feet)	2,758,575	2,588,829
D. Goal: PUBLIC ACCESS TO INFO AND SERVICES		
D.1.2. Strategy: PUBLIC INFORMATION AND SERVICES		
Output (Volume):		
Number of Documents Provided to Customers by Information Services	988,000	938,000

2. Capital Budget. Funds appropriated above may be expended for capital budget items listed below. The amounts identified for each item may be adjusted or expended on other capital expenditures, subject to the aggregate dollar restrictions on capital budget expenditures provided in the General Provisions of this Act.

	2006	2007
a. Acquisition of Information Resource Technologies		
(1) Oil and Gas Technology Migration	$ 1,508,298	$ 848,240
(2) Infrastructure Upgrade	$ 199,755	$ 0
Total, Acquisition of Information Resource Technologies	$ 1,708,053	$ 848,240
b. Transportation Items		
(1) Vehicle Replacements	$ 368,094	$ 324,987
Total, Capital Budget	$ 2,076,147	$ 1,173,227
Method of Financing (Capital Budget):		
General Revenue Fund	$ 1,771,865	$ 912,052
General Revenue Fund - Dedicated		
Alternative Fuels Research and Education Account No. 101	24,000	24,000
Oil Field Cleanup Account No. 145	140,749	140,749
Subtotal, General Revenue Fund - Dedicated	$ 164,749	$ 164,749
Federal Funds	116,533	96,426
Appropriated Receipts	23,000	0
Total, Method of Financing	$ 2,076,147	$ 1,173,227

3. Unexpended Balance and Estimated Appropriation Authority: Alternative Fuels Research and Education Account. Included in amounts appropriated above in Strategy A.2.2, Promote LP Gas Usage, in fiscal year 2006 are balances remaining in the Alternative Fuels Research and Education Account No. 101 as of August 31, 2005 (not to exceed $259,884) to be used during the biennium beginning on September 1, 2005.

In addition to amounts appropriated above, there is hereby appropriated to the Railroad Commission for the biennium beginning on September 1, 2005 any revenues received in the AFRED Account No. 101 in excess of the Comptroller's Biennial Revenue Estimate for the 2006-07 biennium. These funds shall be used in accordance as provided in Natural Resources Code, § 113.243.

4. **Transfer Authority.** Notwithstanding limitations on appropriation transfers contained in the General Provisions of this Act, the Texas Railroad Commission is hereby authorized to direct agency resources and transfer such amounts appropriated above between appropriation line items.

5. **Appropriation: Unexpended Balances Between Fiscal Years within the Biennium.** Any unexpended balances as of August 31, 2006, in the appropriations made herein to the Railroad Commission are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2006.

6. **Appropriations Limited to Revenue Collections and Contingent Revenue: LPG/CNG/LNG Fees.** It is the intent of the Legislature that revenues collected pursuant to Natural Resources Code §§ 113.082, 113.088, 113.090, 113.093, 113.094, 113.131, 116.032, 116.034, and 116.072 and deposited to Revenue Object Codes 3035, 3245, and 3246 in the General Revenue Fund, and $60,000 each fiscal year collected pursuant to Natural Resources Code, § 113.244, and deposited to Revenue Object Code 3034 in the Alternative Fuels Research and Education Account No. 101, cover, at a minimum, the cost of the appropriations made above for the LP Gas Program in Strategy B.1.1, Pipeline and LP Gas Safety (not to exceed $1,247,093 in fiscal year 2006 and $1,244,426 in fiscal year 2007).

   This appropriation is contingent upon the Railroad Commission assessing fees sufficient to generate, during the 2006-07 biennium, revenue to cover these appropriations. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

   In addition to amounts appropriated above, there is hereby appropriated to the Railroad Commission for the biennium beginning on September 1, 2005 any revenues collected by the Commission and deposited to Revenue Object Codes 3035, 3245 and 3246 in the General Revenue Fund in excess of the Comptroller's Biennial Revenue Estimate for the 2006-07 biennium.

7. **Unexpended Balance and Estimated Appropriation Authority: Oil Field Cleanup Account.** Included in amounts appropriated above in fiscal year 2006 is an amount not to exceed $1,892,950 in Strategy C.2.1, Oil and Gas Remediation, and an amount not to exceed $3,515,479 in Strategy C.2.2, Oil and Gas Well Plugging, in balances remaining in the Oil Field Cleanup Account No. 145 as of August 31, 2005. The agency shall use these funds to carry out duties authorized by Natural Resources Code, Subchapter D, Chapter 91.

   In addition to amounts appropriated above, there is hereby appropriated to the Railroad Commission for the biennium beginning on September 1, 2005, any revenues received in the Oil Field Cleanup Account No. 145 in excess of the Comptroller's Biennial Revenue Estimate for 2006-07.

8. **Fee Appropriation: Liquid Propane (LP) Gas Licensing, Training, and Examination Renewal Fees.** Included in amounts appropriated above in Strategy A.2.2, Promote LP Gas Usage, is $331,768 in each fiscal year of the biennium in Appropriated Receipts from fees assessed and collected pursuant to Natural Resources Code, § 113.088, beginning September 1, 2005. These amounts may only be used for the purpose of providing training to licensees and certificate holders. In addition to amounts appropriated above, any additional amounts collected by the Railroad Commission pursuant to Natural Resources Code, § 113.088, on or after September 1, 2005, are hereby appropriated to the commission for the same purpose.

9. **Appropriation: Abandoned Mine Land Funds.** Included in amounts appropriated above in Strategy C.2.3, Surface Mining Reclamation, is $732,572 in unexpended balances remaining on August 31, 2005 in the Land Reclamation Fund Account No. 454. In addition to amounts

appropriated above, the Railroad Commission is hereby appropriated any additional federal grant funds from the US Department of Interior for the purposes authorized by Natural Resources Code, Chapter 134, Subchapter G, Abandoned Mine Reclamation.

10. Appropriation Limited to Revenue Collections: Surface Mining Permits. Included in the amounts appropriated above is $900,956 in fiscal year 2006 and $910,368 in fiscal year 2007 in Strategy C.1.2, Surface Mining Monitoring and Inspections, from surface mining fee revenues deposited to the General Revenue Fund to cover the cost of permitting and inspecting coal mining facilities.

This appropriation is contingent upon the Railroad Commission assessing fees sufficient to generate, during the 2006-07 biennium, revenue to cover the General Revenue appropriations. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

11. Appropriation for Pipeline Safety Fees. Included in the amounts appropriated above are revenues from fees assessed on pipelines and pipeline facilities and deposited to the General Revenue Fund pursuant to Utilities Code, § 121.211 in an amount not to exceed $1,192,328 in fiscal year 2006 and $1,192,328 in fiscal year 2007. These funds shall be used to operate programs in Strategy B.1.1, Pipeline and LP Gas Safety, and the geographic information systems mapping program in Strategy D.1.1, Geographic Information Systems and Well Mapping. The Railroad Commission is hereby authorized to transfer appropriations made pursuant to this provision to the appropriate strategy items.

These appropriations are contingent upon the Railroad Commission assessing fees sufficient to generate, during the 2006-07 biennium, revenue to cover, at a minimum the General Revenue appropriations for the Pipeline Safety program as well as "Other direct and indirect costs" for the program, appropriated elsewhere in this Act. "Other direct and indirect costs" are estimated to be $295,134 in fiscal year 2006 and $291,623 in fiscal year 2007. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct the Comptroller of Public Accounts to reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

12. Appropriation for Rail Safety Fees. Included in the amounts appropriated above are amounts collected and deposited to the General Revenue Fund from the assessment of fees on railroad operators pursuant to Texas Revised Civil Statutes, Article 6448a, not to exceed $954,173 in each fiscal year of the 2006-07 biennium. These funds shall be used to operate the rail safety program in Strategy B.1.2, Rail Safety.

These appropriations are contingent upon the Railroad Commission assessing fees sufficient to generate, during the 2006-07 biennium, revenue to cover, at a minimum, the General Revenue appropriations for the rail safety program as well as "Other direct and indirect costs" for the program, appropriated elsewhere in this Act. "Other direct and indirect costs" are estimated to be $219,461 in fiscal year 2006 and $217,010 in fiscal year 2007. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct the Comptroller of Public Accounts to reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

13. Federal Funds and Capital Budget Expenditures. To comply with the legislative intent to maximize the use of federal funds and to fulfill grant requirements required for the receipt and expenditure of federal funds, the Railroad Commission (RRC) is hereby exempted from the Capital Budget Rider Provisions contained in Article IX of this Act, "Limitations on Expenditures - Capital Budget," when federal funds are received in excess of amounts identified in the agency's Capital Budget Rider and such funds are federally designated solely for the purchase of specific capital items. The RRC shall notify the Legislative Budget Board and the Governor upon receipt of such federal funds, of the amount received and items to be purchased.

14. Field Offices in San Angelo and San Antonio. It is the intent of the Legislature that the Railroad Commission maintain field offices in San Angelo and San Antonio, and that during the 2006-07 biennium the number of FTEs at each office be maintained at least equal to 2004-05 levels.

15. Contingency Appropriation: Oil Field Cleanup Account and General Revenue Fee Allocations. Notwithstanding other provisions contained in this Act, contingent upon the passage of legislation by the Seventy-Ninth Legislature modifying the allocation of fee revenues from oil and gas operators deposited to the credit of the General Revenue Fund and the Oil Field Cleanup Account No. 145, appropriations to the Railroad Commission are hereby modified as follows:

(1) Appropriations out of the General Revenue Fund are hereby increased by $3,429,891 in fiscal year 2006 and by $2,808,050 in fiscal year 2007 in new fee revenues generated from the passage of legislation by the Seventy-Ninth Legislature, 2005, increasing revenues to the General Revenue Fund from fee increases assessed to oil field operators and in new fee revenues contingent upon the Railroad Commission increasing fees assessed for the Pipeline Safety, Rail Safety, and Surface Mining programs. This appropriation shall be transferred to the appropriate strategies listed above.

(2) Appropriations out of the Oil Field Cleanup Account No. 145 are hereby increased by $352,907 in fiscal year 2006 and by $329,672 in fiscal year 2007. This appropriation shall be transferred to the appropriate strategies listed above.

(3) Appropriations out of Earned Federal Funds are hereby increased by $6,681 in fiscal year 2006 and by $6,241 in fiscal year 2007. This appropriation shall be transferred to the appropriate strategies listed above.

(4) Appropriations out of the Alternative Fuels Research and Education Account No. 101 are hereby increased by $151,255 in fiscal year 2006 and by $148,379 in fiscal year 2007. This appropriation shall be transferred to the appropriate strategies listed above.

(5) Appropriations out of Federal Funds are hereby increased by $57,453 in fiscal year 2006 and by $44,242 in fiscal year 2007. This appropriation shall be transferred to the appropriate strategies listed above.

(6) Appropriations out of Appropriated Receipts are hereby increased by $15,584 in fiscal year 2006 and by $12,000 in fiscal year 2007. This appropriation shall be transferred to the appropriate strategies listed above.

(7) Appropriations out of Interagency Contracts are hereby increased by $2,268 in fiscal year 2006 and by $1,747 in fiscal year 2007. This appropriation shall be transferred to the appropriate strategies listed above.

(8) The "Number of Full-Time-Equivalents (FTE)" indicated herein for the Railroad Commission is hereby increased by 9.5 in each fiscal year of the 2006-07 biennium; and

(9) The Railroad Commission's Capital Budget authority is hereby increased for the following items and in the following amounts:

	2006	2007
(a) Oil and Gas Technology Migration	$ 747,823	$ 747,823
(b) Information Technology Infrastructure Upgrade	$1,243,235	$ 503,831
(c) Replacement Vehicles	$ 222,285	$ 222,285

These appropriations are contingent upon new revenues being created due to the passage of legislation and deposited to the credit of the General Revenue Fund in an amount at least equal to $3,206,179 in fiscal year 2006 and at least equal to $2,615,392 in fiscal year 2007; deposited to the credit of the Oil Field Cleanup Account No. 145 in an amount at least equal to $352,907 in fiscal year 2006 and at least equal to $329,672 in fiscal year 2007; and deposited to the credit of the Alternative Fuels Research and Education Account No. 101 in an amount at least equal to $31,174 in each fiscal year of the 2006-07 biennium. The General Revenue appropriations are further contingent upon the Railroad Commission increasing by rule fees sufficient to cover the following increases: for the Pipeline Safety Program, an increase of $74,764 in fiscal year 2006 and $74,513 in fiscal year 2007; for the Rail Safety Program, $85,271 in fiscal year 2006 and $63,332 in fiscal year 2007; and for the Surface Mining Program, $58,677 in fiscal year 2006 and $54,813 in fiscal year 2007. In addition, it is the intent of the Legislature that such revenues

cover "Other direct and indirect costs" related to the 9.5 additional FTEs authorized above and appropriated elsewhere in this Act. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Comptroller of Public Accounts shall reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

16. **Competition in the Texas Natural Gas Pipeline Industry.** Out of funds appropriated above in Strategy A.1.1, Energy Resource Development, the Railroad Commission shall conduct a study that examines and determines the extent to which viable competition exists in the Texas natural gas pipeline industry from the wellhead to the burner tip. The study shall recommend solutions to bring market competition to any non-competitive segments of the industry. The study also shall include an assessment of the effectiveness of current laws, regulations, enforcement and oversight in addressing any abuses of pipeline monopoly power and make recommendations for changes that may be necessary. In addition, the study shall include a comparative review of competition in the Texas intrastate gathering and pipeline industry with the open-access transportation in the interstate pipeline industry administered by the Federal Energy Regulatory Commission.

    The Railroad Commission shall submit a report of its findings to the Legislative Budget Board and the Governor on or before November 1, 2006.

TEXAS RIVER COMPACT COMMISSIONS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 325,267	$ 325,265
Total, Method of Financing	$ 325,267	$ 325,265
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	7.5	7.5
Schedule of Exempt Positions:		
Red River Compact Commissioner	$24,225	$24,225
Rio Grande Compact Commissioner	41,195	41,195
Sabine River Compact Commissioner	(2) 8,487	(2) 8,487
Canadian River Compact Commissioner	10,767	10,767
Pecos River Compact Commissioner	32,247	32,247
Items of Appropriation:		
A. Goal: CANADIAN RIVER COMPACT		
Ensure Delivery of Texas' Equitable Share of Water.		
A.1.1. Strategy: WATER DELIVERY ACCOUNTING Prepare and Resolve the Annual Accounting of Water Stored.	$ 18,641	$ 18,641
B. Goal: PECOS RIVER COMPACT		
Ensure Delivery of Texas' Equitable Share of Water.		
B.1.1. Strategy: WATER DELIVERY ACCOUNTING Prepare and Resolve the Annual Accounting of Water Deliveries.	$ 109,782	$ 109,782
C. Goal: RED RIVER COMPACT		
Ensure Delivery of Texas' Equitable Share of Water.		
C.1.1. Strategy: WATER DELIVERY ACCOUNTING Develop and Implement an Annual Accounting of Water Deliveries.	$ 27,708	$ 27,707

D. Goal: RIO GRANDE COMPACT		
Ensure Delivery of Texas' Equitable Share of Water.		
D.1.1. Strategy: WATER DELIVERY ACCOUNTING Prepare and Resolve the Annual Accounting of Water Deliveries.	$ 121,302	$ 121,301
E. Goal: SABINE RIVER COMPACT		
Ensure Delivery of Texas' Equitable Share of Water.		
E.1.1. Strategy: WATER DELIVERY ACCOUNTING Prepare and Resolve the Annual Accounting of Water Diversions.	$ 47,834	$ 47,834
Grand Total, TEXAS RIVER COMPACT COMMISSIONS	$ 325,267	$ 325,265
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 175,615	$ 175,615
Professional Fees and Services	136,665	136,665
Consumable Supplies	315	315
Utilities	2,500	2,500
Travel	6,892	6,892
Rent - Machine and Other	1,360	1,359
Other Operating Expense	1,920	1,919
Total, Object-of-Expense Informational Listing	$ 325,267	$ 325,265
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 11,028	$ 11,248
Group Insurance	46,080	49,923
Social Security	13,462	13,731
Benefits Replacement	927	880
Subtotal, Employee Benefits	$ 71,497	$ 75,782
Debt Service		
Lease Payments	$ 19,434	$ 19,426
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 90,931	$ 95,208

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas River Compact Commissions. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas River Compact Commissions. In order to achieve the objectives and service standards established by this Act, the Texas River Compact Commissions shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: CANADIAN RIVER COMPACT		
Outcome (Results/Impact):		
The Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Canadian River Compact	100%	100%
B. Goal: PECOS RIVER COMPACT		
Outcome (Results/Impact):		
The Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Pecos River Compact	100%	100%
C. Goal: RED RIVER COMPACT		
Outcome (Results/Impact):		
The Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Red River Compact	100%	100%

D. Goal: RIO GRANDE COMPACT		
Outcome (Results/Impact):		
The Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Rio Grande Compact	100%	100%
E. Goal: SABINE RIVER COMPACT		
Outcome (Results/Impact):		
The Percentage Received of Texas' Equitable Share of Quality Water Annually as Apportioned by the Sabine River Compact	100%	100%

2. **Out-of-State Travel Exemption Within Compacting States.** Each of the Texas River Compact Commissions is specifically exempt from out-of-state travel expenditure limitations contained in the General Provisions of this Act for travel to any state that is a party to that commission's compact agreement.

3. **Memorandum of Understanding.** It is the intent of the Legislature that the Texas Commission on Environmental Quality (TCEQ) and each of the five river compact commissions enter into a memorandum of understanding that specifies the manner in which the TCEQ shall manage and support the operations of each river compact commission, up to and including the transfer of compact commission full-time equivalent (FTE) positions and appropriations to the TCEQ. However, in no event, shall this memorandum of understanding interfere with the activities of each interstate river compact or individual Compact Commissioner in apportioning the water supply between compact states or resolving water-related problems between compact states.

SOIL AND WATER CONSERVATION BOARD

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 9,525,564	$ 9,315,398
Federal Funds	3,901,881	3,673,881
Total, Method of Financing	$ 13,427,445	$ 12,989,279
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	62.0	62.0
Schedule of Exempt Positions:		
Executive Director, Group 3	$70,000	$70,000
Per Diem of Board Members	12,600	12,600
Items of Appropriation:		
A. Goal: SOIL & WATER CONSERVATION ASSIST.		
Soil and Water Conservation Assistance.		
A.1.1. Strategy: PROGRAM MANAGEMENT & ASSISTANCE Program Expertise, Financial & Conservation Implementation Assistance.	$ 3,195,134	$ 3,195,135
B. Goal: NONPOINT SOURCE POLLUTION ABATEMENT		
Administer a Program for Abatement of Agricl Nonpoint Source Pollution.		
B.1.1. Strategy: STATEWIDE MANAGEMENT PLAN Implement a Statewide Management Plan for Controlling NPS Pollution.	$ 3,978,800	$ 3,598,800
B.1.2. Strategy: POLLUTION ABATEMENT PLAN Pollution Abatement Plans for Problem Agricultural Areas.	$ 3,966,070	$ 3,966,070
Total, Goal B: NONPOINT SOURCE POLLUTION ABATEMENT	$ 7,944,870	$ 7,564,870

C. Goal: WATER SUPPLY ENHANCEMENT		
Protect and Enhance Water Supplies.		
C.1.1. Strategy: WATER CONSERVATION AND ENHANCEMENT Provide Financial & Technical Assistance for Water Quality Enhancement.	$ 1,874,176	$ 1,816,009
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: INDIRECT ADMINISTRATION	$ 413,265	$ 413,265
Grand Total, SOIL AND WATER CONSERVATION BOARD	$ 13,427,445	$ 12,989,279
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 2,408,661	$ 2,413,685
Other Personnel Costs	59,500	59,500
Fuels and Lubricants	29,500	29,500
Consumable Supplies	22,725	22,725
Utilities	71,000	71,000
Travel	291,050	291,050
Rent - Building	136,657	136,657
Rent - Machine and Other	34,400	34,400
Other Operating Expense	359,273	358,673
Grants	10,014,679	9,572,089
Total, Object-of-Expense Informational Listing	$ 13,427,445	$ 12,989,279
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 139,540	$ 142,331
Group Insurance	346,144	373,586
Social Security	170,643	174,056
Benefits Replacement	23,555	22,377
Subtotal, Employee Benefits	$ 679,882	$ 712,350
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 679,882	$ 712,350

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Soil and Water Conservation Board. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Soil and Water Conservation Board. In order to achieve the objectives and service standards established by this Act, the Soil and Water Conservation Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: SOIL & WATER CONSERVATION ASSIST.		
Outcome (Results/Impact):		
Percent of District Financial Needs Met by Soil and Water Conservation Board Grants	33%	33%
B. Goal: NONPOINT SOURCE POLLUTION ABATEMENT		
Outcome (Results/Impact):		
Percent of Agricultural and Silvicultural Operations with a Potential to Cause Nonpoint Pollution in Problem Areas As Identified and Designated by the TSSWCB	13%	13%
B.1.1. Strategy: STATEWIDE MANAGEMENT PLAN		
Output (Volume):		
Number of Proposals for Federal Grant Funding Evaluated by TSSWCB Staff	20	20
B.1.2. Strategy: POLLUTION ABATEMENT PLAN		
Output (Volume):		
Number of Pollution Abatement Plans Certified	540	540

C. Goal: WATER SUPPLY ENHANCEMENT		
C.1.1. Strategy: WATER CONSERVATION AND ENHANCEMENT		
Output (Volume):		
Number of Acres of Brush Treated	155,000	155,000

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amount shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code, §1232.103.

	2006	2007
a. Acquisition of Information Resource Technologies		
(1) Acquisition of Information Resource Technology	$ 48,200	$ 11,600
Total, Capital Budget	$ 48,200	$ 11,600
Method of Financing (Capital Budget):		
General Revenue Fund	$ 44,200	$ 9,800
Appropriated Receipts	4,000	1,800
Total, Method of Financing	$ 48,200	$ 11,600

3. Matching Requirements. Funds appropriated above for conservation assistance grants for Soil and Water Conservation Districts may be expended only when matched by equal amounts from sources other than state funds or earnings from state funds, not to exceed $7,500 in any district per fiscal year.

4. Allocation of Grant Funds. It is the intent of the Legislature that Technical Assistance grant funds appropriated to the Soil and Water Conservation Board for the Soil and Water Conservation Districts be distributed to districts on a reimbursement basis during the fiscal year when expenditures are incurred. Grant distributions are made contingent upon districts filing annual technical assistance expenditure summary reports with the Soil and Water Conservation Board.

5. Appropriation: Wastewater Management Plans for Poultry Operators. Included in amounts appropriated above in Strategy B.1.2, Pollution Abatement Plan, is $250,000 out of the General Revenue Fund in fiscal years 2006 and 2007 for additional administrative costs associated with the preparation of waste water management plans for poultry operators.

6. Brush Control. Included in amounts appropriated above in Strategy C.1.1, Water Conservation and Enhancement, is $1,874,176 in fiscal year 2006 and $1,816,009 in fiscal year 2007 out of the General Revenue Fund for the brush control program. These funds shall be used for supporting existing and implementing new brush control projects designated by the Soil and Water Conservation Board.

7. Appropriation: North Bosque and Leon Watersheds Compost Project. Included in amounts appropriated above in Strategy B.1.1, Statewide Management Plan, is $152,000 in General Revenue in fiscal year 2006 to be used as matching funds to obtain Federal Funds to be used in the development and implementation of a manure compost project in the Bosque River and Leon River watersheds.

Any unexpended balance remaining in this appropriation on August 31, 2006 is hereby appropriated for the fiscal year beginning on September 1, 2006 for the same purpose.

8. Conservation Assistance to the Soil and Water Conservation Districts. It is the intent of the Legislature that any funds provided to soil and water conservation districts by the Soil and Water Conservation Board as conservation assistance grants awarded on a matching basis and requiring districts to raise funds from sources other than the Soil and Water Conservation Board prior to receiving such grants shall remain permanently with the soil and water conservation

district granted the funds. The Soil and Water Conservation Board shall not require the soil and water conservation districts to return conservation assistance grant funds at the end of a fiscal year or at the end of a biennium.

WATER DEVELOPMENT BOARD

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 19,313,445	$ 16,269,238
Earned Federal Funds	432,790	432,769
Subtotal, General Revenue Fund	$ 19,746,235	$ 16,702,007
Federal Funds	4,066,046	3,999,269
Other Funds		
Appropriated Receipts	11,875,473	11,935,040
Interagency Contracts	40,179	42,687
Agricultural Water Conservation Fund No. 358	3,000,000	3,000,000
Water Assistance Fund No. 480	4,725,128	2,557,278
Subtotal, Other Funds	$ 19,640,780	$ 17,535,005
Total, Method of Financing	$ 43,453,061	$ 38,236,281
This bill pattern represents an estimated 10.1% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	299.5	299.5
Number of FTEs in Riders:	3.0	3.0
Schedule of Exempt Positions:		
Executive Administrator, Group 4	$115,000	$115,000
Per Diem of Board Members	5,400	5,400
Items of Appropriation:		
A. Goal: WATER RESOURCE PLANNING		
Plan and Guide Conservation & Management of State's Water Resources.		
A.1.1. Strategy: ENVIRONMENTAL IMPACT INFORMATION Collection, Analysis and Reporting of Environmental Impact Information.	$ 724,719	$ 620,379
A.1.2. Strategy: SURFACE WATER MONITOR. & ASSESS Surface Water Monitoring and Assessment.	$ 2,217,532	$ 2,308,180
A.1.3. Strategy: GROUNDWATER MONITOR. & ASSESS Groundwater Monitoring and Assessment.	$ 967,302	$ 976,920
A.1.4. Strategy: AUTO INFO COLLECT., MAINT. & DISSEM Automated Information Collection, Maintenance, and Dissemination.	$ 4,646,028	$ 4,673,252
A.2.1. Strategy: GROUNDWATER TECH ASST & MODELING Groundwater Technical Assistance and Modeling.	$ 1,704,920	$ 1,715,471
A.2.2. Strategy: WATER RESOURCES PLANNING	$ 13,708,855	$ 9,901,330
A.2.3. Strategy: SURFACE WATER MODELING	$ 138,480	$ 140,834
A.3.1. Strategy: WATER CONSERVATION EDUCATION & ASST Water Conservation Education and Assistance.	$ 2,931,821	$ 2,931,525
Total, Goal A: WATER RESOURCE PLANNING	$ 27,039,657	$ 23,267,891

B. Goal: WATER PROJECT FINANCING		
Provide Financing for the Development of Water-related Projects.		
B.1.1. Strategy: STATE FINANCIAL ASSISTANCE PROGRAMS	$ 2,535,424	$ 1,620,881
B.1.2. Strategy: ECONOMICALLY DISTRESSED AREAS Economically Distressed Areas Program.	$ 995,917	$ 469,147
B.1.3. Strategy: FEDERAL FINANCIAL ASSISTANCE Federal Financial Assistance Programs.	$ 8,240,097	$ 8,237,511
Total, Goal B: WATER PROJECT FINANCING	$ 11,771,438	$ 10,327,539
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: CENTRAL ADMINISTRATION	$ 2,787,115	$ 2,785,942
C.1.2. Strategy: INFORMATION RESOURCES	$ 1,280,856	$ 1,280,914
C.1.3. Strategy: OTHER SUPPORT SERVICES	$ 573,995	$ 573,995
Total, Goal C: INDIRECT ADMINISTRATION	$ 4,641,966	$ 4,640,851
Grand Total, WATER DEVELOPMENT BOARD	$ 43,453,061	$ 38,236,281
Supplemental Appropriations Made in Riders:	$ 555,745	$ 155,746
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 14,689,930	$ 14,689,931
Other Personnel Costs	503,259	509,088
Professional Fees and Services	1,100,749	1,111,799
Fuels and Lubricants	96,419	97,419
Consumable Supplies	252,268	251,868
Utilities	155,986	156,086
Travel	415,712	427,489
Rent - Building	382,931	386,031
Rent - Machine and Other	118,838	118,838
Other Operating Expense	2,017,864	2,034,639
Grants	21,791,140	16,142,129
Capital Expenditures	2,483,710	2,466,710
Total, Object-of-Expense Informational Listing	$ 44,008,806	$ 38,392,027
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 843,169	$ 860,032
Group Insurance	2,055,940	2,227,585
Social Security	1,087,296	1,109,042
Benefits Replacement	138,787	131,848
Subtotal, Employee Benefits	$ 4,125,192	$ 4,328,507
Debt Service		
Lease Payments	$ 9,495	$ 9,493
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 4,134,687	$ 4,338,000

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Water Development Board. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Water Development Board. In order to achieve the objectives and service standards established by this Act, the Water Development Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: WATER RESOURCE PLANNING		
Outcome (Results/Impact):		
Percent of Information Available to Adequately Monitor the State's Water Supplies	69.3%	69.1%
Percent of Key Regional and Statewide Water Planning Activities Completed	84.6%	83.5%

Percent of Eligible Texas Communities and Other Entities Receiving Technical and/or Financial Assistance for Water Planning and Conservation	9.5%	9.5%
A.1.1. Strategy: ENVIRONMENTAL IMPACT INFORMATION		
Output (Volume):		
Number of Bay and Estuary and Instream Study Elements Completed	9	9
A.1.3. Strategy: GROUNDWATER MONITOR. & ASSESS		
Output (Volume):		
Number of Data Units Collected and/or Processed by Texas Water Development Board Staff in Support of Monitoring, Investigating, and Defining the State's Surface Water and Groundwater Resources	24,207	24,207
A.1.4. Strategy: AUTO INFO COLLECT., MAINT. & DISSEM		
Explanatory:		
Number of Responses to Requests for TNRIS-related Information	350,000	350,000
A.2.1. Strategy: GROUNDWATER TECH ASST & MODELING		
Output (Volume):		
Number of Responses to Requests for Water Resources Information	2,850	2,850
A.2.2. Strategy: WATER RESOURCES PLANNING		
Output (Volume):		
Number of Active Grants for Regional Water, Wastewater, Flood and Research Studies Funded from the Research and Planning Fund	115	115
A.3.1. Strategy: WATER CONSERVATION EDUCATION & ASST		
Output (Volume):		
Number of Responses to Requests for Water Conservation Information, Data, Technical Assistance and Educational Activities Provided by the Texas Water Development Board Staff	575	575
B. Goal: WATER PROJECT FINANCING		
Outcome (Results/Impact):		
Total Dollars Committed as a Percent of Total Financial Assistance Dollars Available	84.1%	84.7%
B.1.2. Strategy: ECONOMICALLY DISTRESSED AREAS		
Output (Volume):		
Number of Completed Colonia or Economically Distressed Areas (Colonia) Projects	74	77
B.1.3. Strategy: FEDERAL FINANCIAL ASSISTANCE		
Output (Volume):		
Number of Financial Assistance/Loan Commitments Offered	66	67
Total Dollars Financial Assistance Commitments Provided to Communities	433,615,000	440,550,000
Number of Construction Contracts Managed	331	338

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code, § 1232.103.

	2006	2007
a. Acquisition of Information Resource Technologies		
(1) PC and Server Replacement	$ 506,961	$ 517,312
(2) Strategic Mapping Pool	1,780,071	1,780,071
(3) Water Information Integration and Dissemination Project	$ 277,786	$ 301,894
Total, Acquisition of Information Resource Technologies	$ 2,564,818	$ 2,599,277
b. Transportation Items		
(1) Purchase of Vehicles and Boats	$ 165,000	$ 205,000

c. Acquisition of Capital Equipment and Items		
(1) Gauging and Other Equipment	$ 165,283	$ 108,283
Total, Capital Budget	$ 2,895,101	$ 2,912,560
Method of Financing (Capital Budget):		
General Revenue Fund		
General Revenue Fund	$ 1,138,264	$ 1,166,117
Earned Federal Funds	3,393	3,372
Subtotal, General Revenue Fund	$ 1,141,657	$ 1,169,489
Federal Funds	842,336	801,163
Other Funds		
Appropriated Receipts	884,558	915,358
Agricultural Water Conservation Fund No. 358	26,550	26,550
Subtotal, Other Funds	$ 911,108	$ 941,908
Total, Method of Financing	$ 2,895,101	$ 2,912,560

3. **Transfer Authorized.** Included in amounts appropriated above in Strategy A.2.2, Water Resources Planning, is $1,612,722 out of the General Revenue Fund in each fiscal year of the 2006-07 biennium to be transferred to the Water Assistance Fund No. 480, for the sole purpose of making grants to regional planning groups pursuant to Water Code, § 15.4061. The Texas Water Development Board is authorized to transfer these funds from the Water Assistance Fund to other accounts as authorized under Water Code, § 15.011 as needed to support the regional planning process.

   Also included in amounts appropriated above in Strategy A.2.2, Water Resources Planning, is $2,557,278 in balances and revenues to the Water Assistance Fund No. 480 in each fiscal year of the 2006-07 biennium. These amounts also shall be used for the purpose of making grants to regional planning groups pursuant to Water Code, § 15.4061.

4. **Safe Drinking Water Act State Revolving Fund.** Included in amounts appropriated above in Strategy B.1.3, Federal Financial Assistance, is up to $3,837,234 out of the General Revenue Fund in each fiscal year of the biennium for the state match portion of the community/non-community water system and economically disadvantaged community accounts established under the Safe Drinking Water Act State Revolving Fund.

5. **Appropriation: Water Assistance Fund.** Included in the amounts appropriated above are balances in the Water Assistance Fund No. 480 (WAF) as of August 31, 2005 and revenues accruing to the WAF during the 2006-07 biennium, estimated to be $7,282,406 during the 2006-07 biennium. In addition to the amounts appropriated above, there is hereby appropriated to the Water Development Board all revenues accruing to the Water Assistance Fund No. 480 during the biennium beginning on September 1, 2005, including receipts from the Water Resources Finance Authority. These funds shall be used as authorized in Chapter 15, Water Code.

6. **Appropriation: Water Resources Fund.** In addition to amounts appropriated above, any monies deposited into the Texas Water Resources Fund No. 591, including but not limited to proceeds from revenue bond sales, investment earnings, and loan repayments, are hereby appropriated to the Board for the biennium beginning with the effective date of this Act.

7. **Appropriation: Agricultural Water Conservation Fund.** Included in the amounts appropriated above out of the Agricultural Water Conservation Fund No. 358 is $3,000,000 in fiscal year 2006 and $3,000,000 in fiscal year 2007 for use pursuant to § 50-d of Article III of the Texas Constitution and Water Code, Chapter 17, Subchapter J. In addition to amounts appropriated above, there are hereby appropriated such amounts as may be necessary to administer and disburse funds for loans through the agricultural water conservation program and to pay the principal and interest on agricultural water conservation bonds that mature or become due during the biennium beginning with the effective date of this Act, pursuant to § 50-d of Article III of the Texas Constitution and Water Code, Chapter 17, Subchapter J, to be transferred to the Agricultural Water Conservation Interest and Sinking Fund No. 359.

8. **Coordination with the Office of Rural and Community Affairs.** The Texas Water Development Board (TWDB) and the Office of Rural and Community Affairs (ORCA) shall continue to coordinate funds out of the Economically Distressed Areas Program (EDAP) administered by the TWDB and the Colonia Fund administered by ORCA as outlined in a Memorandum of Understanding (MOU) to maximize delivery of the funds and minimize administrative delay in their expenditure. At the beginning of each fiscal year of the 2006-07 biennium, the TWDB shall provide the ORCA a list of EDAP-funded areas whose colonia residents cannot afford the cost of service lines, hook-ups, and plumbing improvements associated with being connected to an EDAP-funded system. No later than September 15, 2006, the TWDB and the ORCA shall submit a joint report to the Legislative Budget Board that describes and analyzes the effectiveness of projects funded as a result of coordinated Colonia Fund/EDAP efforts, including an estimate of the amount each agency has saved by reduced duplication of efforts.

9. **Fee Appropriation: State Revolving Fund Program Operation.** Included in the amounts appropriated above is $6,483,412 in fiscal year 2006 and $6,491,129 in fiscal year 2007 in Appropriated Receipts fee revenue collected for the administration and operation of the State Revolving Fund (SRF) Program or additional state revolving funds created under Water Code, Chapter 15, Subchapter J. In addition to the amounts appropriated above, the Water Development Board is hereby appropriated any additional fee revenue collected for administration and operation of revolving fund programs for the biennium beginning September 1, 2005.

   All fee revenue collected pursuant to the SRF program and additional state revolving funds may be deposited into an operating fund held in the Texas Treasury Safekeeping Trust Company. Monies in the SRF or additional SRFs operating fund, including interest, may be used only for the purposes of reimbursing expenditures from appropriations in this Act. Such reimbursement shall include both direct expenditures for salaries and other expenditures and fringe benefits. In addition, the Texas Water Development Board may transfer amounts from the operating fund to the SRF or additional SRFs for uses pursuant to the Water Code, Chapter 15, Subchapter J.

10. **Use of Texas Water Resources Finance Authority (TWRFA) Funds.** Included in the amounts appropriated above in Strategy A.2.2, Water Resources Planning, is $824,707 in fiscal year 2006 and $827,568 in fiscal year 2007 in Appropriated Receipts derived from cash flows from the Texas Water Resources Finance Authority (TWRFA). Also included in amounts appropriated above in Strategy B.1.1, State Financial Assistance Programs, is $161,607 in Appropriated Receipts in each fiscal year of the biennium derived from cash flows and reserved as operating costs of TWRFA and used to reimburse TWDB for administrative expenditures incurred by the Water Development Board in administering the TWRFA portfolio.

11. **Appropriation: Unexpended Balances in the Groundwater District Loan Assistance Fund.** In addition to amounts appropriated above, the Texas Water Development Board is hereby appropriated any unexpended balances in the Groundwater District Loan Assistance Fund No. 363 as of August 31, 2005. Any unexpended balances as of August 31, 2006 are hereby appropriated for the fiscal year beginning September 1, 2006.

12. **Appropriation: Cost Recovery for the State Participation Program.** Included in the amounts appropriated above to the Texas Water Development Board in Strategy B.1.1, State Financial Assistance Programs, is $100,548 in fiscal year 2006 and $103,498 in fiscal year 2007 in Appropriated Receipts collected for the administration and operation of the State Participation Program to be used for those purposes.

    In addition to the amounts appropriated above, there is hereby appropriated to the Texas Water Development Board any additional revenues collected for the administration and operation of the State Participation Program for the same purposes.

13. **Rural Water Assistance Fund.** In addition to the amounts appropriated above, there is hereby appropriated to the Texas Water Development Board (TWDB) available balances in the Rural Water Assistance Fund, money that TWDB may place into the Rural Water Assistance Fund from any sources legally available, including but not limited to proceeds from bonds issued by the Board, money transferred to the fund, and any revenues that may accrue to the Rural Water Assistance Fund.

14. Economically Disadvantaged Community Account. Funds previously appropriated to the Texas Water Development Board for the Community/Noncommunity Water System Financial Assistance Account of the Safe Drinking Water Revolving Fund (SDWRF) and any interest earned on such funds may be transferred by the Board in whole or in part to the Economically Disadvantaged Community Account of the SDWRF for authorized use.

15. Appropriation: Financial Assistance to Unincorporated Communities. Out of amounts appropriated above out of Water Assistance Fund No. 480, the Water Development Board is hereby authorized to use $400,000 in funds originally appropriated to the agency by the Seventy-sixth Legislature to provide grants to counties for the relocation of residents unable to utilize funds as originally intended. These funds shall be used to serve unincorporated communities located in a county with a population of greater than 2 million but less than 2.5 million, based on the 2000 US Census data.

21. Nuisance Surveys for the Economically Distressed Areas Program. Out of amounts appropriated above out of the General Revenue Fund in Strategy B.1.2, Economically Distressed Areas, the Water Development Board shall reimburse the Texas Department of State Health Services for costs incurred by the Department in conducting nuisance surveys for applicants for financial assistance through the Economically Distressed Areas program administered by the Board. The Board shall reimburse such costs through Interagency Contracts with the Texas Department of State Health Services in an amount not to exceed a total of $250,000 for the biennium beginning on September 1, 2005.

22. Capital Budget Expenditures: Federal Funds and Appropriated Receipts Exemption. To comply with the legislative intent to maximize the use of federal funds, to maximize the use of state funds, and to fulfill grant requirements required for the receipt and expenditure of federal funds, the Water Development Board is hereby exempted from the Capital Budget Rider Provisions contained in Article IX of ths Act, "Limitations on Expenditures - Capital Budget," when Federal Funds or Appropriated Receipts are received in excess of amounts identified in the agency's Capital Budget Rider. The Water Development Board shall notify the Legislative Budget Board and the Governor upon receipt of such Federal Funds or Appropriated Receipts, of the amount received and items to be purchased.

23. Appropriation: Water Infrastructure Fund. In addition to amounts appropriated above, there is hereby appropriated to the Water Development Board for the biennium beginning on September 1, 2005, all available funds in the Water Infrastructure Fund (WIF) No. 302, including, but not limited to fund balances, revenues, bonds issued by the Water Development Board, and funds transferred to the WIF.

24. Appropriation: Brush Creek Reservoir (Lake Marlin). In addition to amounts appropriated above, the Texas Water Development Board is hereby appropriated $400,000 out of General Revenue for the biennium beginning September 1, 2005. Such funds shall be transferred to the Water Assistance Fund No. 480 to be appropriated and used for grants for the local share of costs associated with development of Brushy Creek Reservoir (Lake Marlin).

25. Interstate Reservoir Study. Out of the amounts appropriated above, the Water Development Board shall conduct a study of the operation of Toledo Bend Reservoir, considering the need for operating the lake at a minimum level of 168 feet and the impact of a minimum operation level on downstream flooding and contractual obligations.

26. Appropriation: Desalination. Included in amounts appropriated above out of the General Revenue Fund in Strategy A.2.2., Water Resources Planning, is $3,200,000 in fiscal year 2006 and $100,000 in fiscal year 2007 to be transferred to the Water Assistance Fund No. 480. Of the amounts, $3,100,000 in fiscal year 2006 shall be used for grants for the development of up to three pilot seawater desalination projects and for grants for the planning, permitting, design, and development of brackish groundwater desalination demonstration projects at sites to be determined, and $100,000 in each year of the biennium shall be used for staff costs to oversee the projects, monitor the development of desalination technology, and provide educational outreach and technology transfer.

Any unexpended balances remaining in this appropriation on August 31, 2006 are hereby appropriated for the fiscal year beginning September 1, 2006.

27. Appropriation: Additional Staff Costs. In addition to the amounts appropriated above, the Water Development Board is hereby appropriated out of the General Revenue Fund an amount

not to exceed $155,745 in fiscal year 2006 and $155,746 in fiscal year 2007 to be used for salaries for additional staff to optimize cash management processes and returns on Water Development Board investments, for increased water planning activities, and to improve agency customer service. This appropriation shall be transferred to the appropriate strategies (Items of Appropriation) listed above.

In addition, the Number of Full-Time-Equivalents (FTE) indicated above for the Water Development Board is hereby increased by 3.0 in each fiscal year of the 2006-07 biennium.

DEBT SERVICE PAYMENTS - NON-SELF SUPPORTING G.O. WATER BONDS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 20,400,390	$ 19,908,058
Other Funds		
Economically Distressed Areas Bond Payment Account No. 357	2,227,992	2,815,040
State Participation Program Bond Payment Account	3,551,281	5,497,823
Subtotal, Other Funds	$ 5,779,273	$ 8,312,863
Total, Method of Financing	$ 26,179,663	$ 28,220,921
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: GEN OBLIGATION BOND DEBT SERVICE		
Fulfill All General Obligation Bond Debt Service Commitments.		
A.1.1. Strategy: EDAP DEBT SERVICE General Obligation Bond Debt Service Payments for EDAP.	$ 15,712,170	$ 17,745,678
A.1.2. Strategy: STATE PARTICIPATION DEBT SERVICE General Obligation Bond Debt Service Payments for State Participation.	$ 7,774,153	$ 7,777,403
A.1.3. Strategy: AG WATER CONSERVATION DEBT SERVICE Agricultural Water Conservation Debt Service.	$ 2,693,340	$ 2,697,840
Total, Goal A: GEN OBLIGATION BOND DEBT SERVICE	$ 26,179,663	$ 28,220,921
Grand Total, DEBT SERVICE PAYMENTS - NON-SELF SUPPORTING G.O. WATER BONDS	$ 26,179,663	$ 28,220,921
Object-of-Expense Informational Listing:		
Debt Service	$ 26,179,663	$ 28,220,921
Total, Object-of-Expense Informational Listing	$ 26,179,663	$ 28,220,921

1. **Payment of Debt Service: Economically Distressed Areas Bonds.** All monies received by the Texas Water Development Board and deposited to the Economically Distressed Areas Bond Payment Account No. 357 are hereby appropriated for the payment of principal and interest on bonds issued to provide financial assistance for water and wastewater infrastructure through the Economically Distressed Areas Program that mature or become due during the biennium beginning with the effective date of this Act, pursuant to §§ 49-c, 49-d-7, and 49-d-8 of Article III of the Texas Constitution and Water Code, Chapter 17, Subchapters C and L, including amounts issued prior to the effective date of this Act, as well as additional amounts expected to be issued in fiscal year 2007, estimated to be $25 million. The amounts identified above in the Method of Financing as the Economically Distressed Areas Bond Payment Account No. 357 are estimated amounts to be received from repayments of loan principal and interest on such bonds that mature or become due during the biennium.

The actual amount of funds to be paid from the General Revenue Fund shall be the total amount of debt service obligations due in each fiscal year less the amount available in the Economically Distressed Areas Bond Payment Account No. 357 for Debt Service Payments for the Economically Distressed Areas Program. The provisions contained herein shall not be construed, however, to abrogate the obligation of the State under §§ 49-c and 49-d-8 of Article III of the Texas Constitution to provide for the payment in full of the principal and interest on such bonds that mature or become due during the biennium.

2. **Payment of Debt Service: State Participation Bonds.** All monies received by the Texas Water Development Board and deposited to the State Participation Program Bond Payment Account are hereby appropriated for the payment of principal and interest on bonds issued to provide financial assistance for State Participation projects that mature or become due during the biennium beginning with the effective date of this Act, pursuant to §§ 49-c, 49-d-7, and 49-d-8 of Article III of the Texas Constitution and Water Code, Chapter 17, Subchapters C and L, including amounts issued prior to the effective date of this Act, as well as additional amounts issued during the 2006-07 biennium. The amounts identified above in the Method of Financing as the State Participation Program Bond Payment Account are estimated amounts of payments received from political subdivisions representing the purchase of the state's ownership interest in projects dedicated to the payment of principal and interest on such bonds that mature or become due during the biennium.

   The actual amount of funds to be paid from the General Revenue Fund shall be the total amount of debt service obligations due in each fiscal year less the amount available in the State Participation Program Bond Payment Account for Debt Service Payments for the State Participation Program. The provisions contained herein shall not be construed, however, to abrogate the obligation of the State under §§ 49-c and 49-d-8 of Article III of the Texas Constitution to provide for the payment in full of the principal and interest on such bonds that mature or become due during the biennium.

3. **Agricultural Water Conservation Bonds.** The amounts listed above in Strategy A.1.3, Agricultural Water Conversation Debt Service, are the estimated amounts of debt service anticipated to be required in each fiscal year for the repayment of Texas Agricultural Water Conservation Bonds issued during the 2002-03 biennium to provide financial assistance under Texas Water Code, § 17.894(b)(2) for the following projects: $15 million in financial assistance to the Soil and Water Conservation Board for brush control projects and $1 million in financial assistance to the Department of Agriculture for saltcedar removal along the Pecos River. The provisions contained herein shall not be construed, to abrogate the obligation of the state under § 50-d of Article III of the Texas Constitution to provide for the payment in full of the principal and interest on such bonds that mature or become due during the biennium.

RETIREMENT AND GROUP INSURANCE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund, estimated	$ 24,910,007	$ 26,407,746
General Revenue Dedicated Accounts, estimated	40,143,259	42,352,395
Federal Funds, estimated	9,857,792	10,462,288
Other Special State Funds, estimated	3,598,327	3,788,964
Total, Method of Financing	$ 78,509,385	$ 83,011,393
Items of Appropriation:		
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS Retirement Contributions. Estimated.	$ 21,660,617	$ 22,093,829
A.1.2. Strategy: GROUP INSURANCE Group Insurance. Estimated.	$ 56,848,768	$ 60,917,564
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	$ 78,509,385	$ 83,011,393
Grand Total, RETIREMENT AND GROUP INSURANCE	$ 78,509,385	$ 83,011,393

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund, estimated	$ 8,897,923	$ 8,995,896
General Revenue Dedicated Accounts, estimated	15,595,698	15,755,236
Federal Funds, estimated	3,746,929	3,799,406
Other Special State Funds, estimated	1,827,173	1,848,305
Total, Method of Financing	$ 30,067,723	$ 30,398,843
Items of Appropriation:		
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT		
Comptroller - Social Security.		
A.1.1. Strategy: STATE MATCH – EMPLOYER	$ 26,207,257	$ 26,731,401
State Match – Employer. Estimated.		
A.1.2. Strategy: BENEFIT REPLACEMENT PAY	$ 3,860,466	$ 3,667,442
Benefit Replacement Pay. Estimated.		
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	$ 30,067,723	$ 30,398,843
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	$ 30,067,723	$ 30,398,843

BOND DEBT SERVICE PAYMENTS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 4,679,037	$ 5,555,184
Current Fund Balance	4,102,928	4,101,788
Total, Method of Financing	$ 8,781,965	$ 9,656,972
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: BOND DEBT SERVICE	$ 8,781,965	$ 9,656,972 & UB
To Texas Public Finance Authority for Payment of Bond Debt Service.		
Grand Total, BOND DEBT SERVICE PAYMENTS	$ 8,781,965	$ 9,656,972

LEASE PAYMENTS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 984,891	$ 1,157,336
Total, Method of Financing	$ 984,891	$ 1,157,336
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: LEASE PAYMENTS	$ 984,891	$ 1,157,336 & UB
To TBPC for Payment to TPFA.		
Grand Total, LEASE PAYMENTS	$ 984,891	$ 1,157,336

RECAPITULATION - ARTICLE VI
NATURAL RESOURCES
(General Revenue)

	For the Years Ending August 31, 2006	August 31, 2007
Department of Agriculture	$ 40,253,121	$ 38,751,230
Rider Appropriations	231,000	231,000
Total	40,484,121	38,982,230
Animal Health Commission	7,887,148	7,887,148
Rider Appropriations	180,000	180,000
Contingency Appropriations	440,000	440,000
Total	8,507,148	8,507,148
Commission on Environmental Quality	5,112,372	4,508,939
Rider Appropriations	16,902	14,186
Total	5,129,274	4,523,125
General Land Office and Veterans' Land Board	983,486	986,846
Parks and Wildlife Department	46,117,038	46,561,865
Railroad Commission	26,128,454	25,412,498
Contingency Appropriations	3,436,572	2,814,291
Total	29,565,026	28,226,789
Texas River Compact Commissions	325,267	325,265
Soil and Water Conservation Board	9,525,564	9,315,398
Water Development Board	19,746,235	16,702,007
Rider Appropriations	555,745	155,746
Total	20,301,980	16,857,753
Debt Service Payments - Non-Self Supporting G.O. Water Bonds	20,400,390	19,908,058
Subtotal, Natural Resources	$ 181,339,294	$ 174,194,477
Retirement and Group Insurance	24,910,007	26,407,746
Social Security and Benefit Replacement Pay	8,897,923	8,995,896
Subtotal, Employee Benefits	$ 33,807,930	$ 35,403,642
Bond Debt Service Payments	4,679,037	5,555,184
Lease Payments	984,891	1,157,336
Subtotal, Debt Service	$ 5,663,928	$ 6,712,520
TOTAL, ARTICLE VI - NATURAL RESOURCES	$ 220,811,152	$ 216,310,639

RECAPITULATION - ARTICLE VI
NATURAL RESOURCES
(General Revenue - Dedicated)

	For the Years Ending August 31, 2006	August 31, 2007
Department of Agriculture	$ 1,177,115	$ 177,115
Commission on Environmental Quality	445,329,418	334,343,961
Rider Appropriations	128,016	134,284
Contingency Appropriations	499,768	740,548
Total	445,957,202	335,218,793
General Land Office and Veterans' Land Board	10,670,232	10,670,232
Trusteed Programs Within the General Land Office	325,000	325,000
Parks and Wildlife Department	104,106,682	104,238,266
Contingency Appropriations	3,000,000	3,000,000
Total	107,106,682	107,238,266
Railroad Commission	18,886,017	18,416,017
Contingency Appropriations	504,162	478,051
Total	19,390,179	18,894,068
Subtotal, Natural Resources	$ 584,626,410	$ 472,523,474
Retirement and Group Insurance	40,143,259	42,352,395
Social Security and Benefit Replacement Pay	15,595,698	15,755,236
Subtotal, Employee Benefits	$ 55,738,957	$ 58,107,631
TOTAL, ARTICLE VI - NATURAL RESOURCES	$ 640,365,367	$ 530,631,105

RECAPITULATION - ARTICLE VI
NATURAL RESOURCES
(Federal Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Department of Agriculture	$ 11,379,025	$ 12,179,025
Animal Health Commission	4,007,768	4,007,768
Commission on Environmental Quality	45,173,109	45,041,206
General Land Office and Veterans' Land Board	3,410,216	3,410,216
Trusteed Programs Within the General Land Office	3,000,000	5,000,000
Parks and Wildlife Department	45,214,108	44,636,489
Railroad Commission	5,785,670	5,032,991
Contingency Appropriations	57,453	44,242
Total	5,843,123	5,077,233
Soil and Water Conservation Board	3,901,881	3,673,881
Water Development Board	4,066,046	3,999,269
Subtotal, Natural Resources	$ 125,995,276	$ 127,025,087
Retirement and Group Insurance	9,857,792	10,462,288
Social Security and Benefit Replacement Pay	3,746,929	3,799,406
Subtotal, Employee Benefits	$ 13,604,721	$ 14,261,694
TOTAL, ARTICLE VI - NATURAL RESOURCES	$ 139,599,997	$ 141,286,781

RECAPITULATION - ARTICLE VI
NATURAL RESOURCES
(Other Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Department of Agriculture	$ 2,859,101	$ 1,760,601
Commission on Environmental Quality	8,432,667	20,132,666
General Land Office and Veterans' Land Board	27,051,897	25,663,963
Trusteed Programs Within the General Land Office	80,600,000	81,146,000
Parks and Wildlife Department	39,745,074	12,090,952
Railroad Commission	2,961,382	2,500,322
Contingency Appropriations	17,852	13,747
Total	2,979,234	2,514,069
Water Development Board	19,640,780	17,535,005
Debt Service Payments - Non-Self Supporting G.O. Water Bonds	5,779,273	8,312,863
Subtotal, Natural Resources	$ 187,088,026	$ 169,156,119
Retirement and Group Insurance	3,598,327	3,788,964
Social Security and Benefit Replacement Pay	1,827,173	1,848,305
Subtotal, Employee Benefits	$ 5,425,500	$ 5,637,269
Bond Debt Service Payments	4,102,928	4,101,788
Subtotal, Debt Service	$ 4,102,928	$ 4,101,788
Less Interagency Contracts	$ 8,201,032	$ 7,746,959
TOTAL, ARTICLE VI - NATURAL RESOURCES	$ 188,415,422	$ 171,148,217

RECAPITULATION - ARTICLE VI
NATURAL RESOURCES
(All Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Department of Agriculture	$ 55,668,362	$ 52,867,971
Rider Appropriations	231,000	231,000
Total	55,899,362	53,098,971
Animal Health Commission	11,894,916	11,894,916
Rider Appropriations	180,000	180,000
Contingency Appropriations	440,000	440,000
Total	12,514,916	12,514,916
Commission on Environmental Quality	504,047,566	404,026,772
Rider Appropriations	144,918	148,470
Contingency Appropriations	499,768	740,548
Total	504,692,252	404,915,790
General Land Office and Veterans' Land Board	42,115,831	40,731,257
Trusteed Programs Within the General Land Office	83,925,000	86,471,000
Parks and Wildlife Department	235,182,902	207,527,572
Contingency Appropriations	3,000,000	3,000,000
Total	238,182,902	210,527,572
Railroad Commission	53,761,523	51,361,828
Contingency Appropriations	4,016,039	3,350,331
Total	57,777,562	54,712,159
Texas River Compact Commissions	325,267	325,265
Soil and Water Conservation Board	13,427,445	12,989,279
Water Development Board	43,453,061	38,236,281
Rider Appropriations	555,745	155,746
Total	44,008,806	38,392,027
Debt Service Payments - Non-Self Supporting G.O. Water Bonds	26,179,663	28,220,921
Subtotal, Natural Resources	$ 1,079,049,006	$ 942,899,157
Retirement and Group Insurance	78,509,385	83,011,393
Social Security and Benefit Replacement Pay	30,067,723	30,398,843
Subtotal, Employee Benefits	$ 108,577,108	$ 113,410,236
Bond Debt Service Payments	8,781,965	9,656,972
Lease Payments	984,891	1,157,336
Subtotal, Debt Service	$ 9,766,856	$ 10,814,308
Less Interagency Contracts	$ 8,201,032	$ 7,746,959
TOTAL, ARTICLE VI - NATURAL RESOURCES	$ 1,189,191,938	$ 1,059,376,742
Number of Full-Time-Equivalents (FTE)	8,381.4	8,327.4

ARTICLE VII

BUSINESS AND ECONOMIC DEVELOPMENT

Sec. 1. The several sums of money herein specified, or so much thereby as may be necessary, are appropriated out of any funds in the State Treasury not otherwise appropriated, or out of special funds as indicated, for the support, maintenance, or improvement of the designated business and economic development agencies.

DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 7,109,007	$ 3,596,671
Earned Federal Funds	813,030	813,030
Subtotal, General Revenue Fund	$ 7,922,037	$ 4,409,701
Community Affairs Federal Fund No. 127	135,505,609	135,387,385
Other Funds		
Appropriated Receipts	15,460,458	15,418,498
Interagency Contracts	83,000	83,000
Subtotal, Other Funds	$ 15,543,458	$ 15,501,498
Total, Method of Financing	$ 158,971,104	$ 155,298,584
This bill pattern represents an estimated 12% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	298.0	298.0
Schedule of Exempt Positions:		
Executive Director, Group 4	$112,352	$112,352
Items of Appropriation:		
A. Goal: AFFORDABLE HOUSING		
Increase Availability of Safe/Decent/Affordable Housing.		
A.1.1. Strategy: MRB PROGRAM - SINGLE FAMILY Federal Mortgage Loans through the SF Mortgage Revenue Bond Program.	$ 932,948	$ 936,905
A.1.2. Strategy: HOME PROGRAM - SINGLE FAMILY Provide Single Family Housing through HOME Investment Program.	$ 34,817,030	$ 34,810,084
A.1.3. Strategy: HOUSING TRUST FUND - SINGLE FAMILY Provide Single Family Loans/Grants for Very Low/Low Income Households.	$ 5,906,648	$ 2,732,742
A.1.4. Strategy: SECTION 8 RENTAL ASSISTANCE Federal Rental Assistance through Section 8 Certificates and Vouchers.	$ 10,357,386	$ 10,286,277
A.1.5. Strategy: FEDERAL TAX CREDITS Provide Federal Tax Credits to Develop Rental Housing for VLI and LI.	$ 671,771	$ 675,133
A.1.6. Strategy: HOME PROGRAM - MULTIFAMILY Provide Multifamily Housing through HOME Investment Program.	$ 6,414,026	$ 6,415,252
A.1.7. Strategy: HOUSING TRUST FUND - MULTIFAMILY Provide Multifamily Loans/Grants for Very Low/Low Income Households.	$ 659,430	$ 317,127
A.1.8. Strategy: MRB PROGRAM-MULTIFAMILY Federal Mortgage Loans through the MF Mortgage Revenue Bond Program.	$ 325,833	$ 327,269
Total, Goal A: AFFORDABLE HOUSING	$ 60,085,072	$ 56,500,789

B. Goal: INFORMATION & TECHNICAL ASSISTANCE		
Provide Information and Technical Assistance.		
B.1.1. Strategy: HOUSING RESOURCE CENTER	$ 767,057	$ 767,057
Center for Housing Research, Planning, and Communications.		
B.2.1. Strategy: COLONIA SERVICE CENTERS	$ 587,882	$ 590,606
Provide Technical Assistance to Colonias through Field Offices.		
Total, Goal B: INFORMATION & TECHNICAL ASSISTANCE	$ 1,354,939	$ 1,357,663
C. Goal: POOR AND HOMELESS PROGRAMS		
Improve Poor/Homeless Living Conditions & Reduce VLI Energy Costs.		
C.1.1. Strategy: POVERTY-RELATED FUNDS	$ 35,609,283	$ 35,583,995
Administer Poverty-related Federal Funds through a Network of Agencies.		
C.2.1. Strategy: ENERGY ASSISTANCE PROGRAMS	$ 47,450,678	$ 47,418,851
Administer State Energy Assistance Programs.		
Total, Goal C: POOR AND HOMELESS PROGRAMS	$ 83,059,961	$ 83,002,846
D. Goal: ENSURE COMPLIANCE		
Ensure Compliance with Program Mandates.		
D.1.1. Strategy: MONITOR HOUSING REQUIREMENTS	$ 2,417,495	$ 2,449,942
Monitor and Inspect for Federal & State Housing Program Requirements.		
D.1.2. Strategy: MONITOR CONTRACT REQUIREMENTS	$ 1,823,214	$ 1,828,934
Administer and Monitor Subrecipient Contracts.		
Total, Goal D: ENSURE COMPLIANCE	$ 4,240,709	$ 4,278,876
E. Goal: MANUFACTURED HOUSING		
Regulate Manufactured Housing Industry.		
E.1.1. Strategy: TITLING AND LICENSING	$ 1,179,002	$ 1,178,987
Provide SOL and Licensing Services in a Timely Manner.		
E.1.2. Strategy: INSPECTIONS	$ 1,307,585	$ 1,307,573
Conduct Inspections of Manufactured Homes in a Timely Manner.		
E.1.3. Strategy: ENFORCEMENT	$ 1,335,107	$ 1,335,135
Process Complaints/Conduct Investigations/Take Administrative Actions.		
E.1.4. Strategy: TEXASONLINE	$ 19,120	$ 19,120
TexasOnline fees. Estimated and Nontransferable.		
Total, Goal E: MANUFACTURED HOUSING	$ 3,840,814	$ 3,840,815
F. Goal: INDIRECT ADMIN AND SUPPORT COSTS		
Indirect Administrative and Support Costs.		
F.1.1. Strategy: CENTRAL ADMINISTRATION	$ 4,522,925	$ 4,441,454
F.1.2. Strategy: INFORMATION RESOURCE TECHNOLOGIES	$ 1,335,813	$ 1,342,118
F.1.3. Strategy: OPERATING/SUPPORT	$ 530,871	$ 534,023
Total, Goal F: INDIRECT ADMIN AND SUPPORT COSTS	$ 6,389,609	$ 6,317,595
Grand Total, DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS	$ 158,971,104	$ 155,298,584
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 14,281,325	$ 14,281,325
Other Personnel Costs	415,757	415,757
Professional Fees and Services	2,687,820	2,445,460
Consumable Supplies	209,220	209,220
Utilities	71,450	71,450
Travel	763,701	763,701
Rent - Building	1,977,311	1,977,311
Rent - Machine and Other	98,797	98,797
Other Operating Expense	1,910,358	1,899,359
Client Services	9,251,347	9,251,347

Grants	127,251,068	123,750,907
Capital Expenditures	52,950	133,950
Total, Object-of-Expense Informational Listing	$ 158,971,104	$ 155,298,584
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 825,106	$ 841,608
Group Insurance	1,725,560	1,855,494
Social Security	1,074,875	1,096,373
Benefits Replacement	134,036	127,335
Subtotal, Employee Benefits	$ 3,759,577	$ 3,920,810
Debt Service		
Lease Payments	$ 36,519	$ 33,138
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 3,796,096	$ 3,953,948

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Housing and Community Affairs. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Department of Housing and Community Affairs. In order to achieve the objectives and service standards established by this Act, the Department of Housing and Community Affairs shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: AFFORDABLE HOUSING		
Outcome (Results/Impact):		
Percent of Households/Individuals of Very Low, Low, and Moderate Income Needing Affordable Housing That Subsequently Receive Housing or Housing-related Assistance	1.81%	1.81%
Percent of Households/Individuals of Very Low Income Needing Affordable Housing That Subsequently Receive Housing or Housing-related Assistance	1.46%	1.46%
Percent of Households/Individuals of Low Income Needing Affordable Housing That Subsequently Receive Housing or Housing-related Assistance	2.75%	2.75%
Percent of Households/Individuals of Moderate Income Needing Affordable Housing That Subsequently Receive Housing or Housing-related Assistance	.17%	.17%
A.1.1. Strategy: MRB PROGRAM - SINGLE FAMILY		
Output (Volume):		
Number of Households Assisted with Single Family Mortgage Revenue Bond Funds	1,727	1,727
A.1.3. Strategy: HOUSING TRUST FUND - SINGLE FAMILY		
Output (Volume):		
Number of Households Assisted through the Single Family Housing Trust Fund Program	100	100
A.1.4. Strategy: SECTION 8 RENTAL ASSISTANCE		
Output (Volume):		
Number of Households Assisted through Statewide Housing Assistance Payments Program	2,100	2,100
A.1.5. Strategy: FEDERAL TAX CREDITS		
Output (Volume):		
Number of Households Assisted through the Housing Tax Credit Program	18,832	20,151
A.1.6. Strategy: HOME PROGRAM - MULTIFAMILY		
Output (Volume):		
Number of Households Assisted with Multifamily HOME Funds	741	647
A.1.8. Strategy: MRB PROGRAM-MULTIFAMILY		
Output (Volume):		
Number of Households Assisted through the Multifamily Mortgage Revenue Bond Program	3,500	3,500

B. Goal: INFORMATION & TECHNICAL ASSISTANCE		
B.1.1. Strategy: HOUSING RESOURCE CENTER		
Output (Volume):		
Number of Information and Technical Assistance Requests Completed	5,400	5,400
B.2.1. Strategy: COLONIA SERVICE CENTERS		
Output (Volume):		
Number of On-site Technical Assistance Visits Conducted Annually from the Field Offices	600	600
C. Goal: POOR AND HOMELESS PROGRAMS		
Outcome (Results/Impact):		
Percent of Persons in Poverty That Received Homeless and Poverty-related Assistance	14.6%	14.6%
Percent of Very Low Income Households Receiving Energy Assistance	6%	6%
C.1.1. Strategy: POVERTY-RELATED FUNDS		
Output (Volume):		
Number of Persons Assisted through Homeless and Poverty-related Funds	440,000	440,000
Number of Persons Assisted That Achieve Incomes above Poverty Level	2,000	2,000
Number of Shelters Assisted	70	70
C.2.1. Strategy: ENERGY ASSISTANCE PROGRAMS		
Output (Volume):		
Number of Households Assisted through the Comprehensive Energy Assistance Program	63,200	63,200
Number of Dwelling Units Weatherized by the Department	4,800	4,800
D. Goal: ENSURE COMPLIANCE		
D.1.1. Strategy: MONITOR HOUSING REQUIREMENTS		
Output (Volume):		
Total Number of Onsite Reviews Conducted	888	917
D.1.2. Strategy: MONITOR CONTRACT REQUIREMENTS		
Output (Volume):		
Total Number of Monitoring Reviews Conducted	10,725	9,220
E. Goal: MANUFACTURED HOUSING		
Outcome (Results/Impact):		
Percent of Consumer Complaint Inspections Conducted within 30 Days of Request	100%	100%
Percent of Complaints Resulting in Disciplinary Action	22%	22%
E.1.1. Strategy: TITLING AND LICENSING		
Output (Volume):		
Number of Manufactured Housing Statements of Ownership and Location Issued	89,000	89,000
Number of Licenses Issued	4,435	4,435
E.1.2. Strategy: INSPECTIONS		
Output (Volume):		
Number of Routine Installation Inspections Conducted	8,000	8,000
Explanatory:		
Number of Installation Reports Received	20,000	20,000
E.1.3. Strategy: ENFORCEMENT		
Output (Volume):		
Number of Complaints Resolved	1,700	1,700
Efficiencies:		
Average Time for Complaint Resolution (Days)	180	180
Explanatory:		
Number of Jurisdictional Complaints Received	1,800	1,800

2. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to Government Code § 1232.103. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software versus the purchase of information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

	2006	2007
a. Acquisition of Information Resource Technologies		
(1) Normal Growth	$ 140,000	$ 210,000
(2) PeopleSoft 8.8 Implementation	400,000	200,000
(3) Community Services/Energy Assistance Contract System	100,000	100,000
(4) Section 8 System	$ 65,000	$ 0
Total, Acquisition of Information Resource Technologies	$ 705,000	$ 510,000
Total, Capital Budget	$ 705,000	$ 510,000
Method of Financing (Capital Budget):		
Community Affairs Federal Fund No. 127	$ 407,000	$ 263,000
Appropriated Receipts	298,000	247,000
Total, Method of Financing	$ 705,000	$ 510,000

3. **Reporting Requirements.** Within 90 days following the conclusion of a contract issued by the Department of Housing and Community Affairs or, at the option of the contracting party, within 90 days following the conclusion of the contracting party's fiscal year during which a contract was in force, the contracting party shall provide to the Executive Director a full accounting of state funds expended under the terms of the contract. This requirement shall be a part of any contract entered into by the department and contracting entities. Failure of a contracting party to provide full accounting of state funds expended under the terms of any contract under the conditions stated above shall be sufficient reason to terminate that contract and for the department to deny any future contracts to that contracting party.

4. **Housing Assistance.** The housing finance division shall adopt an annual goal to apply no less than $30,000,000 of the division's total housing funds toward housing assistance for individuals and families in which the annual family income does not exceed the following amounts based on the number of persons in the family:

Number of Persons in the Family	Maximum Annual Income
1 Person	$13,000
2 Persons	$16,000
3 Persons	$17,000
4 Persons	$19,000
5 Persons	$21,000

For each additional person add $1,500. No less than 20 percent of the division's total housing funds shall be spent for individuals and families earning between 31 percent and 60 percent of median family income. In those counties where the median family income is lower than the state average median family income, the department shall use the average state median income in interpreting this rider. The department shall provide a quarterly report to the Legislative Budget Board documenting its expenditures in each income category.

5. **Local Site Visits.** From monies appropriated above, when the Department of Housing and Community Affairs receives a letter from the mayor or county judge of an affected city or county opposing an application for a federal tax incentive to develop rental housing, a site visit by an employee of the Department of Housing and Community Affairs with the mayor or county judge or their designated representative shall take place within 30 days following notification. The site visit must occur before the incentive can be approved. The Department of Housing and Community Affairs is authorized to obtain reimbursement from the applicant for a federal tax incentive for necessary travel and expenses at a rate not to exceed the federally authorized rate.

6. **Low/Moderate Income Housing Construction.** Out of the funds appropriated above, not less than $500,000 each year of the biennium shall be expended on low/moderate income housing construction in enterprise zone areas.

7. **Low Income Assistance: Scoring Criteria.** It is the intent of the Legislature that the department add to its contract award scoring criteria for the construction, acquisition, or rehabilitation of single and multi-family housing, and for the operation of multi-family housing,

a system that gives increased points for comprehensive services to low-income citizens, such as case management, home-buyer assistance, and family budgeting. The department is also encouraged to develop a sliding scale fee schedule for the low-income tax credit program and the 501c(3) bond program to encourage increased participation by non-profit entities such as community development housing organizations.

8. **Limitation on Expenditure.** Under Strategy A.1.5, Federal Tax Credits, no funds shall be used for processing or approving applications for allocations unless the department adopts or amends administrative rules containing the following:

   a. All representations made by an applicant for an allocation are enforceable by the department, including enforcement by administrative penalties for failure to perform as stated in the representations and enforcement by inclusion in deed restrictions to which the department is a party.

   b. The department will require inspections of all construction for quality during the construction process while defects can reasonably be corrected.

   c. A general contractor hired by an applicant or an applicant, if the applicant serves as general contractor, must demonstrate a history of constructing similar types of housing without the use of federal tax credits.

   d. The department shall give notice of a proposed project to the state representative and senator representing the area where a project would be located. The state representative or senator may hold a community meeting at which the department shall provide appropriate representation.

   e. The department shall allocate credits among as many different entities as practicable without diminishing the quality of the housing that is built.

9. **Appropriations Limited to Revenue Collections.** It is the intent of the Legislature that fees, fines, and other miscellaneous revenues as authorized and generated by the agency cover, at a minimum, the cost of the appropriations made above for the strategy items in Goal E, Manufactured Housing, the cost of the appropriations required for manufactured housing consumer claims payments according to the Occupations Code § 1201, Manufactured Housing Standards Act, as well as the "other direct and indirect costs" associated with this goal, appropriated elsewhere in this Act. "Other direct and indirect costs" for Goal E, Manufactured Housing, are estimated to be $572,855 for fiscal year 2006 and $568,924 for fiscal year 2007. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

10. **Mortgage Revenue Bond Program.** The Department of Housing and Community Affairs shall operate the First-Time Homebuyer Mortgage Revenue Bond Program in a manner that maximizes the creation of very low-income single family housing by ensuring that at least 30 percent of the lendable bond proceeds are set aside for a period of one year for individuals and families at 60 percent and below the area median family income (AMFI), while assuring the highest reasonable bond rating. In an effort to facilitate the origination of single family mortgage loans to individuals and families at 60 percent and below the AMFI, the department shall utilize down payment and closing cost assistance or other assistance methods.

11. **Conversions of Executory Contracts.** Out of the funds appropriated above, the department shall spend not less than $4,000,000 for the biennium for the sole purpose of contract for deed conversions for families that reside in a colonia and earn 60 percent or less of the applicable area median family income. It is the intent of the Legislature that the department complete at least 400 contract for deed conversions by August 31, 2007.

12. **Colonia Annual Assessment.** The department shall collect information on the demand for contract for deed conversion, self-help housing, consumer education, and other colonia resident services in counties within 150 miles of the Texas-Mexico border. The department shall include the assessment of colonias needs in its annual state low income housing plan and report listing policy goals for its colonia programs, the strategies to meet the goals, and the expected outcomes.

13. Bond Refinancing. The department shall transfer any funds acquired through refinancing of bonds to the Housing Trust Fund. The first $3 million each fiscal year in savings from the refinancing of any bonds shall be used to fund mortgage loans under the Bootstrap Self-Help Housing Loan Program.

14. Colonia Set-Aside Program Allocation. The Office of Rural Community Affairs shall allocate 2.5 percent of the yearly allocation of Community Development Block Grant (CDBG) monies to support the operation of the Colonia Self-Help Centers and shall transfer such funds to the Department of Housing and Community Affairs on September 1 each year of the biennium.

Consistent with federal rules and regulations, the funds provided from ORCA to the Colonia Self-Help Center in El Paso county shall be used to provide Internet access and training for parents and their children attending elementary schools in Colonias, to establish Technology Centers within those elementary school libraries, to purchase wireless devices and laptop computers to loan out from the Technology Centers, and improve Internet access for students and parents.

15. Appropriation: Housing Trust Fund Interest Earnings and Loan Repayments. Interest earnings and loan repayments received from loans made through the Housing Trust Fund program from the General Revenue Fund are included above in Strategy A.1.3, Housing Trust Fund - Single Family, estimated to be $600,000 each year.

16. Unexpended Balances, Grants, and Contracts. Unexpended general revenue balances remaining in Strategy A.1.1, Housing Trust Fund, General Appropriations Act, Seventy-eighth Legislature, as of August 31, 2005, are included above in Strategy A.1.3, Housing Trust Fund - Single Family, for the fiscal year beginning September 1, 2005 (estimated to be $3,500,000).

17. Emergency Nutrition and Temporary Relief Program (ENTERP). Out of the amounts appropriated above, $342,860 in fiscal year 2006 and $350,160 in fiscal year 2007 in Federal Funds shall be used for the Emergency Nutrition and Temporary Relief Program (ENTERP) to provide relief to needy low-income Texans if allowed under federal regulations.

18. Manufactured Homeowner Consumer Claims. Included above in Goal E, Manufactured Housing, the Manufactured Housing Division of the Department of Housing and Community Affairs is appropriated an amount, not to exceed $100,000 per year for the biennium, required for the purpose of paying manufactured housing consumer claims according to the Occupations Code § 1201, Manufactured Housing Standards Act, from Statement of Ownership and Location (SOL) issuance fees involving manufactured housing collected and deposited in the General Revenue Fund during the 2006-07 biennium.

19. Housing Trust Fund Deposits to the Texas Treasury Safekeeping Trust Company.

a. Out of funds appropriated above in Strategy A.1.3, Housing Trust Fund - Single Family, $5,555,482 in fiscal year 2006 and $2,381,576 in fiscal year 2007 shall be deposited in the Housing Trust Fund in the Texas Treasury Safekeeping Trust Company established under Government Code, Chapter 2306, at the beginning of each fiscal year. The amounts to be transferred in fiscal year 2006 include an estimated $3,500,000 from unexpended balances identified above in Rider 16, and amounts to be transferred in fiscal years 2006 and 2007 include an estimated $600,000 in each fiscal year from interest earnings and loan repayments received, identified above in Rider 15.

b. Out of funds appropriated above in Strategy A.1.7, Housing Trust Fund - Multifamily, $495,034 in fiscal year 2006 and $152,731 in fiscal year 2007 shall be deposited in the Housing Trust Fund in the Texas Treasury Safekeeping Trust Company established under Government Code, Chapter 2306, at the beginning of each fiscal year.

c. Interest earnings and loan repayments received from loans made through the Housing Trust Fund program from the General Revenue Fund shall be deposited in the Housing Trust Fund in the Texas Treasury Safekeeping Trust Company established under Government Code, Chapter 2306, for the same purpose.

TEXAS LOTTERY COMMISSION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 13,460,312	$ 13,311,939
GR Dedicated - Lottery Account No. 5025	186,402,100	186,883,587
Total, Method of Financing	$ 199,862,412	$ 200,195,526
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	325.0	325.0
Schedule of Exempt Positions:		
Executive Director, Group 5	$115,000	$115,000
Items of Appropriation:		
A. Goal: OPERATE LOTTERY		
Run Self-supporting, Revenue-producing, and Secure Lottery.		
A.1.1. Strategy: LOTTERY OPERATIONS	$ 7,763,816	$ 8,031,828
A.1.2. Strategy: LOTTERY FIELD OPERATIONS	$ 2,038,599	$ 2,047,634
A.1.3. Strategy: MARKETING AND PROMOTION	$ 5,392,652	$ 5,452,654
A.1.4. Strategy: SECURITY	$ 3,474,269	$ 3,207,342
A.1.5. Strategy: SECURITY FIELD OPERATIONS	$ 744,654	$ 744,654
A.1.6. Strategy: CENTRAL ADMINISTRATION	$ 10,683,207	$ 10,124,485
A.1.7. Strategy: LOTTERY OPERATOR CONTRACT Lottery Operator Contract. Estimated and Nontransferable.	$ 93,142,490	$ 93,142,490
A.1.8. Strategy: INSTANT TICKET PRODUCTION CONTRACT	$ 16,959,041	$ 17,824,493
A.1.9. Strategy: MASS MEDIA ADVERTISING CONTRACTS	$ 33,000,000	$ 33,000,000
A.1.10. Strategy: INST TKT VENDING MACHINE CONTRACT Instant Ticket Vending Machines Contract.	$ 5,500,000	$ 5,500,000
A.1.11. Strategy: DRAWING & BROADCAST CONTRACT Drawing and Broadcast Services Contract.	$ 2,003,372	$ 2,108,007
A.1.12. Strategy: MARKET RESEARCH CONTRACT Market Research Services Contract.	$ 1,500,000	$ 1,500,000
A.1.13. Strategy: RETAILER BONUS	$ 4,200,000	$ 4,200,000
Total, Goal A: OPERATE LOTTERY	$ 186,402,100	$ 186,883,587
B. Goal: ENFORCE BINGO LAWS Enforce Bingo Laws/Rules for Fairness to Ensure Proceeds Used Lawfully.		
B.1.1. Strategy: BINGO LICENSING Determine Eligibility and Process Applications.	$ 787,062	$ 793,160
B.1.2. Strategy: BINGO EDUCATION AND DEVELOPMENT Provide Education and Training for Bingo Regulatory Requirements.	$ 133,929	$ 136,458
B.1.3. Strategy: BINGO LAW COMPLIANCE FIELD OPER Bingo Law Compliance Field Operations.	$ 1,371,063	$ 1,388,405
B.1.4. Strategy: BINGO PRIZE FEE COLLECTION & ACCT Bingo Prize Fee Collections and Accounting.	$ 188,758	$ 192,416
B.1.5. Strategy: BINGO PRIZE FEE ALLOCATIONS Bingo Prize Fee Allocations. Estimated and Nontransferable.	$ 10,979,500	$ 10,801,500
Total, Goal B: ENFORCE BINGO LAWS	$ 13,460,312	$ 13,311,939
Grand Total, TEXAS LOTTERY COMMISSION	$ 199,862,412	$ 200,195,526
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 15,420,951	$ 15,420,952
Other Personnel Costs	236,080	236,080
Professional Fees and Services	6,195,939	6,565,219
Fuels and Lubricants	8,954	9,849
Consumable Supplies	228,239	233,899

Utilities	352,487	356,170
Travel	482,382	487,385
Rent - Building	2,948,691	3,039,124
Rent - Machine and Other	6,767,173	6,743,920
Other Operating Expense	154,621,516	155,781,428
Grants	10,979,500	10,801,500
Capital Expenditures	1,620,500	520,000
Total, Object-of-Expense Informational Listing	$ 199,862,412	$ 200,195,526
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 837,786	$ 854,541
Group Insurance	1,706,925	1,828,662
Social Security	1,110,570	1,132,781
Benefits Replacement	142,824	135,683
Subtotal, Employee Benefits	$ 3,798,105	$ 3,951,667
Debt Service		
Lease Payments	$ 34,164	$ 34,412
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 3,832,269	$ 3,986,079

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Lottery Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas Lottery Commission. In order to achieve the objectives and service standards established by this Act, the Texas Lottery Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: OPERATE LOTTERY		
Outcome (Results/Impact):		
Percent of Retailers Satisfied with Lottery Commission	93%	93%
State Revenue Received Per Advertising Dollar Expended	31.63	31.63
A.1.1. Strategy: LOTTERY OPERATIONS		
Output (Volume):		
Number of Retailer Business Locations Licensed	16,800	16,800
Efficiencies:		
Average Cost Per Retailer Location License Issued	120	120
A.1.3. Strategy: MARKETING AND PROMOTION		
Efficiencies:		
Average Cost Per Survey Issued	2.56	2.56
A.1.5. Strategy: SECURITY FIELD OPERATIONS		
Output (Volume):		
Number of Lottery Complaints Resolved	600	600
Efficiencies:		
Average Cost Per Complaint Resolved	200	200
A.1.9. Strategy: MASS MEDIA ADVERTISING CONTRACTS		
Output (Volume):		
Dollar Amount of Advertising Budget Spent on Television (Millions)	14.28	14.28
Efficiencies:		
Percentage of Adult Texans Aware of Lottery Advertising	72%	72%
B. Goal: ENFORCE BINGO LAWS		
Outcome (Results/Impact):		
Percent of Complaints Resulting in Disciplinary Action	8%	8%
Net Bingo Games Revenue Received by Charitable Organizations (in Millions)	30.6	30.6
Percentage of Organizations Who Met the Statutory Charitable Distribution Requirement	97%	97.5%

B.1.1. Strategy: BINGO LICENSING		
Output (Volume):		
Number of Licenses Issued to Individuals and Organizations	7,500	7,500
B.1.2. Strategy: BINGO EDUCATION AND DEVELOPMENT		
Efficiencies:		
Average Cost of Bingo Operator Training Class	900	900
B.1.3. Strategy: BINGO LAW COMPLIANCE FIELD OPER		
Output (Volume):		
Number of Bingo Complaints Resolved	200	200
Efficiencies:		
Average Cost Per Bingo Complaint Resolved	90	90
B.1.4. Strategy: BINGO PRIZE FEE COLLECTION & ACCT		
Output (Volume):		
Number of Days to Allocate Payments to Local Jurisdictions	28	28

2. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in the provision as appropriations either for "Lease Payments to the Master Equipment Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software versus the purchase of information resources hardware and/or software, if determined by commission management to be in the best interest of the State of Texas.

	2006	2007
Out of the GR Dedicated - Lottery Account No. 5025:		
a. Acquisition of Capital Equipment and Items		
(1) Capitalized Lottery Drawing Equipment	$ 300,000	$ 0
Total, Capital Budget	$ 300,000	$ 0

3. **Operate Lottery.** Pursuant to Government Code, Chapter 466, appropriations made to Goal A, Operate Lottery, shall not exceed twelve percent of the gross revenue from the sale of lottery tickets. This appropriation shall be used for the administration of the lottery and for retailer commissions.

4. **Appropriation, Payment of Prizes.** In addition to the amounts appropriated above for the administration of the Lottery and retailer commissions, there is hereby appropriated pursuant to Government Code, Chapter 466, out of the State Lottery Account in the General Revenue Fund, sufficient funds for the payment of prizes to the holders of winning tickets.

5. **Limitation on Transfer Authority.** Funds appropriated above in Strategy A.1.9, Mass Media Advertising Contracts, may be transferred into other items in the Lottery Commission appropriations, but none of the funds appropriated in other items may be transferred into Strategy A.1.9, Mass Media Advertising Contracts.

6. **Limitation, Pooled Reserve Fund.** Pursuant to Government Code, Chapter 466, the Executive Director of the Texas Lottery Commission shall maintain balances in a pooled reserve fund to cover the potential loss of state revenue as a result of lottery retailer defaults. The Executive Director of the Texas Lottery Commission shall transfer all pooled reserve fund revenues and balances that exceed $5 million to the Foundation School Fund No. 193 quarterly.

7. **Limitation: Out-of-Country and Out-of-State Travel.** Notwithstanding any other provisions included in this Act, it is the intent of the Legislature that the Texas Lottery Commission shall not be allowed to travel out-of-country, with the exception of travel to Mexico or Canada which is reimbursable by a third party. In addition, the Texas Lottery Commission shall not exceed amounts expended on out-of-state travel, for each fiscal year of the biennium, by an amount equal to 80 percent of travel expenditure amounts for fiscal year 1998.

8. **Appropriations Limited to Revenue Collections.** It is the intent of the Legislature that fees, fines, and other miscellaneous revenues as authorized and generated by the operation of charity bingo cover, at a minimum, the cost of the appropriations made above for the strategy items in Goal B, Enforce Bingo Laws, as well as the "other direct and indirect costs" associated with this goal, appropriated elsewhere in this Act. "Other direct and indirect costs" for Goal B, Enforce Bingo Laws, are estimated to be $551,151 for fiscal year 2006 and $542,593 for fiscal year 2007. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

9. **Petty Cash Fund Authorized.** The Texas Lottery Commission is authorized to establish a petty cash fund to be used by Commission employees for the purchase of evidence and/or information and other expenses deemed necessary for agency security and enforcement activities, including audits and expenses, incurred by auditing. The petty cash fund, not to exceed $1,500, may be maintained in cash or at a local bank and shall be subject to such rules and regulations as the executive director may recommend and the commission may adopt.

10. **Sunset Contingency.** Funds appropriated above for fiscal year 2007 for the Lottery Commission are made contingent on the continuation of the Lottery Commission by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

11. **Local Bingo Prize Fees.** The amounts appropriated above in Strategy B.1.5, Bingo Prize Fee Allocations, include $10,979,500 in 2006 and $10,801,500 in 2007 from bingo prize fees collected pursuant to Texas Occupations Code, Section 2001.504 for allocation to counties and municipalities as required by the Texas Occupations Code, Section 2001.503. Bingo prize fees collected in excess of amounts appropriated above are hereby appropriated for the same purpose.

12. **Retailer Commissions.** Pursuant to Government Code, Chapter 466, an amount equal to 5 percent of gross sales shall be made available for the purpose of paying retailer commissions.

13. **Lottery Operator Contract.** The amounts included above in Strategy A.1.7, Lottery Operator Contract, are estimated appropriations out of the State Lottery Account in the General Revenue Fund and may only be used for payment of lottery operator contractual obligations. The estimated amount appropriated for fiscal year 2006 is an amount equal to 2.6999 percent of gross sales in fiscal year 2006; and the estimated amount appropriated in fiscal year 2007 is an amount equal to 2.6999 percent of gross sales in fiscal year 2007.

14. **Contingent Appropriation.** Out of the amounts appropriated above to the Texas Lottery Commission from General Revenue Dedicated - Lottery Account No. 5025, in Strategy A.1.1, Lottery Operations, the amount of $110,000 in fiscal year 2006; in Strategy A.1.6, Central Administration, the amounts of $1,190,500 in fiscal year 2006 and $500,000 in fiscal year 2007; in Strategy A.1.8, Instant Ticket Production Contract, the amounts of $759,041 in fiscal year 2006 and $1,624,493 in fiscal year 2007; and in Strategy A.1.10, Instant Ticket Vending Machine Contract, the amounts of $1,000,000 in fiscal year 2006 and $1,000,000 in fiscal year 2007 are contingent upon the Comptroller certifying increased lottery deposits to the Foundation School Fund Account in the amounts of $3,059,541 in excess of $1,045,183,000 in fiscal year 2006 and $3,124,493 in excess of $1,045,931,000 in fiscal year 2007. The Texas Lottery Commission, upon completion of necessary actions to increase such Lottery sales, shall furnish copies of the Lottery Commission's minutes and other information supporting the estimated increase in sales to be generated for the 2006-07 biennium under the revised lottery structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased sales, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

    Also contingent upon Texas Lottery Commission increasing lottery sales to meet the increased deposits to the Foundation School Fund Account as specified above, the Texas Lottery Commission's Capital Budget authority is hereby increased for the following items and in the following amounts:

	2006	2007
a. Acquisition of Information Resource Technologies		
(1) Drawings Automation Transition	$ 246,000	$ 0
(2) Storage Area Network DASD Upgrade	$ 0	$ 250,000
(3) LAN/WAN Upgrade and Replacement	$ 250,000	$ 250,000
(4) PC Refresh	$ 694,000	$ 0
b. Acquisition of Capital Equipment and Items		
(1) Uninterrupted Power Supply	$ 110,000	$ 0

15. Appropriation of Increased Revenues. In addition to the amounts appropriated above, there is hereby appropriated out of the State Lottery Account in the General Revenue Fund, an amount equal to 1.49 percent of the amount by which gross sales exceed $3,291,000,000 in fiscal year 2006 and the amount by which gross sales exceed $3,291,000,000 in fiscal year 2007 for the purpose of fulfilling contractual obligations and other administrative costs in administration of the Lottery.

OFFICE OF RURAL COMMUNITY AFFAIRS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 2,435,787	$ 2,441,784
GR Match for Community Development Block Grants	1,694,948	1,687,266
Earned Federal Funds	174,937	168,942
Subtotal, General Revenue Fund	$ 4,305,672	$ 4,297,992
GR Dedicated - Permanent Fund Rural Health Facility Capital Improvement Account No. 5047	2,250,000	2,250,000
Federal Funds		
Office of Rural Community Affairs Federal Fund No. 5091	88,574,451	88,563,367
Federal Funds	1,856,958	1,855,804
Subtotal, Federal Funds	$ 90,431,409	$ 90,419,171
Other Funds		
Appropriated Receipts	258,278	258,278
Interagency Contracts	75,930	75,930
Permanent Endowment Fund for Rural Communities Health Care Investment Program	112,500	112,500
Subtotal, Other Funds	$ 446,708	$ 446,708
Total, Method of Financing	$ 97,433,789	$ 97,413,871
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	70.0	70.0
Schedule of Exempt Positions:		
Executive Director, Group 3	$90,000	$90,000
Per Diem of Committee Members (9)	(9) 2,160	(9) 2,160
Items of Appropriation:		
A. Goal: COMMUNITY ECONOMIC DEVELOPMENT		
Support Community Economic Development Projects.		
A.1.1. Strategy: PROVIDE GRANTS	$ 90,169,405	$ 90,150,639
Provide Grants for Community and Economic Development Projects.		

B. Goal: EQUITABLE ACCESS TO MEDICAL CARE		
Promote Equitable Access to Medical Care and Eliminate Disparities.		
B.1.1. Strategy: HEALTH CARE ACCESS PROGRAMS Develop Programs to Increase Access to Health Care in Rural Areas.	$ 3,370,578	$ 3,369,424
B.1.2. Strategy: RURAL PHYSICIAN RELIEF PROGRAM Rural Physician Relief Program. Nontransferable.	$ 1,143,786	$ 1,143,786
B.2.1. Strategy: HEALTH FACILITY CAPITAL IMPROVEMENT Rural Health Facility Capital Improvements.	$ 2,190,000	$ 2,190,000
Total, Goal B: EQUITABLE ACCESS TO MEDICAL CARE	$ 6,704,364	$ 6,703,210
C. Goal: OUTREACH AND ASSISTANCE		
C.1.1. Strategy: RURAL POLICY AND RESEARCH	$ 153,082	$ 153,082
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: CENTRAL ADMINISTRATION	$ 355,404	$ 355,404
D.1.2. Strategy: INFORMATION RESOURCES	$ 51,534	$ 51,536
Total, Goal D: INDIRECT ADMINISTRATION	$ 406,938	$ 406,940
Grand Total, OFFICE OF RURAL COMMUNITY AFFAIRS	$ 97,433,789	$ 97,413,871
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 3,544,062	$ 3,544,062
Other Personnel Costs	127,023	117,545
Professional Fees and Services	2,016,783	2,019,783
Consumable Supplies	46,775	35,251
Utilities	43,362	44,417
Travel	188,655	173,367
Rent - Building	30,500	28,045
Rent - Machine and Other	91,055	73,150
Other Operating Expense	159,808	171,905
Client Services	1,465,012	1,485,591
Grants	89,720,754	89,720,755
Total, Object-of-Expense Informational Listing	$ 97,433,789	$ 97,413,871
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 195,008	$ 198,909
Group Insurance	319,508	341,022
Social Security	249,798	254,794
Benefits Replacement	26,567	25,238
Subtotal, Employee Benefits	$ 790,881	$ 819,963
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 790,881	$ 819,963

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Office of Rural Community Affairs. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Office of Rural Community Affairs. In order to achieve the objectives and service standards established by this Act, the Office of Rural Community Affairs shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: COMMUNITY ECONOMIC DEVELOPMENT		
Outcome (Results/Impact):		
Percent of the Small Communities' Population Benefitting from Public Facility, Economic Development, Housing Assistance and Planning Projects	36%	36%

A.1.1. Strategy: PROVIDE GRANTS		
Output (Volume):		
Number of New Community/Economic Development Contracts Awarded	325	325
Number of Projected Beneficiaries from New Community/Economic Development Contracts Awarded	385,000	385,000
Number of Programmatic Monitoring Visits Conducted	300	300
B. Goal: EQUITABLE ACCESS TO MEDICAL CARE		
Outcome (Results/Impact):		
Ratio of Rural County Population to Number of Health Care Professionals in Rural Counties	1,413	1,407
B.1.1. Strategy: HEALTH CARE ACCESS PROGRAMS		
Output (Volume):		
Number of Primary Care Practitioners Recruited to Rural Communities	72	72
B.2.1. Strategy: HEALTH FACILITY CAPITAL IMPROVEMENT		
Output (Volume):		
Number of Low Interest Loans and Grants Awarded	37	39

2. **Reporting Requirements.** Within 90 days following the conclusion of a contract issued by the Office of Rural Community Affairs (ORCA) or, at the option of the contracting party, within 90 days following the conclusion of the contracting party's fiscal year during which a contract was in force, the contracting party shall provide to the Executive Director a full accounting of state funds expended under the terms of the contract. This requirement shall be a part of any contract entered into by ORCA and contracting entities. Failure of a contracting party to provide full accounting of state funds expended under the terms of any contract under the conditions stated above shall be sufficient reason to terminate that contract and for ORCA to deny any future contracts to that contracting party.

3. **Coordination with Texas Water Development Board.** The Office of Rural Community Affairs (ORCA) and the Texas Water Development Board (TWDB) shall continue to coordinate funds as outlined in a Memorandum of Understanding (MOU) so as to assure that none of the funds appropriated above are expended in a manner that aids the proliferation of colonias or are otherwise used in a manner inconsistent with the intent of the Economically Distressed Areas Program (EDAP) operated by the Texas Water Development Board (TWDB); and maximize delivery of the funds and minimize administrative delay in their expenditure. The MOU shall be amended, if necessary, prior to the distribution of the Colonia Fund in fiscal years 2006 and 2007. In distributing funds out of the Colonia Fund, ORCA shall provide top funding priority to those projects that are in EDAP-funded areas and which assist colonia residents who cannot afford the cost of service lines, hook-ups, and plumbing improvements associated with being connected to an EDAP-funded system. None of the funds appropriated above for Strategy A.1.1, Provide Grants, may be expended in EDAP-eligible counties that have not adopted, or not enforcing, the Model Subdivision Rules established pursuant to § 16.343 of the Water Code. No later than September 15, 2006, ORCA and the TWDB shall submit a joint report to the Legislative Budget Board that describes and analyzes the effectiveness of projects funded as a result of coordinated Colonia Fund/EDAP efforts including an estimate of the amount each agency has saved by reduced duplication of efforts. If there is an insufficient number of TWDB EDAP projects ready for Colonia Economically Distressed Areas Program (CEDAP) connection funding within 12 months after ORCA receives the federal letter of credit, the CEDAP funds may be transferred at ORCA's discretion as stated within the current Community Development Block Grant action plan.

4. **Administrative Allocation: Councils of Governments.** From the federal administrative monies made available to the Office of Rural Community Affairs under the Community Development Block Grant Program, an amount up to 19 percent of such monies shall be allocated for the councils of government, based upon agreements between the Office of Rural Community Affairs and each council of government, to continue staff support to the 24 Regional Review Committees of local elected officials appointed by the Governor and/or for other technical assistance services so long as the staff support activities comply with the rules, policies, and standards established by the US Department of Housing and Urban Development.

5. **Colonia Set-Aside Program Allocation.** The Office of Rural Community Affairs (ORCA) shall continue the Community Development Block Grant (CDBG) Colonia Set-Aside Program by allocating not less than 10 percent of the yearly allocation of CDBG funds for eligible activities to assist in providing for the housing, planning, and infrastructure needs in colonias. From this 10 percent yearly allocation, $2,000,000 shall be reserved to provide financial assistance to units of general local government located in economically distressed areas as

defined by § 17.921, Water Code, to pay for residential service lines, hookups, and plumbing improvements associated with being connected to a water supply or sewer service system, any part of which is financed under the economically distressed areas program established under Subchapter J, Chapter 16, Water Code and Subchapter K, Chapter 17, Water Code. ORCA by rule shall provide that an application for assistance under the program hereby authorized may be submitted after construction of the water supply or sewer service system begins. ORCA shall approve or disapprove a timely application before construction of the water supply or sewer service is completed in order to eliminate delay in connection once construction is completed. ORCA shall coordinate the application process with the Texas Water Development Board to avoid duplication of effort and the necessity for applicants to submit dual applications.

In addition, ORCA shall allocate 2.5 percent of the CDBG monies to support the operation of the Colonia Self-Help Centers and shall transfer such funds to the Department of Housing and Community Affairs on September 1 of each year of the biennium.

Consistent with federal rules and regulations, the funds provided from ORCA to the Colonia Self-Help Center in El Paso county shall be used to provide Internet access and training for parents and their children attending elementary schools in colonias, to establish technology Centers within those elementary school libraries, to purchase wireless devices and laptop computers to loan out from the Technology Centers, and improve internet access for students and parents.

6. Estimated Appropriation and Unexpended Balance.

a. The estimated amounts appropriated above out of the Permanent Endowment Fund for Rural Communities Healthcare Investment Program, are out of the amounts available for distribution or investment returns of the funds. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated to the Office of Rural Community Affairs. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, this Act may not be construed as appropriating funds to make up the difference. Any unexpended appropriations made above as of August 31, 2006, are hereby appropriated for the same purposes for fiscal year 2007.

b. The estimated amounts appropriated above out of the Permanent Fund for Rural Health Facility Capital Improvement are out of the available earnings of the fund. Available earnings in excess of the amounts estimated above are appropriated to the Office of Rural Community Affairs. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, this Act may not be construed as appropriating funds to make up the difference. Any unexpended appropriations made above as of August 31, 2006, are hereby appropriated for the same purposes for fiscal year 2007.

7. Limitation on Use of Funds.

a. State agencies that are appropriated funds from the receipts collected pursuant to the Comprehensive Tobacco Settlement Agreement and Release, including distributions from funds, shall submit a budget by November 1 of each year of the biennium to the Legislative Budget Board and the Governor. This budget shall describe the purposes and amounts for which such funds will be expended by the state agency. No funds described in this budget may be expended by the state agency or institution of higher education until the Legislative Budget Board and the Governor receive the budget.

b. Authorized managers of permanent funds and endowments whose earnings are appropriated to the Office of Rural Community Affairs shall provide a copy of year end financial reports to the Legislative Budget Board and the Governor by November 1 of each year of the biennium. These reports should include, at a minimum, an income statement and balance sheet for each fund, and a summary of the investment return of the fund during the preceding fiscal year.

8. Administration of Public Health Funds. Funds are appropriated above out of the Permanent Fund for Rural Health Facility Capital Improvement for the purpose of implementing House Bill 1676, Seventy-sixth Legislature, 1999. In no event shall the administrative costs to implement the provisions of the bill exceed three percent. Grants and program costs must compose at least 97 percent of the expenditures to implement the provisions of the bill.

9. Informational Listing - Permanent Funds and Endowments. The following is an informational list of the amounts used to capitalize certain Permanent Funds and Endowments created by House Bill 1676, Seventy-sixth Legislature and by Senate Bill 126, Seventy-seventh Legislature, and does not make appropriations.

Permanent Fund for Rural Health Facility Capital Improvement (Rural Hospital Infrastructure)	$	50,000,000
Permanent Endowment Fund for the Rural Communities Healthcare Investment Program	$	2,500,000

10. Unexpended Balances, Grants, and Contracts. Any unexpended and unobligated general revenue balances remaining from amounts appropriated above as of August 31, 2006 are hereby reappropriated to the Office of Rural Community Affairs for the fiscal year beginning September 1, 2006 for the same purposes.

11. Appropriation of Loan Repayments. Loan repayments, interest, and reimbursements of expenses received by the Office of Rural Community Affairs pursuant to Government Code, Chapter 487, are hereby appropriated to the agency as Appropriated Receipts in the 2006-07 biennium for the same purpose. The Office of Rural Community Affairs may also expend these funds for the purpose of reimbursing community matching fund contributions for forgivable educational loans made pursuant to Government Code, Section 487.154.

12. Rural Physician Relief Program. Amounts included above in Strategy B.1.2, Rural Physician Relief Program, are appropriations from fees collected pursuant to Government Code, Section 487.603, and other program contributions received by the Office of Rural Community Affairs pursuant to Government Code, Section 487.604, for the purposes of administering the Rural Physician Relief Program.

DEPARTMENT OF TRANSPORTATION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
GR Dedicated - Texas Highway Beautification Account No. 071	$ 511,948	$ 511,948
Federal Reimbursements	3,772,012,771	3,280,744,763
Other Funds		
State Highway Fund No. 006, estimated	2,941,281,097	3,025,480,980
State Highway Fund No. 006 - Medicaid Match, estimated	28,334,139	29,910,578
State Highway Fund No. 006 - Workforce Client Transportation Services, estimated	6,829,352	6,829,352
Texas Mobility Fund, estimated	938,285,000	981,275,001
Appropriated Receipts	310,000	310,000
Interagency Contracts	43,726,236	45,754,938
Subtotal, Other Funds	$ 3,958,765,824	$ 4,089,560,849
Total, Method of Financing	$ 7,731,290,543	$ 7,370,817,560
This bill pattern represents an estimated 93% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	14,816.0	14,816.0
Schedule of Exempt Positions:		
Executive Director, Group 6	$175,000	$175,000
Commissioner	(5) 15,914	(5) 15,914

Items of Appropriation:		
A. Goal: TRANSPORTATION PLANNING		
A.1.1. Strategy: PLAN/DESIGN/MANAGE Plan, Design, and Manage Transportation Projects.	$ 344,588,801	$ 342,712,703
A.1.2. Strategy: CONTRACTED PLANNING AND DESIGN Contracted Planning and Design of Transportation Projects.	$ 460,209,333	$ 375,658,667
A.1.3. Strategy: RIGHT-OF-WAY ACQUISITION Optimize Timing of Transportation Right-of-way Acquisition.	$ 605,314,000	$ 451,084,667
A.1.4. Strategy: RESEARCH Fund Research and Development to Improve Transportation Operations.	$ 22,337,973	$ 22,320,172
Total, Goal A: TRANSPORTATION PLANNING	$ 1,432,450,107	$ 1,191,776,209
B. Goal: TRANSPORTATION CONSTRUCTION		
B.1.1. Strategy: TRANSPORTATION CONSTRUCTION Transportation Construction. Estimated.	$ 3,093,849,340	$ 3,025,897,591 & UB
B.1.2. Strategy: AVIATION SERVICES Support and Promote General Aviation.	$ 87,100,861	$ 62,149,686 & UB
Total, Goal B: TRANSPORTATION CONSTRUCTION	$ 3,180,950,201	$ 3,088,047,277
C. Goal: MAINTENANCE AND PRESERVATION		
C.1.1. Strategy: CONTRACTED MAINTENANCE Contract for Transportation System Maintenance Program.	$ 2,119,905,000	$ 2,100,237,479 & UB
C.1.2. Strategy: ROUTINE MAINTENANCE Provide for State Transportation System Routine Maintenance/Operations.	$ 518,092,269	$ 523,011,833 & UB
C.1.3. Strategy: GULF WATERWAY Support the Gulf Intracoastal Waterway.	$ 948,788	$ 898,626 & UB
C.1.4. Strategy: FERRY SYSTEM Maintain and Operate Ferry Systems in Texas.	$ 23,544,155	$ 18,653,255
Total, Goal C: MAINTENANCE AND PRESERVATION	$ 2,662,490,212	$ 2,642,801,193
D. Goal: OPTIMIZE SERVICES AND SYSTEMS		
D.1.1. Strategy: PUBLIC TRANSPORTATION Support and Promote Public Transportation.	$ 56,889,562	$ 56,939,537 & UB
D.1.2. Strategy: MEDICAL TRANSPORTATION Support Medical Transportation.	$ 92,732,733	$ 94,685,817 & UB
D.1.3. Strategy: REGISTRATION AND TITLING	$ 66,830,416	$ 64,313,919
D.1.4. Strategy: VEHICLE DEALER REGULATION	$ 5,931,321	$ 5,756,614
D.2.1. Strategy: TRAFFIC SAFETY	$ 26,349,944	$ 26,340,414 & UB
D.3.1. Strategy: TRAVEL INFORMATION	$ 20,314,452	$ 19,738,315 & UB
D.4.1. Strategy: AUTOMOBILE THEFT PREVENTION	$ 12,939,288	$ 12,525,967 & UB
Total, Goal D: OPTIMIZE SERVICES AND SYSTEMS	$ 281,987,716	$ 280,300,583
E. Goal: INDIRECT ADMINISTRATION		
E.1.1. Strategy: CENTRAL ADMINISTRATION	$ 35,066,789	$ 35,070,255
E.1.2. Strategy: INFORMATION RESOURCES	$ 33,938,803	$ 33,965,978
E.1.3. Strategy: OTHER SUPPORT SERVICES	$ 36,446,351	$ 35,419,963
E.1.4. Strategy: REGIONAL ADMINISTRATION	$ 67,960,364	$ 63,436,102
Total, Goal E: INDIRECT ADMINISTRATION	$ 173,412,307	$ 167,892,298
Grand Total, DEPARTMENT OF TRANSPORTATION	$ 7,731,290,543	$ 7,370,817,560

Supplemental Appropriations Made in Riders:	$ 4,700,000	$ 44,700,000
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 563,113,505	$ 563,113,505
Other Personnel Costs	17,236,713	18,014,892
Professional Fees and Services	542,292,336	434,352,567
Fuels and Lubricants	22,141,982	22,556,572
Consumable Supplies	7,314,427	7,365,707
Utilities	37,166,968	37,577,393
Travel	7,048,244	7,048,244
Rent - Building	5,439,350	5,453,457
Rent - Machine and Other	6,322,393	6,336,200
Debt Service	38,285,000	131,275,001
Other Operating Expense	708,336,646	703,609,219
Client Services	85,976,734	87,876,584
Grants	185,201,828	160,374,354
Capital Expenditures	5,510,114,417	5,230,563,865
Total, Object-of-Expense Informational Listing	$ 7,735,990,543	$ 7,415,517,560
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 32,425,635	$ 33,074,148
Group Insurance	131,587,044	143,128,966
Social Security	41,474,674	42,304,168
Benefits Replacement	7,530,944	7,154,397
Subtotal, Employee Benefits	$ 213,018,297	$ 225,661,679
Debt Service		
Bond Debt Service	$ 5,932,071	$ 8,629,452
Lease Payments	20,533	26,757
Subtotal, Debt Service	$ 5,952,604	$ 8,656,209
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 218,970,901	$ 234,317,888

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Transportation. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Department of Transportation. In order to achieve the objectives and service standards established by this Act, the Department of Transportation shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: TRANSPORTATION PLANNING		
Outcome (Results/Impact):		
Project to Funding Ratio	1.1	1.1
Percent of Projects Awarded on Schedule	100%	100%
A.1.1. Strategy: PLAN/DESIGN/MANAGE		
Output (Volume):		
Number of Construction Project Preliminary Engineering Plans Completed	950	950
Dollar Volume of Construction Contracts Awarded in Fiscal Year (Millions)	3,794	3,794
Number of Projects Awarded	933	933
B. Goal: TRANSPORTATION CONSTRUCTION		
Outcome (Results/Impact):		
Percent of Construction Projects Completed on Budget	98.75%	98.75%
Percent of Two-lane Highways with Improved Shoulders	51.5%	52%
Percent of Railroad Crossings with Signalization	46.2%	47%
Percent of Construction Projects Completed on Time	81.47%	82%
Urban Congestion Index	1.4	1.4
Statewide Congestion Index	1.09	1.1
B.1.2. Strategy: AVIATION SERVICES		
Output (Volume):		
Number of Airports Selected for Financial Assistance	110	110

Efficiencies:		
Administration and Support Costs as a Percent of Facility Grant Funds Expended	3.9%	3.9%
C. Goal: MAINTENANCE AND PRESERVATION		
Outcome (Results/Impact):		
Percent of Bridges Rated in Good Condition or Higher	77.65%	78.41%
Statewide Maintenance Assessment Program Condition Score	80	80
Statewide Traffic Assessment Program Condition Score	76	76
C.1.1. Strategy: CONTRACTED MAINTENANCE		
Output (Volume):		
Number of Lane Miles Contracted for Resurfacing	19,044	19,425
C.1.2. Strategy: ROUTINE MAINTENANCE		
Output (Volume):		
Number of Oversize/Overweight Permits Issued	481,409	504,998
Number of Highway Lane Miles Resurfaced by State Forces	8,685	8,859
D. Goal: OPTIMIZE SERVICES AND SYSTEMS		
Outcome (Results/Impact):		
Percent Change in the Number of Public Transportation Trips	1.2%	1.2%
Percent of Motor Vehicle Consumer Complaints Resolved	75%	75%
Number of Fatalities Per 100,000,000 Miles Traveled	1.7	1.6
D.1.1. Strategy: PUBLIC TRANSPORTATION		
Efficiencies:		
Administration and Support Costs as a Percent of Grant Expended	3.59%	3.7%
D.1.2. Strategy: MEDICAL TRANSPORTATION		
Output (Volume):		
Recipient One-way Trips	3,789,260	3,978,723
Efficiencies:		
Average Cost Per One-way Trip	18.96	20.59
D.1.3. Strategy: REGISTRATION AND TITLING		
Output (Volume):		
Number of Vehicle Titles Issued	6,179,260	6,306,510
Number of Vehicles Registered	19,522,971	19,874,385
D.1.4. Strategy: VEHICLE DEALER REGULATION		
Output (Volume):		
Number of Motor Vehicle Consumer Complaints Resolved	860	860
Efficiencies:		
Average Number of Weeks to Resolve a Motor Vehicle Complaint Resolution	18	18
D.4.1. Strategy: AUTOMOBILE THEFT PREVENTION		
Output (Volume):		
Number of Cars Stolen Per 100,000	511.5	507.4
Efficiencies:		
ATPA Administration and Support Costs as Percentage of Total Expenditures	6.32%	6.32%

2. Capital Budget. Notwithstanding the capital budget provisions in the General Provisions of this act, none of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. No additional funds may be transferred to the capital budget items listed below without first obtaining written approval from the Legislative Budget Board and the Governor. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code, § 1232.103. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software versus the purchase of information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

	2006	2007
Out of the State Highway Fund No. 006:		
a. Acquisition of Land and Other Real Property	$ 2,142,400	$ 1,027,400
b. Construction of Buildings and Facilities	9,810,000	19,280,000

c. Repair or Rehabilitation of Buildings and Facilities	13,295,000	8,773,860
d. Acquisition of Information Resource Technologies	22,134,340	18,368,640
e. Transportation Items	10,987,965	10,624,968
f. Acquisition of Capital Equipment and Items	46,849,993	47,096,759
Total, Capital Budget	$ 105,219,698	$ 105,171,627

3. Transfer Authority. The Department of Transportation is hereby authorized to transfer appropriations from any Strategy into Strategy C.1.1, Contracted Maintenance, Strategy A.1.2, Contracted Planning and Design, Strategy A.1.3, Right-of-Way Acquisition, and Strategy B.1.1, Transportation Construction. In addition, funds may be transferred between Strategies, except that no funds may be transferred out of Strategies C.1.1, Contracted Maintenance, or A.1.2, Contracted Planning and Design, Strategy A.1.3, Right-of-Way Acquisition, or B.1.1, Transportation Construction, except for transfers made between those Strategies. The department may transfer an amount not to exceed 10 percent of the amounts appropriated in Strategy A.1.1, Plan/Design/Manage, in fiscal year 2006 and 10 percent of the amounts appropriated in Strategy A.1.1, Plan/Design/Manage, in 2007 from strategies C.1.1, Contracted Maintenance, A.1.2, Contracted Planning and Design, Strategy A.1.3, Right-of-Way Acquisition, or B.1.1, Transportation Construction, into Strategy A.1.1, Plan/Design/Manage. Appropriations transferred may not be transferred to any other Strategy.

4. Magazine Appropriations. The Department of Transportation is directed to set subscription rates and other charges for Texas Highways Magazine at a level that will generate receipts approximately sufficient to cover the costs incurred in the production and distribution of the magazine. In addition to funds appropriated above, the department is hereby appropriated to Strategy D.3.1, Travel Information, any magazine revenues generated above $5,462,846 for the 2006 fiscal year and $5,505,348 for the 2007 fiscal year. Funds may be utilized only for the purpose of magazine costs. The Department of Transportation may transfer revenues available from prior years subscription fees to Strategy D.3.1, Travel Information, in the event of unforeseen or unusual expenditures associated with the production costs of the Texas Highways Magazine. The Department of Transportation is hereby appropriated all revenue collected from the sale of promotional items as authorized by Transportation Code, § 204.009.

5. Equal Employment. To the maximum extent feasible, the department shall implement its Equal Employment Opportunity/ Affirmative Action Plan to hire and promote qualified minority employees into vacant supervisory and management positions.

6. Limitation on Residences. None of the funds appropriated herein above may be expended for the purchase, construction, or maintenance of residences for employees of the Department of Transportation except maintenance camps in isolated areas.

7. Court Costs. Any necessary amounts appropriated above may be used by the Department of Transportation to pay refunds authorized by law and to pay court costs in suits involving the Department of Transportation. Such costs shall include payments for judgments, settlements, and other costs associated with right-of-way acquisition and inverse condemnation.

8. Appropriation Balances. Any unobligated balance remaining after the first year of the biennium in Strategy D.1.3, Registration and Titling, above for the purpose of purchasing vehicle license plates and vehicle registration validation stickers, and enhancing the automated registration and titling system in accordance with the provisions of Transportation Code, Chapter 502, may be used for the same purpose during the second year of the biennium. Any expended amounts from revenue collected as a result of Transportation Code § 502.1705 may be used to purchase capital budget items each year and the capital budget appropriations shall be increased by a like amount.

9. Internal Audit. The Department of Transportation shall maintain an internal auditing program in compliance with the provisions of the Texas Internal Auditing Act, which shall incorporate, at a minimum, the assignment of an internal auditor at each district office and within each division of the department. Each internal auditor assigned pursuant to this provision shall report either directly to the Commissioners of the Department of Transportation or to the internal auditor appointed pursuant to Government Code § 2102.006.

An internal auditor whose duty station is assigned pursuant to this provision may consider suggestions from a District Engineer in developing proposals for the department's annual audit plan.

10. Minimum Wage Contracts. In contracting for maintenance and construction contract work with the private sector, the Department of Transportation shall require that contractors and subcontractors are paying all employees and contract labor at a rate at least equal to the federal minimum wage. The department shall withhold payments to contractors until their contractual obligations for paying employees and the contract labor have been fulfilled.

11. Gross Weight and Axle Fees. Amounts from State Highway Fund No. 006 equivalent to amounts collected from gross weight and axle weight fees are appropriated for distribution to counties as provided in VTCA, Transportation Code, § 621.353 (estimated to be $4,700,000 each year). All unexpended balances as of August 31, 2005 (estimated to be $0), and amounts from State Highway Fund No. 006 equivalent to all revenue received from gross weight and axle weight fees during the 2006-07 biennium are appropriated for the same purpose.

12. Aviation Services Appropriations. Out of funds appropriated above in Strategy B.1.2, Aviation Services, to the Texas Department of Transportation from State Highway Fund No. 006, an amount not to exceed $25,000,000 in fiscal year 2006 is contingent upon balances of the same amount remaining in Strategy B.1.2, Aviation Services, as of August 31, 2005, from appropriations made to the department for airport development grants in the 2004-05 biennium. In the event that actual and/or projected balances are insufficient for appropriations identified above for this purpose, the Comptroller is hereby directed to reduce the appropriation authority in Strategy B.1.2, Aviation Services, provided by this Act to the Texas Department of Transportation to be within the amount expected to be available each year.

13. Interagency Agreements. Out of funds appropriated in Strategy D.3.1, Travel Information, $670,000 through interagency contracts with the Commission on the Arts and $500,000 through interagency contracts with the Texas Historical Commission each fiscal year, shall be used to showcase the arts, culture, and historical diversity in Texas to promote tourism.

14. Project Status. The Department of Transportation shall provide to each member of the House and Senate, unless a member requests it not be provided, a status report on all highway construction projects, airport projects, Trans Texas Corridor projects, rail projects, toll road projects, turnpike projects, toll authorities, regional mobility authorities, and toll road conversion projects by legislative district, currently under contract or awaiting funding. The report shall include projects that would be funded fully or in part by state, federal, or toll funds. The report shall be filed prior to January 1, each fiscal year. In addition, 90 days prior to any loan being granted by the department for any project, all members of the district shall be notified on the status of the project and how other projects in any district would be affected.

The Department of Transportation shall create a report detailing the reasons for the immediate and future needs for each mode of transportation in each segment of a Trans Texas Corridor project, as well as detailing the reasonableness and necessity for each mode of transportation within each segment of a Trans Texas Corridor project in the report. The department shall provide a report to the affected members at the same time that it submits a Tier 1 environmental impact statement and a Tier 2 environmental impact statement to the federal government for any segment of a Trans Texas Corridor route. The reports shall be posted on the department's website, as well as provided to each state senator, state representative, and commissioners court of the county in which a proposed Trans Texas Corridor project is being studied.

In addition, the Department of Transportation shall provide to each member of the House and Senate, unless a member requests it not be provided, notification of:

a. all Trans Texas Corridor projects included in the Unified Transportation Plan located within each member of the House and Senate's district no later than 10 days after being identified as Trans Texas Corridor Projects;

b. all eminent domain proceedings located within each member of the House and Senate's district related to Trans Texas Corridor projects no later than 10 days before the proceedings begin;

c. all rail projects, toll road projects, and turnpike projects included in the Unified Transportation Plan located within each member of the House and Senate's district no later than 10 days after being identified;

d. the establishment of regional mobility authorities and toll authorities located within each member of the House and Senate's district no later than 10 days after being approved; and

e. any toll authority or regional mobility authority board member that owns or participates in any holding included in a proposed project immediately.

15. Trust Fund 927. The Department of Transportation is hereby authorized to receive and hold funds in Trust Fund No. 927 (county or political subdivision road participation account) from governmental and private entities for purposes of reimbursing State Highway Fund No. 006 for expenses incurred with transportation projects, including highway and aviation.

16. State Highway Fund Reimbursement. To the extent that funds are made available from local governments under Transportation Code § 22.055(b), the department is hereby appropriated amounts as necessary from State Highway Fund No. 006 for purposes authorized by Chapter 22 of the Texas Transportation Code. Funds made available to the department under Transportation Code § 22.055(b) are to be used only for the purpose of reimbursing State Highway Fund No. 006.

17. District Discretionary Funds. Out of the funds appropriated above in Strategy B.1.1, Transportation Construction, the Department of Transportation shall allocate a minimum of $2.5 million for each district to the State District Discretionary Category each fiscal year. These funds may not be used for highway construction project cost overruns or shortfalls.

18. Travel Information. If the department determines that it cannot meet anticipated production and distribution for the Texas State Travel Guide and related travel literature from funds appropriated in Strategy D.3.1, Travel Information, the department shall transfer sufficient funds to meet demand for each year of the biennium from any Strategy except that no transfers shall be made into Strategy D.3.1, Travel Information, from Strategy A.1.2, Contracted Planning and Design, Strategy A.1.3, Right-of-Way Acquisition, Strategy B.1.1, Transportation Construction, and Strategy C.1.1, Contracted Maintenance.

19. Full-time Equivalent: Summer Hire Program. Full-time Equivalent (FTE) positions associated with the Summer Hire Program of the Department of Transportation, in an amount not to exceed 1,200 FTEs, shall be exempt from the Article IX provision establishing a limitation on state agency employment levels for the third and fourth quarters of each fiscal year. It is the intent of the Legislature that this provision will not change the "Number of Full-time Equivalent Positions (FTE)" listed elsewhere in this Act. The Department of Transportation shall provide to the Legislative Budget Board, the Governor, and the State Auditor's Office a report of the number of FTEs associated with the Summer Hire Program each fiscal year. Out of individuals hired for the Summer Hire Program, the department shall hire no less than 10 interns each year for the Texas Prefreshman Engineering Program (TexPREP).

20. Clothing Provision. The department may provide a cleaning allowance for Travel Counselors not to exceed $500 per year.

21. Reporting Requirements. The Texas Department of Transportation shall provide a report to the department's border district legislators and to the respective metropolitan planning organizations on department's trade transportation activities in such border districts during the 2006-07 biennium. The department shall report annually no later than January 1, each year of the biennium. The report shall also be provided to the Governor and the Legislative Budget Board.

In addition to other information that might be requested by the Legislative Budget Board, the Texas Department of Transportation shall submit to the Legislative Budget Board, in the format prescribed by the Legislative Budget Board, a monthly revenue report to the Legislative Budget Board and the Governor on state and federal funds received in State Highway Fund No. 006 as specified by the Legislative Budget Board. At any time, if the department becomes aware of any variances to estimated amounts appropriated above out of state and federal funds received in State Highway Fund No. 006, the department shall immediately notify the Legislative Budget Board and the Governor in writing specifying the affected funds and the reason for the anticipated change. The monthly revenue report shall include detailed explanations of the

causes and effects of current and anticipated fluctuations in the cash balance. The level of detail requested in the monthly cash forecast shall be consistent with the recommendations prescribed by the March 2003, State Auditor Report number 03-021. In addition, the monthly cash forecast shall report expenditure information at the same level as the Texas Department of Transportation's appropriation bill pattern strategies.

22. Agency Coordination. The Texas Department of Transportation and the Texas Commission on Environmental Quality shall coordinate their efforts on the acquisition and potential uses of crumb rubber and shredded tire pieces in the various phases of highway construction. The Texas Department of Transportation and the Texas Commission on Environmental Quality shall provide to the appropriate Legislative Committees a report on their progress by January 1, of each fiscal year.

23. Green Ribbon Project Expansion. It is the intent of the Legislature that the Department of Transportation expand the Green Ribbon Project, a public-private partnership initiative to enhance the appearance of public highways by incorporating in the design and improvement of public highways the planting of trees and shrubs, emphasizing natural beauty and greenspace, integrating public art, and highlighting cultural uniqueness of neighborhoods, to other areas of the state.

Furthermore, in non-attainment and near non-attainment areas, in connection with a contract for a highway project, the department shall allocate to the district or districts in which the project is located an amount equal to not less than one half of one and not to exceed 1 percent of the amount to be spent under the contract for construction, maintenance, or improvement of the highway. If two or more districts share an allocation under this section, the districts shall divide the allocation according to the portion of the amount under the contract that will be spent in each district. A district that receives an allocation under this rider shall spend not less than one half of the allocation for landscaping and other enhancements included in the Green Ribbon program as improvements associated with the project that was the subject of the contract. The district may spend the allocated money that is not used for landscaping improvements associated with the project that was the subject of the contract for landscaping improvements associated with another highway or highway segment located in the district.

For purposes of this rider, landscape improvements means planting of indigenous or adapted trees and other plants that are suitable for the climate in which they will be located, and preparing the soil and installing irrigation systems for the growth of the trees and plants. In non-attainment and near non-attainment areas, the district or districts shall, to the extent possible, use trees and plants that help mitigate the effects of air pollution.

24. Tourist Information Center. From funds appropriated above, the Texas Department of Transportation shall allocate $100,000 each year of the biennium for the establishment and operation of a tourist information center in the Lufkin District contingent on the donation of property and a facility by a local municipality. The tourist information center must be along the federally designated El Camino Real de los Tejas.

25. Public Transportation Report. The Texas Department of Transportation shall develop and submit an annual report to the Legislature on public transportation activities in Texas. The report shall at a minimum include monthly data on industry utilized standards which best reflect: ridership, mileage, revenue by source, and percent consumed of available capacity. In order to meet the mandates of Chapter 461, Transportation Code, relating to the coordination of public transportation and to implement the legislative intent of § 461.001, Transportation Code, the Texas Department of Transportation is directed to engage the services of the Texas Transportation Institute, or any entity that the Department of Transportation deems appropriate, to conduct an inventory of all public transportation providers in the state to determine the types and levels of services being provided by each of them and the extent to which those providers can assist the state in meeting the mandates of the statute.

26. Appropriation for Medical Transportation Services. In addition to amounts appropriated above in Strategy D.1.2, Medical Transportation, the Texas Department of Transportation is hereby appropriated from the State Highway Fund No. 006 any additional amounts necessary in fiscal year 2006 and 2007, to Strategy D.1.2, Medical Transportation, to be used to provide recipient transportation services as required by federal and state programs administered by the Texas Workforce Commission and health and human services agencies in accordance with House Bill 2292 and House Bill 3588, Seventy-eighth Legislature, Regular Session. The Texas Department of Transportation shall enter into a memorandum of understanding with the Texas

Workforce Commission, Health and Human Services Commission, and all necessary health and human services agencies to implement the interagency agreements required by House Bill 3588 and House Bill 2922.

27. Miscellaneous Pay Provisions.

a. **Holiday Pay.** Notwithstanding other provisions of this bill, the Department of Transportation is authorized to grant compensatory time off or to pay hourly employees for work performed on official state holidays in addition to any applicable holiday pay.

b. **Compensatory Pay.** In order to operate in the most economical manner, when inclement weather or other circumstances beyond the control of the department prevent construction or maintenance employees from performing their normal duties, the Department of Transportation is authorized to grant such employees time off with pay with the hours charged to the Compensatory Time Taken Account, provided that such advanced time must be repaid by the employee at a time, and in the most appropriate manner as determined by the department within the following twelve months or at termination, whichever is sooner.

c. **Standby Pay.** It is expressly provided that the Department of Transportation, to the extent permitted by law, may pay compensation for on-call time at the following rates: credit for one hour worked per day on-call during the normal work week, and two hours worked per day on-call during weekends and holidays; this credit would be in addition to actual hours worked during normal duty hours or while on-call. Nonexempt employees who work a normal 40 hour work week, and also work on-call duty, will receive FLSA overtime rates for the on-call duty.

d. **Pay for Regular Compensatory Time.** It is expressly provided that the Department of Transportation, to the extent permitted by law, may pay FLSA exempt and FLSA nonexempt employees on a straight-time basis for work on a holiday or for regular compensatory time hours when the taking of regular compensatory time off would be disruptive to normal business functions.

e. **Underwater Bridge Inspections.** To more adequately compensate employees who perform hazardous duties for the state, the Department of Transportation is authorized to compensate employees who perform underwater bridge inspections an additional rate of pay of up to $25 per hour for actual time spent performing underwater bridge inspections.

28. Bond Programs. The Texas Department of Transportation:

a. in accordance with Section 49-k of Article III of the Texas Constitution; is hereby appropriated during each year of the biennium:

(1) all revenue of the state that is dedicated or appropriated to the Texas Mobility Fund No. 365 in accordance with Section 49-k (e) of Article III of the Texas Constitution, and such funds shall be deposited as received into the Texas Mobility Fund No. 365;

(2) all available funds in the Texas Mobility Fund No. 365, including any investment income, for the purposes outlined in Section 201, Subchapter M, Transportation Code; and

(3) such amounts to be transferred to the Texas Mobility Fund No. 365 in accordance with Section 49-k (g) of Article III of the Texas Constitution and Section 201, Subchapter M, Transportation Code, as may be necessary to make payments when due on any bonds, notes, other obligations, or credit agreements issued or entered into pursuant to Section 201, Subchapter M, Transportation Code, to the extent that the available funds in the Texas Mobility Fund No. 365 are insufficient for such purposes.

b. in accordance with Subchapter N of Chapter 201, Transportation Code, is authorized during the biennium to pay out of amounts appropriated above from the State Highway Fund No. 006, or otherwise dedicated or appropriated to such fund or available therein, debt service payments for notes issued or money borrowed in anticipation of a temporary cash shortfall in the State Highway Fund No. 006.

c. in accordance with Section 49-m of Article III of the Texas Constitution and Section 201.115 of Chapter 201, Transportation Code, is authorized to pay out of amounts appropriated above from the State Highway Fund No. 006, or otherwise dedicated or appropriated to such fund or available therein, debt service payments for notes issued or money borrowed on a short-term basis to carry out the functions of the department.

d. in accordance with Section 49-n of Article III of the Texas Constitution and Subchapter A of Chapter 222, Transportation Code, is authorized during each fiscal year of the biennium to pay out of amounts appropriated above from the State Highway Fund No. 006, or otherwise dedicated or appropriated to such fund or available therein, amounts due under bonds, other public securities and bond enhancement agreements that are issued or entered into to fund highway improvement projects and that are secured by and payable from revenue deposited to the credit of the State Highway Fund No. 006.

29. Congestion Mitigation and Air Quality Improvement. The Texas Department of Transportation shall report annually to the Legislative Budget Board and the Governor on the progress of the Congestion Mitigation and Air Quality (CMAQ) Improvement Program at achieving credit in the State Implementation Plan (SIP) for air quality under the Federal Clean Air Act. The report shall include a listing of each CMAQ project, the amount of CMAQ funds designated, and the amount of quantifiable credit received in the SIP. The report shall be provided no later than September 1, each year of the biennium.

30. Unexpended Balance Appropriation: Colonia Projects. Any unexpended balances in General Obligation Bond Proceeds remaining as of August 31, 2005, from the appropriation made to Strategy B.1.1, Transportation Construction, by the Seventy-eighth Legislature, Regular Session, (estimated to be $0) are hereby appropriated to the Texas Department of Transportation for the biennium beginning September 1, 2005, for the same purpose. Any unexpended balances of these funds remaining as of August 31, 2006, are hereby appropriated to the Texas Department of Transportation for the fiscal year beinning September 1, 2006, for the same purpose.

31. Additional Funds. Except during an emergency as defined by the Governor, no appropriation of additional State Highway Funds may be expended by the Texas Department of Transportation unless:

a. the Texas Department of Transportation submits a separate report within forty five (45) days of the end of the second quarter of each fiscal year to the Legislative Budget Board and the Governor outlining any additional funds available above amounts estimated for the 2006-07 biennium, their anticipated uses and projected impacts; and,

b. the Legislative Budget Board and the Governor issue a written approval or specify an alternate use for the additional funds.

32. Light Safety Installation and Reimbursement. Out of funds appropriated above, the Texas Department of Transportation shall pay for the initial costs and maintenance of installing blinking colored light signals at dangerous intersections as provided by the manual and specifications adopted under § 544.001, Transportation Code, from State Highway Fund No. 006 in Yoakum County, or any county, as either the Texas Department of Transportation, or the county, deems necessary. All costs shall be reimbursed by the county into State Highway Fund No. 006 at an acceptable payback rate and period as determined by the Texas Department of Transportation.

33. Local Government Assistance. The Texas Department of Transportation, pursuant to Texas Transportation Code § 201.706, may assist cities with the maintenance of city streets by providing engineering/maintenance expertise on roadway maintenance and when surplus materials are available, the department shall make available the surplus materials to any local government needing such materials.

For those cities that adopt or have adopted either a street use fee for maintenance or a specialized fee for street accessibility improvements as part of their local utility fees, the Department is authorized to coordinate its accessibility programs with those cities including providing engineering expertise where possible.

35. Projects for Traffic from International Trade. The department annually shall review its proposed road and maintenance projects to determine whether the projects and maintenance are adequate to allow for the projected impact of overweight trucks on state highways, resulting from international trade.

35. Auto Theft Prevention. The Texas Department of Transportation shall prioritize awarding Auto Theft Prevention program grants to areas of the state based on a geographic distribution and shall include language in grant applications clarifying that funding from each grant is only guaranteed for the life of the grant.

36. Auto Theft Appropriation. All fees collected in excess of $15,000,000 in fiscal year 2006, and $15,050,000 in fiscal year 2007, pursuant to VTCS, Title 70, Article 4413 (37), from General Revenue (Object Code 3206) in the Comptroller's Biennial Revenue Estimate (estimated to be $0) are hereby appropriated to Strategy D.4.1, Automobile Theft Prevention.

37. Trans Texas Corridor Projects. The Texas Department of Transportation shall identify all Trans Texas Corridor projects included in the Unified Transportation Plan and shall make that information available on its website.

38. State Transportation Improvement Program - Accountability Report. For each fiscal year in the biennium, the Texas Department of Transportation shall provide a report, with results statewide by district, on the percentage of projects listed in the State Transportation Improvement Program (STIP) that were let on or before the letting date provided in the STIP.

39. Contingency Appropriation for Senate Bill 1874. Contingent upon the enactment of Senate Bill 1874, or similar legislation by the Seventy-ninth Legislature, Regular Session, related to automobile burglary and theft prevention, the amounts of $2,500,000 in fiscal year 2006 and $2,500,000 in fiscal year 2007, appropriated above to the Department of Transportation from the State Highway Fund in Strategy D.4.1, Automobile Theft Prevention, shall be used for the purpose of automobile burglary prevention. Also contingent upon the enactment of Senate Bill 1874, or similar legislation, Strategy D.4.1, Automobile Theft Prevention, shall be changed to Strategy D.4.1, Prevent Automobile Burglary & Theft.

40. Capital Budget Reporting Requirement. The Department of Transportation shall submit to the Legislative Budget Board, in the format prescribed by the Legislative Budget Board, an annual report of expenditures made under the authority of Rider 2, Capital Budget, above no later than 10 days after September 1 of each year.

41. Appropriations Transfer Reporting Requirement. The Department of Transportation shall submit to the Legislative Budget Board, in the format prescribed by the Legislative Budget Board, an annual report of transfers made under the authority of Rider 3, Transfer Authority, above no later than 10 days after September 1 of each year.

42. State Data Center. Pursuant to the denial of the Texas Department of Transportation's waiver application by the Legislative Budget Board and pursuant to the Legislature's vision as expressed in Senate Bill 1701, 78th Legislature, Regular Session, the Texas Department of Transportation shall complete the migration of data center operations to the State Data Center located on the campus of Angelo State University by September 1, 2005, unless the Legislative Budget Board determines that a cost-effective agreement cannot be reached. If the Texas Department of Transportation fails to complete migration of data center operations by the above date, the Department of Information Resources shall notify the Legislative Budget Board and the Department of Transportation of the violation. After notification, the Texas Department of Transportation may not spend appropriated money for data center operations without the prior approval of both the Executive Director of the Department of Information Resources and the Legislative Budget Board. Upon the enactment of Senate Bill 1547, House Bill 1516, or similar legislation by the Seventy-ninth Legislature, Regular Session, relating to the Department of Information Resources' management of state electronic services, this rider has no effect.

43. Contingency for House Concurrent Resolution 94. Contingent upon the passage of House Concurrent Resolution 94, or similar legislation, approving the use of public funding from general appropriations to complete the construction of a statue, monument, or exhibit on the Capitol grounds honoring contributions of Tejanos, by the Seventy-ninth Legislature, Regular Session, the Texas Department of Transportation shall make available during the biennium $602,645 out of the amounts appropriated above in federal Transportation Enhancement Program funds administered by the department for the Tejano Monument project if the Tejano

Monument project meets federal funding requirements of the Transportation Enhancement Program as defined by federal Department of Transportation, Federal Highway Administration federal regulations in Title 23 of the United States Code. The Texas Historical Commission in conjunction with the Texas Department of Transportation will review the Tejano Monument project to determine if the Tejano Monument project meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. It is the intent of the Legislature that funds appropriated above would cover the administration costs of the Tejano Monument project approved for federal Transportation Enhancement Program funds.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Tejano Monument project under the Transportation Enhancement Program to other available projects should the Tejano Monument project fail to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

44. Courthouse Preservation Program Grants. Out of the amounts appropriated above, the Texas Department of Transportation shall make available during the biennium $80 million in federal Transportation Enhancement Program funds administered by the department for courthouse preservation projects whenever such projects are approved by the Texas Historical Commission's Courthouse Preservation Program and meet federal funding requirements of the Transportation Enhancement Program as defined by federal Department of Transportation, Federal Highway Administration federal regulations in Title 23 of the United States Code. The Texas Historical Commission in conjunction with the Texas Department of Transportation will review courthouse preservation projects to determine if courthouse projects meet the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. It is the intent of the Legislature that funds appropriated above would cover the costs of administering courthouse projects approved for federal Transportation Enhancement Program funds.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for courthouse preservation under the Transportation Enhancement Program to other available projects should such courthouse projects fail to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

45. Battleship TEXAS. Out of the amounts appropriated above, the Texas Department of Transportation shall make available during the biennium $16,090,050 in federal Transportation Enhancement Program funds administered by the department for the Battleship TEXAS project if the Battleship TEXAS project meets federal funding requirements of the Transportation Enhancement Program as defined by federal Department of Transportation, Federal Highway Administration federal regulations in Title 23 of the United States Code. The Texas Parks and Wildlife Department in conjunction with the Texas Department of Transportation will review the Battleship TEXAS project to determine if the Battleship TEXAS project meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. It is the intent of the Legislature that funds appropriated above would cover the administration costs of the Battleship TEXAS project approved for federal Transportation Enhancement Program funds.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Battleship TEXAS project under the Transportation Enhancement Program to other available projects should the Battleship TEXAS project fail to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

46. Texas Emancipation Juneteenth Cultural and Historical Commission Memorial Monument. Out of the amounts appropriated above, the Texas Department of Transportation shall make available during the biennium $602,645 in federal Transportation Enhancement Program funds administered by the department for the Juneteenth Memorial Monument project if the Juneteenth Memorial Monument project meets federal funding requirements of the Transportation Enhancement Program as defined by federal Department of Transportation, Federal Highway Administration federal regulations in Title 23 of the United States Code. The Texas Emancipation Juneteenth Cultural and Historical Commission in conjunction with the Texas Department of Transportation will review the Juneteenth Memorial Monument project to determine if the Junteenth Memorial Monument project meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. It is the intent of the

Legislature that funds appropriated above would cover the administration costs of the Juneteenth Memorial Monument project approved for federal Transportation Enhancement Program funds.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Juneteenth Memorial Monument project under the Transportation Enhancement Program to other available projects should the Juneteenth Memorial Monument project fail to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

47. Woodall Rodgers Highway Enhancement Park. Out of the amounts appropriated above, the Texas Department of Transportation shall make available during the biennium $10 million in federal Transportation Enhancement Program funds administered by the department for the Woodall Rodgers Highway Enhancement Park project if the Woodall Rodgers Highway Enhancement Park project meets federal funding requirements of the Transportation Enhancement Program as defined by federal Department of Transportation, Federal Highway Administration federal regulations in Title 23 of the United States Code. The Texas Department of Transportation will review the Woodall Rodgers Highway Enhancement Park project to determine if the Woodall Rodgers Highway Enhancement Park project meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. It is the intent of the Legislature that funds appropriated above would cover the administration costs of the Woodall Rodgers Highway Enhancement Park project approved for federal Transportation Enhancement Program funds.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Woodall Rodgers Highway Enhancement Park project under the Transportation Enhancement Program to other available projects if the Woodall Rodgers Highway Enhancement Park project fails to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

48. Contingency Appropriation for Senate Bill 1100. Out of the amounts appropriated above, the Texas Department of Transportation shall make available during the biennium $10 million in federal Transportation Enhancement Program funds administred by the department for whichever enity is designated as the official Texas museum of music history by the Trusteed Programs Within the Office of the Governor, provided that such entity submits a project that meet federal funding requirements of the Transportation Enhancement Program as defined by federal regulations of the U.S. Department of Transportation, Federal Highway Administration under Title 23 of the United States Code contingent upon the enactment of Senate Bill 1100, or similar legislation, related to the promotion of tourism relating to the musical heritage of this state. The Texas Department of Transportation shall review the Texas museum of music history project to determine if such project meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. It is the intent of the Legislature that funds appropriated above would cover allowed costs of administering the Texas museum of music history project.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Texas museum of music history project under the Transportation Enhancement Program to other available projects if the Texas museum of music history project fails to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

49. State Aviation Coordination.

a. Out of the funds appropriated above to the Department of Transportation in Strategy B.1.1, Transportation Construction, any amounts necessary for the 2006-07 biennium shall be transferred to Strategy B.1.2, Aviation Services, for the purpose of contracting with the state entity responsible for the custody, control, operation and maintenance of state aircraft to serve as a point of coordination for state officials and agencies to contact for the use of state aircraft to access remote and rural areas and to provide all necessary hangar space, maintenance, and services for the use of state aircraft.

b. The Department of Transportation shall sell all surplus aircraft and associated surplus equipment owned by the state entity responsible for the custody, control, operation and maintenance of state aircraft that is not necessary for the purposes of subsection (a) above in this rider as determined by the department.

c. It is the intent of the Legislature that state officials using the services of state aircraft coordinated through the Department of Transportation shall reimburse the Department of Transportation for reasonable costs associated with the use of the state aircraft.

d. In addition, the Department of Transportation's capital budget authority shall be increased for the following items and in the following amounts appropriated above from State Highway Fund No. 006:

	2006	2007
f. Acquisition of Capital Equipment and Items		
(1) Lease Payments (MLPP) - Airplane	$307,115	$305,982
(2) Lease Payments (MLPP) - Fuel Trucks (2)	22,302	22,209

50. B22 Classification Salary Group. Notwithstanding the classification schedule under Section 2.01, Article IX, of this Act, the following positions at the Texas Department of Transportation are designated to be salary group B22 with an annual salary of no more than $170,000:

Deputy Executive Director
Assistant Executive Director for Engineering Operations
Assistant Executive Director for Support Operations
District Engineer, Austin
District Engineer, Dallas
District Engineer, Fort Worth
District Engineer, Houston
District Engineer, San Antonio
Director, Construction Division
Director, Design Division
Director, Environmental Affairs Division
Director, Finance Division
Director, Maintenance Division
Director, Texas Turnpike Authority Division
Director, Transportation Planning and Programming Division

The State Classification Office may update the classification schedule under Section 2.01, Article IX, of this Act, to conform to this rider.

51. Houston District Headquarters Facility. In addition to the amounts appropriated above for fiscal year 2007 in Strategy E.1.4, Regional Administration, the Department of Transportation is hereby appropriated an amount not to exceed $40,000,000 from State Highway Fund No. 006 to fund project costs associated with, and to pay the purchase option price through exercising the purchase option under the lease with an option to purchase relating to the design, construction, and renovation of, the Department's Houston District office headquarters facilities. In addition, the capital budget authority above in Rider 2, Capital Budget, shall be increased in fiscal year 2007 by $40,000,000 and any remaining proceeds received by the Department of Transportation upon the exercise of the purchase option under such lease shall be deposited to the credit of State Highway Fund No. 006 (estimated to be $0) and shall be appropriated to the department for the design, construction, and renovation of such facilities.

52. Houston Fire Museum. Out of the amounts appropriated above, the Texas Department of Transportation shall make available during the biennium $2 million in federal Transportation Enhancement Program funds administered by the department for a Houston Fire Museum, Inc., construction project if the Houston Fire Museum, Inc., construction project meets federal funding requirements of the Transportation Enhancement Program as defined by federal Department of Transportation, Federal Highway Administration federal regulations in Title 23 of the United States Code. The Texas Department of Transportation will review the Houston Fire Museum, Inc., construction project to determine if the construction of the Houston Fire Museum, Inc., meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. It is the intent of the Legislature that funds appropriated above would cover the administration costs of the Houston Fire Museum, Inc., construction project approved for federal Transportation Enhancement Program funds.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Houston Fire Museum, Inc., construction project under the Transportation Enhancement Program to other available projects should the Houston Fire Museum, Inc., construction project fail to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

TEXAS WORKFORCE COMMISSION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 15,922,036	$ 16,043,736
GR MOE for Temporary Assistance for Needy Families	27,745,141	27,745,141
GR for Child Care and Development Fund	43,682,956	41,444,678
Proprietary School Fees	796,075	765,018
GR Match for Food Stamp Administration	4,002,642	4,009,133
Subtotal, General Revenue Fund	$ 92,148,850	$ 90,007,706
GR Dedicated - Unemployment Compensation Special Administration Account No. 165	5,143,853	5,197,467
Workforce Commission Federal Account No. 5026	935,401,542	933,294,361
Other Funds		
Appropriated Receipts	3,648,551	3,585,333
Interagency Contracts	27,052,164	27,053,120
Subtotal, Other Funds	$ 30,700,715	$ 30,638,453
Total, Method of Financing	$ 1,063,394,960	$ 1,059,137,987
This bill pattern represents an estimated 26.7% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	3,499.8	3,494.8
Schedule of Exempt Positions:		
Commissioner, Group 4	(2) $109,200	(2) $109,200
Commissioner, Group 4	111,800	111,800
Executive Director, Group 5	135,000	135,000
Items of Appropriation:		
A. Goal: WORKFORCE DEVELOPMENT		
Support a Workforce System to Achieve/Sustain Economic Prosperity.		
A.1.1. Strategy: WORKFORCE INVESTMENT ACT Workforce Investment Act (WIA) Adult and Dislocated Adults.	$ 191,461,532	$ 191,019,172
A.1.2. Strategy: WORKFORCE INVESTMENT ACT - YOUTH Workforce Investment Act (WIA) Youth.	$ 71,461,628	$ 71,461,628
A.1.3. Strategy: TANF CHOICES Temporary Assistance for Needy Families (TANF) Choices.	$ 88,820,858	$ 90,651,412
A.1.4. Strategy: EMPLOYMENT AND COMMUNITY SERVICES	$ 43,210,969	$ 43,228,412
A.1.5. Strategy: FOOD STAMP EMPLOYMENT AND TRAINING	$ 17,083,145	$ 16,814,106
A.1.6. Strategy: TRADE AFFECTED WORKERS Trade Affected Worker Training and Assistance.	$ 11,305,773	$ 11,234,147
A.1.7. Strategy: VETERANS EMPLOYMENT AND TRAINING	$ 9,674,795	$ 9,551,149
A.1.8. Strategy: PROJECT RIO Project Reintegration of Offenders (RIO).	$ 7,916,906	$ 7,991,150

TEXAS WORKFORCE COMMISSION
(Continued)

A.1.9. Strategy: SENIOR EMPLOYMENT SERVICES	$ 4,870,306	$ 4,870,306
A.1.10. Strategy: APPRENTICESHIP	$ 1,718,417	$ 1,719,366
A.2.1. Strategy: SKILLS DEVELOPMENT	$ 4,870,959	$ 4,916,645
A.2.2. Strategy: SELF SUFFICIENCY	$ 2,985,662	$ 2,985,661
A.2.3. Strategy: LABOR MARKET AND CAREER INFORMATION	$ 5,640,250	$ 5,420,797
A.2.4. Strategy: WORK OPPORTUNITY TAX CREDIT Work Opportunity Tax Credit Certification.	$ 1,429,732	$ 1,399,801
A.2.5. Strategy: ALIEN LABOR CERTIFICATION	$ 1,537,660	$ 1,492,749
A.3.1. Strategy: TANF CHOICES CHILD CARE TANF Choices Child Care for Families Working or Training for Work.	$ 128,561,141	$ 132,252,036
A.3.2. Strategy: TRANSITIONAL CHILD CARE Transitional Child Care for Families Working or Training for Work.	$ 130,455,361	$ 134,200,637
A.3.3. Strategy: AT-RISK CHILD CARE At-Risk Child Care for Families Working or Training for Work.	$ 180,520,999	$ 170,728,526
A.3.4. Strategy: CHILD CARE ADMINISTRATION Child Care Admin for TANF Choices, Transitional & At-Risk Child Care.	$ 7,639,935	$ 6,225,627
A.3.5. Strategy: CHILD CARE - FOSTER CARE FAMILIES Child Care for Foster Care Families.	$ 18,598,300	$ 18,598,299
A.4.1. Strategy: UNEMPLOYMENT CLAIMS	$ 60,302,901	$ 58,394,738
A.4.2. Strategy: UNEMPLOYMENT APPEALS	$ 13,581,474	$ 13,302,720
A.4.3. Strategy: UNEMPLOYMENT TAX COLLECTION	$ 21,492,444	$ 21,960,091
Total, Goal A: WORKFORCE DEVELOPMENT	$ 1,025,141,147	$ 1,020,419,175
B. Goal: PROGRAM ACCOUNTABILITY/ENFORCEMENT		
B.1.1. Strategy: SUBRECIPIENT MONITORING	$ 2,917,486	$ 2,925,161
B.1.2. Strategy: TECHNICAL ASSISTANCE	$ 3,495,742	$ 3,495,742
B.1.3. Strategy: LABOR LAW INSPECTIONS	$ 3,412,751	$ 3,446,610
B.1.4. Strategy: CAREER SCHOOLS & VETERANS EDUCATION Career Schools and Colleges/Veterans Education.	$ 1,378,760	$ 1,325,369
B.2.1. Strategy: CIVIL RIGHTS	$ 1,919,076	$ 1,912,142
Total, Goal B: PROGRAM ACCOUNTABILITY/ENFORCEMENT	$ 13,123,815	$ 13,105,024
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: CENTRAL ADMINISTRATION	$ 14,167,126	$ 14,533,282
C.1.2. Strategy: INFORMATION RESOURCES	$ 4,994,134	$ 5,079,146
C.1.3. Strategy: OTHER SUPPORT SERVICES	$ 5,968,738	$ 6,001,360
Total, Goal C: INDIRECT ADMINISTRATION	$ 25,129,998	$ 25,613,788
Grand Total, TEXAS WORKFORCE COMMISSION	$ 1,063,394,960	$ 1,059,137,987
Supplemental Appropriations Made in Riders:	$ 5,100,000	$ 5,100,000
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 127,437,106	$ 127,513,349
Other Personnel Costs	7,612,205	7,887,327
Professional Fees and Services	11,773,971	8,181,040
Fuels and Lubricants	9,954	9,954
Consumable Supplies	1,793,941	1,793,941
Utilities	4,289,262	4,289,262
Travel	1,976,189	1,976,189
Rent - Building	3,126,057	3,126,057
Rent - Machine and Other	3,060,131	3,060,131
Other Operating Expense	35,805,671	37,504,046
Client Services	394,350,128	391,974,080
Grants	466,079,275	469,162,044
Capital Expenditures	11,181,070	7,760,567
Total, Object-of-Expense Informational Listing	$ 1,068,494,960	$ 1,064,237,987

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits		
Retirement	$ 7,514,593	$ 7,664,886
Group Insurance	31,045,661	33,869,828
Social Security	10,461,394	10,670,621
Benefits Replacement	1,713,378	1,627,708
Subtotal, Employee Benefits	$ 50,735,026	$ 53,833,043
Debt Service		
Lease Payments	$ 2,404	$ 2,400
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 50,737,430	$ 53,835,443

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas Workforce Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas Workforce Commission. In order to achieve the objectives and service standards established by this Act, the Texas Workforce Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: WORKFORCE DEVELOPMENT		
Outcome (Results/Impact):		
Customers Served	1,849,944	1,853,735
Entered Employment Rate	63%	63%
Employment Retention Rate	75%	75%
WIA Entered Employment Rate	88%	88%
Choices Entered Employment Rate	74%	74%
Choices Employment Retention Rate	58%	60%
Choices Participation Rate	47.32%	47.27%
Employment Services Entered Employment Rate	62%	62%
Employment Services Employment Retention Rate	75%	75%
Food Stamp E&T Entered Employment Rate	80%	80%
RIO Entered Employment Rate	65%	65%
Percent of Job Openings Filled	56%	62%
Percent of Skills Development Fund Trainees Employed One Year Later, Earning $9.00 Per Hour with Health Benefits	75%	75%
Percent of Unemployment Insurance Claimants Paid Timely	97%	97%
Percent of Unemployment Insurance Dispute Cases Resolved with Lower Appeal	85%	85%
A.1.1. Strategy: WORKFORCE INVESTMENT ACT		
Output (Volume):		
WIA Customers Served	72,089	72,089
Efficiencies:		
WIA Average Monthly Cost per Customer Served	380	380
A.1.2. Strategy: WORKFORCE INVESTMENT ACT - YOUTH		
Output (Volume):		
Number of Individuals with Education Achievement Who Had Been WIA Youth Participants	2,423	2,423
A.1.3. Strategy: TANF CHOICES		
Output (Volume):		
Choices Customers Served	118,187	120,191
Efficiencies:		
Choices Average Monthly Cost Per Customer Served	160.35	162
A.1.4. Strategy: EMPLOYMENT AND COMMUNITY SERVICES		
Output (Volume):		
Employment Services Customers Served	1,682,310	1,682,310
Efficiencies:		
Employment Services Average Monthly Cost Per Customer Served	8.1	8.1
A.1.5. Strategy: FOOD STAMP EMPLOYMENT AND TRAINING		
Output (Volume):		
Food Stamp E&T Customers Served	24,066	24,066

A.1.8. Strategy: PROJECT RIO		
Output (Volume):		
Project RIO Customers Served	20,405	20,828
Efficiencies:		
Project RIO Average Monthly Cost Per Customer Served	58	58
A.1.10. Strategy: APPRENTICESHIP		
Output (Volume):		
Apprenticeship Customers Served	3,600	3,600
A.2.1. Strategy: SKILLS DEVELOPMENT		
Output (Volume):		
Skills Development Customers Served	9,339	9,384
Efficiencies:		
Skills Development Fund Average Monthly Cost Per Customer Served	1,000	1,000
A.2.2. Strategy: SELF SUFFICIENCY		
Output (Volume):		
Self-Sufficiency Customers Served	2,485	2,485
Efficiencies:		
Self-Sufficiency Fund Average Monthly Cost Per Customer Served	1,000	1,000
A.2.3. Strategy: LABOR MARKET AND CAREER INFORMATION		
Output (Volume):		
Number of Visitors to Labor Market Information Web Data Pages	437,580	481,340
A.3.1. Strategy: TANF CHOICES CHILD CARE		
Output (Volume):		
Average Number of Children Served Per Day, Choices Services	27,971	28,774
Efficiencies:		
Average Cost Per Child Per Day for Child Care, Choices Services	17.61	17.61
A.3.3. Strategy: AT-RISK CHILD CARE		
Output (Volume):		
Average Number of Children Served Per Day, Transitional and At Risk Services	85,777	84,098
Efficiencies:		
Average Cost Per Child Per Day for Child Care, Transitional and At Risk Services	13.7	13.7
Explanatory:		
Average Number of Children on Waiting List for Low-income Child Care	27,112	27,764
A.4.1. Strategy: UNEMPLOYMENT CLAIMS		
Output (Volume):		
Number of Initial Unemployment Insurance Claims Filed	1,001,041	988,740
Efficiencies:		
Average Wait Time on Hold for Unemployment Insurance Customers (Minutes)	3.25	3.25
Explanatory:		
Unemployment Rate	5.97	5.86
A.4.2. Strategy: UNEMPLOYMENT APPEALS		
Efficiencies:		
Percent of Lower Unemployment Insurance Appeals Decisions Issued Timely	80%	80%
B. Goal: PROGRAM ACCOUNTABILITY/ENFORCEMENT		
Outcome (Results/Impact):		
Percent of Housing Investigations Complying with CRD/HUD Review	100%	100%
Percent Change in Employment Complaints against State Agencies	(5)%	(5)%
B.1.1. Strategy: SUBRECIPIENT MONITORING		
Output (Volume):		
Number of Monitoring Reviews and Investigations of Boards or Contractors	80	80
B.1.2. Strategy: TECHNICAL ASSISTANCE		
Output (Volume):		
Number of Times Technical Assistance Is Provided to Boards	2,450	2,450
B.1.3. Strategy: LABOR LAW INSPECTIONS		
Output (Volume):		
Number of On-site Inspections Completed for Texas Child Labor Law Compliance	2,572	2,572
B.1.4. Strategy: CAREER SCHOOLS & VETERANS EDUCATION		
Output (Volume):		
Number of Licensed Career Schools and Colleges	420	420

B.2.1. Strategy: CIVIL RIGHTS		
Output (Volume):		
Number of Employment Complaints Resolved	1,285	1,285
Number of Housing Complaints Resolved	260	260
Efficiencies:		
Average Cost Per Employment Complaint Resolved	705.29	701.42
Average Cost Per Housing Complaint Resolved	2,000	2,000

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software versus the purchase of information resources hardware and/or software, if determined by commission management to be in the best interest of the State of Texas.

	2006	2007
a. Repair or Rehabilitation of Buildings and Facilities		
(1) Repair or Rehabilitation of Buildings and Facilities	$ 3,164,362	$ 3,417,436
b. Acquisition of Information Resource Technologies		
(1) IBM Mainframe Lease (New)	2,297,664	2,297,664
(2) IBM Host Software	2,565,828	2,565,828
(3) PC Infrastructure and Refresh	1,000,000	1,000,000
(4) Phone System Replacement	117,219	117,219
(5) LAN/WAN Area Upgrade & Replacement	2,477,585	958,142
(6) Enterprise Infrastructure Upgrades	57,114	114,228
(7) PeopleSoft Financials 8.8 Upgrade	3,334,665	93,315
(8) Program Integrity & Fraud Detection Development Project	1,299,760	299,760
(9) Workforce Information System Redesign	2,217,527	1,749,528
(10) Operations Infrastructure	$ 266,366	$ 202,502
Total, Acquisition of Information Resource Technologies	$ 15,633,728	$ 9,398,186
Total, Capital Budget	$ 18,798,090	$ 12,815,622
Method of Financing (Capital Budget):		
GR Dedicated - Unemployment Compensation Special Administration Account No. 165	$ 164,478	$ 119,953
Appropriated Receipts	36,531	3,818
Interagency Contracts	14,604	6,750
Workforce Commission Federal Account No. 5026	18,530,127	12,666,227
Proprietary School Fees	52,350	18,874
Total, Method of Financing	$ 18,798,090	$ 12,815,622

3. Capital Budget - Federal Cost Allocation. Out of the funds appropriated above, the Texas Workforce Commission (TWC) is authorized to transfer $179,329 in General Revenue in fiscal year 2006 and $52,574 in General Revenue in fiscal year 2007 to projects included in Rider 2, Capital Budget, above in TWC's bill pattern. Amounts authorized for tranfer by this rider are in addition to amounts identified in Rider 2, Capital Budget, above in TWC's bill pattern. Transfers authorized by this rider are necessary to comply with requirements of the U.S. Office of Management and Budget Circular A-87 and the cost allocation plan and methodology approved by its federal grantor agencies. This rider is not intended to limit TWC's transfer authority for capital bugdet projects, as provided in Sec. 6.16, Limitation on Expenditures - Capital Budget, of General Provisions of this Act.

4. Appropriation: Federal Funds. All moneys granted to Texas by the federal government for the administration of the Texas Unemployment Compensation Act or which are now on deposit to the credit of any funds maintained by the comptroller for the Texas Workforce Commission

(TWC), and any moneys received for the credit of such funds are hereby appropriated for the purposes authorized by the provisions of the Texas Unemployment Compensation Act and for the purposes for which such moneys were granted. TWC shall notify the Legislative Budget Board and Governor of any funds and associated staffing received above the amounts appropriated above for the biennium.

5. Section 903, Social Security Act Funds.

a. Out of amounts credited to Texas' account in the Federal Unemployment Trust Fund under § 903 of the Social Security Act, there is included in the appropriation above $5,000,000 in fiscal year 2006 and $5,000,000 in fiscal year 2007 for withdrawal and use by the Texas Workforce Commission (TWC) for the administration of the Texas Unemployment Compensation Act and its Public Employment Offices and telecenters. Said funds may be used to provide necessary office facilities and automated equipment, to include the purchase of land and construction of buildings, and the construction of improvements on property owned by TWC, including the cost of repairs and alterations to such property and the purchase of computers and related peripheral equipment.

b. Any amounts initially allocated by the federal government to TWC during fiscal year 2000, 2001, or 2002, except amounts transferred pursuant to Subsection 903(d), shall be used only to pay expenses incurred for the administration of the Texas Unemployment Compensation Act. These funds shall not be used by TWC for the payment of Unemployment Compensation benefits, or the administration of its Public Employment Offices.

c. No part of any amounts based on an initial transfer from the federal government that occurred prior to fiscal year 2000 or after fiscal year 2002, herein appropriated out of amounts credited to Texas' account in the Federal Unemployment Trust Fund under § 903 of the Social Security Act, shall be expended after the close of the period covered by this act and any unused portion of such amounts shall, at such close, revert to Texas' said account in the Federal Unemployment Trust Fund. The amount obligated pursuant to this act shall not exceed at any time the amount by which (a) the aggregate of the amounts transferred to the account of this state pursuant to § 903 of the Social Security Act exceeds (b) the aggregate of the amounts obligated for administration and paid out for benefits and required by law to be charged against the amounts transferred to the account of this State.

d. Should federal requirements concerning amounts made available under Section 903 of the Social Security Act change after passage of this Act, the appropriation made in this rider shall be subject to such conditions and limitations as required by the changed federal law.

6. Authorization: Sale of Agency-owned Buildings and Land. In order to ensure effective facility management in coordination with the local workforce development boards, the Texas Workforce Commission (TWC) is hereby authorized to sell agency-owned buildings and land. Any such sale must be based on a finding by the commission that no other economically viable alternative exists, and specifically that operation within agency-owned or leased buildings would not be feasible. Furthermore, in order to accommodate sudden and unexpected fluctuations in federal funding, TWC is hereby authorized to sell agency-owned buildings and land as it deems necessary. The authority granted in this provision is contingent upon the filing of a written notice with the Governor and the Legislative Budget Board at least 90 days prior to the planned date of sale and is subject to the disapproval of either office within 90 days after notification.

7. Payment of Unemployment Benefits - State Agencies. It is the intent of the Legislature that the Texas Workforce Commission charge the Comptroller of Public Accounts only for unemployment benefits paid based on wages earned from agencies appropriated funds under the General Appropriations Act, and that agencies outside the General Appropriations Act be maintained as individual reimbursing employers. For the purposes of this rider, 'agency' includes a state agency as defined under § 2151.002, Government Code, which includes an institution of higher education (except a public junior college) as defined under § 61.003, Education Code.

8. Federal Funds Appropriated. The appropriations herein made may be used to match federal funds granted to the state for the payment of personal services, travel and other necessary expenses in connection with the administration and operation of a state program of public welfare services. The Texas Workforce Commission (TWC) is hereby authorized to receive and disburse in accordance with plans acceptable to the responsible federal agency, all federal

moneys that are made available (including grants, allotments, and reimbursements) to the state and retain their character as federal funds for such purposes and all fees authorized by federal law, and to receive, administer, and disburse federal funds for federal programs in accordance with plans agreed upon by the TWC and the responsible federal agency, and such other activities as come under the authority of the TWC, and such moneys are appropriated to the specific purpose or purposes for which they are granted or otherwise made available. Earned federal funds are not considered to be federal funds for the purpose of this section.

9. **Reappropriation of Federal and Local Funds.** All funds received by the Texas Workforce Commission from counties, cities, federal agencies, and from any other local source during the 2006-07 biennium, and all balances from such sources as of August 31, 2005, are hereby appropriated for the biennium ending August 31, 2007, for the purpose of carrying out the provisions of this Act. Earned federal funds are not considered to be federal funds for the purpose of this section.

10. **Unexpended Balances for Child Care Funds.** It is the intent of the Legislature that any additional federal funds received as a result of current efforts to obtain child care funds, be used for child care. Except as otherwise provided, all unexpended and unobligated balances in the area of child care remaining from appropriations for the first year of the biennium to the Texas Workforce Commission (TWC) are appropriated to the commission for the purpose of drawing down all available federal funds for child care. The TWC may transfer unexpended and unobligated balances of General Revenue appropriations to Strategy A.3.3, At-Risk Child Care, in order to match available federal child care funds, which are appropriated to TWC. TWC is subject to the requirements of the Additional Federal Funds rider in this agency's bill pattern for federal child care funds matched with available General Revenue, and TWC should notify the Legislative Budget Board and the Governor of the amounts of additional General Revenue used as match and the federal child care funds matched in each year of the 2006-07 biennium not later than:

    a. the 10th day after the date the staff of the Legislative Budget Board concludes its review of the findings of fact and forwards those findings of fact along with the conclusions or comments of the Legislative Budget Board staff to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor; and

    b. within 10 business days by the Governor,

    prior to drawing down the additional federal funds.

11. **Maximization of Child Care and Development Funds.** It is the intent of the Legislature that the Texas Workforce Commission cooperate with cities, non-profit organizations, the Texas Education Agency and local school districts to obtain local match necessary to maximize federal funds for child care. In order to maximize the availability of state matching funds for federal child care funds and to encourage local child care planning and match participation, the commission shall use donated purchase agreements and other funding mechanisms, to the extent allowed by federal law and regulations.

12. **Project RIO.** It is the intent of the Legislature that the Texas Workforce Commission (TWC), the Texas Department of Criminal Justice, and the Texas Youth Commission together enhance the effectiveness of Project RIO by improving cohesive program delivery among the three agencies. The agencies shall together develop and implement a biennial strategic plan for the implementation of a more cohesive and effective Project RIO program which will emphasize necessary skill development, rehabilitation and appropriate assessment of the offender prior to inmate release. Not later than March 1, 2006, the biennial strategic plan, jointly prepared by the three agencies, and including specific strategies, measures, timeframes for program improvement, and a methodology for program evaluation, shall be submitted to the Legislative Budget Board and the Governor. For performance measures included in the biennial strategic plan, TWC will set targets for local work force development boards and collect reports on actual performance. TWC shall maintain funding at $3,259,735 in each fiscal year of the 2006-07 biennium to the Texas Department of Criminal Justice and $446,250 in each fiscal year of the 2006-07 biennium to the Texas Youth Commission to fund Project RIO. The agencies shall enter into interagency contracts, to include reporting of performance levels, for the 2006-07 biennium.

13. **Earned Income Tax Credit Assistance.** Out of funds appropriated above, the Texas Workforce Commission shall assist recipients of Temporary Assistance for Needy Families who become employed, and other low-income workers who may qualify for the credit under federal income and other requirements, to apply for the federal Earned Income Tax Credit.

14. **Employment and Child Care Programs in Rural Areas.** It is the intent of the Legislature that the Texas Workforce Commission and local workforce development boards cost-effectively continue to expand the availability of employment and child care programs into rural areas.

15. **Priority for TANF Recipients.** To the extent allowed under federal law, the Texas Workforce Commission (TWC) and local workforce development boards shall give priority to recipients of Temporary Assistance for Needy Families (TANF) for training, employment services and child care funded by the Workforce Investment Act (WIA). TWC shall report annually to the Legislative Budget Board and the Governor expenditures used for TANF recipients, the number of TANF recipients served with WIA funds, and their outcomes.

16. **Continuing Education.** Recipients of child care service benefits who are 17 years of age or older with a high school diploma or GED and who wish to acquire an Associate Degree shall continue to be eligible for child care service benefits for a period not to exceed four years for an educational program if that program will prepare the recipient for a job in a high demand occupation with an upward career path as determined by a local workforce development board. The local workforce development board may determine the duration of child care assistance for a recipient in an educational program based on that individual's progress toward completing the program.

17. **Job Training Courses.** It is the intent of the Legislature that the primary objective of job training courses offered by the Texas Workforce Commission and local workforce development boards is to prepare individuals for high-skill, high-wage jobs with health benefits that result in long-term employability. Whenever possible, strategies should focus on incorporating industry sectors and/or regional industry clusters in order to promote high quality jobs. While English as a Second Language (ESL) may provide additional benefit to trainees, it may not be substituted for job training classes.

18. **Formal Measures Report.** The Texas Workforce Commission shall submit a quarterly report to the Legislative Budget Board and the Governor on agency performance on Formal Measures prescribed by the Texas Council on Workforce and Economic Competitiveness. Each report shall be submitted with the agency's quarterly performance report and must be accompanied by supporting documentation as specified by the Legislative Budget Board and the Governor.

19. **Budget and Performance Report.** The Texas Workforce Commission shall submit a monthly report to the Legislative Budget Board and the Governor on budgeted, expended, and encumbered funds by strategy (and substrategy as appropriate) along with Full-Time Equivalent positions and method of finance information. The report shall also include program performance information for performance measures included in this Act.

20. **Skills Development and Self-Sufficiency Fund Report.** The Texas Workforce Commission shall submit a quarterly report to the Legislative Budget Board and the Governor on contracts executed by the commission, expenditures, program participants, and closed contracts for each Skills Development Fund and Self-Sufficiency Fund contract. Each report shall be submitted with the agency's quarterly ABEST/USAS reconciliation and must be accompanied by supporting documentation as specified by the Legislative Budget Board and the Governor.

21. **Contracts for Purchase of Client Services.** No funds appropriated to the Texas Workforce Commission may be utilized for contracts for the purchase of program-related client services unless:

    a. such contracts include clearly defined goals, outputs, and measurable outcomes which directly relate to program objectives;

    b. such contracts include clearly defined sanctions or penalties for noncompliance with contract terms and conditions;

    c. such contracts specify the accounting, reporting, and auditing requirements applicable to funds received under the contract;

d. the agency has implemented a formal program using a risk assessment methodology to monitor compliance with financial and performance requirements under the contract, including a determination of whether performance objectives have been achieved; and

e. the agency has implemented a formal program to obtain and evaluate program costs information to ensure that all costs, including administrative costs, are reasonable to achieve program objectives.

22. Additional Federal Funds. No appropriation of federal funds in addition to the estimated amounts above may be expended by the Texas Workforce Commission (TWC) unless:

a. TWC files a finding of fact along with a written plan outlining the use and projected impact of the funds on performance measures with the Legislative Budget Board and the Governor and indicating that additional appropriations are required to maintain adequate levels of program performance; and,

b. neither the Legislative Budget Board nor the Governor issues a written disapproval not later than:

1. the 10th day after the date the staff of the Legislative Budget Board concludes its review of the findings of fact and forwards those findings of fact along with the conclusions or comments of the Legislative Budget Board staff to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor; and

2. within 10 business days of the receipt of the finding of fact by the Governor and the written plan,

which should not prohibit the agency from responding in an emergency.

23. Night and Weekend Shift Differential. The Texas Workforce Commission is hereby authorized to pay an additional night shift salary differential not to exceed fifteen percent (15%) of the monthly pay rate to personnel who work the 3:00 p.m. to 11:00 p.m. shift or 11:00 p.m. to 7:00 a.m. shift, or their equivalents. A weekend shift differential not to exceed five percent (5%) of the monthly pay rate may be paid to persons who work weekend shifts. The evening or night shift salary differential may be paid in addition to the weekend shift salary differential for persons working weekend, evening, or night shifts.

24. Work-at-Home Hearing Officers. It is provided that the Texas Workforce Commission is hereby authorized to grant compensatory time to hearing officers and reviewing attorneys for overtime work performed at the employee's personal residence and for work performed at the employee's personal residence on state skeleton holidays. Work performed under this authority shall be approved in advance by the Director of the Appeals Office and must be verified by automated records, which includes audiotapes, and computer and telephone logs. Compensatory time is only granted when corresponding additional work is assigned.

25. Transportation Services. Out of the funds appropriated above in Strategy A.1.3, TANF Choices and Strategy A.1.5, Food Stamp Employment and Training, the Texas Workforce Commission shall enter into a memorandum of understanding with the Texas Department of Transportation for the provision of transportation services provided to clients of the TANF Choices and Food Stamp Employment and Training programs during the 2006-07 biennium, pursuant to § 455.0015 of the Transportation Code and § 301.063 of the Labor Code, with $6,403,882 in fiscal year 2006 and $6,403,882 in fiscal year 2007 amounts in Strategy A.1.3, TANF Choices, and $425,470 in fiscal year 2006 and $425,470 in fiscal year 2007 amounts in Strategy A.1.5, Food Stamp Employment and Training in interagency contract receipts for the Texas Department of Transportation appropriated to the Texas Workforce Commission for this purpose.

26. Cash Flow Contingency for Texas Workforce Civil Rights Division.

a. Contingent upon the receipt of federal funds allocated under the annual fixed cost performance based contracts and special projects with the U.S. Equal Employment Opportunity Commission and the U.S. Department of Housing and Urban Development, and upon the submission of monthly reports on all funds transfers and performance on all key measures to the Legislative Budget Board, Governor, and Comptroller of Public

Accounts, the commission may temporarily utilize additional General Revenue Funds, pending the receipt of federal reimbursement, in an amount not to exceed 75 percent of the amount as specified in the notification letter of federal award to be received in each year of the biennium. The General Revenue amounts utilized above the General Revenue method of finance must be repaid upon receipt of federal reimbursement and shall be utilized only for the purpose of temporary cash flow needs. These transfers and repayments shall be credited to the fiscal year being reimbursed and shall be in accordance with procedures established by the Comptroller. All transfers of the method of finance shall be reported by the Texas Workforce Commission (TWC) Civil Rights Division to the Legislative Budget Board.

b. TWC Civil Rights Division may temporarily utilize additional General Revenue Funds pending reimbursement through interagency contracts in an amount not to exceed 50 percent of the estimated interagency contract receipts to be received each year of the biennium to be adjusted by actual contract amounts. The General Revenue amounts utilized above the General Revenue method of finance must be repaid upon receipt of interagency contract reimbursement and shall be utilized only for the purpose of temporary cash flow needs. These transfers and repayments shall be in accordance with procedures established by the Comptroller. Any contract balance at the end of the first fiscal year of the biennium is hereby appropriated to the second fiscal year of the biennium.

27. Travel Expenditures. The Texas Workforce Commission's Civil Rights Division is authorized to spend out of funds appropriated above up to $1,500 per employee or Civil Rights Division's Board Member for each year of the biennium for out-of-state travel. This limitation shall not apply to out-of-state travel required by the U.S. Equal Employment Opportunity Commission or the U.S. Department of Housing and Urban Development if the cost of such travel is reimbursed by the federal government.

28. Limitation on Texas Fair Housing Act Investigations or Prosecutions. No funds appropriated by this Act may be used to investigate or prosecute under the Texas Fair Housing Act any otherwise lawful activity, engaged in by one or more persons, that is engaged solely for the purpose of preventing action by a government official or court of competent jurisdiction.

29. Child Care Benefit Costs Paid with Federal Funds. The Texas Workforce Commission shall pay all benefit costs to the Employees Retirement System related to Full-time Equivalents for salaries in A.3.4, Child Care Administration with Federal Funds. No funds shall be paid for salaries in Strategy A.3.1, TANF Choices Child Care, Strategy A.3.2, Transitional Child Care, Strategy A.3.3, At-Risk Child Care, and Strategy A.3.5, Child Care for Foster Care Families.

30. Temporary Assistance for Needy Families (TANF) Maintenance of Effort. All General Revenue appropriated above for TANF maintenance of effort shall be expended within the appropriate fiscal year for that purpose in order to secure the TANF federal block grant for the state. Out of funds appropriated above in Strategy A.3.1, TANF Choices Child Care, Strategy A.3.2, Transitional Child Care, and Strategy A.3.3, At-Risk Child Care, $27,745,141 in General Revenue is appropriated for TANF maintenance of effort (MOE) each fiscal year for TANF program Client Services or Grants. None of the General Revenue appropriated for TANF maintenance of effort in Strategy A.3.1, TANF Choices Child Care, Strategy A.3.2, Transitional Child Care, and Strategy A.3.3, At-Risk Child Care, may be transferred to any other item of appropriation or expended for any purpose other than the specific purpose for which the funds are appropriated. General Revenue may be transferred between the above mentioned three strategies.

31. Local Matching Funds. Child Care Mandatory and Matching Federal Funds appropriated above are based upon an estimated local match of $22,164,424 each year of the biennium, which includes $2,500,000 in Appropriated Receipts appropriated above each year of the biennium in Strategy A.3.3, At-Risk Child Care.

32. Contingency Appropriation for Senate Bill 1177. Contingent upon the enactment of Senate Bill 1177, or similar legislation by the Seventy-ninth Legislature, Regular Session, 2005, the Texas Workforce Commission is hereby appropriated $5,100,000 in fiscal year 2006 and $5,100,000 in fiscal year 2007 in Strategy A.2.1, Skills Development, out of the Skills Development Operating Trust Fund created by that legislation.

REIMBURSEMENTS TO THE UNEMPLOYMENT COMPENSATION BENEFIT ACCOUNT

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
GR Dedicated - Unemployment Compensation Special Administration Account No. 165, estimated	$ 5,352,303	$ 5,059,331
Interagency Transfers to the Unemployment Compensation Special Administration Account No. 165, estimated	12,122,894	11,120,175
Total, Method of Financing	$ 17,475,197	$ 16,179,506
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: STATE'S UC REIMBURSEMENT Reimburse UC Benefit Acct #937 for UC Paid to Former State Employees.		
A.1.1. Strategy: STATE'S UC REIMBURSEMENT Reimburse UC Benefit Acct #937 for UC Paid to Former State Employees.	$ 17,475,197	$ 16,179,506
Grand Total, REIMBURSEMENTS TO THE UNEMPLOYMENT COMPENSATION BENEFIT ACCOUNT	$ 17,475,197	$ 16,179,506
Object-of-Expense Informational Listing:		
Other Personnel Costs	$ 17,475,197	$ 16,179,506
Total, Object-of-Expense Informational Listing	$ 17,475,197	$ 16,179,506

1. **Definition of Agency.** For the purposes of the Reimbursements to the Unemployment Compensation Benefit Account item, 'agency' includes a state agency as defined under § 2151.002, Government Code, which includes an institution of higher education (except a public junior college) as defined under § 61.003, Education Code.

2. **Reimbursements to the Unemployment Compensation Benefit Account No. 937.** Reimbursements to the Unemployment Compensation Benefit Account No. 937 shall be made from:

   a. Funds identified as GR-Dedicated - Unemployment Compensation Special Administration Account No. 165 above, which consists of penalty and interest receipts collected under Chapters 213.021 and 213.022, Texas Labor Code.

   b. Funds identified as Interagency Transfers to the Unemployment Compensation Special Administration Account No. 165 above, which consist of amounts transferred from other agencies' appropriations made elsewhere in this Act to state agencies in accordance with § 6.29, Reimbursements for Unemployment Benefits, in General Provisions of this Act.

3. **Funding Source for Unemployment Compensation Special Administration Account No. 165.** Funds identified in the method of financing above, Unemployment Compensation Special Administration Account No. 165, include penalty and interest receipts collected under Chapters 213.021 and 213.022, Texas Labor Code and authorized for the payment of unemployment compensation benefits to former state employees pursuant to Chapter 203.202, Texas Labor Code. These amounts are estimated and are to be utilized for amounts not paid by state agency reimbursements.

4. **Funding Source for Interagency Transfers to the Unemployment Compensation Special Administration Account No. 165.** Funds identified in the method of financing above, Interagency Transfers to the Unemployment Compensation Special Administration Account No. 165, include agency reimbursements from appropriations made elsewhere in this Act to GR-Dedicated Account No. 165. These amounts are estimated. Account No. 165 shall be reimbursed for one-half of the unemployment benefits paid from appropriations made in this Act to the state agency that previously employed each respective former state employee whose payroll warrants were originally issued in whole or in part from the General Revenue Fund, a dedicated General Revenue Account, Federal Funds or Other Funds, such as Fund 006.

REIMBURSEMENTS TO THE UNEMPLOYMENT COMPENSATION BENEFIT ACCOUNT
(Continued)

5. **Proportionality Requirements for Agency Reimbursements related to Unemployment Compensation Benefits.** From information related to unemployment benefits paid on behalf of previously employed former state employees provided by the Texas Workforce Commission, the Comptroller shall determine the proportionate amount of the reimbursement or payment due from the General Revenue Fund, any General Revenue-Dedicated Accounts, Federal Funds or Other Funds from appropriations made elsewhere in this Act to state agencies. The Comptroller shall transfer these amounts of appropriations made elsewhere in this Act to the Unemployment Compensation Special Administration Account No 165. The amounts reimbursed pursuant to this provision are hereby appropriated to the Unemployment Compensation Special Administration Account No. 165 for the purpose of reimbursing the Unemployment Compensation Benefit Account No. 937. These reimbursement requirements may be waived, either in whole or in part, by the Legislative Budget Board.

6. **Cash Flow Contingency.** Contingent upon the receipt of state agency reimbursements, the Texas Workforce Commission (TWC) may temporarily utilize additional GR-Dedicated Unemployment Compensation Special Administration Account No. 165 funds, in an amount not to exceed the anticipated state agency reimbursement. The Account No. 165 amounts utilized above amounts appropriated from penalty and interest collections as identified in Rider 2(a) must be repaid upon receipt of state agency reimbursements for previously paid payroll warrants and shall be utilized only for the purpose of temporary cash flow needs. These transfers and repayments shall be credited to the fiscal year being reimbursed and shall be made in accordance with established state accounting procedures. All transfers of the method of finance shall be reported by the TWC on a monthly basis to the Legislative Budget Board and Governor.

RETIREMENT AND GROUP INSURANCE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund, estimated	$ 4,849,997	$ 5,280,372
General Revenue Dedicated Accounts, estimated	2,725,469	2,879,556
Federal Funds, estimated	37,352,542	39,812,487
Other Funds		
State Highway Fund No. 006, estimated	169,261,268	180,643,566
Other Special State Funds, estimated	1,102,902	1,158,117
Subtotal, Other Funds	$ 170,364,170	$ 181,801,683
Total, Method of Financing	$ 215,292,178	$ 229,774,098
Items of Appropriation:		
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS Retirement Contributions. Estimated.	$ 44,983,690	$ 45,883,365
A.1.2. Strategy: GROUP INSURANCE Group Insurance. Estimated.	$ 170,308,488	$ 183,890,733
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	$ 215,292,178	$ 229,774,098
Grand Total, RETIREMENT AND GROUP INSURANCE	$ 215,292,178	$ 229,774,098

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund, estimated	$ 1,087,011	$ 1,096,264
General Revenue Dedicated Accounts, estimated	1,453,228	1,470,360
Federal Funds, estimated	11,928,067	12,052,940
Other Funds		
State Highway Fund No. 006, estimated	48,960,509	49,413,148
Other Special State Funds, estimated	562,902	569,716
Subtotal, Other Funds	$ 49,523,411	$ 49,982,864
Total, Method of Financing	$ 63,991,717	$ 64,602,428
Items of Appropriation:		
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT		
Comptroller - Social Security.		
A.1.1. Strategy: STATE MATCH – EMPLOYER	$ 54,432,835	$ 55,521,491
State Match – Employer. Estimated.		
A.1.2. Strategy: BENEFIT REPLACEMENT PAY	$ 9,558,882	$ 9,080,937
Benefit Replacement Pay. Estimated.		
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	$ 63,991,717	$ 64,602,428
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	$ 63,991,717	$ 64,602,428

BOND DEBT SERVICE PAYMENTS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 4,807,071	$ 4,936,815
Total, Method of Financing	$ 4,807,071	$ 4,936,815
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: BOND DEBT SERVICE	$ 4,807,071	$ 4,936,815 & UB
To Texas Public Finance Authority for Payment of Bond Debt Service.		
Grand Total, BOND DEBT SERVICE PAYMENTS	$ 4,807,071	$ 4,936,815

LEASE PAYMENTS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 480,425	$ 480,499
Total, Method of Financing	$ 480,425	$ 480,499
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: LEASE PAYMENTS	$ 480,425	$ 480,499 & UB
To TBPC for Payment to TPFA.		
Grand Total, LEASE PAYMENTS	$ 480,425	$ 480,499

RECAPITULATION - ARTICLE VII
BUSINESS AND ECONOMIC DEVELOPMENT
(General Revenue)

	For the Years Ending August 31, 2006	August 31, 2007
Department of Housing and Community Affairs	$ 7,922,037	$ 4,409,701
Texas Lottery Commission	13,460,312	13,311,939
Office of Rural Community Affairs	4,305,672	4,297,992
Texas Workforce Commission	92,148,850	90,007,706
Subtotal, Business and Economic Development	$ 117,836,871	$ 112,027,338
Retirement and Group Insurance	4,849,997	5,280,372
Social Security and Benefit Replacement Pay	1,087,011	1,096,264
Subtotal, Employee Benefits	$ 5,937,008	$ 6,376,636
Bond Debt Service Payments	4,807,071	4,936,815
Lease Payments	480,425	480,499
Subtotal, Debt Service	$ 5,287,496	$ 5,417,314
TOTAL, ARTICLE VII - BUSINESS AND ECONOMIC DEVELOPMENT	$ 129,061,375	$ 123,821,288

RECAPITULATION - ARTICLE VII
BUSINESS AND ECONOMIC DEVELOPMENT
(General Revenue - Dedicated)

	For the Years Ending August 31, 2006	August 31, 2007
Texas Lottery Commission	$ 186,402,100	$ 186,883,587
Office of Rural Community Affairs	2,250,000	2,250,000
Department of Transportation	511,948	511,948
Texas Workforce Commission	5,143,853	5,197,467
Reimbursements to the Unemployment Compensation Benefit Account	5,352,303	5,059,331
Subtotal, Business and Economic Development	$ 199,660,204	$ 199,902,333
Retirement and Group Insurance	2,725,469	2,879,556
Social Security and Benefit Replacement Pay	1,453,228	1,470,360
Subtotal, Employee Benefits	$ 4,178,697	$ 4,349,916
TOTAL, ARTICLE VII - BUSINESS AND ECONOMIC DEVELOPMENT	$ 203,838,901	$ 204,252,249

RECAPITULATION - ARTICLE VII
BUSINESS AND ECONOMIC DEVELOPMENT
(Federal Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Department of Housing and Community Affairs	$ 135,505,609	$ 135,387,385
Office of Rural Community Affairs	90,431,409	90,419,171
Department of Transportation	3,772,012,771	3,280,744,763
Texas Workforce Commission	935,401,542	933,294,361
Subtotal, Business and Economic Development	$ 4,933,351,331	$ 4,439,845,680
Retirement and Group Insurance	37,352,542	39,812,487
Social Security and Benefit Replacement Pay	11,928,067	12,052,940
Subtotal, Employee Benefits	$ 49,280,609	$ 51,865,427
TOTAL, ARTICLE VII - BUSINESS AND ECONOMIC DEVELOPMENT	$ 4,982,631,940	$ 4,491,711,107

RECAPITULATION - ARTICLE VII
BUSINESS AND ECONOMIC DEVELOPMENT
(Other Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Department of Housing and Community Affairs	$ 15,543,458	$ 15,501,498
Office of Rural Community Affairs	446,708	446,708
Department of Transportation	3,958,765,824	4,089,560,849
Rider Appropriations	4,700,000	44,700,000
Total	3,963,465,824	4,134,260,849
Texas Workforce Commission	30,700,715	30,638,453
Contingency Appropriations	5,100,000	5,100,000
Total	35,800,715	35,738,453
Reimbursements to the Unemployment Compensation Benefit Account	12,122,894	11,120,175
Subtotal, Business and Economic Development	$ 4,027,379,599	$ 4,197,067,683
Retirement and Group Insurance	170,364,170	181,801,683
Social Security and Benefit Replacement Pay	49,523,411	49,982,864
Subtotal, Employee Benefits	$ 219,887,581	$ 231,784,547
Less Interagency Contracts	$ 83,060,224	$ 84,087,163
TOTAL, ARTICLE VII - BUSINESS AND ECONOMIC DEVELOPMENT	$ 4,164,206,956	$ 4,344,765,067

RECAPITULATION - ARTICLE VII
BUSINESS AND ECONOMIC DEVELOPMENT
(All Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Department of Housing and Community Affairs	$ 158,971,104	$ 155,298,584
Texas Lottery Commission	199,862,412	200,195,526
Office of Rural Community Affairs	97,433,789	97,413,871
Department of Transportation	7,731,290,543	7,370,817,560
Rider Appropriations	4,700,000	44,700,000
Total	7,735,990,543	7,415,517,560
Texas Workforce Commission	1,063,394,960	1,059,137,987
Contingency Appropriations	5,100,000	5,100,000
Total	1,068,494,960	1,064,237,987
Reimbursements to the Unemployment Compensation Benefit Account	17,475,197	16,179,506
Subtotal, Business and Economic Development	$ 9,278,228,005	$ 8,948,843,034
Retirement and Group Insurance	215,292,178	229,774,098
Social Security and Benefit Replacement Pay	63,991,717	64,602,428
Subtotal, Employee Benefits	$ 279,283,895	$ 294,376,526
Bond Debt Service Payments	4,807,071	4,936,815
Lease Payments	480,425	480,499
Subtotal, Debt Service	$ 5,287,496	$ 5,417,314
Less Interagency Contracts	$ 83,060,224	$ 84,087,163
TOTAL, ARTICLE VII - BUSINESS AND ECONOMIC DEVELOPMENT	$ 9,479,739,172	$ 9,164,549,711
Number of Full-Time-Equivalents (FTE)	19,008.8	19,003.8

ARTICLE VIII

REGULATORY

Sec. 1. The several sums of money herein specified, or so much thereby as may be necessary, are appropriated out of any funds in the State Treasury not otherwise appropriated, or out of special funds as indicated, for the support, maintenance, or improvement of the designated regulatory agencies.

STATE OFFICE OF ADMINISTRATIVE HEARINGS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 2,383,679	$ 2,383,677
Other Funds		
Appropriated Receipts	125,000	125,000
Interagency Contracts	2,122,807	2,135,528
State Highway Fund No. 006	3,107,742	3,107,742
Subtotal, Other Funds	$ 5,355,549	$ 5,368,270
Total, Method of Financing	$ 7,739,228	$ 7,751,947
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	111.0	111.0
Schedule of Exempt Positions:		
Chief Administrative Law Judge, Group 3	$98,625	$98,625
Items of Appropriation:		
A. Goal: ADMINISTRATIVE HEARINGS		
Provide for a Fair and Efficient Administrative Hearings Process.		
A.1.1. Strategy: CONDUCT HEARINGS	$ 6,664,184	$ 6,672,204
Conduct Hearings and Prepare Proposals for Decisions and Final Orders.		
A.2.1. Strategy: CONDUCT ALT DISPUTE RESOLUTION	$ 178,024	$ 178,025
Conduct Alternative Dispute Proceedings.		
Total, Goal A: ADMINISTRATIVE HEARINGS	$ 6,842,208	$ 6,850,229
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: INDIRECT ADMINISTRATION	$ 897,020	$ 901,718
Grand Total, STATE OFFICE OF ADMINISTRATIVE HEARINGS	$ 7,739,228	$ 7,751,947
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 6,294,860	$ 6,294,859
Other Personnel Costs	164,136	164,136
Professional Fees and Services	50,055	35,055
Consumable Supplies	74,960	74,960
Utilities	128,693	128,693
Travel	73,849	73,849
Rent - Building	238,109	238,109
Rent - Machine and Other	34,437	34,438
Other Operating Expense	600,370	632,889
Capital Expenditures	79,759	74,959
Total, Object-of-Expense Informational Listing	$ 7,739,228	$ 7,751,947
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 328,278	$ 334,843
Group Insurance	570,793	610,424

Social Security	438,502	447,272
Benefits Replacement	54,752	52,015
Subtotal, Employee Benefits	$ 1,392,325	$ 1,444,554
Debt Service		
Lease Payments	$ 496,788	$ 499,489
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,889,113	$ 1,944,043

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the State Office of Administrative Hearings. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the State Office of Administrative Hearings. In order to achieve the objectives and service standards established by this Act, the State Office of Administrative Hearings shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: ADMINISTRATIVE HEARINGS		
Outcome (Results/Impact):		
Percentage of Participants Surveyed Expressing Satisfaction with Overall Process	82%	82%
A.1.1. Strategy: CONDUCT HEARINGS		
Output (Volume):		
Number of Administrative License Revocation Cases Disposed	23,389	23,389
Number of Cases Disposed	28,802	28,802
Number of Administrative Fine Cases Disposed	1,193	1,193
Percent of Available Administrative Law Judge Time Spent on Case Work (non-Administrative License Revocation)	100%	100%
Efficiencies:		
Average Cost Per Case	300	300
Average Number of Days from Close of Record to Issuance of Proposal for Decision - Major Hearings	60	60
Average Time to Dispose of a Case (Median Number of Days)	85	85
Explanatory:		
Number of Cases Received	31,319	31,319
Number of Agencies Served	59	59
A.2.1. Strategy: CONDUCT ALT DISPUTE RESOLUTION		
Efficiencies:		
Average Cost Per Alternative Dispute Resolution Proceeding	2,265	2,265
Explanatory:		
Number of Alternative Dispute Resolution Cases Requested or Referred	161	161

2. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software versus the purchase of information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

	2006	2007
Out of the Interagency Contracts:		
a. Acquisition of Information Resource Technologies		
(1) Purchase of personal computers	$ 79,759	$ 74,959
Total, Capital Budget	$ 79,759	$ 74,959

3. **Interagency Contracts.** In executing interagency contracts with state agencies under its jurisdiction, the State Office of Administrative Hearings shall establish procedures which will allow agencies to establish a limitation on the aggregate billable amount for a fiscal year.

4. **Renegotiation of Lump Sum Contract.** Appropriations made above to Strategy A.1.1, Conduct Hearings, include $938,860 in fiscal year 2006 and $938,860 in fiscal year 2007 to fund the Natural Resources Division for the purpose of conducting hearings for the Texas Commission on Environmental Quality (TCEQ). The State Office of Administrative Hearings (SOAH) and TCEQ may not enter into a contract for an amount less than the specified amounts herein above. If SOAH determines, at the end of each fiscal year, that the amount paid under the contract exceeds the funding necessary for the Natural Resources Division, it shall refund the difference. If SOAH determines that these amounts are insufficient to fund the Natural Resources Division it may enter into negotiations with the TCEQ in order to renegotiate an interagency contract in a manner which will provide it with additional funds, provided that SOAH shall not be appropriated any state funds from such renegotiated interagency contract until it gives prior written notice to the Legislative Budget Board and the Governor, accompanied by written permission of the TCEQ.

5. **Benefit Collection.** Agencies that enter into contracts with the State Office of Administrative Hearings (SOAH), for the purpose of performing the hearings function, and make payments to SOAH from funding sources other than General Revenue, must reimburse SOAH for employee benefit costs for salaries and wages. These reimbursements to SOAH will then be paid to the General Revenue Fund in proportion to the source of funds from which the respective salary or wage is paid.

6. **Contingency Appropriation for Expanded Jurisdiction.** Contingent on the enactment of legislation by the Seventy-ninth Legislature transferring the hearings functions of other state agencies to the State Office of Administrative Hearings (SOAH), or otherwise expanding the jurisdiction of the office, SOAH is hereby authorized to expend funds transferred to the office from those agencies or funds appropriated for the purpose of handling the expanded jurisdiction, pursuant to provisions elsewhere in this Act. Appropriations authorized pursuant to this provision may be expended only to implement the transferred functions or expanded jurisdiction. All funds collected by SOAH as payment for, or reimbursement of, the office's costs of providing services to other state agencies or governmental entities, or others as directed by the Legislature, are appropriated to SOAH for its use during the biennium.

7. **Hearings Activity Report.** By May 1st and November 1st of each fiscal year, the State Office of Administrative Hearings (SOAH) shall submit to the Legislative Budget Board and the Governor a report detailing hearings activity conducted during the prior two fiscal year quarters. The report shall indicate, for each agency served, the person hours allocated to the agency's cases and the cost, both direct and indirect, of conducting the hearings. The report shall also indicate, for each agency served, the number of cases received, the number of cases disposed of, the number of administrative fine cases disposed of and the median number of days between the date a case is received by SOAH and the date the case is finally disposed of, during the reporting period.

8. **Interagency Contract for Administrative Law Judge Training.** Out of funds appropriated above, the State Office of Administrative Hearings shall enter into a contract in the amount of $25,000 with the Texas Center for the Judiciary for training of Administrative Law Judges. Any amounts not expended as of August 31, 2006, are appropriated for the fiscal year beginning September 1, 2006.

9. **Contingency for Additional Self-directed Semi-independent Agency Pilot Projects.** Contingent upon additional agencies added as a self-directed semi-independent (SDSI) agency pilot project by the Legislature during the 2006-07 biennium, the agency added as a SDSI pilot project that is listed in Rider 10 shall be removed from the exemption granted in Rider 10 below.

10. **Billing Rate for Workload.**

    a. Amounts appropriated above and elsewhere in this Act for funding for the payment of costs associated with administrative hearings conducted by the State Office of Administrative Hearings (SOAH) are based on an hourly rate of $100 per hour for each hour of work performed during each fiscal year as reflected by the SOAH's Legislative Appropriation Request and Hearings Activity Report to the Seventy-ninth Legislature.

b. Amounts appropriated above include General Revenue funding for 5,895.5 hours of work performed by SOAH for the Texas Workers' Compensation Commission (TWCC) for the 2006-07 biennium. Also included in amounts appropriated above is $658,017 in fiscal year 2006 and $670,738 in fiscal year 2007 in estimated interagency contracts for anticipated increased workload performed by SOAH for TWCC above the hours indicated in this subsection. These interagency amounts for additional work performed by SOAH for TWCC above the hours identified in this subsection are calculated at the rate identified in subsection (a) of this Section.

c. Amounts appropriated above in Strategy A.1.1, Conduct Hearings, to SOAH from the General Revenue include funding in each year of the biennium for billable casework hours performed by SOAH for conducting administrative hearings at the rate determined by SOAH and approved by the Legislature for the following agencies that do not have appropriations for paying SOAH costs for administrative hearings and are not subject to subsection (a) of this Section:

(1) Appraisal Certification and Licensing Board
(2) Board of Barber Examiners
(3) Board of Chiropractic Examiners
(4) Cosmetology Commission
(5) Credit Union Department
(6) Board of Dental Examiners
(7) Funeral Service Commission
(8) Board of Professional Geoscientists
(9) Board of Professional Land Surveying
(10) Board of Medical Examiners
(11) Board of Nurse Examiners
(12) Optometry Board
(13) Structural Pest Control Board
(14) Board of Pharmacy
(15) Executive Council of Physical and Occupational Therapy Examiners
(16) Board of Plumbing Examiners
(17) Board of Podiatric Medical Examiners
(18) Board of Examiners of Psychologists
(19) Board of Tax Professional Examiners
(20) Board of Veterinary Medical Examiners
(21) Secretary of State
(22) State Securities Board
(23) Public Utility Commission
(24) Teacher Retirement System of Texas
(25) Fire Fighters Pension Commission
(26) Employees Retirement System
(27) Texas Department of Housing and Community Affairs
(28) Texas Lottery Commission
(29) Department of Public Safety (Non-Administrative License Revocation Hearings)
(30) Texas Commission on Law Enforcement on Standards and Education
(31) Texas Commission on Fire Protection
(32) Texas Department of Insurance
(33) Texas Alcoholic Beverage Commission
(34) Texas Racing Commission
(35) Texas Department of Agriculture
(36) Texas Department of Transportation
(37) Texas Higher Education Coordinating Board
(38) Texas Parks and Wildlife Department
(39) Texas Department of Licensing and Regulation

DEPARTMENT OF BANKING

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 11,839,107	$ 11,746,612
Federal Funds	50,000	50,000
Appropriated Receipts	6,100	6,100
Total, Method of Financing	$ 11,895,207	$ 11,802,712
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 2,566,409	$ 2,533,380
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	169.0	169.0
Number of FTEs in Riders:	56.5	56.5
Schedule of Exempt Positions:		
Commissioner, Group 5	$136,191	$136,191
Items of Appropriation:		
A. Goal: EFFECTIVE REGULATION		
Effective Supervision and Regulation of Banks and Other Licensees.		
A.1.1. Strategy: BANK EXAMINATION Examine Banks, Trust Companies and Foreign Bank Agencies.	$ 7,965,017	$ 7,891,974
A.2.1. Strategy: NON-BANK EXAMINATION Perform Examinations of Non-bank Licensees.	$ 1,340,930	$ 1,327,890
A.3.1. Strategy: APPLICATION PROCESSING Process Applications and Information.	$ 367,234	$ 366,868
Total, Goal A: EFFECTIVE REGULATION	$ 9,673,181	$ 9,586,732
B. Goal: FINANCE COMMISSION OVERSIGHT		
Regulatory Oversight of Finance Commission Agencies.		
B.1.1. Strategy: REGULATORY SUPPORT Support Efforts of Finance-related Regulatory Agencies of the State.	$ 128,990	$ 128,990
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMINISTRATION	$ 2,093,036	$ 2,086,990
Grand Total, DEPARTMENT OF BANKING	$ 11,895,207	$ 11,802,712
Supplemental Appropriations Made in Riders:	$ 5,555,432	$ 5,555,432
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 13,117,586	$ 13,117,590
Other Personnel Costs	417,065	417,065
Professional Fees and Services	138,147	138,147
Fuels and Lubricants	64,409	64,409
Consumable Supplies	113,544	113,544
Utilities	923,200	923,200
Travel	1,157,447	1,157,447
Rent - Building	89,994	89,994
Rent - Machine and Other	28,227	28,227
Other Operating Expense	1,009,020	1,009,021
Capital Expenditures	392,000	299,500
Total, Object-of-Expense Informational Listing	$ 17,450,639	$ 17,358,144
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 513,427	$ 523,696
Group Insurance	910,756	979,793

Social Security	688,019	701,779
Benefits Replacement	69,336	65,869
Subtotal, Employee Benefits	$ 2,181,538	$ 2,271,137
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,181,538	$ 2,271,137

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Banking. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Department of Banking. In order to achieve the objectives and service standards established by this Act, the Department of Banking shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: EFFECTIVE REGULATION		
Outcome (Results/Impact):		
Percentage of Banks Receiving Examinations When Due	99%	99%
Percentage of Currency Exchange Licensees Examined by Special Audit When Due	91%	91%
Percentage of Bank and Trust, Sale of Check, Currency Exchange, and Private Child Support Enforcement Agency Registration and Renewal Applications Completed within the Statutory Time Period	93%	93%
A.1.1. Strategy: BANK EXAMINATION		
Output (Volume):		
Number of Bank and Foreign Bank Examinations Performed	133	127
Number of Trust Company, Trust Department, and Information Technology Examinations or Certifications and Other Specialized Reviews Performed	171	171
Explanatory:		
Percentage of State-chartered Bank Assets in Banks Classified Safe and Sound	97%	97%
A.2.1. Strategy: NON-BANK EXAMINATION		
Output (Volume):		
Number of Special Audit Licensees Examined	649	653
A.3.1. Strategy: APPLICATION PROCESSING		
Output (Volume):		
Number of Bank and Trust Applications, Notices, Filings and Currency Exchange, Sale of Check New Licensee and Private Child Support Enforcement Agency (PCSEA) Registration and Renewal Applications Completed	409	388

2. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

	2006	2007
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Purchase Computer Equipment	$ 175,000	$ 100,000
Total, Capital Budget	$ 175,000	$ 100,000

3. **Appropriation of Receipts.** In addition to amounts appropriated above, funds received by the Department of Banking pursuant to supervision or conservatorship proceedings as authorized under Texas Finance Code, § 35.101-35.113 are hereby appropriated to the department to pay costs incidental to such proceedings, including the salary and per diem expenses of the appointed supervisor or conservator (estimated to be $5,000 each year).

4. Contingency Appropriation: State Regulatory Response.

a. Contingent upon a finding of fact by the Finance Commission that additional resources are needed by the Department of Banking because: (1) the number of exams required for the state-chartered commercial banking industry under the jurisdiction of the Department of Banking, determined either as a function of assets, number of institutions, expanded specialty areas, or relative proportion of problem banks or problem bank assets in the state system, increases to a point where additional appropriations are required to maintain adequate regulation of the industry; (2) federal regulatory resources applied to the Texas state-chartered commercial banking industry, determined as a function of assets, have been reduced; or (3) the Department of Banking is unable to maintain adequate supervision of the industry and is unable to meet its examination frequency performance measures due to reductions in the quality or quantity of its examination staff, resulting either from examiner turnover, or an inability to recruit adequately qualified examiners because of salary levels, the Department of Banking is hereby appropriated out of fee revenues collected by the department an amount not to exceed $5,550,432 for fiscal year 2006 and $5,550,432 for fiscal year 2007 and the "Number of Full-time Equivalent Positions (FTE)" figure indicated above is hereby increased by no more than 56.5 for fiscal year 2006 and 56.5 for fiscal year 2007.

b. None of the funds appropriated in item (a) above may be expended by the Department of Banking unless the Finance Commission files a finding of fact with the Governor and the Legislative Budget Board and neither the Governor nor the Legislative Budget Board issues a written disapproval not later than:

(1) the 10th day after the date the staff of the Legislative Budget Board concludes its review of the findings of fact and forwards those findings of fact along with the conclusions or comments of the Legislative Budget Board staff to the Chair of the House Appropriations Committee, Chair of the Senate Finance Commitee, Speaker of the House, and Lieutenant Governor; and

(2) within 10 business days of the receipt of the finding of fact by the Governor.

c. The appropriations in item (a) are also contingent upon the Department of Banking generating sufficient additional fee revenues to cover these contingency appropriations and related employee benefits, and providing such information as may be deemed necessary by the Comptroller of Public Accounts to issue a finding of fact that the increased revenues will be available to fund the increased appropriation. These increased revenues must exceed $11,476,000 for fiscal year 2006 and $11,401,000 for fiscal year 2007 (Object Code 3172) contained in the Comptroller of Public Accounts' Biennial Revenue Estimate.

d. Funds appropriated in this provision may only be used to address issues included in the finding of fact submitted to the Governor and the Legislative Budget Board pursuant to subsection (b) above, and apply only to the 2006-07 biennium unless otherwise appropriated. It is the intent of the Legislature that these funds not be included in base level funding requests for the 2008-09 biennium.

5. Federal Per Diem Authorized. Employees of the Department of Banking, when traveling on official state business relating to the agency's regulatory responsibilities, may be authorized reimbursement for travel expenses, including mileage, at a rate equal to that paid by federal counterpart agencies.

6. Sharing of Receptionist. It is the intent of the Legislature that the Department of Banking, Savings and Loan Department, and Office of Consumer Credit Commissioner share one full-time-equivalent position each year of the biennium for the switchboard duties for the Finance Commission Building.

7. Contingent Revenue. Out of the amounts appropriated above to the Department of Banking in Strategy A.1.1, Bank Examination, the amounts of $585,540 in fiscal year 2006 and $568,040 in fiscal year 2007 and in Strategy C.1.1, Indirect Administration, the amounts of $17,764 in fiscal year 2006 and $17,764 in fiscal year 2007 in General Revenue for the purpose of providing Financial Examiner positions ($585,540 in fiscal year 2006 and $568,040 in fiscal year 2007)

and to fund an exempt position salary increase ($17,764 each fiscal year) are contingent upon the Department of Banking assessing fees sufficient to generate, during the 2006-07 biennium, $1,474,971 in excess of $25,227,000 (Object Codes 3172, 3175, and 3217), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. Also, the "Number of Full-time Equivalent Positions (FTE)" figure indicated above includes 10.0 FTEs in each fiscal year contingent upon the Department of Banking generating the amount of revenue indicated above. The Department of Banking, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Finance Commission's minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

BOARD OF CHIROPRACTIC EXAMINERS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 355,457	$ 352,398
Appropriated Receipts	13,007	13,007
Total, Method of Financing	$ 368,464	$ 365,405
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 126,932	$ 127,768
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	7.5	7.5
Schedule of Exempt Positions:		
Executive Director, Group 1	$56,000	$56,000
Per Diem of Board Members	4,050	4,050
Items of Appropriation:		
A. Goal: ENSURE PUBLIC PROTECTION Provide Public Protection through Enforcement of Chiropractic Statutes.		
A.1.1. Strategy: LICENSING SYSTEM Operate a Comprehensive Licensing System for Chiropractors.	$ 120,425	$ 120,402
A.1.2. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 38,832	$ 38,832
A.1.3. Strategy: LICENSING INDIRECT ADMINISTRATION Indirect Administration for Licensing System.	$ 92,760	$ 89,904
A.2.1. Strategy: ENFORCEMENT Provide a System to Investigate and Resolve Complaints.	$ 107,688	$ 108,008
A.2.2. Strategy: ENFORCEMENT INDIRECT ADMINISTRATION Indirect Administration for Enforcement.	$ 8,759	$ 8,259
Total, Goal A: ENSURE PUBLIC PROTECTION	$ 368,464	$ 365,405
Grand Total, BOARD OF CHIROPRACTIC EXAMINERS	$ 368,464	$ 365,405
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 255,905	$ 255,904
Other Personnel Costs	3,480	3,720
Professional Fees and Services	15,725	12,225
Consumable Supplies	3,500	3,500
Utilities	2,200	2,200

Travel	15,000	15,000
Rent - Building	200	200
Rent - Machine and Other	3,500	3,500
Other Operating Expense	68,954	69,156
Total, Object-of-Expense Informational Listing	$ 368,464	$ 365,405
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 12,504	$ 12,755
Group Insurance	30,519	32,978
Social Security	17,646	17,999
Benefits Replacement	919	873
Subtotal, Employee Benefits	$ 61,588	$ 64,605
Debt Service		
Lease Payments	$ 29,075	$ 31,149
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 90,663	$ 95,754

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Board of Chiropractic Examiners. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Board of Chiropractic Examiners. In order to achieve the objectives and service standards established by this Act, the Board of Chiropractic Examiners shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: ENSURE PUBLIC PROTECTION		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	99%	99%
Percent of Licensees Who Renew Online	35%	40%
Percent of New Individual Licenses Issued Online	35%	40%
Percent of Complaints Resulting in Disciplinary Action	17%	17%
A.1.1. Strategy: LICENSING SYSTEM		
Output (Volume):		
Number of Individuals Examined	350	360
Number of New Licenses Issued to Individuals	350	352
Number of Licenses Renewed (Individuals)	5,200	5,400
Efficiencies:		
Average Licensing Cost Per Individual License Issued	8.86	8.86
Average Licensing Cost Per Facility License Issued	4.37	4.23
Explanatory:		
Total Number of Business Facilities Licensed	2,546	2,623
A.2.1. Strategy: ENFORCEMENT		
Output (Volume):		
Number of Complaints Resolved	935	937
Efficiencies:		
Average Time Per Complaint Resolution (Days)	125	125
Explanatory:		
Number of Jurisdictional Complaints Received	275	278

2. **Sunset Contingency.** Funds appropriated above for fiscal year 2007 for the Board of Chiropractic Examiners are made contingent on the continuation of the Board of Chiropractic Examiners by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

3. **Contingent Revenue.** Out of the amounts appropriated above to the Board of Chiropractic Examiners in Strategy A.1.3, Licensing Indirect Administration, the amounts of $4,000 in fiscal year 2006 and $4,000 in fiscal year 2007 and in Strategy A.2.1, Enforcement, the amounts of $16,361 in fiscal year 2006 and $16,360 in fiscal year 2007 in General Revenue to provide funding for additional positions ($16,361 in fiscal year 2006 and $16,360 in fiscal year 2007) and to fund an exempt position salary increase ($4,000 per year) are contingent upon the Board of Chiropractic Examiners assessing fees sufficient to generate, during the 2006-07 biennium,

$52,301 in excess of $2,317,000 (Object Code 3562), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Board of Chiropractic Examiners, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Board of Chiropractic Examiners' minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

OFFICE OF CONSUMER CREDIT COMMISSIONER

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 3,605,599	$ 3,605,599
Total, Method of Financing	$ 3,605,599	$ 3,605,599
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 759,134	$ 746,744
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	55.0	55.0
Number of FTEs in Riders:	9.0	9.0
Schedule of Exempt Positions:		
Commissioner, Group 3	$100,000	$100,000
Items of Appropriation:		
A. Goal: EFFECTIVE ENFORCEMENT		
Prompt, Fair and Effective Enforcement of Statutes and Regulations.		
A.1.1. Strategy: COMPLAINT RESOLUTION	$ 182,483	$ 182,483
Resolve Complaints, Identify Problem Creditors.		
B. Goal: CONSUMER PROTECTION		
Provide Consumer Protection through Licensure Standards.		
B.1.1. Strategy: EXAMINATION AND ENFORCEMENT	$ 2,164,499	$ 2,164,499
Conduct Examinations and Initiate Enforcement Action When Appropriate.		
B.2.1. Strategy: LICENSING INVESTIGATION	$ 746,067	$ 746,067
Investigate, Review and Act on License Applications.		
Total, Goal B: CONSUMER PROTECTION	$ 2,910,566	$ 2,910,566
C. Goal: CREDIT EDUCATION		
Educate Consumers and Creditors on Their Rights and Responsibilities.		
C.1.1. Strategy: CONSUMER EDUCATION	$ 226,681	$ 226,681
Consumer Education through Credit Grantors and Trade Organizations.		
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: INDIRECT ADMINISTRATION	$ 285,869	$ 285,869
Grand Total, OFFICE OF CONSUMER CREDIT COMMISSIONER	$ 3,605,599	$ 3,605,599
Supplemental Appropriations Made in Riders:	$ 522,000	$ 522,000
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 2,462,985	$ 2,462,985
Other Personnel Costs	47,592	47,592
Professional Fees and Services	196,800	196,800

Consumable Supplies	70,800	70,800
Utilities	28,966	28,966
Travel	591,700	591,700
Rent - Building	4,000	4,000
Rent - Machine and Other	8,504	8,504
Other Operating Expense	641,252	641,252
Capital Expenditures	75,000	75,000
Total, Object-of-Expense Informational Listing	$ 4,127,599	$ 4,127,599
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 115,930	$ 118,248
Group Insurance	353,667	382,681
Social Security	150,480	153,490
Benefits Replacement	12,324	11,707
Subtotal, Employee Benefits	$ 632,401	$ 666,126
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 632,401	$ 666,126

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Office of Consumer Credit Commissioner. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Office of Consumer Credit Commissioner. In order to achieve the objectives and service standards established by this Act, the Office of Consumer Credit Commissioner shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: EFFECTIVE ENFORCEMENT		
Outcome (Results/Impact):		
Percent of Written Complaints Resolved within 90 Calendar Days	95%	95%
A.1.1. Strategy: COMPLAINT RESOLUTION		
Output (Volume):		
Number of Complaints Closed	2,650	2,650
Number of Field Investigations Initiated	80	80
B. Goal: CONSUMER PROTECTION		
Outcome (Results/Impact):		
Percentage of Examinations Reporting Acceptable Level of Compliance	95%	95%
Monies Returned to Consumers from Licensed Lenders	890,000	890,000
Percent of New Licensees Undergoing Background Checks When Required	100%	100%
B.1.1. Strategy: EXAMINATION AND ENFORCEMENT		
Output (Volume):		
Number of Compliance Examinations Performed	3,140	3,175
B.2.1. Strategy: LICENSING INVESTIGATION		
Output (Volume):		
Number of Business Applications Processed	1,500	1,000
Number of Employee License Applications Processed	2,100	2,100
C. Goal: CREDIT EDUCATION		
Outcome (Results/Impact):		
Percentage of Texans Reached through Public Service Announcements, Press Releases, and Distribution of Pamphlets	12%	12%
C.1.1. Strategy: CONSUMER EDUCATION		
Output (Volume):		
Number of Consumers Receiving In-person Services	100,000	100,000

2. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the

purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

	2006	2007
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Acquisition of Information Resources Technologies - Replacement Schedule	$ 45,000	$ 45,000
Total, Capital Budget	$ 45,000	$ 45,000

3. **Appropriation: Criminal Record Check Receipts.** Funds appropriated above in Strategy B.2.1, Licensing Investigation, include receipts collected pursuant to Texas Finance Code § 14.151. Contingent upon certification by the Office of Consumer Credit Commissioner and verification by the Comptroller, all fees collected in excess of $130,000 each year of the biennium are hereby appropriated to the Office of the Consumer Credit Commissioner. These funds shall be used for the sole purpose of acquiring criminal record checks from the Department of Public Safety, Federal Bureau of Investigation, or other law enforcement agency.

4. **Sharing of Receptionist.** It is the intent of the Legislature that the Department of Banking, Savings and Loan Department, and Office of Consumer Credit Commissioner share one full-time-equivalent position each year of the biennium for the switchboard duties for the Finance Commission Building.

5. **Contingent Revenue.** Out of the amounts appropriated above to the Office of Consumer Credit Commissioner in Strategy B.1.1, Examination and Enforcement, the amounts of $131,000 in fiscal year 2006 and $131,000 in fiscal year 2007, in Strategy B.2.1, Licensing Investigation, the amounts of $44,000 in fiscal year 2006 and $44,000 in fiscal year 2007, and in Strategy D.1.1, Indirect Administration, the amounts of $10,000 in fiscal year 2006 and $10,000 in fiscal year 2007 in General Revenue for the purposes of motor vehicle finance sales regulation ($175,000 each fiscal year) and to fund an exempt position salary increase ($10,000 each fiscal year) are contingent upon the Office of Consumer Credit Commissioner assessing fees sufficient to generate, during the 2006-07 biennium, $454,462 in excess of $6,792,000 (Object Codes 3172, 3174, and 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. Also, the "Number of Full-time Equivalent Positions (FTE)" figure indicated above includes 3.0 FTEs in each fiscal year contingent upon the Office of Consumer Credit Commissioner generating the amount of revenue indicated above. The Office of Consumer Credit Commissioner, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Finance Commission's minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

6. **Contingency Appropriation: Regulatory Response.**
   a. Contingent upon a finding of fact by the Finance Commission that additional resources are needed by the Office of Consumer Credit Commissioner for regulation of the Texas motor vehicle sales finance or payday lending industries, the Office of Consumer Credit Commissioner is hereby appropriated out of fee revenues collected by the agency an amount not to exceed $522,000 for fiscal year 2006 and $522,000 for fiscal year 2007, and the "Number of Full-time Equivalent Positions (FTE)" figure indicated above is hereby increased by no more than 9.0 for fiscal year 2006 and 9.0 for fiscal year 2007.

   b. None of the funds appropriated in item (a) above may be expended by the Office of Consumer Credit Commissioner unless the Finance Commission files a finding of fact with the Governor and the Legislative Budget Board and neither the Governor nor the Legislative Budget Board issues a written disapproval not later than:

(1) the 10th day after the date the staff of the Legislative Budget Board concludes its review of the findings of fact and forwards those findings of fact along with the conclusions or comments of the Legislative Budget Board staff to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor; and

(2) within 10 business days of the receipt of the finding of fact by the Governor.

c. The appropriations in item (a) are also contingent upon the Office of Consumer Credit Commissioner generating sufficient additional fee revenues to cover these contingency appropriations and related employee benefits, and providing such information as may be deemed necessary by the Comptroller of Public Accounts to issue a finding of fact that the increased revenues will be available to fund the increased appropriation. These increased revenues must exceed $3,396,000 for fiscal year 2006 and $3,396,000 for fiscal year 2007 (Object Codes 3172, 3174, and 3175) contained in the Comptroller of Public Accounts' Biennial Revenue Estimate.

d. Funds appropriated in this provision may only be used to address issues included in the finding of fact submitted to the Governor and the Legislative Budget Board pursuant to subsection (b) above, and apply only to the 2006-07 biennium unless otherwise appropriated. It is the intent of the Legislature that these funds not be included in base level funding requests for the fiscal year 2008-09 biennium.

CREDIT UNION DEPARTMENT

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 1,759,452	$ 1,743,782
Total, Method of Financing	$ 1,759,452	$ 1,743,782
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 391,619	$ 384,371
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	26.0	26.0
Number of FTEs in Riders:	3.0	5.0
Schedule of Exempt Positions:		
Commissioner, Group 4	$105,000	$105,000
Per Diem of Commission Members	540	540
Items of Appropriation:		
A. Goal: EFFECTIVE SUPERVISION & REGULATION		
Effectively Supervise and Regulate State-chartered Credit Unions.		
A.1.1. Strategy: EXAMINE CREDIT UNIONS	$ 1,586,581	$ 1,570,911
Examine Credit Union Operations.		
A.2.1. Strategy: PROCESS APPLICATIONS	$ 94,293	$ 94,293
Process, Investigate and Evaluate Applications.		
Total, Goal A: EFFECTIVE SUPERVISION & REGULATION	$ 1,680,874	$ 1,665,204
B. Goal: ENSURE SAFETY AND SOUNDNESS		
Ensure State-chartered Credit Unions Operate in a Safe & Sound Manner.		
B.1.1. Strategy: DEPARTMENTAL OVERSIGHT	$ 78,578	$ 78,578
Provide Oversight of Departmental Operations.		
Grand Total, CREDIT UNION DEPARTMENT	$ 1,759,452	$ 1,743,782
Supplemental Appropriations Made in Riders:	$ 120,000	$ 192,000

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,560,817	$ 1,617,147
Other Personnel Costs	18,350	18,350
Professional Fees and Services	13,769	13,769
Consumable Supplies	7,000	7,000
Utilities	15,785	15,785
Travel	195,594	195,594
Rent - Machine and Other	5,000	5,000
Other Operating Expense	63,137	63,137
Total, Object-of-Expense Informational Listing	$ 1,879,452	$ 1,935,782
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 73,112	$ 74,574
Group Insurance	152,139	164,401
Social Security	98,891	100,868
Benefits Replacement	8,548	8,121
Subtotal, Employee Benefits	$ 332,690	$ 347,964
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 332,690	$ 347,964

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Credit Union Department. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Credit Union Department. In order to achieve the objectives and service standards established by this Act, the Credit Union Department shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: EFFECTIVE SUPERVISION & REGULATION		
Outcome (Results/Impact):		
Percentage of Credit Unions Receiving Regular Examinations Annually	96%	96%
Percentage of Safe and Sound Credit Unions	95%	95%
Percentage of Complete Charter and Bylaw Applications Approved or Denied within 60 Days	100%	100%
A.1.1. Strategy: EXAMINE CREDIT UNIONS		
Output (Volume):		
Number of Examinations Performed	228	228
Efficiencies:		
Average Cost Per Regular Examination	5,732	5,732
Explanatory:		
Number of State-chartered Credit Unions	238	238
Percentage of Credit Unions Providing Services to Low Income or Underserved Populations	5.6%	5.6%
A.2.1. Strategy: PROCESS APPLICATIONS		
Output (Volume):		
Number of Applications Processed	153	153
B. Goal: ENSURE SAFETY AND SOUNDNESS		
Outcome (Results/Impact):		
Percentage of Rule Changes Provided to Credit Unions within 60 Days after Adoption	100%	100%

2. **Appropriation: Supervisions and Conservatorships.** Funds received by the Credit Union Department pursuant to supervision or conservatorship proceedings, as authorized by the Texas Finance Code § 126.101, are hereby appropriated for costs related to such proceedings, including the salary and per diem of the appointed supervisor or conservator.

3. **Appropriation: Educational and Examination Receipts.** Funds received by the Credit Union Department to support staff attendance at graduate schools of banking, seminars, conferences, or other training or education activity considered by the commissioner to be of benefit to the Department are hereby appropriated to the Department for such purposes. The Credit Union Department is also authorized to accept funds for reimbursement from the National Credit Union Share Insurance Fund, or any other insurer, for costs incidental or necessary to examination and supervision of credit unions.

4. Contingency Appropriation: Regulatory Response.

a. Contingent upon a finding of fact by the Credit Union Commission that:

(1) the size of the state-chartered credit union industry under the jurisdiction of the Credit Union Department, determined either as a function of assets or number of institutions, has grown to a point where additional appropriations are deemed necessary to maintain adequate regulation of the industry; or

(2) increased incidents of regulatory and supervisory concern regarding the safe and sound operations of credit unions under the Department's jurisdiction have occurred to the extent that additional appropriations are deemed necessary to maintain adequate regulation of the industry; or

(3) a reduction of federal regulatory resources applied to the Texas state-chartered credit union industry by the National Credit Union Administration has occurred to the extent that additional appropriations are deemed necessary to adequate regulation of the industry;

the following amounts, or any part thereof as found to be necessary by the Credit Union Commission, are hereby appropriated to the Credit Union Department out of the General Revenue Fund in an amount not to exceed $120,000 for fiscal year 2006 and an amount not to exceed $192,000 for fiscal year 2007 and the "Number of Full-Time Equivalents (FTE)" figure indicated above is hereby increased by no more than 3 for fiscal year 2006 and 5 for fiscal year 2007.

b. None of the funds appropriated pursuant to this provision may be expended by the Credit Union Department unless:

(1) the Credit Union Commission files a written copy of the finding of fact, referenced in subsection 4(a) above, with the Governor and the Legislative Budget Board; and

(2) neither the Governor nor the Legislative Budget Board issues a written disapproval not later than:

(a) the 10th day after the date the staff of the Legislative Budget Board concludes its review of the findings of fact and forwards those findings of fact along with the conclusions or comments of the Legislative Budget Board staff to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor; and

(b) within 10 business days of the receipt of the finding of fact by the Governor.

(3) The appropriations in item 4(a) are also contingent upon the Department generating sufficient additional fee revenues to cover these contingency appropriations and related employee benefits and providing such information as may be deemed necessary by the Comptroller of Public Accounts to issue a finding of fact that the increased revenues will be available to fund the increased appropriations. These increased revenues must exceed $1,894,000 (Object Code 3172) contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal year 2006 and fiscal year 2007.

c. Funds appropriated in this provision may only be used to address issues included in the finding of fact submitted to the Governor and the Legislative Budget Board pursuant to subsection 4(b) above, and apply only to the 2006-07 biennium unless otherwise appropriated. It is the intent of the Legislature that these funds not be included in base level funding requests for the fiscal year 2008-09 biennium.

5. Contingent Revenue. Out of the amounts appropriated above to the Credit Union Department in Strategy A.1.1, Examine Credit Unions, the amounts of $105,182 in fiscal year 2006 and $89,511 in fiscal year 2007 in General Revenue to provide funding for credit union examinations ($31,313 each fiscal year), examiner salary increases ($63,869 in fiscal year 2006 and $48,198 in fiscal year 2007), and to fund an exempt position salary increase ($10,000 each fiscal year) are contingent upon the Credit Union Department assessing fees sufficient to generate, during the 2006-07 biennium, $248,920 in excess of $3,788,000 (Object Code 3172),

contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Credit Union Department, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Credit Union Commission's minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

TEXAS STATE BOARD OF DENTAL EXAMINERS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 1,429,541	$ 1,435,561
Appropriated Receipts	200,000	200,000
Total, Method of Financing	$ 1,629,541	$ 1,635,561
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 452,378	$ 455,921
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	29.0	29.0
Schedule of Exempt Positions:		
Executive Director, Group 2	$70,000	$70,000
Per Diem of Board Members	21,840	21,840
Items of Appropriation:		
A. Goal: QUALITY DENTAL CARE		
To Ensure Quality Dental Care for the People of Texas.		
A.1.1. Strategy: COMPLAINT RESOLUTION Provide a System to Investigate and Resolve Complaints.	$ 839,015	$ 838,491
A.1.2. Strategy: INDIRECT ADMIN-COMPLAINT RESOLUTION Indirect Administration - Complaint Resolution.	$ 51,699	$ 51,699
A.1.3. Strategy: PEER ASSISTANCE PROGRAM Provide a Peer Assistance Program for Licensed Individuals.	$ 123,659	$ 123,659
A.2.1. Strategy: LICENSURE & REGISTRATION Conduct an Efficient Licensure and Examination Process.	$ 390,009	$ 388,404
A.2.2. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 194,478	$ 202,627
A.2.3. Strategy: INDIRECT ADMIN - LIC/REGISTRATION Indirect Administration - Licensure and Registration.	$ 30,681	$ 30,681
Total, Goal A: QUALITY DENTAL CARE	$ 1,629,541	$ 1,635,561
Grand Total, TEXAS STATE BOARD OF DENTAL EXAMINERS	$ 1,629,541	$ 1,635,561
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 889,310	$ 889,310
Other Personnel Costs	13,694	19,650
Professional Fees and Services	304,934	300,034
Consumable Supplies	13,400	13,400
Utilities	8,010	8,010
Travel	53,100	53,100
Rent - Building	105	105

Rent - Machine and Other	7,400	7,400
Other Operating Expense	339,588	344,552
Total, Object-of-Expense Informational Listing	$ 1,629,541	$ 1,635,561
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 50,075	$ 51,076
Group Insurance	145,554	157,074
Social Security	79,782	81,377
Benefits Replacement	7,748	7,361
Subtotal, Employee Benefits	$ 283,159	$ 296,888
Debt Service		
Lease Payments	$ 103,829	$ 111,233
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 386,988	$ 408,121

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Texas State Board of Dental Examiners. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas State Board of Dental Examiners. In order to achieve the objectives and service standards established by this Act, the Texas State Board of Dental Examiners shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: QUALITY DENTAL CARE		
Outcome (Results/Impact):		
Percent of Complaints Resulting in Disciplinary Action	16%	16%
Percent of Licensees with No Recent Violations: Dentist	99.4%	99.4%
Percent of Licensees Who Renew Online	25%	50%
Percent of New Individual Licenses Issued Online	10%	25%
A.1.1. Strategy: COMPLAINT RESOLUTION		
Output (Volume):		
Number of Complaints Resolved	1,096	1,096
Efficiencies:		
Average Time for Complaint Resolution (Days)	400	400
Explanatory:		
Number of Jurisdictional Complaints Received	1,114	1,248
A.1.3. Strategy: PEER ASSISTANCE PROGRAM		
Output (Volume):		
Number of Licensed Individuals Participating in a Peer Assistance Program	64	64
A.2.1. Strategy: LICENSURE & REGISTRATION		
Output (Volume):		
Number of New Licenses Issued to Individuals: Dentists	456	456
Number of Licenses Renewed (Individuals): Dentists	12,967	13,387
Number of New Licenses Issued to Individuals: Dental Hygienists	474	474
Number of Licenses Renewed (Individuals): Dental Hygienists	9,986	10,447
Efficiencies:		
Average Licensing Cost Per Individual License Issued: Dentist	4.52	4.52
Average Licensing Cost Per Facility License Issued	8	8
Average Licensing Cost Per Individual License Issued: Dental Hygienist	3.35	3.35
Explanatory:		
Total Number of Business Facilities Licensed	1,050	1,050

2. **Contingent Revenue.** Out of the amounts appropriated above to the State Board of Dental Examiners in Strategy A.1.1, Complaint Resolution, the amounts of $7,000 in fiscal year 2006 and $7,000 in fiscal year 2007 in General Revenue for the purpose of an exempt position salary increase are contingent upon the State Board of Dental Examiners assessing fees sufficient to generate, during the 2006-07 biennium, $18,164 in excess of $5,688,000 (Object Code 3562), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The State Board of Dental Examiners, upon completion of necessary actions to

access or increase such additional fees, shall furnish copies of the State Board of Dental Examiners' minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

3. Competitive Bidding Processes.

a. It is the intent of the Legislature that none of the funds appropriated above may be used for entering into a contract or agreement or for amendment or extension of a contract or agreement or for administration or oversight of a contract or agreement of any kind or for direct payment to a vendor for goods or services including the administration of examinations unless the vendor is selected following competitive bidding procedures and openness in contracting including:

(1) appropriate advertisement by the agency of the availability of the contract including using the internet and services available for the Texas Building and Procurement Commission;
(2) solicitation by the agency of requests for proposals;
(3) selection of a vendor based on the best value for the state;
(4) multiple bidders;
(5) use of the master bidder list compiled by the Texas Building and Procurement Commission; and
(6) other good contracting principles.

b. It is the intent of the Legislature that this rider apply to all contracts and agreements and to all amendments or extensions of a contract or agreement or for administration or oversight of any contract or agreement of any kind and for direct payment to a vendor for goods or services including the administration of examinations without regard to amount.

FUNERAL SERVICE COMMISSION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 566,311	$ 566,311
Appropriated Receipts	45,000	45,000
Total, Method of Financing	$ 611,311	$ 611,311
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 164,892	$ 166,517
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	11.0	11.0
Schedule of Exempt Positions:		
Executive Director, Group 1	$55,816	$55,816
Per Diem of Board Members	3,850	3,850
Items of Appropriation:		
A. Goal: COMPETENT LICENSEES		
Manage Examination/Licensure to Develop Competent & Ethical Licensees.		
A.1.1. Strategy: LICENSING REQUIREMENTS Issue and Renew Licenses, Monitor Continuing Education.	$ 234,364	$ 234,364
A.1.2. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 25,000	$ 25,000

A.1.3. Strategy: INDIRECT ADMINISTRATION Indirect Administration - Licensing Requirements.	$ 41,151	$ 41,151
Total, Goal A: COMPETENT LICENSEES	$ 300,515	$ 300,515
B. Goal: ENFORCE STANDARDS To Aggressively & Effectively Provide Enforcement & Protect the Public.		
B.1.1. Strategy: INSPECTIONS Provide Enforcement through Inspections and Investigations.	$ 153,473	$ 153,473
B.1.2. Strategy: INDIRECT ADMINISTRATON Indirect Administration - Inspections.	$ 24,690	$ 24,690
B.2.1. Strategy: RULE COMPLIANCE Review Investigated Complaints & Recommend Disciplinary/Other Action.	$ 116,172	$ 116,172
B.2.2. Strategy: INDIRECT ADMINISTRATION Indirect Administration - Rule Compliance.	$ 16,461	$ 16,461
Total, Goal B: ENFORCE STANDARDS	$ 310,796	$ 310,796
Grand Total, FUNERAL SERVICE COMMISSION	$ 611,311	$ 611,311
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 371,216	$ 371,216
Other Personnel Costs	2,280	2,280
Professional Fees and Services	41,911	41,911
Consumable Supplies	2,000	2,000
Utilities	3,000	3,000
Travel	30,000	30,000
Rent - Building	120	120
Rent - Machine and Other	5,000	5,000
Other Operating Expense	155,784	155,784
Total, Object-of-Expense Informational Listing	$ 611,311	$ 611,311
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 22,319	$ 22,765
Group Insurance	60,906	65,476
Social Security	31,478	32,108
Subtotal, Employee Benefits	$ 114,703	$ 120,349
Debt Service		
Lease Payments	$ 42,585	$ 45,623
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 157,288	$ 165,972

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Funeral Service Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Funeral Service Commission. In order to achieve the objectives and service standards established by this Act, the Funeral Service Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: COMPETENT LICENSEES		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	93%	93%
Percent of Licensees Who Renew Online	65%	65%
Percent of New Individual Licenses Issued Online	10%	15%
A.1.1. Strategy: LICENSING REQUIREMENTS		
Output (Volume):		
Number of New Licenses Issued to Individuals	250	250

Number of Individual Licenses Renewed	2,400	2,400
Number of New Licenses Issued to Facilities	100	100
Number of Facility Licenses Renewed	1,300	1,300
Number of Individuals Examined	300	300
Efficiencies:		
Average Licensing Cost Per Individual License Issued	28	28
Average Licensing Cost Per Facility License Issued	35	35
Average Cost Per Exam Administered	40	40
Explanatory:		
Total Number of Individuals Licensed	4,600	4,600
Total Number of Facilities Licensed	1,325	1,325
B. Goal: ENFORCE STANDARDS		
Outcome (Results/Impact):		
Percent of Complaints Resolved within Six Months	75%	75%
Percent of Complaints Resulting in Disciplinary Action	25%	25%
B.1.1. Strategy: INSPECTIONS		
Output (Volume):		
Number of Complaints Resolved	200	200
Number of Establishments Inspected	1,000	1,000
Number of Complaints Pending	30	30
Efficiencies:		
Average Time for Complaint Resolution (Days)	120	120
Average Cost Per Complaint Resolved	250	250
Explanatory:		
Number of Jurisdictional Complaints Received	250	250

2. Contingent Revenue. Out of the amounts appropriated above to the Funeral Service Commission in Strategy A.1.1, Licensing Requirements, the amounts of $5,000 in fiscal year 2006 and $5,000 in fiscal year 2007, and in Strategy B.1.1, Inspections, the amounts of $5,000 in fiscal year 2006 and $5,000 in fiscal year 2007 in General Revenue for the purpose of an exempt position salary increase are contingent upon the Funeral Service Commission assessing fees sufficient to generate, during the 2006-07 biennium, $25,948 in excess of $2,840,000 (Object Code 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Funeral Service Commission, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Funeral Service Commission's minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

BOARD OF PROFESSIONAL GEOSCIENTISTS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 430,060	$ 428,164
Total, Method of Financing	$ 430,060	$ 428,164
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 81,665	$ 83,418
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	6.0	6.0
Schedule of Exempt Positions:		
Executive Director, Group 1	$52,400	$52,400
Per Diem of Board Members	540	540

Items of Appropriation:		
A. Goal: LICENSING		
Assure Geoscience is Practiced Only by Qualified/Registered Licensees.		
A.1.1. Strategy: APPLICATION REVIEW Evaluate Applications and Ensure Proper Examination.	$ 178,571	$ 175,571
A.1.2. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 30,000	$ 30,000
A.1.3. Strategy: INFORMATIONAL SERVICES Maintain Current Registry and Provide Timely Information.	$ 55,992	$ 57,096
A.1.4. Strategy: INDIRECT ADMINISTRATION	$ 11,429	$ 11,429
Total, Goal A: LICENSING	$ 275,992	$ 274,096
B. Goal: ENFORCEMENT		
Ensure Effective Enforcement of TX Geoscience Practice Act.		
B.1.1. Strategy: ENFORCEMENT Investigate & Reach Final Resolution of Reported Violations.	$ 148,354	$ 148,354
B.1.2. Strategy: INDIRECT ADMINISTRATION	$ 5,714	$ 5,714
Total, Goal B: ENFORCEMENT	$ 154,068	$ 154,068
Grand Total, BOARD OF PROFESSIONAL GEOSCIENTISTS	$ 430,060	$ 428,164
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 222,680	$ 228,680
Other Personnel Costs	4,020	6,124
Professional Fees and Services	33,650	24,610
Consumable Supplies	16,000	16,000
Utilities	2,500	2,500
Travel	19,348	19,348
Rent - Building	900	900
Rent - Machine and Other	26,000	26,000
Other Operating Expense	104,962	104,002
Total, Object-of-Expense Informational Listing	$ 430,060	$ 428,164
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 10,745	$ 10,960
Group Insurance	22,143	23,582
Social Security	15,489	15,799
Benefits Replacement	927	880
Subtotal, Employee Benefits	$ 49,304	$ 51,221
Debt Service		
Lease Payments	$ 15,335	$ 16,429
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 64,639	$ 67,650

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Board of Professional Geoscientists. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Board of Professional Geoscientists. In order to achieve the objectives and service standards established by this Act, the Board of Professional Geoscientists shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: LICENSING		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	98%	98%

Percent of Licensees Who Renew Online	85%	85%
Percent of New Individual Licenses Issued Online	0%	25%
A.1.1. Strategy: APPLICATION REVIEW		
Output (Volume):		
Number of New Licenses Issued to Individuals	250	350
Efficiencies:		
Average Licensing Cost Per Individual License Issued	33.64	32.63
Percentage of New Individual Licenses Issued within 10 Days	95%	95%
Percentage of Individual License Renewals Issued within 7 Days	75%	75%
Explanatory:		
Total Number of Individuals Licensed	6,200	6,300
A.1.3. Strategy: INFORMATIONAL SERVICES		
Output (Volume):		
Number of Licenses Renewed (Individuals)	6,200	6,300
Explanatory:		
Average Time for Individual License Renewal (Days)	7	7
B. Goal: ENFORCEMENT		
Outcome (Results/Impact):		
Percent of Complaints Resulting in Disciplinary Action	14%	14%
Percent of Documented Complaints Resolved within Six Months	100%	100%
B.1.1. Strategy: ENFORCEMENT		
Output (Volume):		
Complaints Resolved	360	360
Number of Enforcement Cases and Inquiries Resolved	71	81
Number of Compliance Orders Issued	3	3
Number of Disciplinary Actions Taken	3	3
Efficiencies:		
Average Time for Complaint Resolution (Days)	110	110
Average Cost Per Complaint Investigation	185.76	185.76
Explanatory:		
Jurisdictional Complaints Received	350	350

2. **Contingent Revenue.** Out of the amounts appropriated above to the Board of Professional Geoscientists in Strategy B.1.1, Enforcement, the amounts of $52,127 in fiscal year 2006 and $52,128 in fiscal year 2007 in General Revenue for the purposes of enforcement activities, are contingent upon the Board of Professional Geoscientists assessing fees sufficient to generate, during the 2006-07 biennium, $104,255 in excess of $1,971,000 (Object Code 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Board of Professional Geoscientists, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Board of Professional Geoscientists' minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

HEALTH PROFESSIONS COUNCIL

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
Interagency Contracts	$ 144,224	$ 144,224
Total, Method of Financing	$ 144,224	$ 144,224
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	2.0	2.0

Items of Appropriation:		
A. Goal: COORDINATION AND SUPPORT		
A.1.1. Strategy: AGENCY COORDINATION AND SUPPORT Member Agency Coordination and Support.	$ 144,224	$ 144,224
Grand Total, HEALTH PROFESSIONS COUNCIL	$ 144,224	$ 144,224
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 82,639	$ 82,639
Other Personnel Costs	3,700	3,700
Professional Fees and Services	10,650	10,650
Consumable Supplies	2,000	2,000
Utilities	120	120
Travel	600	600
Other Operating Expense	44,515	44,515
Total, Object-of-Expense Informational Listing	$ 144,224	$ 144,224
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 5,707	$ 5,821
Group Insurance	11,529	12,278
Social Security	4,858	4,955
Benefits Replacement	1,004	954
Subtotal, Employee Benefits	$ 23,098	$ 24,008
Debt Service		
Lease Payments	$ 15,597	$ 16,709
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 38,695	$ 40,717

DEPARTMENT OF INSURANCE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue - Insurance Companies Maintenance Tax and Insurance Department Fees, estimated	$ 32,221,549	$ 32,201,707
GR Dedicated - Texas Department of Insurance Operating Fund Account No. 036, estimated	16,327,063	16,317,009
Other Funds		
Appropriated Receipts	218,431	218,431
Interagency Contracts	57,600	57,600
Subtotal, Other Funds	$ 276,031	$ 276,031
Total, Method of Financing	$ 48,824,643	$ 48,794,747
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 17,262,922	$ 17,290,906
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	923.8	923.8
Schedule of Exempt Positions:		
Commissioner of Insurance, Group 6	$163,800	$163,800

Items of Appropriation:		
A. Goal: ENCOURAGE FAIR COMPETITION		
Encourage Fair Competition in the Insurance Industry.		
A.1.1. Strategy: CONSUMER ED. AND MKT. ANALYSES	$ 3,391,693	$ 3,391,693
Analyze Market Data and Provide Information.		
A.1.2. Strategy: RATES, FORMS AND LICENSES	$ 8,964,916	$ 8,964,916
Process Rates, Forms and Licenses.		
A.1.3. Strategy: PROMOTE UNDERSERVED COVERAGE	$ 167,382	$ 167,382
Create Incentives and Requirements for Coverage in Underserved Markets.		
A.2.1. Strategy: RESOLVE COMPLAINTS	$ 2,651,068	$ 2,651,068
Respond Promptly and Act on Complaints.		
A.2.2. Strategy: INVESTIGATION AND ENFORCEMENT	$ 3,224,274	$ 3,224,274
Investigate Trade Practices and Enforcement as Needed.		
A.2.3. Strategy: INSURER FRAUD	$ 1,217,117	$ 1,202,169
Investigate Potential Insurer Fraud and Initiate Legal Action.		
A.2.4. Strategy: TEXASONLINE	$ 296,100	$ 296,100
TexasOnline. Estimated and Nontransferable.		
Total, Goal A: ENCOURAGE FAIR COMPETITION	$ 19,912,550	$ 19,897,602
B. Goal: INSURANCE INDUSTRY FINANCIAL HEALTH		
Encourage the Financial Health of the Insurance Industry.		
B.1.1. Strategy: INSURERS FINANCIAL CONDITION	$ 11,541,632	$ 11,541,632
Analyze the Financial Condition of Insurers and Take Solvency Action.		
C. Goal: DECREASE INDUSTRY LOSS COSTS		
Decrease Insurance Industry Loss Costs.		
C.1.1. Strategy: LOSS CONTROL PROGRAMS	$ 2,612,291	$ 2,612,291
Inspect Loss Control Programs and Assure Code and Schedule Compliance.		
C.1.2. Strategy: PROVIDER AND CONSUMER FRAUD	$ 1,174,636	$ 1,159,688
Investigate Provider/Consumer Fraud & Refer Violations for Prosecution.		
Total, Goal C: DECREASE INDUSTRY LOSS COSTS	$ 3,786,927	$ 3,771,979
D. Goal: REDUCE LOSSES DUE TO FIRE		
Reduce Loss of Life and Property Due to Fire.		
D.1.1. Strategy: FIRE PROTECTION	$ 3,737,944	$ 3,737,944
Provide Fire Prevention through Education & Enforcement of Regulations.		
E. Goal: INDIRECT ADMINISTRATION		
E.1.1. Strategy: CENTRAL ADMINISTRATION	$ 4,397,722	$ 4,397,722
E.1.2. Strategy: INFORMATION RESOURCES	$ 3,958,639	$ 3,958,639
E.1.3. Strategy: OTHER SUPPORT SERVICES	$ 1,489,229	$ 1,489,229
Total, Goal E: INDIRECT ADMINISTRATION	$ 9,845,590	$ 9,845,590
Grand Total, DEPARTMENT OF INSURANCE	$ 48,824,643	$ 48,794,747
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 39,991,683	$ 39,991,683
Other Personnel Costs	876,360	876,360
Professional Fees and Services	337,020	337,020
Fuels and Lubricants	75,000	75,000
Consumable Supplies	378,756	378,756
Utilities	203,501	203,501
Travel	1,600,097	1,600,097
Rent - Building	280,537	280,537
Rent - Machine and Other	182,142	182,142
Other Operating Expense	4,020,943	3,991,047
Capital Expenditures	878,604	878,604
Total, Object-of-Expense Informational Listing	$ 48,824,643	$ 48,794,747

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits		
Retirement	$ 2,281,872	$ 2,327,509
Group Insurance	6,677,515	7,241,623
Social Security	3,099,814	3,161,810
Benefits Replacement	481,726	457,640
Subtotal, Employee Benefits	$ 12,540,927	$ 13,188,582
Debt Service		
Lease Payments	$ 3,367,591	$ 3,598,034
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 15,908,518	$ 16,786,616

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Insurance. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Department of Insurance. In order to achieve the objectives and service standards established by this Act, the Department of Insurance shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: ENCOURAGE FAIR COMPETITION		
Outcome (Results/Impact):		
Percent of Agent License Filings Completed within 15 Days	96%	96%
Percent of Statutory Rate and Form Filings Completed within 90 Days	87%	87%
Number of Automobiles Covered by Voluntary Policies as a Percent of Total Private Passenger Automobiles in Underserved Markets	69%	69%
Percent of Personal Auto and Residential Property Rate and Form Filings Completed within 60 Days	95%	95%
Percent of Licensees Who Renew Online	34%	34%
A.1.1. Strategy: CONSUMER ED. AND MKT. ANALYSES		
Output (Volume):		
Number of Inquiries Answered	1,000,000	1,000,000
Number of Rate Guides Distributed	652,743	652,743
A.2.1. Strategy: RESOLVE COMPLAINTS		
Output (Volume):		
Number of Complaints Resolved	32,200	32,200
Efficiencies:		
Average Response Time (in Days) to Complaints	38	38
A.2.3. Strategy: INSURER FRAUD		
Output (Volume):		
Number of Referrals of Alleged Insurer Fraud to State and Federal Prosecutors	70	70
B. Goal: INSURANCE INDUSTRY FINANCIAL HEALTH		
Outcome (Results/Impact):		
Percent of Statutorily Mandated On-site Examinations Conducted During the Fiscal Year	100%	100%
Special Deputy Receiver Receivership Asset Recovery Expenses as a Percent of the Total Dollars Collected by Special Deputy Receivers	15%	15%
Average Number of Days from Company "At Risk" Identification to the Date of Solvency-related Regulatory Action	31	31
Percent of Companies Rehabilitated after Texas Department of Insurance Solvency-related Intervention	18%	18%
B.1.1. Strategy: INSURERS FINANCIAL CONDITION		
Output (Volume):		
Number of Entities Receiving Texas Department of Insurance Solvency-related Intervention	13	13
Number of Holding Company Transactions Reviewed	751	751
Number of Actuarial Examinations Completed	80	80
Number of On-site Examinations Conducted	160	160
Efficiencies:		
Average State Cost Per Examination	29,482	29,482

Explanatory:		
Dollar Amount (in Millions) of Insurance Company Insolvencies	20	20
Number of Estates Placed in Receivership	4	4
C. Goal: DECREASE INDUSTRY LOSS COSTS		
Outcome (Results/Impact):		
Percent of Commercial Property Inspections That Meet Filed Rating Schedule Requirements	85%	85%
Percent of Windstorm Inspections That Result in an "Approved" Status Code	35%	35%
C.1.1. Strategy: LOSS CONTROL PROGRAMS		
Output (Volume):		
Number of Windstorm Inspections Completed	11,500	11,500
Number of Inspections of Insurer Loss Control Programs Completed	200	200
Number of Commercial Property Oversight Inspections Completed	1,160	1,160
Efficiencies:		
Average Cost Per Windstorm Inspection	50	50
C.1.2. Strategy: PROVIDER AND CONSUMER FRAUD		
Output (Volume):		
Number of Referrals of Alleged Consumer and Provider Fraud to State or Federal Prosecutors	110	110
D. Goal: REDUCE LOSSES DUE TO FIRE		
Outcome (Results/Impact):		
Percent of State Fire Marshal's Office Criminal Referrals Resulting in Enforcement/Legal Action	79%	79%
Percent of Registrations, Licenses, and Permits Issued, after Receipt of a Completed Application, within 20 Days to Fire Alarm, Fire Extinguisher, Fire Sprinkler, and Fireworks Firms, Individuals, and Other Regulated Entities	99%	99%
D.1.1. Strategy: FIRE PROTECTION		
Output (Volume):		
Number of Fire Investigations Completed	507	507
Number of Registrations, Licenses, and Permits Issued to Fire Alarm, Fire Extinguisher, Fire Sprinkler and Fireworks Firms, Individuals, and Other Regulated Entities	11,250	11,250

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with a "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

	2006	2007
a. Acquisition of Information Resource Technologies		
(1) Acquisition of Information Resource Technologies	$ 680,604	$ 680,604
b. Transportation Items		
(1) Acquisition of Transportation Items	$ 198,000	$ 198,000
Total, Capital Budget	$ 878,604	$ 878,604
Method of Financing (Capital Budget):		
GR Dedicated - Texas Department of Insurance Operating Fund Account No. 036	$ 295,475	$ 295,475
General Revenue - Insurance Companies Maintenance Tax and Insurance Department Fees	583,129	583,129
Total, Method of Financing	$ 878,604	$ 878,604

3. **Appropriation Source, Rehabilitation of Insurance Companies.** Of the amounts appropriated above, $125,000 each year of the biennium is from fees that the Department of Insurance shall collect from companies that are successfully rehabilitated by the department. Fees collected and appropriated above shall be in amounts sufficient to cover, yet not exceed, costs of rehabilitating those companies. Any such fees collected in excess of $125,000 each year of the biennium are also hereby appropriated for the biennium beginning September 1, 2005, for the sole purpose of the rehabilitation of other insurance companies pursuant to § 17(a) of Article 21.28A of the Texas Insurance Code (estimated to be $0).

4. **State Support for NAIC Activities.** The agency is prohibited from using resources in support of the National Association of Insurance Commissioners in the absence of NAIC accreditation of the Texas Department of Insurance for compliance with NAIC Financial Regulation Standards. The prohibition would be effective immediately upon loss of accreditation. The only exceptions to this prohibition shall be limited to expenditures necessary for (1) continued departmental use of the NAIC database for monitoring financial solvency of companies doing business in Texas; (2) solvency-related training; and (3) efforts to regain accreditation. The prohibition on using resources does not apply in the event that the Commissioner voluntarily determines not to participate in the state insurance department accreditation program.

5. **Liquidation Oversight and Title Examiner Full-Time Equivalent Positions.** In addition to the full-time equivalent positions authorized above, an additional 32.5 full-time equivalent positions are authorized for each year of the 2006-07 biennium to support liquidation oversight and title examiner activities. These positions are excluded from the FTE cap.

6. **Appropriations Limited to Revenue Collections.** The application of special provisions limiting appropriations to revenue collections elsewhere in this Article shall be consistent with relevant statutory provisions governing the agency's assessment of tax rates and fees. As provided by the Texas Insurance Code, the Commissioner shall take into account unexpended funds in the preceding year when adjusting rates of assessment necessary to pay all expenses of regulating insurance and conducting the operations of the State Fire Marshal during the succeeding year.

7. **Travel Cap.** Out of the funds appropriated above, expenditures for out-of-state travel by the Texas Department of Insurance are limited to $600,551 in fiscal year 2006 and $600,551 in fiscal year 2007. Of these amounts, $483,488 in fiscal year 2006 and $483,488 in fiscal year 2007 shall be utilized solely for out-of-state travel for the purpose of financial examinations.

8. **Limit on Estimated Appropriations.** Excluding appropriations for the TexasOnline Authority, the combined appropriation authority from the General Revenue Fund, which includes Insurance Companies Maintenance Tax (Object Code 3203), Insurance Department Fees (Object Code 3215), and General Revenue Fund-Dedicated-Texas Department of Insurance Operating Fund Account No. Fund 36 shall not exceed $48,252,512 in fiscal year 2006 or $48,222,616 in fiscal year 2007 .

9. **State Support for NCOIL Activities.** Funds appropriated above include funds from the General Revenue - Insurance Companies Maintenance Tax, Insurance Department Fees and General Revenue Fund-Dedicated for payment of state dues for the National Conference of Insurance Legislators.

10. **Crash Records Information System.** Included in Strategy B.1.4, Crash Records Information System, at the Department of Public Safety is $750,000 for fiscal year 2006 and $750,000 for fiscal year 2007 from the Department of Insurance Operating Fund, No. 36 for on-going maintenance of the Crash Records Information System.

11. **Increase Consumer Choice.** Out of amounts appropriated above, the Texas Department of Insurance shall contract with the Office of Public Insurance Counsel in the amount of $48,000 each fiscal year from the GR Dedicated-Texas Department of Insurance Operating Fund Account No. 036 to provide consumers with insurance information to make informed decisions.

12. **Consumer Information.** It is the intent of the legislature that the Texas Department of Insurance, out of the funds appropriated above, make expenditures necessary to create or maintain a website and publish printed promotional materials that encourage insurance consumers to comparison shop by providing those consumers the information they need to be informed consumers.

OFFICE OF PUBLIC INSURANCE COUNSEL

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 962,856	$ 962,856
Interagency Contracts	48,000	48,000
Total, Method of Financing	$ 1,010,856	$ 1,010,856
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 335,706	$ 340,266
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	16.5	16.5
Schedule of Exempt Positions:		
Public Counsel, Group 3	$90,000	$90,000
Items of Appropriation:		
A. Goal: ADVOCATE FOR INSURANCE CONSUMERS		
Advocate for TX Ins Consumers in Rate Hrgs/Rulemaking/Court Proceeding.		
A.1.1. Strategy: PARTICIPATE IN RATE/RULE HEARINGS	$ 875,179	$ 875,179
Participate in Rate/Rule Hearings on Behalf of TX Insurance Consumers.		
B. Goal: INCREASE CONSUMER CHOICE		
Increase Consumer Choice-Educate Texas Insurance Consumers.		
B.1.1. Strategy: INSURANCE INFORMATION	$ 135,677	$ 135,677
Provide Consumers with Information to Make Informed Choices.		
Grand Total, OFFICE OF PUBLIC INSURANCE COUNSEL	$ 1,010,856	$ 1,010,856
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 732,622	$ 732,622
Other Personnel Costs	24,178	24,178
Professional Fees and Services	109,500	109,500
Consumable Supplies	15,221	15,221
Utilities	5,661	5,661
Travel	3,688	3,688
Rent - Building	120	120
Rent - Machine and Other	6,185	6,185
Other Operating Expense	110,431	110,431
Capital Expenditures	3,250	3,250
Total, Object-of-Expense Informational Listing	$ 1,010,856	$ 1,010,856
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 48,120	$ 49,082
Group Insurance	79,021	84,157
Social Security	59,296	60,482
Benefits Replacement	6,487	6,163
Subtotal, Employee Benefits	$ 192,924	$ 199,884
Debt Service		
Lease Payments	$ 97,025	$ 103,944
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 289,949	$ 303,828

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Office of Public Insurance Counsel. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Office of Public Insurance Counsel. In order to achieve the objectives and service standards established by this Act, the Office of Public Insurance Counsel shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: ADVOCATE FOR INSURANCE CONSUMERS		
Outcome (Results/Impact):		
Percentage of Analyzed Rate and Rulemaking Proceedings in Which OPIC Participated	73%	73%
Savings to Consumers as a Result of Rate Hearings Participation (in Millions)	450	450
Percentage of Rate Filings and Rules Changed for the Benefit of Consumers as a Result of OPIC Participation	90%	90%
A.1.1. Strategy: PARTICIPATE IN RATE/RULE HEARINGS		
Output (Volume):		
Number of Industry-wide Rate Hearings in Which OPIC Participated	3	3
Number of Analyzed Rate Filings in Which OPIC Participated	32	32
Number of Rulemaking Proceedings in Which OPIC Participated	40	40
B. Goal: INCREASE CONSUMER CHOICE		
Outcome (Results/Impact):		
Percent of Texas Insurance Consumers Reached by OPIC Outreach Efforts	25%	25%
B.1.1. Strategy: INSURANCE INFORMATION		
Output (Volume):		
Number of Report Cards and Publications Produced and Distributed	175,000	175,000
Number of Releases Produced and Interviews Given and Newspaper Op-ed Columns Produced	38	38

BOARD OF PROFESSIONAL LAND SURVEYING

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 367,084	$ 363,736
Total, Method of Financing	$ 367,084	$ 363,736
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 76,167	$ 75,185
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	4.5	4.5
Schedule of Exempt Positions:		
Executive Director, Group 1	$50,000	$50,000
Per Diem of Board Members	1,440	1,440
Items of Appropriation:		
A. Goal: LICENSING & ENFORCEMENT		
Ensure Surveys Prepared by Qualified Licensees Meet/Exceed Standards.		
A.1.1. Strategy: LICENSING AND EDUCATION Examine New Applicants & Ensure Continuing Education Requirements.	$ 263,097	$ 259,749

A.1.2. Strategy: INDIRECT ADMIN-LICENSING/EDUCATION Indirect Administration - Licensing and Education.	$ 79,863	$ 79,863
A.1.3. Strategy: EXAMINATION Purchase and Grade the National Exam. Estimated and Nontransferable.	$ 6,555	$ 6,555
A.1.4. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 17,569	$ 17,569
Total, Goal A: LICENSING & ENFORCEMENT	$ 367,084	$ 363,736
Grand Total, BOARD OF PROFESSIONAL LAND SURVEYING	$ 367,084	$ 363,736
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 211,795	$ 211,795
Other Personnel Costs	12,863	12,863
Professional Fees and Services	36,326	36,326
Consumable Supplies	3,000	3,000
Utilities	3,125	3,125
Travel	13,692	13,692
Rent - Building	32,000	32,000
Rent - Machine and Other	3,600	3,600
Other Operating Expense	50,683	47,335
Total, Object-of-Expense Informational Listing	$ 367,084	$ 363,736
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 12,695	$ 12,948
Group Insurance	29,756	32,027
Social Security	15,343	15,650
Benefits Replacement	2,780	2,641
Subtotal, Employee Benefits	$ 60,574	$ 63,266
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 60,574	$ 63,266

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Board of Professional Land Surveying. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Board of Professional Land Surveying. In order to achieve the objectives and service standards established by this Act, the Board of Professional Land Surveying shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: LICENSING & ENFORCEMENT		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	98%	98%
Percent of Documented Complaints Resolved within Six Months	76%	76%
Percent of Licensees Who Renew Online	20%	20%
A.1.1. Strategy: LICENSING AND EDUCATION		
Output (Volume):		
Number of New Licenses Issued to Individuals	70	70
Number of Licenses Renewed (Individuals)	2,986	2,986
Complaints Resolved	47	47
Efficiencies:		
Average Licensing Cost Per Individual License Issued	5.81	5.81
Median Time for Complaint Resolution (Days)	119	119
A.1.3. Strategy: EXAMINATION		
Output (Volume):		
Individuals Examined (National Exam)	75	75

2. **Contingent Revenue.** Out of the amounts appropriated above to the Board of Professional Land Surveying in Strategy A.1.1, Licensing and Education, the amounts of $20,574 in fiscal year 2006 and $20,574 in fiscal year 2007 in General Revenue for the purposes of an exempt position salary increase ($3,000 each fiscal year) and additional operating costs ($17,574 each fiscal year), are contingent upon the Board of Professional Land Surveying assessing fees sufficient to generate, during the 2006-07 biennium, $42,932 in excess of $992,000 (Object Code 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Board of Professional Land Surveying, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Board of Professional Land Surveying' minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

DEPARTMENT OF LICENSING AND REGULATION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 13,702,010	$ 13,468,593
Other Funds		
Appropriated Receipts	438,797	438,798
Interagency Contracts	37,268	37,268
Auctioneer Education and Recovery Trust Fund No. 898	2,000	2,000
Subtotal, Other Funds	$ 478,065	$ 478,066
Total, Method of Financing	$ 14,180,075	$ 13,946,659
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 4,207,520	$ 4,156,430
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	237.0	237.0
Schedule of Exempt Positions:		
Executive Director, Group 4	$112,500	$112,500
Items of Appropriation:		
A. Goal: LICENSING		
License, Certify, and Register Qualified Individuals and Businesses.		
A.1.1. Strategy: LICENSE, REGISTER AND CERTIFY Issue Licenses, Registrations, & Certificates to Qualified Individuals.	$ 983,746	$ 980,089
A.1.2. Strategy: LICENSE BUSINESSES AND FACILITIES	$ 379,027	$ 386,587
A.1.3. Strategy: EXAMINATIONS Administer Exams to Applicants.	$ 278,467	$ 279,759
A.1.4. Strategy: CONTINUING EDUCATION/CUSTOMER SERV Develop Continuing Education and Provide Customer Service.	$ 580,222	$ 573,932
A.1.5. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 368,000	$ 368,000
Total, Goal A: LICENSING	$ 2,589,462	$ 2,588,367
B. Goal: ENFORCEMENT		
Protect the Public by Enforcing Laws Administered by the Agency.		
B.1.1. Strategy: CONDUCT INSPECTIONS Enforce Laws by Conducting Routine, Complex, and Special Inspections.	$ 3,331,065	$ 3,314,271

B.1.2. Strategy: BUILDING PLAN REVIEWS Perform Building Plan Reviews.	$ 625,502	$ 632,269
B.1.3. Strategy: RESOLVE COMPLAINTS Enforce Compliance by Settlement, Prosecution, Penalty and Sanction.	$ 1,354,510	$ 1,307,376
B.1.4. Strategy: INVESTIGATION Investigate Complaints.	$ 1,076,481	$ 1,061,853
Total, Goal B: ENFORCEMENT	$ 6,387,558	$ 6,315,769
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: CENTRAL ADMINISTRATION	$ 1,211,618	$ 1,210,529
C.1.2. Strategy: INFORMATION RESOURCES	$ 903,116	$ 907,027
C.1.3. Strategy: OTHER SUPPORT SERVICES	$ 227,098	$ 226,246
Total, Goal C: INDIRECT ADMINISTRATION	$ 2,341,832	$ 2,343,802
D. Goal: COSMETOLOGY REGULATION Provide Licensing and Enforcement Functions to Protect Consumers.		
D.1.1. Strategy: COSMETOLOGY LICENSING Examine Cosmetology Applicants & Issue Indiv. & Establishment Licenses.	$ 625,337	$ 553,836
D.1.2. Strategy: COSMETOLOGY TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 224,360	$ 224,360
D.1.3. Strategy: LICENSING INDIRECT ADMIN Indirect Administration - Licensing.	$ 211,436	$ 190,811
D.2.1. Strategy: COSMETOLOGY ENFORCEMENT Resolve Cosmetology Complaints by Conducting Investig. & Inspections.	$ 820,693	$ 812,441
D.2.2. Strategy: ENFORCEMENT INDIRECT ADMIN Indirect Administration - Enforcement.	$ 290,490	$ 253,365
D.3.1. Strategy: PUBLIC INFORMATION Provide Cosmetology Information to the Public.	$ 100,000	$ 100,000
Total, Goal D: COSMETOLOGY REGULATION	$ 2,272,316	$ 2,134,813
E. Goal: BARBERS EXAMINE Examine Applicants for Licensure and License Qualified Individuals.		
E.1.1. Strategy: BARBERS LICENSING Examine and License Barbers, Specialists, and Teachers in Texas.	$ 131,479	$ 121,964
E.1.2. Strategy: BARBERS TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 60,000	$ 60,000
E.1.3. Strategy: BARBERS INDIRECT ADMIN Indirect Administration - Licensing.	$ 63,840	$ 49,805
Total, Goal E: BARBERS EXAMINE	$ 255,319	$ 231,769
F. Goal: BARBERS ENFORCEMENT Provide Inspections and Resolve Complaints and Violations.		
F.1.1. Strategy: BARBERS INVESTIGATIONS Investigate and Resolve Complaints.	$ 294,852	$ 294,853
F.1.2. Strategy: BARBERS INDIRECT ADMIN Indirect Administration - Investigations.	$ 38,736	$ 37,286
Total, Goal F: BARBERS ENFORCEMENT	$ 333,588	$ 332,139
Grand Total, DEPARTMENT OF LICENSING AND REGULATION	$ 14,180,075	$ 13,946,659
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 9,934,190	$ 9,938,776
Other Personnel Costs	444,297	432,627
Professional Fees and Services	416,379	267,629
Fuels and Lubricants	4,000	4,000
Consumable Supplies	116,697	116,697
Utilities	128,526	128,526
Travel	557,623	557,622
Rent - Building	8,710	8,710
Rent - Machine and Other	70,222	70,222

Other Operating Expense	2,461,431	2,411,850
Capital Expenditures	38,000	10,000
Total, Object-of-Expense Informational Listing	$ 14,180,075	$ 13,946,659
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 413,964	$ 422,243
Group Insurance	1,099,191	1,184,166
Social Security	547,640	558,593
Benefits Replacement	68,032	64,630
Subtotal, Employee Benefits	$ 2,128,827	$ 2,229,632
Debt Service		
Lease Payments	$ 8,415	$ 10,966
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,137,242	$ 2,240,598

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Licensing and Regulation. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Department of Licensing and Regulation. In order to achieve the objectives and service standards established by this Act, the Department of Licensing and Regulation shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: LICENSING		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	99%	99%
Percent of Licensees Who Renew Online	29%	29%
Percent of New Individual Licenses Issued Online	10%	10%
A.1.1. Strategy: LICENSE, REGISTER AND CERTIFY		
Output (Volume):		
Number of New Licenses Issued to Individuals	20,412	20,816
Number of Licenses Renewed (Individuals)	79,556	83,045
Efficiencies:		
Average Licensing Cost Per Individual License Issued	7	7
Explanatory:		
Total Number of Individuals Licensed	12,754	16,645
Total Number of Business Facilities Licensed	113,177	114,518
B. Goal: ENFORCEMENT		
Outcome (Results/Impact):		
Percent of Documented Complaints Resolved within Six Months	85%	85%
Percent of Architectural Barrier Building Plan Reviews Completed within Thirty Days	98.96%	98.96%
Inspection Coverage Rate	100%	100%
Percentage of Boilers Inspected for Certification within Appropriate Timelines	78%	78%
B.1.1. Strategy: CONDUCT INSPECTIONS		
Output (Volume):		
Total Number of Architectural Barrier Inspections Completed by Agency and Third Party Inspectors	15,100	15,100
Total Number of Plan Reviews Completed by Agency and Third Parties	18,300	18,300
Efficiencies:		
Average Number of Months to Complete Architectural Barrier Inspections by Agency Staff	2	2
Average Number of Days to Complete Architectural Barrier Building Plan Reviews by Agency Staff	17	17
Explanatory:		
Total Number of Inspections Completed	77,077	77,438
B.1.3. Strategy: RESOLVE COMPLAINTS		
Output (Volume):		
Number of Complaints Resolved	4,853	5,142
Efficiencies:		
Average Time for Consumer Complaint Resolution (Days)	83	83

Explanatory:		
Number of Jurisdictional Complaints Received	4,564	5,249
D. Goal: COSMETOLOGY REGULATION		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	98%	98%
Percent of Licensees Who Renew Online	17%	17%
Percent of New Individual Licenses Issued Online	10%	10%
Percent of Complaints Resulting in Disciplinary Action	40%	40%
D.1.1. Strategy: COSMETOLOGY LICENSING		
Output (Volume):		
Number of New Licenses Issued to Individuals	17,950	17,950
Number of Licenses Renewed (Individuals)	78,550	78,550
D.2.1. Strategy: COSMETOLOGY ENFORCEMENT		
Output (Volume):		
Number of Complaints Resolved	600	600
Individual Licensees Inspected	45,705	47,505
Establishments Inspected	20,110	20,110
Efficiencies:		
Average Time for Complaint Resolution (Days)	40	40
D.3.1. Strategy: PUBLIC INFORMATION		
Output (Volume):		
Number of Information Packets Distributed to Individuals and Establishments	50,000	50,000
E. Goal: BARBERS EXAMINE		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	97%	97%
Percent of Licensees Who Renew Online	20%	25%
Percent of New Individual Licenses Issued Online	20%	25%
E.1.1. Strategy: BARBERS LICENSING		
Output (Volume):		
Number of New Licenses Issued to Individuals	948	948
Number of Licenses Renewed (Individuals)	6,000	6,000
F. Goal: BARBERS ENFORCEMENT		
Outcome (Results/Impact):		
Percent of Complaints Resolved Resulting in Disciplinary Action	25%	25%
F.1.1. Strategy: BARBERS INVESTIGATIONS		
Output (Volume):		
Number of Complaints Resolved	144	144
Efficiencies:		
Average Time for Complaint Resolution (Days)	40	40

2. Capital Budget. None of the funds appropriated may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with a "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

	2006	2007
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Acquisition of Information Resource Technologies	$ 92,000	$ 95,000
Total, Capital Budget	$ 92,000	$ 95,000

3. Appropriation: Travel Expenses and Fee Reimbursements. Funds appropriated above include reimbursements for travel expenses and special inspection fees collected pursuant to Health and Safety Code, § 755.030, Boilers Fees. Contingent upon certification by the Department of Licensing and Regulation and verification by the Comptroller, all fees collected in excess of $137,400 each year of the biennium are hereby appropriated to the Texas Department of Licensing and Regulation for the same purpose.

4. **Auctioneer Education and Recovery.** Funds appropriated above in Strategy B.1.3, Resolve Complaints, include all revenue deposited to the Auctioneer Education and Recovery Fund for the purpose and in the amounts specified in Subchapter D, § 1802.151, Occupations Code, not to exceed $2,000 in each fiscal year from the interest on the fund.

5. **Elimination of Architectural Barriers.** Out of the General Revenue appropriated above, $3,831,435 for each year of the biennium, is appropriated from fees collected pursuant to Government Code, Chapter 469, Subchapter B, for the purposes of administering and enforcing the Architectural Barrier Act. Any fees collected above those annual amounts are hereby appropriated to the Department of Licensing and Regulation for the same purpose.

6. **Elevators, Escalators, and Related Equipment.** Out of the General Revenue appropriated above, $784,834 for each year of the biennium, is appropriated from fees collected pursuant to Health and Safety Code, Chapter 754, Subchapter B, for the purposes of administering and enforcing laws relating to elevators, escalators and related equipment, as set out in Chapter 754, Health and Safety Code. Any fees collected above those annual amounts hereby appropriated to the Department of Licensing and Regulation for the same purpose.

7. **Reciprocity Agreements.** It is the intent of the Legislature that the Department of Licensing and Regulation initiate and enter into reciprocity agreements with other states for the purpose of performing industrialized housing inspections in order to minimize the need for the agency sending state employees out of state to perform such inspections. The Department may enter into contracts with out-of-state inspectors to conduct such inspections.

8. **Elimination of Architectural Barriers: Reduce Duplicate Inspections.** None of the funds appropriated by this Act shall be expended for the purpose of conducting inspections and plan reviews within the corporate boundaries of a municipality which has applied with the department to perform review and inspection functions pursuant to the Elimination of Architectural Barriers Act, Government Code, Chapter 469, Subchapter C.

9. **Architectural Barrier Standards: Exemption.** None of the funds appropriated by this Act shall be expended for the purpose of enforcing the accessibility standards under the Elimination of Architectural Barriers program, Government Code, Chapter 469, with respect to a structure or facility used primarily for religious rituals within a building or facility of a religious organization and which is exempt from the application of Government Code, Chapter 469, Subchapter A, pursuant to § 469.003 of that article.

10. **Electronic Examinations.** It is the intent of the Legislature that the Department of Licensing and Regulation identify programs for which the required examinations could be offered in an electronic medium, and that the agency develop and implement electronic examinations for these programs.

11. **Contingent Revenue.** Out of the amounts appropriated to the Department of Licensing and Regulation in Strategy A.1.1, License, Register, and Certify, the amounts of $139,980 in fiscal year 2006 and $136,251 in fiscal year 2007, in Strategy B.1.1, Conduct Inspections, the amounts of $188,940 in fiscal year 2006 and $177,855 in fiscal year 2007, in Strategy B.1.3, Resolve Complaints, the amounts of $313,268 in fiscal year 2006 and $277,868 in fiscal year 2007, in Strategy B.1.4, Investigation, the amounts of $151,368 in fiscal year 2006 and $133,668 in fiscal year 2007, and in Strategy C.1.1, Central Administration, the amounts of $36,500 in fiscal year 2006 and $36,500 in fiscal year 2007, in General Revenue for the purposes of enforcement ($188,940 in fiscal year 2006 and $177,855 in fiscal year 2007), licensing ($139,980 in fiscal year 2006 and $136,251 in fiscal year 2007), resolving complaints ($313,268 in fiscal year 2006 and $277,868 in fiscal year 2007), an exempt position salary increase ($36,500 each year), and investigations ($151,368 in fiscal year 2006 and $133,668 in fiscal year 2007), are contingent upon the Department of Licensing and Regulation assessing fees sufficient to generate, during the 2006-07 biennium, $1,954,401 in excess of $14,592,000 (Object Codes 3146, 3147, and 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Department of Licensing and Regulation, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Department of Licensing and Regulation's minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

12. Memorandum of Understanding. It is the intent of the Legislature that the Department of Licensing and Regulation Commission, the Board of Barber Examiners, and the Cosmetology Commission shall enter into a memorandum of understanding to specify the manner in which the Department of Licensing and Regulation Commission shall manage the operations and activities of the Board of Barber Examiners and the Cosmetology Commission.

13. Sunset Contingency: Cosmetology Commission. Funds appropriated above for fiscal year 2007 for the Cosmetology Commission in Goal D: Cosmetology Regulation, are made contingent on the continuation of the Cosmetology Commission by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

14. Sunset Contingency: **Board of Barber Examiners.** Funds appropriated above for fiscal year 2007 for the Board of Barber Examiners in Goal E: Barbers Examine and Goal F: Barbers Enforcement, are made contingent on the continuation of the Board of Barber Examiners by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

15. Board of Barber Examiners Fee Rates. The Board of Barber Examiners shall not reduce fees to generate less revenue for the 2006-07 biennium than $2,056,000 (Object Code 3175) that is included in the Comptroller's Biennial Revenue Estimate for fiscal years 2006 and 2007.

16. Cosmetology Commission School Inspections. Cosmetology Commission schools, with the exception of schools in districts without a designated inspector, shall be inspected by an inspector assigned to that district. Schools located in districts without a designated inspector may be inspected by the Director of Enforcement.

17. Cosmetology Commission Fee Rates. To provide for the recovery of costs for the preceding appropriations, the following fee rates shall not be less than:

a. License and Renewal Fees:

(1) Individual Licenses	$53.00
(2) Instructor Licenses	$70.00
(3) Salon Licenses	$65.00
(4) Independent Contractor	$65.00

b. Duplicate License Fees:

(1) All Licenses	$53.00

18. Overnight Travel. It is the intent of the Legislature that the Cosmetology Commission shall maintain written overnight travel policies and procedures.

19. Limitation on Out-of-State Travel. None of the funds appropriated above for the Cosmetology Commission and Cosmetology regulation may be used for expenditures or reimbursements of expenditures for out-of-state travel, except for no more than one Cosmetology Commission member per trip.

BOARD OF MEDICAL EXAMINERS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 5,018,884	$ 5,092,585
GR Dedicated - Physician Enforcement Account No. 8074	2,744,560	2,225,280
Appropriated Receipts	80,423	80,423
Total, Method of Financing	$ 7,843,867	$ 7,398,288

BOARD OF MEDICAL EXAMINERS
(Continued)

Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$	2,325,047	$	2,317,694
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.				
Number of Full-Time-Equivalents (FTE):		133.0		133.0
Schedule of Exempt Positions:				
Executive Director, Group 4		$100,000		$100,000
Salary Supplement		12,000		12,000
Per Diem of Board Members		23,500		23,500
Items of Appropriation:				
A. Goal: LICENSURE				
Protect the Public through Licensure of Qualified Practitioners.				
A.1.1. Strategy: LICENSING Conduct a Timely, Efficient, Cost-effective Licensure Process.	$	1,295,016	$	1,337,694
A.1.2. Strategy: LICENSING INDIRECT ADMINISTRATION	$	404,744	$	409,315
A.1.3. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$	181,532	$	155,298
Total, Goal A: LICENSURE	$	1,881,292	$	1,902,307
B. Goal: ENFORCE ACTS				
Protect the Public with Investigations, Discipline and Education.				
B.1.1. Strategy: ENFORCEMENT Conduct Competent, Fair, Timely Investigations and Monitor Results.	$	5,061,685	$	4,588,120
B.1.2. Strategy: ENFORCEMENT INDIRECT ADMINISTRATION	$	606,867	$	613,838
B.2.1. Strategy: PUBLIC EDUCATION Provide Programs to Educate the Public and Licensees.	$	294,023	$	294,023
Total, Goal B: ENFORCE ACTS	$	5,962,575	$	5,495,981
Grand Total, BOARD OF MEDICAL EXAMINERS	$	7,843,867	$	7,398,288
Object-of-Expense Informational Listing:				
Salaries and Wages	$	5,656,825	$	5,656,825
Other Personnel Costs		79,602		79,602
Professional Fees and Services		609,325		609,325
Fuels and Lubricants		4,199		4,199
Consumable Supplies		90,178		90,178
Utilities		44,355		44,355
Travel		201,788		201,788
Rent - Building		8,149		8,149
Rent - Machine and Other		14,383		14,383
Other Operating Expense		1,039,062		669,483
Capital Expenditures		96,001		20,001
Total, Object-of-Expense Informational Listing	$	7,843,867	$	7,398,288
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:				
Employee Benefits				
Retirement	$	273,969	$	279,449
Group Insurance		755,222		813,936
Social Security		404,065		412,146
Benefits Replacement		38,481		36,557
Subtotal, Employee Benefits	$	1,471,737	$	1,542,088

Debt Service		
Lease Payments	$ 288,127	$ 308,675
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,759,864	$ 1,850,763

1. Performance Measure Targets. The following is a listing of the key performance target levels for the Board of Medical Examiners. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Board of Medical Examiners. In order to achieve the objectives and service standards established by this Act, the Board of Medical Examiners shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: LICENSURE		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations (Physician)	99%	99%
Percent of Licensees Who Renew Online (Physicians)	77%	77%
Percent of Licensees Who Renew Online (Physician Assistant)	77%	77%
A.1.1. Strategy: LICENSING		
Output (Volume):		
Number of New Licenses Issued to Individuals (Physicians)	4,500	4,500
Number of New Licenses Issued to Individuals (Acupuncture)	65	70
Number of New Licenses Issued to Individuals (Physician Assistant)	375	375
Number of New Licenses Issued to Individuals (Surgical Assistant)	36	36
Number of Licenses Renewed (Individuals) (Physicians)	34,307	27,816
Number of Licenses Renewed (Individuals) (Acupuncture)	589	589
Number of Licenses Renewed (Individuals) (Physician Assistant)	2,900	2,900
Number of Licenses Renewed (Individuals) (Surgical Assistant)	270	275
Efficiencies:		
Average Licensing Cost Per Individual License Issued (Physician)	30.27	37.15
Average Licensing Cost Per Individual License Issued (Acupuncture)	35.92	35.88
Average Licensing Cost Per Individual License Issued (Physician Assistant)	35.92	35.88
Average Licensing Cost Per Individual License Issued (Surgical Assistant)	35.92	35.88
Average Licensing Cost Per Facility License Issued	21.14	21.14
Average Number of Days for Individual License Issuance (Physicians)	60	60
B. Goal: ENFORCE ACTS		
Outcome (Results/Impact):		
Percent of Complaints Resulting in Disciplinary Action (Physician)	18%	18%
Percent of Complaints Resulting in Disciplinary Action (Acupuncture)	18%	18%
Percent of Complaints Resulting in Disciplinary Action (Physician Assistant)	18%	18%
Percent of Complaints Resulting in Disciplinary Action (Surgical Assistant)	18%	18%
B.1.1. Strategy: ENFORCEMENT		
Output (Volume):		
Number of Complaints Resolved (Physician)	1,500	1,500
Number of Complaints Resolved (Acupuncture)	6	6
Number of Complaints Resolved (Physician Assistant)	50	50
Number of Complaints Resolved (Surgical Assistant)	3	3
Efficiencies:		
Average Time for Complaint Resolution (Physician) (Days)	250	250
Explanatory:		
Number of Jurisdictional Complaints Received (Physician)	1,750	1,750
Number of Jurisdictional Complaints Received (Acupuncture)	6	6

Number of Jurisdictional Complaints Received (Physician Assistant)	50	50
Number of Jurisdictional Complaints Received (Surgical Assistant)	3	3

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with a "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

	2006	2007
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Replace Computer Hardware-Desktops and Laptops	$ 55,650	$ 55,650
(2) Replace Network Hardware–Network Printers and Servers	73,500	33,500
(3) Replacement of Computer Software	$ 36,000	$ 0
Total, Acquisition of Information Resource Technologies	$ 165,150	$ 89,150
Total, Capital Budget	$ 165,150	$ 89,150

3. Salary Supplementation. In addition to the amount specified in the schedule of exempt positions for the salary of the executive director, the State Board of Medical Examiners may approve a salary supplement not to exceed $12,000 annually if the executive director is a medical doctor and an attorney.

4. Executive Director Salary. If the Executive Director is not a physician, the amount listed in the Schedule of Exempt Positions shall be $68,173 for fiscal year 2006 and $68,173 for fiscal year 2007. The exempt position shall also be listed as "Group 2."

5. Sunset Contingency. Funds appropriated above for fiscal year 2007 for the Texas Board of Medical Examiners are made contingent on the continuation of the Texas Board of Medical Examiners by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary to be used to provide for the phase out of the agency operations.

6. Rural Physician Assistant Loan Reimbursement. Out of the amounts appropriated above to the Board of Medical Examiners in Strategy B.2.1, Public Education, and in accordance with § 204.104, Occupations Code, the Physician Assistant Board shall authorize and the Board of Medical Examiners shall transfer annually to the Office of Rural Community Affairs $112,000 in General Revenue each year for the Rural Physician Assistant Loan Reimbursement program.

BOARD OF NURSE EXAMINERS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 5,790,219	$ 5,790,219
Appropriated Receipts	673,100	673,100
Total, Method of Financing	$ 6,463,319	$ 6,463,319
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 902,736	$ 908,212

BOARD OF NURSE EXAMINERS
(Continued)

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	81.7	81.7
Schedule of Exempt Positions:		
Executive Director, Group 2	$83,784	$83,784
Per Diem of Board Members	19,090	19,090
Items of Appropriation:		
A. Goal: LICENSING		
Accredit, Examine, and License Nurse Education and Practice.		
A.1.1. Strategy: LICENSING Operate Efficient System of Nursing Credential Verification.	$ 1,535,281	$ 1,535,281
A.1.2. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 256,100	$ 256,100
A.1.3. Strategy: INDIRECT ADMINISTRATION Indirect Administration for Licensing Programs.	$ 590,060	$ 590,061
A.2.1. Strategy: ACCREDITATION Accredit Programs That Include Essential Competencies Curricula.	$ 346,124	$ 346,124
Total, Goal A: LICENSING	$ 2,727,565	$ 2,727,566
B. Goal: PROTECT PUBLIC		
Protect Public and Enforce Nursing Practice Act.		
B.1.1. Strategy: ADJUDICATE VIOLATIONS Administer System of Enforcement and Adjudication.	$ 2,714,149	$ 2,714,148
B.1.2. Strategy: INDIRECT ADMINISTRATION Indirect Administration for Enforcement and Adjudication Programs.	$ 396,605	$ 396,605
B.1.3. Strategy: PEER ASSISTANCE Identify, Refer and Assist Those Nurses Whose Practice Is Impaired.	$ 625,000	$ 625,000
Total, Goal B: PROTECT PUBLIC	$ 3,735,754	$ 3,735,753
Grand Total, BOARD OF NURSE EXAMINERS	$ 6,463,319	$ 6,463,319
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 3,203,539	$ 3,203,539
Other Personnel Costs	56,756	56,756
Professional Fees and Services	58,015	58,015
Consumable Supplies	34,194	34,194
Utilities	4,000	4,000
Travel	83,456	83,456
Rent - Building	8,238	8,238
Rent - Machine and Other	16,230	16,230
Other Operating Expense	2,968,891	2,968,891
Capital Expenditures	30,000	30,000
Total, Object-of-Expense Informational Listing	$ 6,463,319	$ 6,463,319
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 141,749	$ 144,584
Group Insurance	376,841	405,512
Social Security	193,622	197,495
Benefits Replacement	15,585	14,806
Subtotal, Employee Benefits	$ 727,797	$ 762,397
Debt Service		
Lease Payments	$ 235,724	$ 252,535
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 963,521	$ 1,014,932

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Board of Nurse Examiners. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Board of Nurse Examiners. In order to achieve the objectives and service standards established by this Act, the Board of Nurse Examiners shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: LICENSING		
Outcome (Results/Impact):		
Percentage of Licensees with No Recent Violations (RN)	98.8%	98.8%
Percent of Licensees Who Renew Online (RN)	90%	90%
Percent of New Individual Licenses Issued Online (RN)	25%	25%
Percentage of Licensees with No Recent Violations (LVN)	98%	98%
Percent of Licensees Who Renew Online (LVN)	70%	70%
Percent of New Individual Licenses Issued Online (LVN)	10%	10%
A.1.1. Strategy: LICENSING		
Output (Volume):		
Number of New Licenses Issued to Individuals (RN)	9,500	9,500
Number of Individual Licenses Renewed (RN)	83,000	84,000
Number of New Licenses Issued to Individuals (LVN)	4,800	4,900
Number of Individual Licenses Renewed (LVN)	38,000	38,500
Efficiencies:		
Average Licensing Cost Per Individual License Issued (RN)	1.7	1.7
A.2.1. Strategy: ACCREDITATION		
Output (Volume):		
Total Number of Programs Licensed (LVN)	125	125
B. Goal: PROTECT PUBLIC		
Outcome (Results/Impact):		
Percent of Complaints Resulting in Disciplinary Action (RN)	38%	38%
Percent of Complaints Resulting in Disciplinary Action (LVN)	42%	42%
B.1.1. Strategy: ADJUDICATE VIOLATIONS		
Output (Volume):		
Number of Complaints Resolved (RN)	4,700	4,700
Number of Complaints Resolved (LVN)	2,500	2,500
Efficiencies:		
Average Time for Complaint Resolution (Days) (RN)	167	167
Explanatory:		
Number of Jurisdictional Complaints Received (RN)	2,500	2,500
Number of Jurisdictional Complaints Received (LVN)	1,250	1,250
B.1.3. Strategy: PEER ASSISTANCE		
Output (Volume):		
Number of Licensed Individuals Participating in a Peer Assistance Program (RN)	1,100	1,100
Number of Licensed Individuals Participating in a Peer Assistance Program (LVN)	275	275

2. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software versus the purchase of information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

	2006	2007
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Acquisition of Information Resource Technologies	$ 30,000	$ 30,000
Total, Capital Budget	$ 30,000	$ 30,000

3. **Contingent Revenue.** Out of the amounts appropriated above to the Board of Nurse Examiners in Strategy A.1.1, Licensing, the amounts of $55,571 in fiscal year 2006 and $55,571 in fiscal year 2007, in Strategy A.1.3, Indirect Administration, the amounts of $92,784 in fiscal year 2006 and $92,784 in fiscal year 2007, in Strategy A.2.1, Accreditation, the amounts of $17,306 in fiscal year 2006 and $17,306 in fiscal year 2007, in Strategy B.1.1, Adjudicate Violations, the amounts of $1,645,777 in fiscal year 2006 and $1,645,777 in fiscal year 2007, and in Strategy B.1.3, Peer Assistance, the amounts of $121,250 in fiscal year 2006 and $121,250 in fiscal year 2007 in General Revenue for the purposes of funding initial Licensed Vocational Nurse criminal background checks ($383,760 each fiscal year), renewal licensure criminal background checks ($1,205,787 each fiscal year), agency operations ($200,107 each fiscal year), the peer assistance program ($121,250 each fiscal year), and an exempt position salary increase ($21,784 each fiscal year) are contingent upon the Board of Nurse Examiners assessing fees sufficient to generate, during the 2006-07 biennium, $4,108,375 in excess of $16,389,578 (Object Codes 3560 and 3570), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. Also, the "Number of Full-time Equivalent Positions (FTE)" figure indicated above includes 5.0 FTEs in each fiscal year contingent upon the Board of Nurse Examiners generating the amount of revenue indicated above. The Board of Nurse Examiners, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Board of Nurse Examiners' minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

4. **Appropriation: Criminal Record Check Receipts.** Funds appropriated above include receipts collected pursuant to Texas Occupations Code Sections 301.1615, 301.2511, and 301.3011 for the purpose of obtaining criminal history record information. Contingent upon certification by the Board of Nurse Examiners and verification by the Comptroller of Public Accounts, all fees collected in excess of $1,643,550 each year of the biennium are hereby appropriated to the Board of Nurse Examiners. These funds shall be used for the sole purpose of acquiring criminal record checks from the Department of Public Safety, Federal Bureau of Investigation, or other law enforcement agency.

OPTOMETRY BOARD

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 350,832	$ 355,508
Other Funds		
Appropriated Receipts	10,000	10,000
Interagency Contracts	23,824	23,824
Subtotal, Other Funds	$ 33,824	$ 33,824
Total, Method of Financing	$ 384,656	$ 389,332
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 117,280	$ 118,022
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	7.0	7.0
Schedule of Exempt Positions:		
Executive Director, Group 1	$65,000	$65,000
Per Diem of Board Members	3,720	3,720
Items of Appropriation:		
A. Goal: EXAMINATION AND LICENSURE		
Manage Quality Program of Examination and Licensure, Enforce Statutes.		
A.1.1. Strategy: LICENSURE AND ENFORCEMENT	$ 270,628	$ 274,593
Operate an Efficient & Comprehensive Licensure & Enforcement System.		
A.1.2. Strategy: TEXASONLINE	$ 15,725	$ 15,725
TexasOnline. Estimated and Nontransferable.		
A.1.3. Strategy: INDIRECT ADMINISTRATION	$ 98,303	$ 99,014
Indirect Administration - Enforcement.		
Total, Goal A: EXAMINATION AND LICENSURE	$ 384,656	$ 389,332
Grand Total, OPTOMETRY BOARD	$ 384,656	$ 389,332
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 269,100	$ 269,100
Other Personnel Costs	10,000	10,000
Professional Fees and Services	37,000	38,000
Consumable Supplies	3,000	3,000
Utilities	700	725
Travel	17,460	17,460
Other Operating Expense	47,396	51,047
Total, Object-of-Expense Informational Listing	$ 384,656	$ 389,332
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 13,994	$ 14,274
Group Insurance	37,298	40,371
Social Security	19,324	19,711
Benefits Replacement	2,725	2,588
Subtotal, Employee Benefits	$ 73,341	$ 76,944

Debt Service		
Lease Payments	$ 25,787	$ 27,625
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 99,128	$ 104,569

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Optometry Board. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Optometry Board. In order to achieve the objectives and service standards established by this Act, the Optometry Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: EXAMINATION AND LICENSURE		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	98%	98%
Percent of Licensees Who Renew Online	85%	85%
Percent of New Individual Licenses Issued Online	10%	10%
A.1.1. Strategy: LICENSURE AND ENFORCEMENT		
Output (Volume):		
Number of New Licenses Issued to Individuals	165	165
Number of Licenses Renewed (Individuals)	3,408	3,493
Number of Complaints Resolved	145	145
Efficiencies:		
Average Time for Complaint Resolution (Days)	70	70

2. **Contingent Revenue.** Out of the amounts appropriated above to the Optometry Board in Strategy A.1.1, Licensure and Enforcement, the amounts of $10,892 in fiscal year 2006 and $8,560 in fiscal year 2007, and in Strategy A.1.3, Indirect Administration, the amounts of $1,500 in fiscal year 2006 and $1,500 in fiscal year 2007 in General Revenue for the purposes of providing investigator travel ($1,640 per year), an exempt position salary increase ($5,000 per year), and acquiring information technology ($5,752 in fiscal year 2006 and $3,420 in fiscal year 2007) are contingent upon the Optometry Board assessing fees sufficient to generate, during the 2006-07 biennium, $25,426 in excess of $1,290,000 (Object Code 3562), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Optometry Board, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Optometry Board's minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

3. **Investigative Expenses Authorized.** The Texas Optometry Board is authorized to hire investigators as independent contractors and to establish a petty cash account not to exceed $5,000 for the advancement of monies for purposes of purchases of evidence and investigative expenses, including travel, deemed necessary by the Board.

4. **Sunset Contingency.** Funds appropriated above for fiscal year 2007 for the Texas Optometry Board are made contingent on the continuation of the Texas Optometry Board by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

STRUCTURAL PEST CONTROL BOARD

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 1,237,574	$ 1,237,573
Federal Funds	150,000	150,000
Appropriated Receipts	600	600
Total, Method of Financing	$ 1,388,174	$ 1,388,173
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 511,030	$ 509,235
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	31.0	31.0
Schedule of Exempt Positions:		
Executive Director, Group 1	$67,200	$67,200
Items of Appropriation:		
A. Goal: LICENSE AND EDUCATE		
Appropriately License Applicators; Encourage Competence with Education.		
A.1.1. Strategy: LICENSING AND EXAMINATIONS	$ 159,107	$ 158,697
Examine & License Applicators & Technicians; Set Training Course Stds.		
A.1.2. Strategy: INDIRECT ADMINISTRATION	$ 164,821	$ 164,821
A.1.3. Strategy: TEXASONLINE	$ 95,690	$ 95,690
TexasOnline. Estimated and Nontransferable.		
Total, Goal A: LICENSE AND EDUCATE	$ 419,618	$ 419,208
B. Goal: REGULATE PEST SERVICES		
Mandate Compliance with Regulations and Methods of Providing Services.		
B.1.1. Strategy: REGULATORY ACTIVITIES	$ 840,311	$ 840,720
Respond to Complaints, Perform Inspections & Take Enforcement Actions.		
B.1.2. Strategy: INDIRECT ADMINISTRATION	$ 77,533	$ 77,533
Total, Goal B: REGULATE PEST SERVICES	$ 917,844	$ 918,253
C. Goal: EDUCATION AND AWARENESS		
Provide for Public Education and Awareness of Pest Control Matters.		
C.1.1. Strategy: PUBLIC AWARENESS EFFORTS	$ 50,712	$ 50,712
Conduct a Public Awareness/Education Program about Pest Management.		
Grand Total, STRUCTURAL PEST CONTROL BOARD	$ 1,388,174	$ 1,388,173
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,056,472	$ 1,056,472
Other Personnel Costs	28,148	28,148
Professional Fees and Services	3,710	3,710
Consumable Supplies	10,107	10,107
Utilities	9,456	9,456
Travel	131,920	131,920
Rent - Building	1,540	1,540
Rent - Machine and Other	6,239	6,239
Other Operating Expense	131,582	131,581
Grants	9,000	9,000
Total, Object-of-Expense Informational Listing	$ 1,388,174	$ 1,388,173

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits		
Retirement	$ 62,122	$ 63,365
Group Insurance	246,424	267,352
Social Security	85,095	86,797
Benefits Replacement	11,459	10,886
Subtotal, Employee Benefits	$ 405,100	$ 428,400
Debt Service		
Lease Payments	$ 74,885	$ 80,225
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 479,985	$ 508,625

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Structural Pest Control Board. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Structural Pest Control Board. In order to achieve the objectives and service standards established by this Act, the Structural Pest Control Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: LICENSE AND EDUCATE		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	98%	98%
Percent of Licensees Who Renew Online	15%	15%
Percent of New Individual Licenses Issued Online	10%	10%
A.1.1. Strategy: LICENSING AND EXAMINATIONS		
Output (Volume):		
Number of New Licenses Issued to Individuals	5,942	5,942
Number of Licenses Renewed (Individuals)	12,825	12,825
Efficiencies:		
Average Licensing Cost per Individual License Issued	18	18
B. Goal: REGULATE PEST SERVICES		
Outcome (Results/Impact):		
Percent of Complaints Resolved Within Six Months	85%	85%
B.1.1. Strategy: REGULATORY ACTIVITIES		
Output (Volume):		
Number of Complaints Resolved	805	805
Number of Inspections Performed	1,900	1,900
Efficiencies:		
Average Time for Complaint Resolution (Days)	75	75
C. Goal: EDUCATION AND AWARENESS		
Outcome (Results/Impact):		
Percent of Independent School Districts Reviewed Regarding Integrated Pest Management	20%	20%
C.1.1. Strategy: PUBLIC AWARENESS EFFORTS		
Output (Volume):		
Number of School Inspections Performed	200	200

2. **Use of Temporary and Contract Workers.** None of the amounts appropriated above to the Structural Pest Control Board may be expended for temporary staffing service contracts.

3. **Field Investigators.** It is the intent of the legislature that the Structural Pest Control Board, whenever possible, hire qualified job candidates from the region where the vacancy exists.

4. **Contingency Appropriation: Mileage Reimbursement.** Out of the amounts appropriated above to the Structural Pest Control Board in Strategy B.1.1, Regulatory Activities, an amount not to exceed $8,000 in fiscal year 2006 and $8,000 in fiscal year 2007 in General Revenue for the purpose of mileage reimbursement, is contingent upon the maximum mileage reimbursement rate authorized elsewhere in this act, in Article IX, Section 5.04, Transportation Expenses, exceeding 35 cents per mile, and the Structural Pest Control Board assessing fees sufficient to generate, during the 2006-07 biennium, $16,000 in excess of $4,038,000 (Object Code 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Structural Pest Control Board, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Structural Pest Control Board's minutes and other information, including eligible mileage reimbursement information, supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure and mileage reimbursement needs, to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues and mileage reimbursement, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

5. **Contingent Revenue.** Out of the amounts appropriated above to the Structural Pest Control Board in Strategy B.1.1, Regulatory Activities, the amounts of $4,200 in fiscal year 2006 and $4,200 and in fiscal year 2007 in General Revenue for the purposes of an exempt position salary increase, are contingent upon the Structural Pest Control Board assessing fees sufficient to generate, during the 2006-07 biennium, $10,898 in excess of: (1) $4,038,000 (Object Code 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007, and (2) the $16,000 required to be raised in Rider 4. The Structural Pest Control Board, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Structural Pest Control Board's minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

BOARD OF PHARMACY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
GR Dedicated - Pharmacy Board Operating Account No. 523	$ 3,387,786	$ 3,348,736
Appropriated Receipts	7,730	7,730
Total, Method of Financing	$ 3,395,516	$ 3,356,466
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 882,622	$ 881,702
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	54.0	54.0
Schedule of Exempt Positions:		
Executive Director, Group 2	$77,500	$77,500
Per Diem of Board Members	9,450	9,450

BOARD OF PHARMACY
(Continued)

Items of Appropriation:		
A. Goal: MAINTAIN STANDARDS		
Establish and Maintain Standards for Pharmacy Education and Practice.		
A.1.1. Strategy: LICENSING Operate an Application and Renewal Licensure System.	$ 513,576	$ 491,558
A.1.2. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 178,340	$ 182,810
Total, Goal A: MAINTAIN STANDARDS	$ 691,916	$ 674,368
B. Goal: ENFORCE REGULATIONS		
Protect Public Health by Enforcing All Laws Relating to Practice.		
B.1.1. Strategy: ENFORCEMENT Operate System of Inspection Assistance Education.	$ 1,995,470	$ 1,976,027
B.1.2. Strategy: PEER ASSISTANCE Provide a Peer Assistance Program for Licensed Individuals.	$ 146,825	$ 146,825
Total, Goal B: ENFORCE REGULATIONS	$ 2,142,295	$ 2,122,852
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: LICENSING - INDIRECT ADMINISTRATION	$ 84,196	$ 83,887
C.1.2. Strategy: ENFORCEMENT-INDIRECT ADMINISTRATION	$ 477,109	$ 475,359
Total, Goal C: INDIRECT ADMINISTRATION	$ 561,305	$ 559,246
Grand Total, BOARD OF PHARMACY	$ 3,395,516	$ 3,356,466
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 2,320,777	$ 2,324,355
Other Personnel Costs	79,451	75,347
Professional Fees and Services	242,694	239,990
Fuels and Lubricants	13,602	14,128
Consumable Supplies	19,355	19,434
Utilities	8,890	8,890
Travel	122,207	120,346
Rent - Building	867	867
Rent - Machine and Other	8,076	8,076
Other Operating Expense	478,005	424,049
Capital Expenditures	101,592	120,984
Total, Object-of-Expense Informational Listing	$ 3,395,516	$ 3,356,466
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 122,955	$ 125,414
Group Insurance	291,144	314,148
Social Security	160,735	163,950
Benefits Replacement	21,778	20,689
Subtotal, Employee Benefits	$ 596,612	$ 624,201
Debt Service		
Lease Payments	$ 136,974	$ 146,743
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 733,586	$ 770,944

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Board of Pharmacy. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Board of Pharmacy. In order to achieve the objectives and service standards established by this Act, the Board of Pharmacy shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: MAINTAIN STANDARDS		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	99%	99%
Percent of Licensees Who Renew Online	75%	75%
A.1.1. Strategy: LICENSING		
Output (Volume):		
Number of New Licenses Issued to Individuals	870	870
Number of Licenses Renewed (Individuals)	11,058	11,548
Efficiencies:		
Average Licensing Cost per Individual License Issued	10.44	10.44
Average Licensing Cost per Facility License Issued	35.12	35.12
Explanatory:		
Total Number of Business Facilities Licensed	5,950	6,000
B. Goal: ENFORCE REGULATIONS		
Outcome (Results/Impact):		
Percent of Complaints Resulting in Disciplinary Action	10%	10%
B.1.1. Strategy: ENFORCEMENT		
Output (Volume):		
Number of Complaints Resolved	1,980	1,980
Efficiencies:		
Average Time for Complaint Resolution (Days)	120	120
Explanatory:		
Number of Jurisdictional Complaints Received	2,500	2,500
B.1.2. Strategy: PEER ASSISTANCE		
Output (Volume):		
Number of Individuals Participating in a Peer Assistance Program	175	175

2. **Contingent Revenue: Capital Budget Items.** Out of the amounts appropriated above to the Board of Pharmacy in Strategy A.1.1, Licensing, the amounts of $7,500 in fiscal year 2006 and $7,500 in fiscal year 2007, and in Strategy B.1.1, Enforcement, the amounts of $101,592 in fiscal year 2006 and $120,984 in fiscal year 2007 in GR-Dedicated - Pharmacy Board Operating Account No.523 for the purposes of purchasing six enforcement vehicles ($33,000 in fiscal year 2006 and $66,000 in fiscal year 2007), an exempt position salary increase ($7,500 per year), and acquiring information technology ($68,592 in fiscal year 2006 and $54,984 in fiscal year 2007) are contingent upon the Board of Pharmacy assessing fees sufficient to generate, during the 2006-07 biennium, $242,037 in excess of $8,272,000 (Object Code 3562), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Board of Pharmacy, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Board of Pharmacy's minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

The Board of Pharmacy may expend appropriations for capital budget items listed below, contingent upon the Board of Pharmacy meeting the above revenue target. None of the funds appropriated may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with a "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code

§ 1232.103. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

	2006	2007
Out of the GR Dedicated - Pharmacy Board Operating Account No. 523:		
a. Acquisition of Information Resource Technologies		
(1) Replacement and Acquisition of New Computer Hardware	$ 68,592	$ 54,984
b. Transportation Items		
(1) Purchase of New Vehicles (6)	$ 33,000	$ 66,000
Total, Capital Budget	$ 101,592	$ 120,984

3. **Sunset Contingency.** Funds appropriated above for fiscal year 2007 for the Board of Pharmacy are made contingent on the continuation of the Board of Pharmacy by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

EXECUTIVE COUNCIL OF PHYSICAL THERAPY & OCCUPATIONAL THERAPY EXAMINERS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 870,971	$ 874,881
Appropriated Receipts	35,000	35,000
Total, Method of Financing	$ 905,971	$ 909,881
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 287,329	$ 288,660
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	18.0	18.0
Schedule of Exempt Positions:		
Executive Director, Group 1	$55,198	$55,198
Per Diem of Board Members	5,070	5,070
Items of Appropriation:		
A. Goal: LICENSING AND REGISTRATION		
License Physical and Occupational Therapists and Register Facilities.		
A.1.1. Strategy: OPERATE LICENSING SYSTEM	$ 487,768	$ 487,768
Issue and Renew Licenses and Register Facilities.		
A.1.2. Strategy: TEXASONLINE	$ 112,945	$ 116,855
TexasOnline. Estimated and Nontransferable.		

A.1.3. Strategy: LICENSING INDIRECT ADMINISTRATION	$ 27,100	$ 27,100
Total, Goal A: LICENSING AND REGISTRATION	$ 627,813	$ 631,723
B. Goal: ENFORCEMENT		
Promote Compliance and Enforce PT and OT Practice Acts and Rules.		
B.1.1. Strategy: ADMINISTER ENFORCEMENT Enforce the Physical Therapy and Occupational Therapy Practice Acts.	$ 263,565	$ 263,565
B.1.2. Strategy: ENFORCEMENT INDIRECT ADMINISTRATION	$ 14,593	$ 14,593
Total, Goal B: ENFORCEMENT	$ 278,158	$ 278,158
Grand Total, EXECUTIVE COUNCIL OF PHYSICAL THERAPY & OCCUPATIONAL THERAPY EXAMINERS	$ 905,971	$ 909,881
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 613,076	$ 613,076
Other Personnel Costs	19,139	19,139
Professional Fees and Services	20,000	20,000
Consumable Supplies	15,791	15,791
Utilities	13,300	13,300
Travel	30,000	30,000
Rent - Building	800	800
Rent - Machine and Other	40	40
Other Operating Expense	193,825	197,735
Total, Object-of-Expense Informational Listing	$ 905,971	$ 909,881
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 39,551	$ 40,342
Group Insurance	107,645	115,335
Social Security	48,366	49,333
Benefits Replacement	4,634	4,402
Subtotal, Employee Benefits	$ 200,196	$ 209,412
Debt Service		
Lease Payments	$ 61,682	$ 66,080
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 261,878	$ 275,492

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Executive Council of Physical Therapy & Occupational Therapy Examiners. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Executive Council of Physical Therapy & Occupational Therapy Examiners. In order to achieve the objectives and service standards established by this Act, the Executive Council of Physical Therapy & Occupational Therapy Examiners shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: LICENSING AND REGISTRATION		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations: Physical Therapy	99%	99%
Percent of Licensees with No Recent Violations: Occupational Therapy	100%	100%
Percent of Licensees Who Renew Online	85%	85%
Percent of New Individual Licenses Issued Online	15%	20%
A.1.1. Strategy: OPERATE LICENSING SYSTEM		
Output (Volume):		
Number of New Licenses Issued to Individuals: Physical Therapy	825	835
Number of New Licenses Issued to Individuals: Occupational Therapy	500	510
Number of Licenses Renewed (Individuals): Physical Therapy	5,824	5,672
Number of Licenses Renewed (Individuals): Occupational Therapy	3,894	4,034
Explanatory:		
Total Number of Business Facilities Registered	2,525	2,550
B. Goal: ENFORCEMENT		
Outcome (Results/Impact):		
Percent of Complaints Resulting in Disciplinary Action: Physical Therapy	25%	25%
Percent of Complaints Resulting in Disciplinary Action: Occupational Therapy	25%	25%
B.1.1. Strategy: ADMINISTER ENFORCEMENT		
Output (Volume):		
Number of Complaints Resolved: Physical Therapy	185	200
Number of Complaints Resolved: Occupational Therapy	60	70
Efficiencies:		
Average Time for Complaint Resolution: Physical Therapy (Days)	150	150
Average Time for Complaint Resolution: Occupational Therapy (Days)	140	140
Explanatory:		
Number of Jurisdictional Complaints Received: Physical Therapy	225	225
Number of Jurisdictional Complaints Received: Occupational Therapy	70	70

2. **Contingent Revenue.** Out of the amounts appropriated above to the Executive Council of Physical Therapy and Occupational Therapy Examiners in Strategy A.1.1, Operate Licensing System, the amounts of $2,000 in fiscal year 2006 and $2,000 in fiscal year 2007, and in Strategy B.1.1, Administer Enforcement, the amounts of $2,000 in fiscal year 2006 and $2,000 in fiscal year 2007 in General Revenue for the purpose of an exempt position salary increase ($4,000 per year) are contingent upon the Executive Council of Physical Therapy and Occupational Therapy Examiners assessing fees sufficient to generate, during the 2006-07 biennium, $10,379 in excess of $5,420,000 (Object Code 3562), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Executive Council of Physical Therapy and Occupational Therapy Examiners, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Executive Council of Physical Therapy and Occupational Therapy Examiner's minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purpose.

BOARD OF PLUMBING EXAMINERS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 1,716,065	$ 1,661,864
Appropriated Receipts	30,000	30,000
Total, Method of Financing	$ 1,746,065	$ 1,691,864
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 328,216	$ 321,645
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	22.0	22.0
Schedule of Exempt Positions:		
Administrator, Group 2	$70,000	$70,000
Per Diem of Board Members	2,030	2,030
Items of Appropriation:		
A. Goal: ENSURE PUBLIC SAFETY/PLUMBING		
Ensure Public Health by Licensing and Registering Plumbers.		
A.1.1. Strategy: EXAMINE AND LICENSE PLUMBERS Administer Competency Examinations, Issue and Renew Licenses.	$ 617,702	$ 619,601
A.1.2. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 135,000	$ 135,000
A.1.3. Strategy: INSPECTIONS AND ENFORCEMENT Inspect and Monitor Job Sites, Investigate and Resolve Complaints.	$ 720,988	$ 663,588
Total, Goal A: ENSURE PUBLIC SAFETY/PLUMBING	$ 1,473,690	$ 1,418,189
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: INDIRECT ADMIN - EXAM/LICENSE Indirect Administration - Exam/License.	$ 98,876	$ 99,362
B.1.2. Strategy: INDIRECT ADMIN - INSPECT/ENFORCE Indirect Administration - Inspections/Enforcement.	$ 173,499	$ 174,313
Total, Goal B: INDIRECT ADMINISTRATION	$ 272,375	$ 273,675
Grand Total, BOARD OF PLUMBING EXAMINERS	$ 1,746,065	$ 1,691,864
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 975,588	$ 970,288
Other Personnel Costs	41,600	37,900
Professional Fees and Services	77,400	77,400
Fuels and Lubricants	10,075	9,875
Consumable Supplies	15,500	15,500
Utilities	39,500	39,900
Travel	31,700	31,700
Rent - Building	184,800	184,800
Rent - Machine and Other	7,400	7,100
Other Operating Expense	328,502	317,401
Capital Expenditures	34,000	0
Total, Object-of-Expense Informational Listing	$ 1,746,065	$ 1,691,864

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits		
Retirement	$ 59,554	$ 60,745
Group Insurance	200,338	217,704
Social Security	76,266	77,791
Benefits Replacement	11,121	10,565
Subtotal, Employee Benefits	$ 347,279	$ 366,805
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 347,279	$ 366,805

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Board of Plumbing Examiners. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Board of Plumbing Examiners. In order to achieve the objectives and service standards established by this Act, the Board of Plumbing Examiners shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: ENSURE PUBLIC SAFETY/PLUMBING		
Outcome (Results/Impact):		
Percentage of Complaints Resolved Resulting in Disciplinary Action	38%	38%
Percentage of Licensees with No Recent Violations	97%	97%
Percent of Licensees Who Renew Online	19%	20%
Percent of New Individual Licenses Issued Online	4%	5%
A.1.1. Strategy: EXAMINE AND LICENSE PLUMBERS		
Output (Volume):		
Number of New Licenses Issued to Individuals	2,025	2,025
Efficiencies:		
Average Licensing Cost Per Individual License Issued	3.75	3.75
A.1.3. Strategy: INSPECTIONS AND ENFORCEMENT		
Output (Volume):		
Number of Job Sites Monitored	8,680	9,645
Number of Field Investigations Conducted	650	650
Number of Complaints Resolved	690	690

2. **Contingent Revenue: Capital Budget Items.** Out of the amounts appropriated above to the Board of Plumbing Examiners in Strategy A.1.3, Inspections and Enforcement, the amounts of $91,300 in fiscal year 2006 and $54,100 in fiscal year 2007, and in Strategy B.1.2, Indirect Admin - Inspect/Enforce, the amounts of $8,000 in fiscal year 2006 and $8,000 in fiscal year 2007 in General Revenue for the purposes of enforcement ($57,300 in fiscal year 2006 and $54,100 in fiscal year 2007), an exempt position salary increase ($8,000 per year), and two vehicles ($34,000 in fiscal year 2006) are contingent upon the Board of Plumbing Examiners assessing fees sufficient to generate, during the 2006-07 biennium, $219,690 in excess of $5,163,000 (Object Code 3175) contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Board of Plumbing Examiners, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Board of Plumbing Examiners' minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

   The Board of Plumbing Examiners may expend appropriations for capital budget items listed below, contingent upon the Board of Plumbing Examiners meeting the above revenue target. None of the funds appropriated may be expended for capital budget items except as listed below.

BOARD OF PLUMBING EXAMINERS
(Continued)

The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with a "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

	2006	2007
Out of the General Revenue Fund:		
a. Transportation Items		
(1) Purchase of New Vehicles (2)	$ 34,000	$ 0
Total, Capital Budget	$ 34,000	$ 0

BOARD OF PODIATRIC MEDICAL EXAMINERS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 209,926	$ 210,925
Appropriated Receipts	3,200	3,200
Total, Method of Financing	$ 213,126	$ 214,125
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 72,134	$ 73,300
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	4.0	4.0
Schedule of Exempt Positions:		
Executive Director, Group 1	$55,000	$55,000
Per Diem of Board Members	1,080	1,080
Items of Appropriation:		
A. Goal: PROTECT TEXANS		
Protect Citizens of Texas from Incompetent and Unethical Podiatrists.		
A.1.1. Strategy: LICENSURE AND ENFORCEMENT Provide Exams and Continuing Education & Investigate Violations of Act.	$ 163,883	$ 166,393
A.1.2. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 4,130	$ 4,130
A.1.3. Strategy: INDIRECT ADMINISTRATION Indirect Administration - Protect Texans.	$ 45,113	$ 43,602
Total, Goal A: PROTECT TEXANS	$ 213,126	$ 214,125
Grand Total, BOARD OF PODIATRIC MEDICAL EXAMINERS	$ 213,126	$ 214,125

Object-of-Expense Informational Listing:		
Salaries and Wages	$ 160,864	$ 160,864
Other Personnel Costs	2,400	2,400
Professional Fees and Services	6,970	4,750
Consumable Supplies	1,700	1,700
Utilities	1,700	1,700
Travel	15,260	14,894
Other Operating Expense	24,232	27,817
Total, Object-of-Expense Informational Listing	$ 213,126	$ 214,125
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 7,544	$ 7,695
Group Insurance	15,555	16,566
Social Security	9,296	9,482
Benefits Replacement	1,622	1,541
Subtotal, Employee Benefits	$ 34,017	$ 35,284
Debt Service		
Lease Payments	$ 22,758	$ 24,382
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 56,775	$ 59,666

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Board of Podiatric Medical Examiners. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Board of Podiatric Medical Examiners. In order to achieve the objectives and service standards established by this Act, the Board of Podiatric Medical Examiners shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: PROTECT TEXANS		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	98%	98%
Percent of Documented Complaints Resolved within Six Months	77%	77%
Percent of Licensees Who Renew Online	75%	80%
A.1.1. Strategy: LICENSURE AND ENFORCEMENT		
Output (Volume):		
Number of New Licenses Issued to Individuals	55	55
Complaints Resolved	123	123
Efficiencies:		
Average Licensing Cost Per Individual License Issued	11.5	11.5
Average Time for Complaint Resolution (Days)	200	200
Explanatory:		
Total Number of Individuals Licensed	1,180	1,180

2. **Contingent Revenue.** Out of the amounts appropriated above to the Board of Podiatric Medical Examiners in Strategy A.1.1, Licensure and Enforcement, the amounts of $8,461 in fiscal year 2006 and $8,461 in fiscal year 2007 in General Revenue for the purposes of Board member travel expense reimbursements ($5,461 per year) and an exempt position salary increase ($3,000 per year) are contingent upon the Board of Podiatric Medical Examiners assessing fees sufficient to generate, during the 2006-07 biennium, $18,706 in excess of $784,000 (Object Code 3562) contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Board of Podiatric Medical Examiners, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Board of Podiatric Medical Examiners' minutes and other information supporting

the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

3. Sunset Contingency. Funds appropriated above for fiscal year 2007 for the Texas State Board of Podiatric Medical Examiners are made contingent on the continuation of the Texas State Board of Podiatric Medical Examiners by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

BOARD OF EXAMINERS OF PSYCHOLOGISTS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 632,784	$ 632,784
Other Funds		
Appropriated Receipts	40,000	40,000
Interagency Contracts	22,398	22,398
Subtotal, Other Funds	$ 62,398	$ 62,398
Total, Method of Financing	$ 695,182	$ 695,182
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 190,468	$ 192,289
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	12.0	12.0
Schedule of Exempt Positions:		
Executive Director, Group 1	$62,000	$62,000
Per Diem of Board Members	7,050	7,050
Items of Appropriation:		
A. Goal: LICENSURE		
Protect Public through Quality Program of Licensure.		
A.1.1. Strategy: LICENSING	$ 328,908	$ 328,908
Operate Quality Program of Licensure.		
A.1.2. Strategy: TEXASONLINE	$ 30,000	$ 30,000
TexasOnline. Estimated and Nontransferable.		
A.1.3. Strategy: INDIRECT ADMINISTRATION	$ 55,528	$ 55,528
Indirect Administration - Licensing.		
Total, Goal A: LICENSURE	$ 414,436	$ 414,436
B. Goal: ENFORCEMENT LAWS & RULES		
Protect the Public through Enforcement of Laws & Rules.		
B.1.1. Strategy: ENFORCEMENT	$ 243,727	$ 243,727
Operate a Quality Investigation/Enforcement Program.		

B.1.2. Strategy: INDIRECT ADMINISTRATION Indirect Administration - Enforcement.	$ 37,019	$ 37,019
Total, Goal B: ENFORCEMENT LAWS & RULES	$ 280,746	$ 280,746
Grand Total, BOARD OF EXAMINERS OF PSYCHOLOGISTS	$ 695,182	$ 695,182
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 422,877	$ 422,877
Other Personnel Costs	10,680	10,680
Professional Fees and Services	66,640	66,640
Consumable Supplies	10,000	10,000
Utilities	800	800
Travel	22,000	22,000
Rent - Building	2,340	2,340
Other Operating Expense	159,845	159,845
Total, Object-of-Expense Informational Listing	$ 695,182	$ 695,182
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 27,736	$ 28,291
Group Insurance	58,721	62,775
Social Security	35,940	36,659
Benefits Replacement	4,711	4,475
Subtotal, Employee Benefits	$ 127,108	$ 132,200
Debt Service		
Lease Payments	$ 46,884	$ 50,228
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 173,992	$ 182,428

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Board of Examiners of Psychologists. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Board of Examiners of Psychologists. In order to achieve the objectives and service standards established by this Act, the Board of Examiners of Psychologists shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: LICENSURE		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	99%	99%
Percent of Licensees Who Renew Online	80%	80%
A.1.1. Strategy: LICENSING		
Output (Volume):		
Number of New Certificates/Licenses Issued to Individuals	420	420
Number of Certificates/Licenses Renewed (Individuals)	6,800	6,800
Efficiencies:		
Average Licensing Cost Per Individual License Issued	20	20
B. Goal: ENFORCEMENT LAWS & RULES		
Outcome (Results/Impact):		
Percent of Documented Complaints Resolved within Six Months	44%	44%

B.1.1. Strategy: ENFORCEMENT		
Output (Volume):		
Complaints Resolved	149	149
Efficiencies:		
Average Time for Complaint Resolution (Days)	235	235
Explanatory:		
Number of Jurisdictional Complaints Received	173	173

2. **Contingent Revenue.** Out of the amounts appropriated above to the Board of Examiners of Psychologists in Strategy A.1.1, Licensing, the amounts of $6,000 in fiscal year 2006 and $6,000 in fiscal year 2007, and in Strategy B.1.1, Enforcement, the amounts of $4,000 in fiscal year 2006 and $4,000 in fiscal year 2007 in General Revenue for the purpose of an exempt position salary increase ($10,000 per year) are contingent upon the Board of Examiners of Psychologists assessing fees sufficient to generate, during the 2006-07 biennium, $25,948 in excess of $2,104,000 (Object Code 3175) contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Board of Examiners of Psychologists, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Board of Examiners of Psychologists' minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

3. **Sunset Contingency.** Funds appropriated above for fiscal year 2007 for the Board of Examiners of Psychologists are made contingent on the continuation of the Board of Examiners of Psychologists by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

RACING COMMISSION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
GR Dedicated - Texas Racing Commission Account No. 597	$ 9,801,558	$ 9,801,557
Total, Method of Financing	$ 9,801,558	$ 9,801,557
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 888,559	$ 875,970
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	77.9	77.9
Number of FTEs in Riders:	5.0	5.0
Schedule of Exempt Positions:		
Executive Secretary, Group 2	$77,760	$77,760
Per Diem of Commissioners	6,500	6,500
Items of Appropriation:		
A. Goal: ENFORCE RACING REGULATION		
Enforce Racing Regulations in Texas.		
A.1.1. Strategy: LICENSE/REGULATE RACETRACKS Provide Regulatory and Enforcement Services to Racetrack Owners.	$ 157,718	$ 157,718

A.2.1. Strategy: TEXAS BRED INCENTIVE PROGRAM Allocate Texas Bred Funds to Breed Registries. Nontransferable.	$ 5,418,494	$ 5,418,494
A.3.1. Strategy: SUPERVISE & CONDUCT LIVE RACES Supervise the Conduct of Racing through Enforcement and Monitoring.	$ 780,378	$ 775,378
A.3.2. Strategy: MONITOR LICENSEE ACTIVITIES Monitor Occupational Licensee Activities.	$ 411,845	$ 411,845
A.4.1. Strategy: INSPECT & PROVIDE EMERGENCY CARE Inspect and Provide Emergency Care.	$ 462,355	$ 462,355
A.4.2. Strategy: ADMINISTER DRUG TESTS	$ 293,465	$ 293,465
Total, Goal A: ENFORCE RACING REGULATION	$ 7,524,255	$ 7,519,255
B. Goal: REGULATE PARTICIPATION Regulate the Participation in Racing.		
B.1.1. Strategy: OCCUPATIONAL LICENSING PROGRAM Administer the Occupational Licensing Program through Enforcement.	$ 477,734	$ 484,646
B.1.2. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 23,250	$ 23,250
Total, Goal B: REGULATE PARTICIPATION	$ 500,984	$ 507,896
C. Goal: REGULATE PARI-MUTUEL WAGERING Regulate pari-mutuel wagering in Texas.		
C.1.1. Strategy: MONITOR WAGERING AND AUDIT Regulate Pari-mutuel Wagering to Maintain an Honest Racing Industry.	$ 464,031	$ 464,031
C.1.2. Strategy: WAGERING COMPLIANCE INSPECTIONS Conduct Wagering Compliance Inspections.	$ 211,710	$ 211,710
Total, Goal C: REGULATE PARI-MUTUEL WAGERING	$ 675,741	$ 675,741
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: CENTRAL ADMINISTRATION	$ 772,767	$ 768,354
D.1.2. Strategy: INFORMATION RESOURCES	$ 302,791	$ 305,291
D.1.3. Strategy: OTHER SUPPORT SERVICES	$ 25,020	$ 25,020
Total, Goal D: INDIRECT ADMINISTRATION	$ 1,100,578	$ 1,098,665
Grand Total, RACING COMMISSION	$ 9,801,558	$ 9,801,557
Supplemental Appropriations Made in Riders:	$ 601,052	$ 601,052
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 3,711,195	$ 3,712,929
Other Personnel Costs	119,020	119,020
Professional Fees and Services	70,000	72,500
Consumable Supplies	28,300	28,300
Utilities	26,550	26,550
Travel	232,646	232,646
Rent - Building	157,500	157,500
Rent - Machine and Other	13,750	13,750
Other Operating Expense	235,868	231,633
Grants	5,750,531	5,750,531
Capital Expenditures	57,250	57,250
Total, Object-of-Expense Informational Listing	$ 10,402,610	$ 10,402,609

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits		
Retirement	$ 188,388	$ 192,156
Group Insurance	374,317	401,447
Social Security	246,108	251,030
Benefits Replacement	28,188	26,779
Subtotal, Employee Benefits	$ 837,001	$ 871,412
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 837,001	$ 871,412

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Racing Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Racing Commission. In order to achieve the objectives and service standards established by this Act, the Racing Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: ENFORCE RACING REGULATION		
Outcome (Results/Impact):		
Percentage of Investigations (Individuals) Resulting in Disciplinary Action	99%	99%
Percentage of Licensees with No Recent Violations	98%	98%
Percentage of Race Animals Injured or Dismissed from the Racetrack	.3%	.3%
A.1.1. Strategy: LICENSE/REGULATE RACETRACKS		
Output (Volume):		
Number of Racetrack Inspections	65	65
Efficiencies:		
Average Regulatory Cost per Horse Racetrack	23,511	23,462
Average Regulatory Cost per Greyhound Racetrack	23,511	23,462
Explanatory:		
Number of Horse Tracks Regulated	7	7
Number of Greyhound Tracks Regulated	3	3
A.2.1. Strategy: TEXAS BRED INCENTIVE PROGRAM		
Output (Volume):		
Number of Texas-bred Awards	27,518	27,984
A.3.1. Strategy: SUPERVISE & CONDUCT LIVE RACES		
Output (Volume):		
Number of Occupational Licenses Suspended or Revoked	200	200
A.3.2. Strategy: MONITOR LICENSEE ACTIVITIES		
Output (Volume):		
Number of Investigations Completed	1,300	1,300
A.4.1. Strategy: INSPECT & PROVIDE EMERGENCY CARE		
Output (Volume):		
Number of Race Animals Inspected Pre-race	136,000	136,000
B. Goal: REGULATE PARTICIPATION		
Outcome (Results/Impact):		
Average Time Required to Issue a New Occupational License (Minutes)	8.75	8.75
B.1.1. Strategy: OCCUPATIONAL LICENSING PROGRAM		
Output (Volume):		
Number of New Occupational Licenses Issued	6,000	6,000
Number of Occupational Licenses Renewed	8,500	8,500
Efficiencies:		
Average Regulatory Cost per Licensee	30.82	31.08

C. Goal: REGULATE PARI-MUTUEL WAGERING		
Outcome (Results/Impact):		
Percentage of Compliance Audits Passed	98%	98%
C.1.1. Strategy: MONITOR WAGERING AND AUDIT		
Explanatory:		
Total Pari-mutuel Handle (In Millions)	548.1	539.1
Total Take to the State Treasury from Pari-mutuel Wagering on Live and Simulcast Races	4,742,073	4,729,245

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amount shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase" or for other items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software versus the purchase of information resources hardware and/or software, if determined by commission management to be in the best interest of the State of Texas.

	2006	2007
Out of the GR Dedicated - Texas Racing Commission Account No. 597:		
a. Acquisition of Information Resource Technologies		
(1) Purchase Computer Hardware and Software	$ 32,250	$ 32,250
Total, Capital Budget	$ 32,250	$ 32,250

3. Limitation on Travel Reimbursement. Out of the funds appropriated above, not more than $1,500 per Commissioner may be expended on out-of-state travel and not more than $3,000 per Commissioner may be expended on in-state travel in each year of the biennium.

4. Appropriation: Unexpended Balances. Unexpended balances remaining in Racing Commission receipts as of August 31, 2006, are hereby appropriated for the fiscal year beginning September 1, 2006.

5. Texas Bred Incentive Program Receipts. Amounts set aside by the Texas Racing Act for the Texas Bred Incentive Program are appropriated above in Strategy A.2.1, Texas Bred Incentive Program.

6. Criminal History Checks. Out of the funds appropriated above in Strategy B.1.1, Occupational Licensing Program, $25,000 in fiscal year 2006 and $25,000 in fiscal year 2007 are appropriated to the Racing Commission for the purpose of reimbursing the Department of Public Safety for costs incurred in conducting criminal history checks on Racing Commission license applicants and renewals. Any additional revenue received from occupational license fees to cover the costs of criminal history checks is hereby appropriated to the Racing Commission for the purpose of reimbursing the Department of Public Safety.

7. Texas Bred Incentive Program Awards. None of the funds appropriated above for Texas Bred Incentive Program Awards may be expended for payments to a member serving on the commission. The Racing Commission shall take all necessary steps to ensure compliance with this provision.

8. Contingent Appropriation: New Horse Racetrack. In addition to the amounts appropriated above, the Texas Racing Commission shall be appropriated out of funds collected by the agency and deposited to GR Dedicated-Texas Racing Commission Account No. 597 during each fiscal year of the 2006-07 biennium, the following amounts for each new horse racetrack that begins operation for the first time during the biennium (estimated to be one new horse racetrack)

contingent upon the Texas Racing Commission assessing fees sufficient to generate, during the 2006-07 biennium, $323,978 for fiscal year 2006 and 323,978 for fiscal year 2007 for each new horse racetrack during the 2006-07 biennium in excess of $9,932,000 in fiscal year 2006 and $9,672,000 in fiscal year 2007 (Object Codes 3188, 3189, 3190, 3191, 3193, 3194,and 3197) contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007:

(a) $76,551 in Strategy A.3.1, Supervise and Conduct Live Races;
(b) $66,893 in Strategy A.3.2, Monitor Licensee Activities;
(c) $33,493 in Strategy A.4.1, Inspect and Provide Emergency Care;
(d) $24,946 in Strategy A.4.2, Administer Drug Tests;
(e) $29,132 in Strategy B.1.1, Occupational Licensing Program;
(f) $38,000 in Strategy C.1.1, Monitor Wagering and Audit.

Also, the "Number of Full-Time-Equivalents (FTE)" figure indicated above shall be increased by 5.0 FTEs in each fiscal year for each new horse racetrack that begins operations for the first time during the biennium contingent upon the Texas Racing Commission generating the amount of revenue indicated above for each new horse racetrack. The Texas Racing Commission upon completion of necessary actions to access or increase such additional revenue shall furnish copies of the Texas Racing Commissions' minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purpose.

Also, contingent upon the Texas Racing Commission assessing fees to cover the costs of the regulation of each new horse racetrack, the Texas Racing Commission's Capital Budget authority shall be increased for the following item and in the following amounts.

	2006	2007
a. Acquisition of Information Resource Technologies		
(1) Purchase Computer Hardware & Software	$25,000	$25,000

9. Contingency Appropriation: Accredited Texas Bred Program. In addition to amounts appropriated above in GR Dedicated-Texas Racing Commission Account No. 597, the Texas Racing Commission shall be appropriated in Strategy A.2.1, Texas Bred Incentive Program, revenue set aside by the Texas Racing Act pursuant to VTCS, Article 179e. § 6.08 (j) for the Texas Bred Incentive Program that is collected by the agency from each new horse racetrack that begins operations for the first time during the 2006-07 biennium in an amount not to exceed $332,037 from GR Dedicated-Texas Racing Commission Account No. 597 each year. Any appropriations from revenue collected by the agency from new horse racetracks for the Texas Bred Incentive Program during the 2006-07 biennium may be used only for that purpose and are not transferable to any other strategy.

REAL ESTATE COMMISSION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 4,440,775	$ 4,421,007
GR Dedicated - Appraiser Registry Account No. 028	120,000	120,000
Other Funds		
Appropriated Receipts	190,500	190,500
Real Estate Recovery Trust Fund	3,500	3,500

Real Estate Inspection Trust Fund	500	500
Subtotal, Other Funds	$ 194,500	$ 194,500
Total, Method of Financing	$ 4,755,275	$ 4,735,507
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 1,100,704	$ 1,081,716
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	83.0	83.0
Schedule of Exempt Positions:		
Administrator, Group 2	$80,000	$80,000
Per Diem of TREC Commission Members	7,500	7,500
Per Diem of TALCB Board Members	9,720	9,720
Items of Appropriation:		
A. Goal: ENSURE STANDARDS		
Determine the Eligibility of TREC Applicants for Licensure.		
A.1.1. Strategy: TREC LICENSING Review Apps, Perform Criminal Checks, Administer Exams, Issue Licenses.	$ 973,189	$ 958,056
A.1.2. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 224,000	$ 224,000
Total, Goal A: ENSURE STANDARDS	$ 1,197,189	$ 1,182,056
B. Goal: ENFORCE REGULATIONS		
Promptly, Aggressively, and Fairly Enforce TREC Laws and Rules.		
B.1.1. Strategy: TREC INVESTIGATION Investigate and Resolve Valid Complaint Cases.	$ 1,288,063	$ 1,287,603
C. Goal: PROVIDE EDUCATION		
To Communicate Effectively with the Public and Licensees.		
C.1.1. Strategy: LICENSEE/CONSUMER EDUCATION Prepare and Distribute Information Describing TREC Functions.	$ 554,276	$ 557,990
D. Goal: LICENSING APPRAISERS		
Implement and Enforce TALCB and Standards.		
D.1.1. Strategy: TALCB LICENSING Process Applications and License Applicants.	$ 351,336	$ 351,336
D.2.1. Strategy: TALCB ENFORCEMENT Investigate and Resolve Complaints; Impose Penalties as Appropriate.	$ 128,909	$ 128,909
Total, Goal D: LICENSING APPRAISERS	$ 480,245	$ 480,245
E. Goal: INDIRECT ADMINISTRATION		
E.1.1. Strategy: INDIRECT ADMINISTRATION	$ 1,235,502	$ 1,227,613
Grand Total, REAL ESTATE COMMISSION	$ 4,755,275	$ 4,735,507
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 3,108,530	$ 3,108,530
Other Personnel Costs	109,760	104,580
Professional Fees and Services	65,100	65,100
Consumable Supplies	56,400	51,000
Utilities	41,435	40,535
Travel	74,000	74,000

Rent - Building	455,300	455,300
Rent - Machine and Other	28,000	28,000
Other Operating Expense	762,750	754,462
Capital Expenditures	54,000	54,000
Total, Object-of-Expense Informational Listing	$ 4,755,275	$ 4,735,507
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 180,680	$ 184,293
Group Insurance	590,820	639,276
Social Security	241,358	246,185
Benefits Replacement	37,759	35,871
Subtotal, Employee Benefits	$ 1,050,617	$ 1,105,625
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,050,617	$ 1,105,625

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Real Estate Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Real Estate Commission. In order to achieve the objectives and service standards established by this Act, the Real Estate Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: ENSURE STANDARDS		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	98%	98%
Percent of Licensees Who Renew Online	25%	25%
Percent of New Individual Licenses Issued Online	45%	45%
A.1.1. Strategy: TREC LICENSING		
Output (Volume):		
Number of New Licenses Issued to Individuals	20,000	20,000
Number of Licenses Renewed (Individuals)	60,000	60,000
Efficiencies:		
Average Licensing Cost per Individual License Issued	15	15
Average Time for Individual License Issuance (Days)	37	37
Percentage of New Individual Licenses Issued Within Ten Days	92%	92%
Percentage of Individual License Renewals Issued within Seven Days	97%	97%
B. Goal: ENFORCE REGULATIONS		
Outcome (Results/Impact):		
Percent of Documented Complaints Resolved Within Six Months	70%	70%
B.1.1. Strategy: TREC INVESTIGATION		
Output (Volume):		
Number of Complaints Resolved	2,700	2,700
Efficiencies:		
Average Time for Complaint Resolution (Days)	110	110
C. Goal: PROVIDE EDUCATION		
C.1.1. Strategy: LICENSEE/CONSUMER EDUCATION		
Output (Volume):		
Number of Calls Received	450,000	450,000
D. Goal: LICENSING APPRAISERS		
Outcome (Results/Impact):		
Percent of Licensed or Certified Appraisers with No Recent Violations	97.7%	97.7%

Percent of Licensees Who Renew Online	47%	47%
Percent of New Individual Licenses Issued Online	10%	10%
Percent of Documented Complaints Resolved Within Six Months	60%	60%
D.1.1. Strategy: TALCB LICENSING		
Output (Volume):		
Number of New Licenses and Certifications Issued to Individuals	250	250
Number of Licenses and Certifications Renewed (Individuals)	1,650	1,650
D.2.1. Strategy: TALCB ENFORCEMENT		
Output (Volume):		
Number of Complaints Resolved	110	110
Efficiencies:		
Average Time for Complaint Resolution (Days)	260	260

2. **Contingency Appropriation.** Out of the amounts appropriated above to the Real Estate Commission in Strategy A.1.1, TREC Licensing, the amounts of $94,368 in fiscal year 2006 and $80,000 in fiscal year 2007, in Strategy D.1.1, TALCB Licensing, the amounts of $6,000 in fiscal year 2006 and $6,000 in fiscal year 2007, in Strategy D.2.1, TALCB Enforcement, the amounts of $4,000 in fiscal year 2006 and $4,000 in fiscal year 2007, and in Strategy E.1.1, Indirect Administration, the amounts of $59,400 in fiscal year 2006 and $54,000 in fiscal year 2007 in General Revenue for the purposes of acquiring information resource technology items ($59,400 in fiscal year 2006 and $54,000 in fiscal year 2007), education record keeping upgrade ($94,368 in fiscal year 2006 and $80,000 in fiscal year 2007), an exempt position salary increase ($10,000 each fiscal year), are contingent upon the Real Estate Commission assessing fees sufficient to generate, during the 2006-07 biennium, $386,282 in excess of $13,932,000 (Object Code 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Real Estate Commission, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Real Estate Commission' minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

The Real Estate Commission may expend appropriations for capital budget items listed below, contingent upon the Real Estate Commission meeting the above revenue target. None of the funds appropriated may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with a "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software, if determined by agency management to be in the best interest of the state of Texas.

	2006	2007
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Acquisition of Information Resource Technologies	$ 59,400	$ 54,000
Total, Capital Budget	$ 59,400	$ 54,000

3. **Appropriation of Residential Service Company Examination Fees.** In addition to the funds appropriated above ($5,500 each year of the biennium), all monies collected pursuant to § 1303.052 (c), Occupations Code, are hereby appropriated to the Texas Real Estate Commission for the purposes of conducting examinations and related activities included within Strategy B.1.1, TREC Investigation.

4. **Reporting Requirement.** In its annual report, the Real Estate Commission shall provide a schedule showing a breakdown of the number of broker and salesman license renewals and the amount of funds transferred to the Real Estate Research Center.

5. **Appropriation of Receipts, National Registry Fees.** Fee revenue deposited to the Appraiser Registry Account No. 028, in the General Revenue Fund pursuant to § 1103.156, Occupations Code, including the estimated amounts appropriated above, $120,000 in fiscal year 2006 and $120,000 in fiscal year 2007, is hereby appropriated to the Texas Appraiser Licensing and Certification Board, as an independent subdivision of the Texas Real Estate Commission. The appropriation made herein shall be expended only for the purpose specified in § 1103.156, Occupations Code, relating to revenue transmitted to the federal Appraisal Subcommittee.

6. **Real Estate Recovery Fund and Inspection Recovery Fund.** The amounts appropriated above include an estimated $4,000 per year from the Real Estate Recovery Trust Fund and the Real Estate Inspection Trust Fund to recover travel and related expenses incurred for collection of court judgments affecting the funds.

7. **Promotion of On-line Services.** It is the intent of the Legislature that the Texas Real Estate Commission print, in at least 13 point font, a notice on any form with an on-line alternative that such services are available on the Internet, listing the website address.

RESIDENTIAL CONSTRUCTION COMMISSION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 3,424,311	$ 3,424,311
Total, Method of Financing	$ 3,424,311	$ 3,424,311
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 267,621	$ 263,488
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	32.0	32.0
Schedule of Exempt Positions:		
Executive Director, Group 3	$98,000	$98,000
Items of Appropriation:		
A. Goal: REGISTRATION		
Ensure Effective Supervision of Residential Construction/Remodeling.		
A.1.1. Strategy: REGISTRATION PROGRAM Implement and Monitor the Registration Program.	$ 529,139	$ 529,139
A.1.2. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 315,000	$ 315,000
Total, Goal A: REGISTRATION	$ 844,139	$ 844,139
B. Goal: COMPLAINT RESOLUTION & COMPLIANCE		
Complaint Resolution and Compliance.		
B.1.1. Strategy: COMPLAINT RESOLUTION Implement and Monitor the SIRP Process.	$ 1,009,374	$ 1,009,374
B.1.2. Strategy: COMPLIANCE Develop Performance Standards and Warranties for Review.	$ 316,604	$ 316,604

B.1.3. Strategy: THIRD-PARTY INSPECTIONS	$ 300,000	$ 300,000 & UB
Third-party Inspections. Estimated and Nontransferable.		
Total, Goal B: COMPLAINT RESOLUTION & COMPLIANCE	$ 1,625,978	$ 1,625,978
C. Goal: INDUSTRY & CONSUMER EDUCATION		
Provide Information for Industry & Consumers.		
C.1.1. Strategy: EDUCATION	$ 394,479	$ 394,479
Implement an Education Program for Industry and Consumers.		
D. Goal: INDIRECT ADMINISTRATION		
Indirect Administration and Support.		
D.1.1. Strategy: INDIRECT ADMINISTRATION	$ 559,715	$ 559,715
Indirect Administration and Support.		
Grand Total, RESIDENTIAL CONSTRUCTION COMMISSION	$ 3,424,311	$ 3,424,311
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,717,301	$ 1,717,301
Other Personnel Costs	15,000	15,000
Professional Fees and Services	360,002	360,002
Consumable Supplies	25,000	25,000
Utilities	50,000	50,000
Travel	40,000	40,000
Rent - Building	5,000	5,000
Rent - Machine and Other	190,001	190,001
Other Operating Expense	1,012,007	1,012,007
Capital Expenditures	10,000	10,000
Total, Object-of-Expense Informational Listing	$ 3,424,311	$ 3,424,311
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 46,565	$ 47,497
Group Insurance	64,541	68,737
Social Security	64,393	65,681
Benefits Replacement	5,576	5,297
Subtotal, Employee Benefits	$ 181,075	$ 187,212
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 181,075	$ 187,212

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Residential Construction Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Residential Construction Commission. In order to achieve the objectives and service standards established by this Act, the Residential Construction Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: REGISTRATION		
Outcome (Results/Impact):		
Percent of Registrants Who Renew Online	35%	40%
Percent of Home Registrations Completed Online	35%	40%

A.1.1. Strategy: REGISTRATION PROGRAM		
Output (Volume):		
Number of Home Registrations Issued	100,000	100,000
Number of New Builder/Remodeler Registrations Issued	1,000	1,000
Number of Registrations Renewed	15,000	15,000
Efficiencies:		
Average Cost Per Registration Issued	7.44	7.44
B. Goal: COMPLAINT RESOLUTION & COMPLIANCE		
B.1.1. Strategy: COMPLAINT RESOLUTION		
Output (Volume):		
Total Number of SIRP Actions Closed	500	750
Efficiencies:		
Average Days to Complete the SIRP	100	100
Explanatory:		
Total Number of Complaints Received	1,100	1,350
Number of Non-jurisdictional Complaints	600	600
Number of SIRP Requests Received	500	750
C. Goal: INDUSTRY & CONSUMER EDUCATION		
C.1.1. Strategy: EDUCATION		
Output (Volume):		
Total Number of Texans Reached in Person	2,500	3,000

2. **Third Party-Inspection.** None of the funds appropriated above for fiscal year 2007 may be expended until the Texas Residential Construction Commission, pursuant to Property Code § 426.004 (a) and (b), adopts rules permitting a waiver or reduction of the inspection fees for homeowners demonstrating financial inability to pay the expenses and sets the fee at the lowest possible rate necessary to cover costs associated with third-party inspections.

3. **Home Registration Fees.** Home registration fees may not be set below the levels in place as of May 1, 2005.

4. **Builder Registration Fees.** The Builder registration and renewal fees collected by the Texas Residential Construction Commission shall be set at the statutory maximums.

5. **Builder/Remodeler Registration Applications.** It is the intent of the Legislature that the Texas Residential Construction Commission thoroughly investigate each builder or remodeler registration application in its efforts to be satisfied with the person's honesty, trustworthiness and integrity pursuant to Property Code § 416.005(2).

6. **Contingent Revenue: Builder Registrations and Complaint Resolution.** Out of the amounts appropriated above to the Residential Construction Commission in Strategy A.1.1, Registration Program, the amounts of $52,134 in fiscal year 2006 and $52,134 in fiscal year 2007, and in Strategy B.1.1, Complaint Resolution, the amounts of $127,128 in fiscal year 2006 and $127,128 in fiscal year 2007 in General Revenue for the purpose of adding two Investigators ($59,136 per year), two Administrative Assistants ($45,132 per year), one Paralegal ($35,082 per year) and one Attorney ($39,912 per year) to review and investigate new and renewal builder registrations and to support the Complaint Resolution Process are contingent upon the Residential Construction Commission assessing fees sufficient to generate, during the 2006-07 biennium, $420,543 in excess of $6,730,000 (Object Codes 3175 and 3846), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. Also, the "Number of Full-time Equivalent Positions (FTE)" figure indicated above includes 6.0 FTEs in each fiscal year contingent upon the Residential Construction Commission generating the amount of revenue indicated above. The Residential Construction Commission, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Residential Construction Commissions' minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

SAVINGS AND LOAN DEPARTMENT

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 3,925,075	$ 3,990,176
Total, Method of Financing	$ 3,925,075	$ 3,990,176
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 698,415	$ 688,504
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	63.0	63.0
Number of FTEs in Riders:	37.0	40.0
Schedule of Exempt Positions:		
Commissioner, Group 4	$100,000	$100,000
Items of Appropriation:		
A. Goal: THRIFT SAFETY AND SOUNDNESS		
Aggressively Enforce Thrift Safety and Soundness Standards.		
A.1.1. Strategy: THRIFT EXAMINATION AND SUPERVISION Perform Examinations and Coordinate with Federal Regulators.	$ 990,404	$ 1,009,996
A.2.1. Strategy: APPLICATION PROCESSING Process, Investigate and Evaluate Applications.	$ 45,607	$ 46,351
Total, Goal A: THRIFT SAFETY AND SOUNDNESS	$ 1,036,011	$ 1,056,347
B. Goal: MORTGAGE REGULATION		
Regulate Mortgage Bankers, Brokers, and Loan Officers.		
B.1.1. Strategy: MORTGAGE BROKER LICENSING Process License Applications, Establish Continuing Education Standards.	$ 618,645	$ 632,780
B.1.2. Strategy: MORTGAGE BROKER EXAMINATION	$ 1,454,575	$ 1,471,413
B.1.3. Strategy: MORTGAGE BANKER REGISTRATION	$ 214,248	$ 217,078
B.1.4. Strategy: TEXASONLINE TexasOnline. Estimated and Nontransferable.	$ 67,867	$ 67,868
Total, Goal B: MORTGAGE REGULATION	$ 2,355,335	$ 2,389,139
C. Goal: CONSUMER RESPONSIVENESS		
To Ensure Responsiveness to Inquiries, Requests and Complaints.		
C.1.1. Strategy: COMPLAINT AND INQUIRY PROCESS Provide a Forum for Registering Complaints, and Respond to Requests.	$ 294,228	$ 300,770
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: INDIRECT ADMINISTRATION	$ 239,501	$ 243,920
Grand Total, SAVINGS AND LOAN DEPARTMENT	$ 3,925,075	$ 3,990,176
Supplemental Appropriations Made in Riders:	$ 2,377,500	$ 2,604,100
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 4,370,969	$ 4,547,717
Other Personnel Costs	69,420	73,060
Professional Fees and Services	57,000	67,000
Consumable Supplies	44,100	44,100
Utilities	34,900	34,900
Travel	817,350	850,010
Rent - Building	6,200	6,500

Rent - Machine and Other	8,500	9,000
Other Operating Expense	894,136	961,989
Total, Object-of-Expense Informational Listing	$ 6,302,575	$ 6,594,276
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 99,910	$ 101,908
Group Insurance	255,724	275,877
Social Security	155,200	158,304
Benefits Replacement	6,972	6,624
Subtotal, Employee Benefits	$ 517,806	$ 542,713
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 517,806	$ 542,713

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Savings and Loan Department. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Savings and Loan Department. In order to achieve the objectives and service standards established by this Act, the Savings and Loan Department shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: THRIFT SAFETY AND SOUNDNESS		
Outcome (Results/Impact):		
Percent of State-chartered Saving and Loans and Savings Banks Receiving Examinations as Required by Priority Schedule	100%	100%
Percent of Safe and Sound Institutions to Total Savings and Loans and Savings Banks	95%	95%
Percentage of Applications Receiving Final Action within Statutory Time Frames	100%	100%
A.1.1. Strategy: THRIFT EXAMINATION AND SUPERVISION		
Output (Volume):		
Number of Examinations Performed	26	26
Explanatory:		
Number of State-chartered Savings and Loans and Savings Banks	26	26
Dollar Amount of Assets under Regulation (in Billions)	14.8	15
A.2.1. Strategy: APPLICATION PROCESSING		
Output (Volume):		
Number of Applications Processed	29	29
B. Goal: MORTGAGE REGULATION		
Outcome (Results/Impact):		
Percent of Licensees Who Renew Online	75%	75%
Percent of New Individual Licenses Issued Online	5%	10%
B.1.1. Strategy: MORTGAGE BROKER LICENSING		
Output (Volume):		
Number of New Licenses Issued to Individuals	13,000	13,000
B.1.2. Strategy: MORTGAGE BROKER EXAMINATION		
Output (Volume):		
Licensees Inspected	6,080	6,115
C. Goal: CONSUMER RESPONSIVENESS		
Outcome (Results/Impact):		
Percentage of Complaints, Requests and Inquiries Answered within Ten Business Days	85%	85%

C.1.1. Strategy: COMPLAINT AND INQUIRY PROCESS		
Output (Volume):		
Number of Consumer Complaints Completed	850	850

2. Appropriation of Receipts. Funds received by the Savings and Loan Department pursuant to supervision and conservatorship proceedings authorized by Subchapter B, Texas Finance Code and Subchapter C, Texas Finance Code, are hereby appropriated to the department to pay costs incidental to such proceedings, including the salary and per diem expenses of the appointed supervisory agent.

3. Federal Per Diem Authorized. Financial Institutions Examiners employed by the Savings and Loan Department, when (1) traveling on official state business related to the examining function of the Savings and Loan Department and (2) participating in either a joint or concurrent examination with the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, the Federal Reserve, or their successors, shall be authorized reimbursement for travel expenses at a rate of per diem equal to that of the participating federal regulatory agency.

4. Contingency Appropriation: Thrift Regulatory Response.

a. Contingent upon a finding of fact by the Finance Commission that:

(1) the size of the state-chartered thrift industry under the jurisdiction of the Savings and Loan Department, determined either as a function of assets or number of institutions, has grown to a point where additional appropriations are deemed necessary to maintain adequate regulation of the industry; or

(2) increased incidents of regulatory and supervisory concern regarding the safe and sound operations of thrift institutions under the Department's jurisdiction have occurred to the extent that additional appropriations are deemed necessary to maintain adequate regulation of the industry; or

(3) a reduction of federal regulatory resources applied to the Texas state-chartered thrift industry by the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, Federal Reserve Board, or their successors, has occurred to the extent that additional appropriations are deemed necessary to maintain adequate regulation of the industry; then

the following amounts, or any part thereof as found to be necessary by the Finance Commission, are hereby appropriated to the Savings and Loan Department out of fee revenues collected by the Department: an amount not to exceed $512,500 for fiscal year 2006 and an amount not to exceed $739,100 for fiscal year 2007 and the "Number of Full-Time-Equivalent Positions (FTE)" figure indicated above is hereby increased by no more than seven for fiscal year 2006 and 10 for fiscal year 2007.

b. None of the funds appropriated pursuant to this provision may be expended by the Savings and Loan Department unless:

(1) the Finance Commission files a written copy of the finding of fact, referenced in subsection (a) above, with the Governor and the Legislative Budget Board; and

(2) neither the Governor nor the Legislative Budget Board issues a written disapproval not later than:

(a) the 10th day after the date the staff of the Legislative Budget Board concludes its review of the findings of fact and forwards those findings of fact along with the conclusions or comments of the Legislative Budget Board staff to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor; and

(b) within 10 business days of the receipt of the finding of fact by the Governor.

(3) The appropriations in subsection 4(a) above are also contingent upon the Department generating sufficient additional fee revenues to cover these contingency appropriations and related employee benefits and providing such information as may be deemed necessary by the Comptroller of Public Accounts to issue a finding of fact that the increased revenues will be available to fund the increased appropriations. These increased revenues must exceed $1,092,000 for fiscal year 2006 and $1,113,000 for fiscal year 2007 (Object Code 3172) contained in the Comptroller of Public Accounts' Biennial Revenue Estimate.

c. Funds appropriated in this provision may only be used to address issues included in the finding of fact submitted to the Governor and the Legislative Budget Board pursuant to subsection 4(b) above, and apply only to the 2006-07 biennium unless otherwise appropriated. It is the intent of the Legislature that these funds not be included in base level funding requests for the 2008-09 biennium.

5. Contingency Appropriation: Mortgage Broker Regulatory Response.

a. Contingent upon a finding of fact by the Finance Commission that either:

(1) the size of the mortgage broker industry under the jurisdiction of the Savings and Loan Department, determined as a function of the number of licensees, has grown to a point where additional appropriations are deemed necessary to maintain adequate regulation of the industry; or

(2) increased incidents of regulatory and supervisory concern regarding compliance with applicable statutes and regulations by mortgage broker licensees under the Department's jurisdiction have occurred to the extent that additional appropriations are deemed necessary to maintain adequate regulation of the industry; then

the following amounts, or any part thereof as found to be necessary by the Finance Commission, are hereby appropriated to the Savings and Loan Department out of fee revenues collected by the Department: an amount not to exceed $1,865,000 for fiscal year 2006 and an amount not to exceed $1,865,000 for fiscal year 2007 and the "Number of Full-Time-Equivalent Positions (FTE)" figure indicated above is hereby increased by no more than 30 for fiscal year 2006 and 30 for fiscal year 2007.

b. None of the funds appropriated pursuant to this provision may be expended by the Savings and Loan Department unless:

(1) the Finance Commission files a written copy of the finding of fact, referenced in subsection 4(a) above, with the Governor and the Legislative Budget Board; and

(2) neither the Governor nor the Legislative Budget Board issues a written disapproval not later than:

(a) the 10th day after the date the staff of the Legislative Budget Board concludes its review of the findings of fact and forwards those findings of fact along with the conclusions or comments of the Legislative Budget Board staff to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor; and

(b) within 10 business days of the receipt of the finding of fact by the Governor.

(3) The appropriations in subsection 4(a) above are also contingent upon the Department generating sufficient additional fee revenues to cover these contingency appropriations and related employee benefits and providing such information as may be deemed necessary by the Comptroller of Public Accounts to issue a finding of fact that the increased revenues will be available to fund the increased appropriations.

These increased revenues must exceed $2,780,000 for fiscal year 2006 and $2,825,000 for fiscal year 2007 (Object Code 3175) contained in the Comptroller of Public Accounts' Biennial Revenue Estimate.

c. Funds appropriated in this provision may only be used to address issues included in the finding of fact submitted to the Governor and the Legislative Budget Board pursuant to subsection 4(b) above, and apply only to the 2006-07 biennium unless otherwise appropriated. It is the intent of the Legislature that these funds not be included in base level funding requests for the 2008-09 biennium.

6. Sharing of Receptionist. It is the intent of the Legislature that the Department of Banking, Savings and Loan Department, and Office of Consumer Credit Commissioner share one full-time-equivalent position each year of the biennium for the switchboard duties for the Finance Commission Building.

7. Appropriation: Criminal Record Check Receipts. Funds appropriated above in Strategy B.1.1, Mortgage Broker Licensing, include receipts collected pursuant to Texas Finance Code Section 156.206. Contingent upon certification by the Savings and Loan Department and verification by the Comptroller of Public Accounts, all fees collected in excess of $225,000 each fiscal year of the biennium are hereby appropriated to the Savings and Loan Department. These funds shall be used for the sole purpose of acquiring criminal record checks from the Department of Public Safety, Federal Bureau of Investigation, or other law enforcement agency.

8. Contingent Revenue. Out of the amounts appropriated above to the Savings and Loan Department in Strategy B.1.2, Mortgage Broker Examination, the amounts of $483,467 in fiscal year 2006 and $483,467 in fiscal year 2007 in General Revenue for the purpose of providing seven Mortgage Broker Inspector positions are contingent upon the Savings and Loan Department assessing fees sufficient to generate, during the 2006-07 biennium, $1,162,067 in excess of $7,810,000 (Object Codes 3172 and 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. Also, the "Number of Full-time Equivalent Positions (FTE)" figure indicated above includes 7.0 FTEs in each fiscal year contingent upon the Savings and Loan Department generating the amount of revenue indicated above. The Savings and Loan Department, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Finance Commission's minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

SECURITIES BOARD

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 5,443,873	$ 5,443,873
Total, Method of Financing	$ 5,443,873	$ 5,443,873
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 2,004,800	$ 1,985,624
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	94.9	94.9

Schedule of Exempt Positions:		
Securities Commissioner, Group 5	$118,000	$118,000
Per Diem of Board Members	1,290	1,290
Items of Appropriation:		
A. Goal: PROTECT INVESTORS		
Protect Investors and Assure Access to Capital for Business.		
A.1.1. Strategy: LAW ENFORCEMENT Investigate Violations, Coordinate Appropriate Action by Authorities.	$ 2,211,174	$ 2,211,174
A.2.1. Strategy: SECURITIES REGISTRATION Review Security Documentation for Conformity.	$ 443,175	$ 443,175
A.3.1. Strategy: DEALER REGISTRATION Perform Extensive Dealer Registration Review.	$ 520,847	$ 520,847
A.4.1. Strategy: INSPECT RECORDS Inspect Dealer & Investment Adviser Records for Regulatory Compliance.	$ 1,025,474	$ 1,025,474
Total, Goal A: PROTECT INVESTORS	$ 4,200,670	$ 4,200,670
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: CENTRAL ADMINISTRATION	$ 1,079,719	$ 1,079,719
B.1.2. Strategy: INFORMATION TECHNOLOGY	$ 163,484	$ 163,484
Total, Goal B: INDIRECT ADMINISTRATION	$ 1,243,203	$ 1,243,203
Grand Total, SECURITIES BOARD	$ 5,443,873	$ 5,443,873
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 4,623,212	$ 4,623,212
Other Personnel Costs	86,792	86,792
Professional Fees and Services	20,718	20,718
Consumable Supplies	33,622	33,622
Utilities	28,027	28,027
Travel	180,663	180,663
Rent - Building	138,070	138,070
Rent - Machine and Other	22,086	22,086
Other Operating Expense	220,908	220,908
Capital Expenditures	89,775	89,775
Total, Object-of-Expense Informational Listing	$ 5,443,873	$ 5,443,873
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 251,715	$ 256,749
Group Insurance	542,650	585,486
Social Security	332,595	339,247
Benefits Replacement	32,883	31,239
Subtotal, Employee Benefits	$ 1,159,843	$ 1,212,721
Debt Service		
Lease Payments	$ 203,052	$ 203,791
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 1,362,895	$ 1,416,512

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Securities Board. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the

Securities Board. In order to achieve the objectives and service standards established by this Act, the Securities Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: PROTECT INVESTORS		
Outcome (Results/Impact):		
Number of Law Enforcement Actions Taken	550	550
Percentage of Enforcement Actions Successful	100%	100%
Percentage of Texas Dealers and Investment Advisers Inspected	20%	20%
Percentage of Inspected Dealers and Investment Advisers Found Out of Compliance	50%	50%
A.1.1. Strategy: LAW ENFORCEMENT		
Output (Volume):		
Number of Investigations Opened	370	370
Efficiencies:		
Average Cost of Law Enforcement Actions	3,867	3,867
A.2.1. Strategy: SECURITIES REGISTRATION		
Output (Volume):		
Number of Securities Filings and Submissions Processed	39,000	39,000
A.3.1. Strategy: DEALER REGISTRATION		
Output (Volume):		
Number of New Applications Processed	46,000	46,000
Explanatory:		
Number of Dealers, Agents, Investment Advisers, and Investment Adviser Representatives Registered	164,000	164,000
A.4.1. Strategy: INSPECT RECORDS		
Output (Volume):		
Number of Inspections Conducted	225	225
Efficiencies:		
Average Cost Per Inspection	4,437	4,437

2. **Grants and Donations for Investor Education Initiatives.** The Securities Commissioner may accept grants and donations from a person who is not affiliated with the securities industry or from a nonprofit association, regardless of whether the entity is affiliated with the securities industry, for use in providing investor education initiatives.

3. **Appropriation of Unexpended Balances Within the Biennium.** The unobligated and unexpended balances of appropriations to the State Securities Board for the fiscal year ending August 31, 2006, are hereby appropriated to the State Securities Board for the same purposes for the fiscal year beginning September 1, 2006.

4. **Out-of-State Travel Cap Exemption**. Out of the funds appropriated above, expenditures for out-of-state travel by the Securities Board are limited to $5,300 in fiscal year 2006 and $5,300 in fiscal year 2007. Travel related to regulatory matters, including examinations, inspections and the training of financial examiners, inspectors, investigators, attorneys and related directors is exempt from this limitation.

5. **Contingent Revenue: Capital Budget Items and Agency Operations.** Out of the amounts appropriated above to the Securities Board in Strategy A.1.1, Law Enforcement, the amounts of $38,176 in fiscal year 2006 and $38,176 in fiscal year 2007, in Strategy A.2.1, Securities Registration, the amounts of $5,966 in fiscal year 2006 and $5,966 in fiscal year 2007, in Strategy A.3.1, Dealer Registration, the amounts of $59,478 in fiscal year 2006 and $59,478 in fiscal year 2007, in Strategy A.4.1, Inspect Records, the amounts of $21,769 in fiscal year 2006 and $21,769 in fiscal year 2007, in Strategy B.1.1, Central Administration, the amounts of $124,435 in fiscal year 2006 and $124,435 in fiscal year 2007, in Strategy B.1.2, Information Technology, the amounts of $2,237 in fiscal year 2006 and $2,237 in fiscal year 2007 for the purposes of agency operations ($106,761 each fiscal year), capital budget authority for the regular replacement of information technologies ($89,775 each fiscal year), and investor education initiatives ($55,525 each fiscal year) are contingent upon the Securities Board assessing fees sufficient to generate, during the 2006-07 biennium, $578,333 in excess of $142,000,000 (Object Code 3175), contained in the Comptroller of Public Accounts' Biennial

Revenue Estimate for fiscal years 2006 and 2007. Also, the "Number of Full-time Equivalent Positions (FTE)" figure indicated above includes 1.0 FTE in each fiscal year contingent upon the Securities Board generating the amount of revenue indicated above. The increase in fees shall only be from the fees for the filing of any original application of a dealer or investment adviser or for the submission of a notice filing for a federal covered investment adviser, and for the filing of any original application for each agent, officer, or investment adviser representative or for the submission of a notice filing for each representative of a federal covered investment adviser. The Securities Board, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Securities Board's minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

The Securities Board may expend appropriations for capital budget items listed below, contingent upon the Securities Board meeting the above revenue target. None of the funds appropriated may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with a "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software, if determined by agency management to be in the best interest of the State of Texas.

	2006	2007
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Purchase of Information Technologies	$89,775	$89,775
Total, Acquisition of Information Resource Technologies	$89,775	$89,775
Total, Capital Budget	$89,775	$89,775

BOARD OF TAX PROFESSIONAL EXAMINERS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 181,995	$ 182,756
Total, Method of Financing	$ 181,995	$ 182,756
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 84,830	$ 84,977
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	3.7	3.7

BOARD OF TAX PROFESSIONAL EXAMINERS
(Continued)

Schedule of Exempt Positions:				
Executive Director, Group 1		$60,000		$60,000
Items of Appropriation:				
A. Goal: ESTABLISH AND OVERSEE PROCESS				
Maintain Registration & Certification Process and Enforce the PTPC Act.				
A.1.1. Strategy: CERTIFICATION PROGRAM	$	159,755	$	159,756
Conduct Exams, Register Candidates, Manage CE Program, Distribute Info.				
A.1.2. Strategy: TEXASONLINE	$	15,490	$	16,250
TexasOnline. Estimated and Nontransferable.				
A.1.3. Strategy: INDIRECT ADMINISTRATION	$	6,750	$	6,750
Indirect Administration - Certification Program.				
Total, Goal A: ESTABLISH AND OVERSEE PROCESS	$	181,995	$	182,756
Grand Total, BOARD OF TAX PROFESSIONAL EXAMINERS	$	181,995	$	182,756
Object-of-Expense Informational Listing:				
Salaries and Wages	$	132,791	$	132,791
Professional Fees and Services		13,557		13,557
Consumable Supplies		1,000		1,000
Travel		7,500		7,500
Rent - Building		480		480
Rent - Machine and Other		2,200		2,200
Other Operating Expense		24,467		25,228
Total, Object-of-Expense Informational Listing	$	181,995	$	182,756
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:				
Employee Benefits				
Retirement	$	7,849	$	8,006
Group Insurance		32,723		35,698
Social Security		9,636		9,828
Benefits Replacement		1,158		1,100
Subtotal, Employee Benefits	$	51,366	$	54,632
Debt Service				
Lease Payments	$	15,937	$	17,075
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$	67,303	$	71,707

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Board of Tax Professional Examiners. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Board of Tax Professional Examiners. In order to achieve the objectives and service standards established by this Act, the Board of Tax Professional Examiners shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: ESTABLISH AND OVERSEE PROCESS		
Outcome (Results/Impact):		
Percent of Licensees with No Recent Violations	99%	99%
Number of Approved Courses Offered	120	120
Percent of Complaints Resulting in Disciplinary Action	20%	20%

A.1.1. Strategy: CERTIFICATION PROGRAM		
Output (Volume):		
Number of Persons Certified/Recertified	425	425
Number of New Licenses Issued to Individuals	350	350
Number of Course, Sponsor and Instructor Applications Processed	20	20
Number of Complaints Resolved	10	10
Efficiencies:		
Average Licensing Cost per Individual License Issued	33	33
Explanatory:		
Total Number of Individuals Licensed	3,900	3,900

2. **Fees Established.** To provide for the recovery of costs for the preceding appropriations, the following fee rates shall be in effect for fiscal years 2006 and 2007, pursuant to provisions of Government Code § 316.041-316.045:

(1)	Registration Fee	Not Less Than $45 or More Than $75
(2)	Annual Renewal Fee	Not Less Than $45 or More Than $75

3. **Contingent Revenue.** Out of amounts appropriated above in General Revenue to the Board of Tax Professional Examiners in Strategy A.1.1, Certification Program, the amounts of $20,500 in fiscal year 2006 and $20,500 in fiscal year 2007 in General Revenue for an exempt position salary increase ($8,000 per year), information technology maintenance ($6,000 per year), board member travel ($2,500 per year) and licensing database revisions ($4,000 per year) are contingent on the Board of Tax Professional Examiners assessing fees sufficient to generate, during the 2006-07 biennium, $45,759 in excess of $506,000 (Object Code 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. The Board of Tax Professional Examiners, upon completion of necessary actions to assess or increase such additional fees, shall furnish copies of the Board of Tax Professional Examiners' minutes and other information supporting the estimated revenues to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

PUBLIC UTILITY COMMISSION OF TEXAS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 9,666,300	$ 9,666,300
GR Dedicated - System Benefit Account No. 5100	3,625,842	3,625,842
Appropriated Receipts	475,000	475,000
Total, Method of Financing	$ 13,767,142	$ 13,767,142
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	210.9	210.9
Schedule of Exempt Positions:		
Commission Chairman, Group 4	$111,800	$111,800
Commissioners, Group 4	(2) 109,200	(2) 109,200
Executive Director, Group 4	105,000	105,000

Items of Appropriation:		
A. Goal: COMPETITION/CHOICE/RATES/SERVICE		
Ensure Competition, Choice, Just Rates, and Reliable Quality Service.		
A.1.1. Strategy: MARKET COMPETITION	$ 5,627,770	$ 5,627,770
Foster and Monitor Market Competition.		
A.2.1. Strategy: UTILITY REGULATION	$ 2,703,690	$ 2,703,690
Conduct Rate Cases for Regulated Telephone and Electric Utilities.		
Total, Goal A: COMPETITION/CHOICE/RATES/SERVICE	$ 8,331,460	$ 8,331,460
B. Goal: EDUCATION AND COMPLIANCE		
Educate Customers, Ensure Compliance with Laws, and Assist Customers.		
B.1.1. Strategy: PROVIDE FACTS ABOUT CHANGES	$ 1,468,706	$ 1,468,706
Provide Information about Changes in Electric and Telecom Industries.		
B.2.1. Strategy: INVESTIGATIONS AND ENFORCEMENT	$ 1,673,421	$ 1,673,421
Conduct Investigations and Initiate Enforcement Actions.		
Total, Goal B: EDUCATION AND COMPLIANCE	$ 3,142,127	$ 3,142,127
C. Goal: ELECTRIC UTILITY RESTRUCTURING		
C.1.1. Strategy: CONSUMER EDUCATION	$ 750,000	$ 750,000
Customer Education. Nontransferable.		
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: CENTRAL ADMINISTRATION	$ 798,225	$ 798,225
D.1.2. Strategy: INFORMATION RESOURCES	$ 504,901	$ 504,901
D.1.3. Strategy: OTHER SUPPORT SERVICES	$ 240,429	$ 240,429
Total, Goal D: INDIRECT ADMINISTRATION	$ 1,543,555	$ 1,543,555
Grand Total, PUBLIC UTILITY COMMISSION OF TEXAS	$ 13,767,142	$ 13,767,142
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 9,737,759	$ 9,827,761
Other Personnel Costs	425,001	425,001
Professional Fees and Services	2,350,001	2,350,001
Consumable Supplies	49,999	49,999
Travel	49,999	49,999
Rent - Building	15,001	15,001
Other Operating Expense	609,382	624,381
Capital Expenditures	530,000	424,999
Total, Object-of-Expense Informational Listing	$ 13,767,142	$ 13,767,142
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 588,212	$ 599,976
Group Insurance	1,084,945	1,164,327
Social Security	761,232	776,457
Benefits Replacement	70,634	67,102
Subtotal, Employee Benefits	$ 2,505,023	$ 2,607,862
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 2,505,023	$ 2,607,862

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Public Utility Commission of Texas. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Public Utility Commission of Texas. In order to achieve the objectives and service standards established by this Act, the Public Utility Commission of Texas shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: COMPETITION/CHOICE/RATES/SERVICE		
Outcome (Results/Impact):		
Average Price of Electricity Per kWh in Texas for Residential Customers from Competitive Suppliers as a Percentage of the National Residential Average	104.1%	109.6%
Average Annual Residential Electric Bill from Competitive Suppliers as a Percentage of the National Average	140.7%	148%
Percent of Texas Cities Served by Three or More Certificated Telecommunication Providers	86%	86%
Average Annual Residential Telephone Bill in Texas as a Percentage of the National Average	65%	65%
A.1.1. Strategy: MARKET COMPETITION		
Output (Volume):		
Number of Investigations Conducted for Market Power, Market Design, or Anti-competitive Conduct in the Electric Market	8	8
Number of Investigations Conducted for Market Power, Market Design, or Anti-competitive Conduct in the Telephone Market	3	3
Number of Cases Completed Related to Competition Among Providers	900	900
Efficiencies:		
Average Number of Days to Process an Application for a Certificate of Authority and Service Provider Certificate of Authority	60	60
A.2.1. Strategy: UTILITY REGULATION		
Output (Volume):		
Number of Rate Cases Completed for Regulated Electric Utilities	35	35
Number of Rate Cases Completed for Regulated Telecommunications Providers	6	6
Efficiencies:		
Average Number of Days to Process a Major Rate Case for a Transmission and Distribution Utility	220	220
B. Goal: EDUCATION AND COMPLIANCE		
Outcome (Results/Impact):		
Percentage of Customer Complaints Resolved through Informal Complaint Resolution Process	99%	99%
B.1.1. Strategy: PROVIDE FACTS ABOUT CHANGES		
Output (Volume):		
Number of Information Requests to Which Responses Were Provided	130,000	130,000
Efficiencies:		
Average Cost Per Customer Information Product Distributed	.9	.9
Explanatory:		
Number of Calls Completed through Relay Texas	5,040,000	5,090,000
B.2.1. Strategy: INVESTIGATIONS AND ENFORCEMENT		
Output (Volume):		
Number of Utilities for Which a Detailed Review of Earnings Is Conducted	5	5
Number of Enforcement Investigations Conducted	140	140
Number of Customer Complaints Concluded	20,700	20,700
Efficiencies:		
Average Cost Per Enforcement Investigation Conducted	305	305
Average Number of Days to Conclude Customer Complaints	30	30

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with a "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103. Upon approval from the Legislative Budget Board, capital budget funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software versus the purchase of information resources hardware and/or software, if determined by commission management to be in the best interest of the State of Texas.

	2006	2007
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Digital Copiers Lease	$ 220,000	$ 220,000
(2) Microsoft Open license Software lease & desktop lease	220,000	204,999
(3) Network Infrastructure Upgrade	$ 90,000	$ 0
Total, Acquisition of Information Resource Technologies	$ 530,000	$ 424,999
Total, Capital Budget	$ 530,000	$ 424,999

3. Appropriation of Receipts: Electronic Information System. Out of Appropriated Receipts appropriated above, $30,000 each year from fee revenue derived from implementation of an electronic information system for public access to records on file with the agency may be used only for operating lease payments; and for service agreements limited to PUC interchange support.

4. Transfer Authority. The Public Utility Commission has no authority to transfer an appropriation to or from any item under Goal C: Electric Utility Restructuring, and may not expend amounts above those appropriated above in each strategy of Goal C: Electric Utility Restructuring.

5. System Benefit Account Reporting. The Public Utility Commission shall submit a quarterly report to the Legislative Budget Board and the Governor on revenues and expenditures made from the GR Dedicated - System Benefit Account No. 5100. The report shall be submitted with documentation as specified by the Legislative Budget Board and the Governor.

6. Appropriation of Unexpended Balances: 2006 Appropriations. The unobligated and unexpended balances of appropriations to the Public Utility Commission for the fiscal year ending August 31, 2006, are hereby appropriated to the commission for the same purposes for the fiscal year ending August 31, 2007.

7. Contingent Revenue. Of the amounts appropriated above to the Public Utility Commission from the GR Dedicated - System Benefit Account No. 5100, the estimated amounts of $3,625,842 in fiscal year 2006 and $3,625,842 in fiscal year 2007 are contingent on the Public Utility Commission assessing a rate sufficient to generate the estimated needs of the GR Dedicated - System Benefit Account No. 5100. The Public Utility Commission, upon completion of necessary actions for the assessment, shall furnish copies of the Public Utility Commission's order and other information supporting the estimated revenues to be generated for the 2006-07 biennium to the Comptroller of Public Accounts. If the comptroller finds the information sufficient to support the projection of revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

8. Allocation of System Benefit Account. The GR Dedicated - System Benefit Account No. 5100, calculated at the maximum statutory assessment rate estimated to be $144,512,577 in fiscal year 2006 and $146,680,266 in fiscal year 2007, has been allocated throughout this Act as follows: The estimated balance as of August 31, 2005 is $121,791,811, interest income is estimated to be $13,920,082 for the biennium. The total account balance available for appropriation for 2006-07 is estimated to be $426,904,736.

	2006	2007
Public Utility Commission:		
Electric Market Oversight Contracts		
Wholesale Market	$1,500,000	$1,500,000
Retail Market	$500,000	$500,000
Customer Education	$750,000	$750,000
Administration	$875,842	$875,842
Total	$3,625,842	$3,625,842

9. Sunset Contingency. Funds appropriated above for fiscal year 2007 for the Public Utility Commission are made contingent on the continuation of the Public Utility Commission by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

OFFICE OF PUBLIC UTILITY COUNSEL

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 1,660,410	$ 1,660,410
Total, Method of Financing	$ 1,660,410	$ 1,660,410
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	23.0	23.0
Schedule of Exempt Positions:		
Public Counsel, Group 3	$90,000	$90,000
Items of Appropriation:		
A. Goal: EQUITABLE ELECTRIC RATES		
Equitable Electric Rates for Residential and Small Business Consumers.		
A.1.1. Strategy: PARTICIPATION IN PROCEEDINGS	$ 1,202,805	$ 1,202,805
Participate in Major Electric Rate Cases, Rules and Other Proceedings.		

B. Goal: TELEPHONE COMPETITION Provide Benefits and Protect Telephone Consumers in Competitive Market.		
B.1.1. Strategy: TELECOMMUNICATIONS PROCEEDINGS Participate in Telecom Proceedings Involving Competitive Issues.	$ 457,605	$ 457,605
Grand Total, OFFICE OF PUBLIC UTILITY COUNSEL	$ 1,660,410	$ 1,660,410
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 1,240,010	$ 1,240,010
Other Personnel Costs	20,000	20,000
Professional Fees and Services	273,731	273,731
Consumable Supplies	15,300	15,300
Utilities	401	401
Travel	3,840	3,840
Rent - Building	5,720	5,720
Rent - Machine and Other	39,021	39,021
Other Operating Expense	62,387	62,387
Total, Object-of-Expense Informational Listing	$ 1,660,410	$ 1,660,410
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 62,818	$ 64,074
Group Insurance	105,005	112,858
Social Security	86,190	87,914
Benefits Replacement	13,555	12,877
Subtotal, Employee Benefits	$ 267,568	$ 277,723
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 267,568	$ 277,723

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Office of Public Utility Counsel. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Office of Public Utility Counsel. In order to achieve the objectives and service standards established by this Act, the Office of Public Utility Counsel shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: EQUITABLE ELECTRIC RATES		
Outcome (Results/Impact):		
Percentage of OPUC Electric Proceedings That Are Competition Related	55%	55%
A.1.1. Strategy: PARTICIPATION IN PROCEEDINGS		
Output (Volume):		
Number of Electric Cases in Which OPUC Participates	45	45
Number of Electric Projects in Which OPUC Participates	15	15
Efficiencies:		
Average Cost Per Electric Proceeding in Which OPUC Participates	11,400	11,400
B. Goal: TELEPHONE COMPETITION		
Outcome (Results/Impact):		
Percent of OPUC Telecommunications Proceedings That Are Competition Related	67%	67%

B.1.1. Strategy: TELECOMMUNICATIONS PROCEEDINGS		
Output (Volume):		
Number of Telecommunications Cases in Which OPUC Participates	6	6
Number of Telecommunications Projects in Which OPUC Participates	21	21
Efficiencies:		
Average Cost Per Telecommunications Proceeding in Which OPUC Participates	3,300	3,300

2. **Unexpended Balance Authority.** The unobligated and unexpended balances of appropriations to the Office of Public Utility Counsel for the fiscal year ending August 31, 2006, are hereby appropriated to the agency for the same purposes for the fiscal year ending August 31, 2007.

3. **Sunset Contingency.** Funds appropriated above for fiscal year 2007 for the Office of Public Utility Counsel are made contingent on the continuation of the Office of Public Utility Counsel by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

BOARD OF VETERINARY MEDICAL EXAMINERS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 600,549	$ 601,454
Appropriated Receipts	500	500
Total, Method of Financing	$ 601,049	$ 601,954
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	$ 183,303	$ 184,172
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	10.8	10.8
Schedule of Exempt Positions:		
Executive Director, Group 1	$65,000	$65,000
Per Diem of Board Members	8,500	8,500
Items of Appropriation:		
A. Goal: VETERINARY REGULATION		
Implement Standards of Veterinary Practice, Enforce Statutes and Rules.		
A.1.1. Strategy: OPERATE LICENSURE SYSTEM	$ 110,691	$ 110,692
Examine and License Veterinarians and Renew Licenses.		
A.1.2. Strategy: TEXASONLINE	$ 32,745	$ 33,650
TexasOnline. Estimated and Nontransferable.		
A.1.3. Strategy: LICENSING INDIRECT ADMINISTRATION	$ 26,836	$ 26,835
A.2.1. Strategy: COMPLAINTS AND ACTION	$ 336,570	$ 336,569
Investigate Complaints, Take Disciplinary Action, Compliance Program.		
A.2.2. Strategy: COMPLAINTS & ACTION INDIRECT ADMIN	$ 79,207	$ 79,208
Complaints and Action Indirect Administration.		

A.2.3. Strategy: PEER ASSISTANCE	$ 15,000	$ 15,000
Total, Goal A: VETERINARY REGULATION	$ 601,049	$ 601,954
Grand Total, BOARD OF VETERINARY MEDICAL EXAMINERS	$ 601,049	$ 601,954
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 450,923	$ 450,923
Other Personnel Costs	15,888	15,888
Professional Fees and Services	32,008	32,008
Consumable Supplies	3,231	3,230
Utilities	2,380	2,380
Travel	17,900	17,900
Rent - Building	1,440	1,440
Other Operating Expense	77,279	78,185
Total, Object-of-Expense Informational Listing	$ 601,049	$ 601,954
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 18,021	$ 18,381
Group Insurance	61,379	66,456
Social Security	34,949	35,648
Benefits Replacement	4,930	4,684
Subtotal, Employee Benefits	$ 119,279	$ 125,169
Debt Service		
Lease Payments	$ 38,648	$ 41,404
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 157,927	$ 166,573

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Board of Veterinary Medical Examiners. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Board of Veterinary Medical Examiners. In order to achieve the objectives and service standards established by this Act, the Board of Veterinary Medical Examiners shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: VETERINARY REGULATION		
Outcome (Results/Impact):		
Percentage of Licensees with No Recent Violations	98%	98%
Percent of Licensees Who Renew Online	15%	16%
Percent of New Individual Licenses Issued Online	0%	0%
Percentage of Complaints Resulting in Disciplinary Action	14%	14%
Recidivism Rate for Peer Assistance Programs	16%	16%
A.1.1. Strategy: OPERATE LICENSURE SYSTEM		
Output (Volume):		
Number of New Licenses Issued to Individuals	297	297
Number of Licenses Renewed (Individuals)	6,919	7,082
Efficiencies:		
Average Licensing Cost per Individual License Issued	4.65	4.55
A.2.1. Strategy: COMPLAINTS AND ACTION		
Output (Volume):		
Number of Complaints Resolved	310	310
Efficiencies:		
Average Time for Complaint Resolution (Days)	180	180

Explanatory:		
Number of Jurisdictional Complaints Received	365	380
A.2.3. Strategy: PEER ASSISTANCE		
Output (Volume):		
Number of Licensed Individuals Participating in a Peer Assistance Program	12	12

2. **Appropriation: Peer Assistance Program Penalties.** The amounts appropriated above in A.2.3. Strategy: Peer Assistance include $6,000 per year from administrative penalties generated pursuant to Occupations Code § 801.451. Any additional penalties are hereby appropriated to the Board of Veterinary Medical Examiners for the purpose of financing the Peer Assistance program, as defined in the Health and Safety Code, Chapter 467.

3. **Sunset Contingency.** Funds appropriated above for fiscal year 2007 for the Board of Veterinary Medical Examiners are made contingent on the continuation of the Board of Veterinary Medical Examiners by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

4. **Contingent Revenue**: **Executive Director Salary and Enforcement.** Out of the amounts appropriated above to the Board of Veterinary Medical Examiners in Strategy A.1.1, Operate Licensure System, the amounts of $1,250 in fiscal years 2006 and $1,250 in 2007, in Strategy A.1.3, Licensing Indirect Administration, the amounts of $1,250 in fiscal year 2006 and $1,250 in fiscal year 2007, in Strategy A.2.1, Complaints and Action, the amounts of $31,610 in fiscal year 2006 and $31,610 in fiscal year 2007, and in Strategy A.2.2, Complaints and Action Indirect Admin, the amounts of $1,250 in fiscal year 2006 and $1,250 in fiscal year 2007 in General Revenue for an exempt salary cap increase ($5,000 per year) and for the purpose of funding an Investigator Assistant position ($23,640 per year) to perform compliance inspections and for additional investigator travel ($6,720 per year) are contingent upon the Board of Veterinary Medical Examiners assessing fees sufficient to generate, during the 2006-07 biennium, $87,755 in excess of $1,610,000 (Object Code 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007. Also, the "Number of Full-time Equivalent Positions (FTE)" figure indicated above includes 1.0 FTE in each fiscal year contingent upon the Board of Veterinary Medical Examiners generating the amount of revenue indicated above. The Board of Veterinary Medical Examiners, upon completion of necessary actions to access or increase such additional fees, shall furnish copies of the Board of Veterinary Medical Examiners' minutes and other information supporting the estimated revenue to be generated for the 2006-07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenue, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purpose.

WORKERS' COMPENSATION COMMISSION

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund		
General Revenue Fund	$ 47,770,050	$ 45,855,480
Earned Federal Funds	224,406	224,406
Subtotal, General Revenue Fund	$ 47,994,456	$ 46,079,886
GR Dedicated - Subsequent Injury Account No. 5101	3,670,140	3,670,140
Federal Funds	2,254,623	2,254,623
Appropriated Receipts	1,264,106	1,271,270
Total, Method of Financing	$ 55,183,325	$ 53,275,919

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE):	1,012.0	1,012.0
Schedule of Exempt Positions:		
Executive Director, Group 4	$112,000	$112,000
Items of Appropriation:		
A. Goal: BENEFITS AND DELIVERY		
Ensure Benefits Delivery.		
A.1.1. Strategy: MEDICAL COST CONTAINMENT Ensure Appropriate Utilization of Medical Services.	$ 2,446,739	$ 2,396,589
A.2.1. Strategy: INVESTIGATIONS/COMPLIANCE Review Violation Referrals, Conduct Audits and Fraud Investigation.	$ 3,096,650	$ 3,097,476
A.3.1. Strategy: DEVELOP AND IMPLEMENT PROCESSES	$ 6,232,990	$ 6,290,372
A.4.1. Strategy: REGULATE SELF-INSURANCE Administer Program to Certify Self-insuring Employers.	$ 644,168	$ 645,663
Total, Goal A: BENEFITS AND DELIVERY	$ 12,420,547	$ 12,430,100
B. Goal: DISPUTE RESOLUTION		
To Minimize and Resolve Disputes.		
B.1.1. Strategy: INFORMAL BENEFIT DISPUTE RESOLUTION	$ 9,200,788	$ 9,238,680
B.1.2. Strategy: INFORMAL MEDICAL DISPUTE RESOLUTION	$ 1,629,240	$ 1,633,744
B.1.3. Strategy: FORMAL BENEFITS DISPUTE RESOLUTION	$ 6,752,036	$ 6,746,257
B.1.4. Strategy: FORMAL MEDICAL DISPUTE RESOLUTION	$ 377,422	$ 378,091
Total, Goal B: DISPUTE RESOLUTION	$ 17,959,486	$ 17,996,772
C. Goal: SAFE AND HEALTHY WORK PLACES		
To Promote Safe and Healthy Workplaces.		
C.1.1. Strategy: HEALTH AND SAFETY SERVICES Develop and Provide Health and Safety Services for the Texas Workplace.	$ 4,811,559	$ 4,817,634
D. Goal: MANAGE SUBSEQUENT INJURY FUND		
D.1.1. Strategy: SUBSEQUENT INJURY FUND ADMIN Subsequent Injury Fund Administration.	$ 3,724,027	$ 3,724,167
E. Goal: INDIRECT ADMINISTRATION		
E.1.1. Strategy: CENTRAL ADMINISTRATION	$ 3,786,690	$ 3,807,374
E.1.2. Strategy: BUSINESS PROCESS IMPROVEMENT	$ 5,590,998	$ 3,533,622
E.1.3. Strategy: INFORMATION RESOURCES	$ 5,033,190	$ 5,033,271
E.1.4. Strategy: OTHER SUPPORT SERVICES	$ 1,165,847	$ 1,251,164
E.1.5. Strategy: REGIONAL ADMINISTRATION	$ 690,981	$ 681,815
Total, Goal E: INDIRECT ADMINISTRATION	$ 16,267,706	$ 14,307,246
Grand Total, WORKERS' COMPENSATION COMMISSION	$ 55,183,325	$ 53,275,919
Object-of-Expense Informational Listing:		
Salaries and Wages	$ 35,229,988	$ 35,229,988
Other Personnel Costs	1,128,970	1,152,783
Professional Fees and Services	5,037,593	3,176,431

Fuels and Lubricants	14,550	17,520
Consumable Supplies	455,934	459,529
Utilities	885,740	883,923
Travel	857,130	857,995
Rent - Building	2,796,125	2,803,531
Rent - Machine and Other	340,566	342,180
Other Operating Expense	7,875,229	7,924,984
Capital Expenditures	561,500	427,055
Total, Object-of-Expense Informational Listing	$ 55,183,325	$ 53,275,919
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 2,046,539	$ 2,087,471
Group Insurance	5,562,666	5,966,144
Social Security	2,644,930	2,697,829
Benefits Replacement	465,020	441,768
Subtotal, Employee Benefits	$ 10,719,155	$ 11,193,212
Debt Service		
Lease Payments	$ 152,514	$ 157,547
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 10,871,669	$ 11,350,759

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Workers' Compensation Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Workers' Compensation Commission. In order to achieve the objectives and service standards established by this Act, the Workers' Compensation Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2006	2007
A. Goal: BENEFITS AND DELIVERY		
Outcome (Results/Impact):		
Average Number of Days for the Required Initial Benefit Payment to Be Issued after Benefits Begin to Accrue	8.4	8.4
Percentage of Documents Received and Maintained Electronically by the Commission	74%	76%
A.1.1. Strategy: MEDICAL COST CONTAINMENT		
Output (Volume):		
Number of Quality of Care Reviews for Healthcare Providers Completed	72	72
Number of Quality of Care Reviews for Insurance Carriers	10	10
Number of Persons Receiving Return-to-Work Training Products and Services	20,000	20,000
Efficiencies:		
Average Number of Participants Per Return-to-Work Seminar	65	65
A.2.1. Strategy: INVESTIGATIONS/COMPLIANCE		
Output (Volume):		
Number of Fraud Investigations Completed	630	630
A.3.1. Strategy: DEVELOP AND IMPLEMENT PROCESSES		
Output (Volume):		
Number of Injury Records Created	170,000	175,000
Number of Injury Records Created for Income/Indemnity Injuries	85,000	87,500

Explanatory:		
Estimated Percentage of Employers Reported Participating in the Workers' Compensation System	76%	76%
A.4.1. Strategy: REGULATE SELF-INSURANCE		
Output (Volume):		
Number of Self-insurance Applicants or Renewals Certified	50	50
B. Goal: DISPUTE RESOLUTION		
Outcome (Results/Impact):		
Percentage of Benefit Dispute Cases Resolved by the Commission's Informal Dispute Resolution System	86%	86%
Percentage of Medical Benefit Dispute Cases Resolved by Initial Administrative Decision	87%	87%
Average Number of Days to Resolve Benefit Dispute	46	46
Percent of Appeals to Medical Fee Disputes Resolved Prior to a Formal Hearing at SOAH	75%	75%
B.1.1. Strategy: INFORMAL BENEFIT DISPUTE RESOLUTION		
Output (Volume):		
Number of Compensation Benefit Dispute Cases Concluded in Benefit Review Conference	20,000	20,000
Efficiencies:		
Average Number of Days from the Request for Benefit Review Conference to the Conclusion of the Benefit Review Conference	80	80
B.1.2. Strategy: INFORMAL MEDICAL DISPUTE RESOLUTION		
Output (Volume):		
Number of Medical Benefit Dispute Cases Resolved by Initial Administrative Decision	13,200	13,550
Explanatory:		
Number of Medical Dispute Cases Received by the Commission	26,400	27,100
B.1.3. Strategy: FORMAL BENEFITS DISPUTE RESOLUTION		
Output (Volume):		
Number of Compensation Benefit Dispute Cases Concluded in Contested Case Hearings	7,200	7,200
Efficiencies:		
Average Number of Days from the Request for a Contested Case Hearing to the Distribution of the Decision	80	80
C. Goal: SAFE AND HEALTHY WORK PLACES		
Outcome (Results/Impact):		
Statewide Incidence Rate of Injuries and Illnesses per 100 Full-time Employees	4.8	4.8
C.1.1. Strategy: HEALTH AND SAFETY SERVICES		
Output (Volume):		
Number of Inspections, Consultations and Investigations Provided to Employers	3,680	3,680
Efficiencies:		
Average Cost per Consultation/inspection/investigation	895	895

2. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103. Upon approval from the Legislative Budget Board, capital budgeted funds listed below under "Acquisition of Information Resource Technologies" may be used to lease information resources hardware and/or software versus the purchase of information resources hardware and/or software, if determined by commission management to be in the best interest of the State of Texas.

	2006	2007
Out of the General Revenue Fund:		
a. Acquisition of Information Resource Technologies		
(1) Business Process Improvement	$ 2,808,500	$ 751,500
Total, Capital Budget	$ 2,808,500	$ 751,500

3. **Appropriation of Certain Fees.** Revenues collected by the commission as reproduction fees, third party reimbursements, seminar fees, publication fees, and fees collected for audits, inspections, and consultations are estimated to be $1,264,106 for fiscal year 2006 and $1,271,270 for fiscal year 2007 are included in the above method of financing as Appropriated Receipts.

4. **Administrative Penalties.** The amounts appropriated above in Strategy A.2.1, Investigations/Compliance, include $100,000 each year from revenues collected by the commission as administrative penalties provided that expenditure of such funds appropriated above shall be limited to such expenses as may be necessary to prosecute administrative violations under the Texas Workers' Compensation Act, including costs of conducting Administrative Procedure Act hearings.

5. **Appropriations Limited to Revenue Collections.** It is the intent of the Legislature that revenues as authorized and generated by the commission cover, at a minimum, the cost of general revenue appropriations made above, as well as covering "other direct and indirect costs" associated with such general revenue appropriations. "Other direct and indirect costs" associated with such general revenue appropriations are estimated to be $11,399,568 for fiscal year 2006 and $11,578,175 for fiscal year 2007. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available. The application of this provision shall be consistent with applicable statutory provisions governing the commission's assessment of tax rates and fees. When the commission sets the rate of assessment for the maintenance tax, it shall take into account a surplus or deficit produced by the tax in the preceding year and other factors as provided by § 403.003, Labor Code, Rate of Assessment.

6. **Appropriation of Unexpended Balances.** Any unexpended balances as of August 31, 2006, not to exceed 5 percent for any item of appropriation, are hereby appropriated to the Texas Workers' Compensation Commission for the same purposes for the fiscal year beginning September 1, 2006.

7. **Business Process Improvement.** Of the amounts appropriated above to the Texas Workers' Compensation Commission, an amount not to exceed $3,560,000 for the biennium shall be used for the Business Process Improvement Project expenditures. As an exception to Rider 6: Appropriation of Unexpended Balances, the unexpended balances for the Business Process Improvement Project for the fiscal year ending August 31, 2006, not to exceed $2,808,500, are hereby appropriated to the agency for the same purposes for the fiscal year ending August 31, 2007. If the amounts for the Business Process Improvement in Rider 2, Capital Budget are reduced by other provisions in this Act, this rider shall not take effect.

8. **Subsequent Injury Fund.** The amounts appropriated above in Strategy D.1.1, Subsequent Injury Fund Administration, include an estimated $3,670,140 in fiscal year 2006 and $3,670,140 in fiscal year 2007 out of the GR Dedicated - Subsequent Injury Account No. 5101 for payment of liabilities pursuant to Labor Code, Chapter 403. In the event that actual liabilities exceed the estimated amounts, the Workers' Compensation Commission shall furnish information supporting the estimated additional liabilities to the Comptroller of Public Accounts. If the Comptroller finds that there are sufficient balances in the GR Dedicated - Subsequent Injury Account No. 5101 to support the payment of projected liabilities, a finding of fact to that effect shall be issued and a contingent appropriation shall be made available for the intended purposes.

9. Sunset Contingency. Funds appropriated above for fiscal year 2007 for the Workers' Compensation Commission are made contingent upon the continuation of the Workers' Compensation Commission by the Seventy-ninth Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2006 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

10. Out-of-State Travel Cap Exemption. Out of the funds appropriated above, expenditures for out-of-state travel by the Texas Workers' Compensation Commission are limited to $51,146 in fiscal year 2006 and $51,146 in fiscal year 2007. Notwithstanding any other provisions in this act, travel associated with federal programs and paid out of federal funds is exempt from this limitation.

RETIREMENT AND GROUP INSURANCE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund, estimated	$ 20,283,045	$ 21,364,612
General Revenue Dedicated Accounts, estimated	10,392,398	11,019,728
Total, Method of Financing	$ 30,675,443	$ 32,384,340
Items of Appropriation:		
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS Retirement Contributions. Estimated.	$ 8,841,384	$ 9,018,212
A.1.2. Strategy: GROUP INSURANCE Group Insurance. Estimated.	$ 21,834,059	$ 23,366,128
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	$ 30,675,443	$ 32,384,340
Grand Total, RETIREMENT AND GROUP INSURANCE	$ 30,675,443	$ 32,384,340

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund, estimated	$ 8,216,845	$ 8,313,923
General Revenue Dedicated Accounts, estimated	4,116,847	4,161,717
State Highway Fund No. 006, estimated	165,845	167,985
Total, Method of Financing	$ 12,499,537	$ 12,643,625
Items of Appropriation:		
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT Comptroller - Social Security.		
A.1.1. Strategy: STATE MATCH – EMPLOYER State Match – Employer. Estimated.	$ 10,986,636	$ 11,206,369
A.1.2. Strategy: BENEFIT REPLACEMENT PAY Benefit Replacement Pay. Estimated.	$ 1,512,901	$ 1,437,256
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	$ 12,499,537	$ 12,643,625
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	$ 12,499,537	$ 12,643,625

LEASE PAYMENTS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 2,475,962	$ 2,598,108
GR Dedicated - Texas Department of Insurance Operating Fund Account No. 036	3,302,546	3,543,629
Total, Method of Financing	$ 5,778,508	$ 6,141,737
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: LEASE PAYMENTS	$ 5,778,508	$ 6,141,737 & UB
To TBPC for Payment to TPFA.		
Grand Total, LEASE PAYMENTS	$ 5,778,508	$ 6,141,737

SPECIAL PROVISIONS RELATING TO ALL REGULATORY AGENCIES

Sec. 2. Appropriations Limited to Revenue Collections. It is the intent of the Legislature that fees, fines, and other miscellaneous revenues as authorized and generated by each of the following agencies cover, at a minimum, the cost of appropriations made above and elsewhere in this Act to those agencies as well as an amount equal to the amount identified in the informational item "Other Direct and Indirect Costs Appropriated Elsewhere in This Act."

Board of Barber Examiners
Board of Chiropractic Examiners
Cosmetology Commission
Credit Union Department
Texas State Board of Dental Examiners
Department of Banking
Office of Consumer Credit Commissioner
Savings and Loan Department
Funeral Service Commission
Board of Professional Geoscientists
Department of Insurance
Office of Public Insurance Counsel
Board of Professional Land Surveying
Department of Licensing and Regulation
Board of Medical Examiners
Board of Nurse Examiners
Optometry Board
Structural Pest Control Board
Board of Pharmacy
Executive Council of Physical Therapy and Occupational Therapy Examiners
Board of Plumbing Examiners
Board of Podiatric Medical Examiners
Board of Examiners of Psychologists
Racing Commission
Real Estate Commission
Board of Tax Professional Examiners
Board of Veterinary Medical Examiners
Residential Construction Commission
Securities Board

In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board and Governor may direct that the Comptroller of Public Accounts reduce the appropriation authority provided by this Act to be within the amount of fee revenue expected to be available.

Sec. 3. Funding for Health Professions Council. An agency participating in the Health Professions Council shall transfer funds through interagency contract to the Health Professions Council from appropriations made to the agency elsewhere in this Act in order to carry out the functions required under Chapter 101, Occupation Code. Included in the amounts appropriated above to the Health Professions Council, are funds transferred by the following participating agencies in the amounts noted below for each year of the 2006-07 biennium:

	2006	2007
Board of Chiropractic Examiners	$ 5,115	$ 5,115
Texas State Board of Dental Examiners	19,002	19,002
Board of Medical Examiners	24,140	24,140
Board of Nurse Examiners	21,309	21,309
Optometry Board	5,159	5,159
Board of Pharmacy	19,188	19,188
Executive Council of Physical and Occupational Therapy Examiners	10,357	10,357
Board of Podiatric Medical Examiners	4,591	4,591
Board of Examiners of Psychologists	8,549	8,549
Board of Veterinary Medical Examiners	7,693	7,693
Funeral Service Commission	7,970	7,970
Total	$133,073	$133,073

Also included in the amounts appropriated above to the Health Professions Council are $11,151 in fiscal year 2006 and $11,151 in fiscal year 2007 to be transferred by the Department of State Health Services.

Sec. 4. TexasOnline Authority Appropriation.

a. Each Article VIII licensing agency participating in the TexasOnline Authority is authorized in accordance with § 2054.252 of the Government Code to increase the occupational license, permit, and registration fees imposed on the licensees by an amount sufficient to cover the cost of the subscription fee charged by the TexasOnline Authority.

b. The following is an informational listing for each Article VIII licensing agency participating in TexasOnline of appropriated fee revenue for the purpose of paying TexasOnline Authority subscription fees.

	2006	2007
Board of Barber Examiners	$ 60,000	$ 60,000
Board of Chiropractic Examiners	17,832	17,832
Cosmetology Commission	224,360	224,360
Texas State Board of Dental Examiners	194,478	202,627
Board of Professional Land Surveying	14,221	14,221
Optometry Board	15,725	15,725
Structural Pest Control Board	95,690	95,690
Executive Council of Physical Therapy & Occupational Therapy Examiners	112,945	116,855
Board of Plumbing Examiners	135,000	135,000
Board of Podiatric Medical Examiners	4,130	4,130
Board of Examiners of Psychologists	32,000	32,000
Board of Tax Professional Examiners	15,490	16,250
Board of Veterinary Medical Examiners	32,745	33,650
Real Estate Commission	224,000	224,000
Funeral Services Commission	25,000	25,000
Board of Nurse Examiners	256,100	256,100
Board of Pharmacy	178,340	182,810

Department of Licensing and Regulation	368,000	368,000
Board of Medical Examiners	181,532	155,298
Department of Insurance	296,100	296,100
Savings and Loan	67,867	67,868
Residential Construction Commission	315,000	315,000
Board of Professional Geoscientists	30,000	30,000
Racing Commission	23,250	23,250
Total	$ 2,919,805	$ 2,911,766

c. In the event that actual and/or projected revenue collections from fee increases to cover the cost of TexasOnline subscription fees are insufficient to offset the costs identified above, the Comptroller is hereby directed to reduce the appropriation authority provided by this Act to agencies participating in TexasOnline to be within the amount of fee revenue expected to be available.

d. For new licensing applications, the Article VIII licensing agencies participating in TexasOnline are hereby appropriated the additional revenue generated from occupational license, permit, or registration fees in excess of the Comptroller's biennial revenue estimate 2006-07 for the sole purpose of payment to the TexasOnline Authority contractor of subscription fees for implementing and maintaining electronic services for the licensing agencies. Each agency, upon completion of necessary actions to access or increase fees, shall furnish copies of board meeting minutes, an annual schedule of the number of license issuances or renewals and associated annual fee total, and any other supporting documentation to the Comptroller. If the Comptroller finds the information sufficient to support the projection of increased revenues, a notification letter will be issued and the contingent appropriation made available for the intended purposes.

e. Each Article VIII licensing agency participating in TexasOnline shall notify the Legislative Budget Board and the Comptroller of Public Accounts in writing upon receiving an exemption from participating in TexasOnline. Within 45 days of receiving an exemption, an agency shall provide the Legislative Budget Board and the Comptroller with a report of the effective date, the reason for exemption, and all estimated expenditures for TexasOnline costs in the fiscal year in which the exemption is made.

Sec. 5. Peer Assistance Program Funding Requirements. Funds collected during the biennium beginning September 1, 2005, by the Board of Pharmacy pursuant to Chapter 564, Occupations Code, and by the Board of Nurse Examiners, the Board of Dental Examiners, and the Board of Veterinary Medical Examiners pursuant to Chapter 467 of the Health and Safety Code, in order to administer or finance peer assistance programs for professionals impaired by chemical dependency or mental illness, are appropriated elsewhere in this Act as identified in each Board's peer assistance strategy. The expenditure of the appropriations identified by this section is hereby made contingent upon sufficient revenue collections from peer assistance surcharges or other receipts collected pursuant to Chapter 467 of the Health and Safety Code or Chapter 564, Occupations Code as appropriate. None of the appropriations identified by this section may be expended unless each agency with a peer assistance program has on file the following current documents:

1. a request for proposal documentation and contracts documenting that the respective agency governing board has a competitively bid contract with the peer assistance program;

2. documentation for programs authorized under Chapter 467 of the Health and Safety Code that the agency's peer assistance program has been certified by the Department of State Health Services (DSHS) as meeting all DSHS criteria for peer assistance programs;

3. documentation for programs authorized under Chapter 467 showing compliance with statutory requirements regarding eligible participants and conditions for which services may be offered; and

4. documentation that the program has been approved by the agency governing board.

RECAPITULATION - ARTICLE VIII
REGULATORY
(General Revenue)

	For the Years Ending August 31, 2006	August 31, 2007
State Office of Administrative Hearings	$ 2,383,679	$ 2,383,677
Department of Banking	11,839,107	11,746,612
Contingency Appropriations	5,550,432	5,550,432
Total	17,389,539	17,297,044
Board of Chiropractic Examiners	355,457	352,398
Office of Consumer Credit Commissioner	3,605,599	3,605,599
Contingency Appropriations	522,000	522,000
Total	4,127,599	4,127,599
Credit Union Department	1,759,452	1,743,782
Contingency Appropriations	120,000	192,000
Total	1,879,452	1,935,782
Texas State Board of Dental Examiners	1,429,541	1,435,561
Funeral Service Commission	566,311	566,311
Board of Professional Geoscientists	430,060	428,164
Department of Insurance	32,221,549	32,201,707
Office of Public Insurance Counsel	962,856	962,856
Board of Professional Land Surveying	367,084	363,736
Department of Licensing and Regulation	13,702,010	13,468,593
Board of Medical Examiners	5,018,884	5,092,585
Board of Nurse Examiners	5,790,219	5,790,219
Optometry Board	350,832	355,508
Structural Pest Control Board	1,237,574	1,237,573
Executive Council of Physical Therapy & Occupational Therapy Examiners	870,971	874,881
Board of Plumbing Examiners	1,716,065	1,661,864
Board of Podiatric Medical Examiners	209,926	210,925
Board of Examiners of Psychologists	632,784	632,784
Real Estate Commission	4,440,775	4,421,007
Residential Construction Commission	3,424,311	3,424,311
Savings and Loan Department	3,925,075	3,990,176
Contingency Appropriations	2,377,500	2,604,100
Total	6,302,575	6,594,276
Securities Board	5,443,873	5,443,873
Board of Tax Professional Examiners	181,995	182,756
Public Utility Commission of Texas	9,666,300	9,666,300
Office of Public Utility Counsel	1,660,410	1,660,410
Board of Veterinary Medical Examiners	600,549	601,454
Workers' Compensation Commission	47,994,456	46,079,886
Subtotal, Regulatory	$ 171,357,636	$ 169,454,040
Retirement and Group Insurance	20,283,045	21,364,612
Social Security and Benefit Replacement Pay	8,216,845	8,313,923
Subtotal, Employee Benefits	$ 28,499,890	$ 29,678,535
Lease Payments	2,475,962	2,598,108
TOTAL, ARTICLE VIII - REGULATORY	$ 202,333,488	$ 201,730,683

RECAPITULATION - ARTICLE VIII
REGULATORY
(General Revenue - Dedicated)

	For the Years Ending August 31, 2006	August 31, 2007
Department of Insurance	$ 16,327,063	$ 16,317,009
Board of Medical Examiners	2,744,560	2,225,280
Board of Pharmacy	3,387,786	3,348,736
Racing Commission	9,801,558	9,801,557
Contingency Appropriations	601,052	601,052
Total	10,402,610	10,402,609
Real Estate Commission	120,000	120,000
Public Utility Commission of Texas	3,625,842	3,625,842
Workers' Compensation Commission	3,670,140	3,670,140
Subtotal, Regulatory	$ 40,278,001	$ 39,709,616
Retirement and Group Insurance	10,392,398	11,019,728
Social Security and Benefit Replacement Pay	4,116,847	4,161,717
Subtotal, Employee Benefits	$ 14,509,245	$ 15,181,445
Lease Payments	3,302,546	3,543,629
TOTAL, ARTICLE VIII - REGULATORY	$ 58,089,792	$ 58,434,690

RECAPITULATION - ARTICLE VIII
REGULATORY
(Federal Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Department of Banking	$ 50,000	$ 50,000
Structural Pest Control Board	150,000	150,000
Workers' Compensation Commission	2,254,623	2,254,623
Subtotal, Regulatory	$ 2,454,623	$ 2,454,623
TOTAL, ARTICLE VIII - REGULATORY	$ 2,454,623	$ 2,454,623

RECAPITULATION - ARTICLE VIII
REGULATORY
(Other Funds)

	For the Years Ending August 31, 2006	August 31, 2007
State Office of Administrative Hearings	$ 5,355,549	$ 5,368,270
Department of Banking	6,100	6,100
Rider Appropriations	5,000	5,000
Total	11,100	11,100
Board of Chiropractic Examiners	13,007	13,007
Texas State Board of Dental Examiners	200,000	200,000
Funeral Service Commission	45,000	45,000
Health Professions Council	144,224	144,224
Department of Insurance	276,031	276,031
Office of Public Insurance Counsel	48,000	48,000
Department of Licensing and Regulation	478,065	478,066
Board of Medical Examiners	80,423	80,423
Board of Nurse Examiners	673,100	673,100
Optometry Board	33,824	33,824
Structural Pest Control Board	600	600
Board of Pharmacy	7,730	7,730
Executive Council of Physical Therapy & Occupational Therapy Examiners	35,000	35,000
Board of Plumbing Examiners	30,000	30,000
Board of Podiatric Medical Examiners	3,200	3,200
Board of Examiners of Psychologists	62,398	62,398
Real Estate Commission	194,500	194,500
Public Utility Commission of Texas	475,000	475,000
Board of Veterinary Medical Examiners	500	500
Workers' Compensation Commission	1,264,106	1,271,270
Subtotal, Regulatory	$ 9,431,357	$ 9,451,243
Social Security and Benefit Replacement Pay	165,845	167,985
Subtotal, Employee Benefits	$ 165,845	$ 167,985
Less Interagency Contracts	$ 2,456,121	$ 2,468,842
TOTAL, ARTICLE VIII - REGULATORY	$ 7,141,081	$ 7,150,386

RECAPITULATION - ARTICLE VIII
REGULATORY
(All Funds)

	For the Years Ending August 31, 2006	August 31, 2007
State Office of Administrative Hearings	$ 7,739,228	$ 7,751,947
Department of Banking	11,895,207	11,802,712
Rider Appropriations	5,000	5,000
Contingency Appropriations	5,550,432	5,550,432
Total	17,450,639	17,358,144
Board of Chiropractic Examiners	368,464	365,405
Office of Consumer Credit Commissioner	3,605,599	3,605,599
Contingency Appropriations	522,000	522,000
Total	4,127,599	4,127,599
Credit Union Department	1,759,452	1,743,782
Contingency Appropriations	120,000	192,000
Total	1,879,452	1,935,782
Texas State Board of Dental Examiners	1,629,541	1,635,561
Funeral Service Commission	611,311	611,311
Board of Professional Geoscientists	430,060	428,164
Health Professions Council	144,224	144,224
Department of Insurance	48,824,643	48,794,747
Office of Public Insurance Counsel	1,010,856	1,010,856
Board of Professional Land Surveying	367,084	363,736
Department of Licensing and Regulation	14,180,075	13,946,659
Board of Medical Examiners	7,843,867	7,398,288
Board of Nurse Examiners	6,463,319	6,463,319
Optometry Board	384,656	389,332
Structural Pest Control Board	1,388,174	1,388,173
Board of Pharmacy	3,395,516	3,356,466
Executive Council of Physical Therapy & Occupational Therapy Examiners	905,971	909,881
Board of Plumbing Examiners	1,746,065	1,691,864
Board of Podiatric Medical Examiners	213,126	214,125
Board of Examiners of Psychologists	695,182	695,182
Racing Commission	9,801,558	9,801,557
Contingency Appropriations	601,052	601,052
Total	10,402,610	10,402,609
Real Estate Commission	4,755,275	4,735,507
Residential Construction Commission	3,424,311	3,424,311
Savings and Loan Department	3,925,075	3,990,176
Contingency Appropriations	2,377,500	2,604,100
Total	6,302,575	6,594,276
Securities Board	5,443,873	5,443,873
Board of Tax Professional Examiners	181,995	182,756
Public Utility Commission of Texas	13,767,142	13,767,142
Office of Public Utility Counsel	1,660,410	1,660,410
Board of Veterinary Medical Examiners	601,049	601,954
Workers' Compensation Commission	55,183,325	53,275,919
Subtotal, Regulatory	$ 223,521,617	$ 221,069,522

RECAPITULATION - ARTICLE VIII
REGULATORY
(All Funds)
(Continued)

Retirement and Group Insurance	30,675,443	32,384,340
Social Security and Benefit Replacement Pay	12,499,537	12,643,625
Subtotal, Employee Benefits	$ 43,174,980	$ 45,027,965
Lease Payments	5,778,508	6,141,737
Less Interagency Contracts	$ 2,456,121	$ 2,468,842
TOTAL, ARTICLE VIII - REGULATORY	$ 270,018,984	$ 269,770,382
Number of Full-Time-Equivalents (FTE)	3,682.7	3,687.7

ARTICLE IX

PART 1. GENERAL PROVISIONS LEGISLATIVE INTENT

Sec. 1.01. **Limitations.** The provisions of this Article and all other Articles of this Act are limitations on the appropriations made by this Act. It is the purpose of the Legislature in enacting this bill only to appropriate funds and to restrict and limit by its provisions the amount and conditions under which the appropriations can be expended.

PART 2. PROVISIONS RELATING TO THE POSITION CLASSIFICATION PLAN

Sec. 2.01. **Position Classification Plan.** Except as otherwise specifically provided in this Act, expenditures of appropriations for the salaries of employees, in classified positions in all affected agencies appropriated funds by this Act, other than institutions of higher education, university system offices, and the Texas Higher Education Coordinating Board, are governed by Chapter 654, Government Code (the Position Classification Act), Chapter 659, Government Code, and this section, including the following lists of position classification numbers, position titles, salary group allocations, and rates of pay in classification salary schedules as provided by this Article.

CLASSIFIED POSITIONS FOR THE 2006–07 BIENNIUM

Class Number	Class Title	Salary Group
0006	Receptionist	A05
0053	Clerk I	A04
0055	Clerk II	A06
0057	Clerk III	A08
0059	Clerk IV	A10
0130	Customer Service Representative I	A09
0132	Customer Service Representative II	A11
0134	Customer Service Representative III	A13
0136	Customer Service Representative IV	A15
0150	Administrative Assistant I	A08
0152	Administrative Assistant II	A11
0154	Administrative Assistant III	A13
0156	Administrative Assistant IV	A15
0160	Executive Assistant I	B09
0162	Executive Assistant II	B11
0203	Data Entry Operator I	A06
0205	Data Entry Operator II	A08
0207	Data Entry Operator III	A10
0218	Computer Record Control Clerk I	A07
0220	Computer Record Control Clerk II	A09
0223	Computer Operator I	A09
0225	Computer Operator II	A11
0227	Computer Operator III	A14
0233	Computer Operations Supervisor I	B08
0234	Computer Operations Supervisor II	B10
0236	Systems Support Specialist I	A12
0237	Systems Support Specialist II	A14
0238	Systems Support Specialist III	A16
0239	Programmer I	B06
0240	Programmer II	B08
0241	Programmer III	B10
0242	Programmer IV	B12
0243	Programmer V	B14
0244	Programmer VI	B16
0245	Programmer VII	B18
0254	Systems Analyst I	B08
0255	Systems Analyst II	B10
0256	Systems Analyst III	B12
0257	Systems Analyst IV	B14
0258	Systems Analyst V	B16
0259	Systems Analyst VI	B18
0271	Data Base Administrator I	B08
0272	Data Base Administrator II	B10
0273	Data Base Administrator III	B12
0274	Data Base Administrator IV	B14
0275	Data Base Administrator V	B16
0276	Data Base Administrator VI	B18
0277	Web Administrator I	B10
0278	Web Administrator II	B12
0279	Web Administrator III	B14
0281	Telecommunications Specialist I	B07
0282	Telecommunications Specialist II	B09
0283	Telecommunications Specialist III	B11
0284	Telecommunications Specialist IV	B13
0285	Telecommunications Specialist V	B15
0287	Network Specialist I	B08
0288	Network Specialist II	B10
0289	Network Specialist III	B12
0290	Network Specialist IV	B14
0291	Network Specialist V	B16

CLASSIFIED POSITIONS FOR THE 2006–07 BIENNIUM
(Continued)

0293	Business Continuity Coordinator I	B13
0294	Business Continuity Coordinator II	B15
0295	Business Continuity Coordinator III	B17
0330	Printing Services Technician I	A07
0331	Printing Services Technician II	A09
0332	Printing Services Technician III	A11
0333	Printing Services Technician IV	A13
0334	Printing Services Technician V	A15
0335	Printing Services Technician VI	A16
0340	Microfilm Camera Operator I	A06
0341	Microfilm Camera Operator II	A08
0350	Micrographics Technician I	A09
0352	Micrographics Technician II	A11
0354	Micrographics Technician III	A13
0356	Micrographics Technician IV	A15
0367	Photographer	A16
0516	Planner I	B09
0517	Planner II	B11
0518	Planner III	B12
0519	Planner IV	B13
0590	Research and Statistics Technician I	A11
0592	Research and Statistics Technician II	A13
0600	Research Specialist I	B07
0602	Research Specialist II	B09
0604	Research Specialist III	B10
0606	Research Specialist IV	B11
0608	Research Specialist V	B13
0624	Statistician I	B07
0626	Statistician II	B09
0628	Statistician III	B11
0630	Statistician IV	B13
0640	Economist I	B08
0642	Economist II	B10
0644	Economist III	B12
0810	Teacher Aide I	A07
0812	Teacher Aide II	A09
0813	Teacher Aide III	A11
0814	Teacher Aide IV	A13
1000	Accounting Technician I	A11
1002	Accounting Technician II	A13
1012	Accountant I	B06
1014	Accountant II	B08
1016	Accountant III	B09
1018	Accountant IV	B11
1020	Accountant V	B12
1022	Accountant VI	B13
1024	Accountant VII	B15
1042	Auditor I	B07
1044	Auditor II	B09
1046	Auditor III	B11
1048	Auditor IV	B13
1050	Auditor V	B15
1052	Auditor VI	B17
1059	Taxpayer Compliance Officer I	B03
1060	Taxpayer Compliance Officer II	B04
1061	Taxpayer Compliance Officer III	B06
1062	Taxpayer Compliance Officer IV	B08
1063	Taxpayer Compliance Officer V	B10
1073	Accounts Examiner I	B04
1074	Accounts Examiner II	B06
1075	Accounts Examiner III	B08

CLASSIFIED POSITIONS FOR THE 2006–07 BIENNIUM
(Continued)

1076	Accounts Examiner IV	B10
1077	Accounts Examiner V	B12
1080	Financial Analyst I	B11
1082	Financial Analyst II	B13
1084	Financial Analyst III	B15
1100	Financial Examiner I	B07
1102	Financial Examiner II	B09
1104	Financial Examiner III	B11
1106	Financial Examiner IV	B13
1108	Financial Examiner V	B15
1110	Financial Examiner VI	B17
1112	Financial Examiner VII	B19
1130	Investment Analyst I	B12
1131	Investment Analyst II	B15
1132	Investment Analyst III	B18
1133	Investment Analyst IV	B20
1150	Portfolio Manager I	B18
1151	Portfolio Manager II	B20
1152	Portfolio Manager III	B21
1153	Portfolio Manager IV	B22
1155	Budget Analyst I	B06
1156	Budget Analyst II	B09
1157	Budget Analyst III	B11
1158	Budget Analyst IV	B13
1161	Trader I	B16
1162	Trader II	B19
1165	Chief Investment Officer	B22
1175	Chief Trader I	B21
1176	Chief Trader II	B22
1240	Reimbursement Officer I	A09
1242	Reimbursement Officer II	A11
1244	Reimbursement Officer III	A13
1246	Reimbursement Officer IV	A15
1248	Reimbursement Officer V	A17
1320	Inspector I	B01
1321	Inspector II	B03
1322	Inspector III	B05
1323	Inspector IV	B07
1324	Inspector V	B08
1325	Inspector VI	B10
1326	Inspector VII	B12
1350	Investigator I	B04
1351	Investigator II	B06
1352	Investigator III	B08
1353	Investigator IV	B09
1354	Investigator V	B10
1355	Investigator VI	B12
1356	Investigator VII	B13
1372	Seed Analyst I	B03
1374	Seed Analyst II	B05
1376	Seed Analyst III	B07
1378	Seed Analyst IV	B09
1550	Staff Services Officer I	B08
1551	Staff Services Officer II	B10
1552	Staff Services Officer III	B11
1553	Staff Services Officer IV	B12
1554	Staff Services Officer V	B13
1570	Program Specialist I	B09
1571	Program Specialist II	B10
1572	Program Specialist III	B11
1573	Program Specialist IV	B12

CLASSIFIED POSITIONS FOR THE 2006–07 BIENNIUM
(Continued)

1574	Program Specialist V	B13
1575	Program Specialist VI	B15
1576	Program Specialist VII	B17
1580	Program Supervisor I	B09
1582	Program Supervisor II	B11
1584	Program Supervisor III	B13
1600	Manager I	B13
1601	Manager II	B14
1602	Manager III	B15
1603	Manager IV	B16
1604	Manager V	B17
1620	Director I	B17
1621	Director II	B18
1622	Director III	B19
1623	Director IV	B20
1624	Director V	B21
1630	Deputy Director	B22
1640	Deputy Comptroller	B22
1727	Human Resources Assistant	A11
1729	Human Resources Specialist I	B05
1731	Human Resources Specialist II	B07
1733	Human Resources Specialist III	B09
1735	Human Resources Specialist IV	B11
1737	Human Resources Specialist V	B13
1780	Training Assistant	A11
1781	Training Specialist I	B05
1782	Training Specialist II	B07
1783	Training Specialist III	B09
1784	Training Specialist IV	B11
1785	Training Specialist V	B13
1821	Marketing Specialist I	B04
1822	Marketing Specialist II	B06
1823	Marketing Specialist III	B08
1824	Marketing Specialist IV	B10
1830	Information Specialist I	B06
1831	Information Specialist II	B08
1832	Information Specialist III	B10
1833	Information Specialist IV	B13
1840	Audio/Visual Technician I	A09
1841	Audio/Visual Technician II	A11
1842	Audio/Visual Technician III	A14
1843	Audio/Visual Technician IV	A16
1860	Management Analyst I	B10
1862	Management Analyst II	B12
1864	Management Analyst III	B14
1870	Technical Writer I	B08
1871	Technical Writer II	B10
1880	State and Federal Relations Representative I	B15
1881	State and Federal Relations Representative II	B17
1882	State and Federal Relations Representative III	B19
1890	Government Relations Specialist I	B15
1892	Government Relations Specialist II	B17
1912	Inventory Coordinator I	A12
1913	Inventory Coordinator II	A14
1920	Grant Coordinator I	B10
1921	Grant Coordinator II	B12
1954	Purchaser I	B04
1955	Purchaser II	B06
1956	Purchaser III	B08
1957	Purchaser IV	B10
1958	Purchaser V	B12

CLASSIFIED POSITIONS FOR THE 2006–07 BIENNIUM
(Continued)

1960	Contract Administration Manager I	B17
1962	Contract Administration Manager II	B19
1970	Contract Technician I	A09
1972	Contract Technician II	A11
1974	Contract Technician III	A13
1976	Contract Specialist I	B07
1978	Contract Specialist II	B08
1980	Contract Specialist III	B09
1982	Contract Specialist IV	B10
1990	Property Manager I	B08
1992	Property Manager II	B10
1994	Property Manager III	B12
2050	Land Surveyor I	B11
2054	Land Surveyor II	B13
2056	Land Surveyor III	B15
2061	Appraiser I	B07
2062	Appraiser II	B09
2064	Appraiser III	B11
2065	Appraiser IV	B13
2080	Right of Way Agent I	B04
2082	Right of Way Agent II	B06
2084	Right of Way Agent III	B08
2086	Right of Way Agent IV	B10
2093	Utility Specialist I	B12
2094	Utility Specialist II	B14
2119	Engineering Aide	A06
2121	Engineering Technician I	A08
2122	Engineering Technician II	A10
2123	Engineering Technician III	A12
2124	Engineering Technician IV	A14
2125	Engineering Technician V	A16
2126	Engineering Specialist I	B08
2127	Engineering Specialist II	B09
2128	Engineering Specialist III	B10
2129	Engineering Specialist IV	B11
2130	Engineering Specialist V	B12
2131	Engineering Specialist VI	B13
2132	Engineering Specialist VII	B14
2137	Engineering Assistant	B07
2151	Engineer I	B12
2152	Engineer II	B13
2153	Engineer III	B14
2154	Engineer IV	B15
2155	Engineer V	B16
2156	Engineer VI	B17
2157	Engineer VII	B18
2167	Graphic Designer I	B06
2168	Graphic Designer II	B08
2181	Drafting Technician I	A15
2182	Drafting Technician II	A17
2255	Project Design Assistant	B08
2260	Architect I	B11
2264	Architect II	B13
2266	Architect III	B15
2350	Earth Science Technician	B08
2356	Geologist I	B09
2360	Geologist II	B11
2364	Geologist III	B13
2365	Geologist IV	B15
2456	Hydrologist I	B09
2460	Hydrologist II	B11

2464	Hydrologist III	B13
2465	Hydrologist IV	B15
2471	Chemist I	B05
2472	Chemist II	B07
2473	Chemist III	B09
2474	Chemist IV	B11
2475	Chemist V	B13
2476	Chemist VI	B15
2583	Sanitarian I	B09
2584	Sanitarian II	B11
2585	Sanitarian III	B13
2650	Environmental Specialist I	B05
2651	Environmental Specialist II	B07
2652	Environmental Specialist III	B09
2653	Environmental Specialist IV	B11
2654	Environmental Specialist V	B13
2655	Environmental Specialist VI	B15
2681	Natural Resources Specialist I	B05
2682	Natural Resources Specialist II	B07
2683	Natural Resources Specialist III	B09
2684	Natural Resources Specialist IV	B11
2685	Natural Resources Specialist V	B13
2686	Natural Resources Specialist VI	B15
2687	Park Specialist I	B06
2688	Park Specialist II	B08
2689	Park Specialist III	B10
2691	Fish and Wildlife Technician I	A11
2692	Fish and Wildlife Technician II	A13
2693	Fish and Wildlife Technician III	A15
2694	Fish and Wildlife Technician IV	A17
2695	Park Ranger I	A07
2696	Park Ranger II	A09
2697	Park Ranger III	A11
2698	Park Ranger IV	A13
2699	Park Ranger V	A15
2720	Lifeguard	A03
2730	Safety Officer I	B07
2731	Safety Officer II	B09
2732	Safety Officer III	B11
2733	Safety Officer IV	B13
2740	Risk Management Specialist I	B07
2741	Risk Management Specialist II	B09
2742	Risk Management Specialist III	B10
2743	Risk Management Specialist IV	B12
2744	Risk Management Specialist V	B13
2761	Rescue Specialist I	B08
2762	Rescue Specialist II	B10
2763	Rescue Specialist III	B12
2802	Actuary I	B13
2803	Actuary II	B15
2804	Actuary III	B17
2805	Actuary IV	B19
2806	Actuary V	B21
2808	Chief Actuary	B22
2824	Insurance Technician	A10
2841	Insurance Specialist I	B04
2842	Insurance Specialist II	B06
2843	Insurance Specialist III	B08
2844	Insurance Specialist IV	B09
2845	Insurance Specialist V	B10
2911	Retirement System Benefits Specialist I	B02

CLASSIFIED POSITIONS FOR THE 2006–07 BIENNIUM
(Continued)

2912	Retirement System Benefits Specialist II	B04
2913	Retirement System Benefits Specialist III	B06
2914	Retirement System Benefits Specialist IV	B08
2920	Claims Assistant	A12
2921	Claims Examiner I	B07
2922	Claims Examiner II	B08
2923	Claims Examiner III	B09
2924	Claims Examiner IV	B10
3020	Employment Specialist I	B02
3021	Employment Specialist II	B03
3022	Employment Specialist III	B04
3023	Employment Specialist IV	B05
3024	Employment Specialist V	B06
3025	Employment Specialist VI	B07
3026	Employment Specialist VII	B08
3151	Unemployment Insurance Claims Examiner I	A11
3153	Unemployment Insurance Claims Examiner II	A13
3154	Unemployment Insurance Claims Examiner III	A15
3171	Unemployment Insurance Specialist I	B07
3173	Unemployment Insurance Specialist II	B09
3501	Attorney I	B10
3502	Attorney II	B12
3503	Attorney III	B14
3504	Attorney IV	B16
3505	Attorney V	B18
3506	Attorney VI	B20
3510	Assistant Attorney General I	B10
3511	Assistant Attorney General II	B12
3512	Assistant Attorney General III	B14
3513	Assistant Attorney General IV	B16
3514	Assistant Attorney General V	B18
3515	Assistant Attorney General VI	B20
3516	Assistant Attorney General VII	B21
3517	First Assistant Attorney General	B22
3520	General Counsel I	B14
3521	General Counsel II	B16
3522	General Counsel III	B18
3523	General Counsel IV	B20
3524	General Counsel V	B21
3559	Hearings Reporter	B12
3565	Legal Secretary I	A09
3566	Legal Secretary II	A11
3567	Legal Secretary III	A13
3568	Legal Secretary IV	A15
3572	Legal Assistant I	B06
3574	Legal Assistant II	B08
3576	Legal Assistant III	B10
3604	Law Clerk	B03
3610	Court Law Clerk I	B09
3611	Court Law Clerk II	B11
3620	Deputy Clerk I	A09
3622	Deputy Clerk II	A11
3624	Deputy Clerk III	A14
3626	Deputy Clerk IV	A17
3630	Chief Deputy Clerk	B13
3635	Clerk of the Court	B17
3640	Administrative Law Judge I	B15
3642	Administrative Law Judge II	B17
3644	Administrative Law Judge III	B18
3646	Master Administrative Law Judge IV	B20
3650	Associate Judge I	B18

3652	Associate Judge II	B20
3660	Ombudsman I	B09
3662	Ombudsman II	B10
3672	Benefit Review Officer	B12
4001	Dietetic Technician I	A07
4002	Dietetic Technician II	A09
4007	Dietitian	B07
4016	Nutritionist I	B07
4017	Nutritionist II	B10
4018	Nutritionist III	B12
4070	Public Health Technician I	B03
4072	Public Health Technician II	B05
4074	Public Health Technician III	B07
4076	Public Health Technician IV	B09
4082	Epidemiologist I	B11
4083	Epidemiologist II	B13
4084	Epidemiologist III	B15
4125	Veterinarian I	B14
4127	Veterinarian II	B16
4129	Veterinarian III	B18
4140	Laboratory Technician I	A05
4142	Laboratory Technician II	A07
4144	Laboratory Technician III	A09
4146	Laboratory Technician IV	A11
4220	Microbiologist I	B05
4221	Microbiologist II	B07
4222	Microbiologist III	B09
4223	Microbiologist IV	B11
4224	Microbiologist V	B13
4225	Microbiologist VI	B15
4292	Radiological Technologist I	B05
4293	Radiological Technologist II	B07
4294	Radiological Technologist III	B09
4342	Orthopedic Equipment Technician I	A08
4344	Orthopedic Equipment Technician II	A10
4346	Orthopedic Equipment Technician III	A12
4360	Registered Therapist Assistant	A15
4361	Registered Therapist I	B06
4362	Registered Therapist II	B08
4363	Registered Therapist III	B10
4364	Registered Therapist IV	B12
4365	Registered Therapist V	B14
4366	Registered Therapist VI	B15
4374	Medical Aide I	A05
4376	Medical Aide II	A07
4385	Medical Technician I	A09
4386	Medical Technician II	A11
4387	Medical Technician III	A13
4390	Health Physicist I	B14
4392	Health Physicist II	B16
4394	Health Physicist III	B18
4401	Medical Technologist I	B05
4402	Medical Technologist II	B07
4403	Medical Technologist III	B09
4404	Medical Technologist IV	B11
4405	Medical Technologist V	B13
4410	Certified Nurse Assistant I	A05
4412	Certified Nurse Assistant II	A07
4428	Respiratory Care Practitioner	A14
4430	Licensed Vocational Nurse I	A09
4432	Licensed Vocational Nurse II	A11

CLASSIFIED POSITIONS FOR THE 2006–07 BIENNIUM
(Continued)

4434	Licensed Vocational Nurse III	A13
4435	Resident Physician	B10
4436	Physician I	B20
4437	Physician II	B21
4438	Physician III	B22
4440	Physician Assistant	B17
4444	Nurse I	B08
4446	Nurse II	B10
4448	Nurse III	B12
4450	Nurse IV	B13
4451	Nurse Practitioner	B15
4453	Medical Research Specialist	B17
4455	Dentist I	B17
4457	Dentist II	B19
4459	Dentist III	B21
4462	Psychologist I	B14
4464	Psychologist II	B16
4465	Psychologist III	B18
4466	Psychological Assistant	B04
4468	Associate Psychologist I	B08
4469	Associate Psychologist II	B09
4470	Associate Psychologist III	B10
4471	Associate Psychologist IV	B11
4472	Associate Psychologist V	B12
4476	Psychiatrist I	B20
4477	Psychiatrist II	B21
4478	Psychiatrist III	B22
4482	Dental Assistant I	A06
4483	Dental Assistant II	A08
4489	Dental Hygienist	B09
4492	Pharmacist I	B16
4493	Pharmacist II	B18
4498	Pharmacy Technician I	A08
4499	Pharmacy Technician II	A10
4501	Correctional Officer I	A07
4502	Correctional Officer II	A09
4503	Correctional Officer III	A11
4504	Correctional Officer IV	A12
4505	Correctional Officer V	A14
4510	Sergeant of Correctional Officers	B07
4511	Lieutenant of Correctional Officers	B08
4512	Captain of Correctional Officers	B09
4513	Major of Correctional Officers	B10
4520	Juvenile Correctional Officer I	A07
4521	Juvenile Correctional Officer II	A09
4522	Juvenile Correctional Officer III	A11
4523	Juvenile Correctional Officer IV	A13
4524	Juvenile Correctional Officer V	A15
4525	Juvenile Correctional Officer VI	A16
4540	Parole Officer I	B06
4541	Parole Officer II	B07
4542	Parole Officer III	B08
4543	Parole Officer IV	B10
4544	Parole Officer V	B12
4550	Assistant Warden	B14
4551	Warden I	B16
4552	Warden II	B18
4560	Counsel Substitute I	A11
4561	Counsel Substitute II	A13
4562	Counsel Substitute III	A15
4571	Correctional Transportation Officer	A12

4646	Industrial Specialist I	A11
4647	Industrial Specialist II	A12
4648	Industrial Specialist III	A13
4649	Industrial Specialist IV	A14
4650	Industrial Specialist V	A16
4651	Industrial Specialist VI	A18
4671	Agriculture Specialist I	A12
4672	Agriculture Specialist II	A13
4673	Agriculture Specialist III	A14
4674	Agriculture Specialist IV	A15
4675	Agriculture Specialist V	A16
5023	Protective Services Specialist I	B05
5024	Protective Services Specialist II	B06
5025	Protective Services Specialist III	B07
5026	Protective Services Specialist IV	B08
5027	Protective Services Specialist V	B09
5046	Disability Case Review Specialist	B03
5050	Rehabilitation Therapy Technician I	A05
5051	Rehabilitation Therapy Technician II	A07
5052	Rehabilitation Therapy Technician III	A09
5053	Rehabilitation Therapy Technician IV	A11
5054	Rehabilitation Therapy Technician V	A13
5062	Vocational Rehabilitation Counselor I	B07
5063	Vocational Rehabilitation Counselor II	B08
5064	Vocational Rehabilitation Counselor III	B09
5079	Chaplaincy Services Assistant	A11
5081	Chaplain I	B06
5082	Chaplain II	B09
5083	Chaplain III	B11
5090	Rehabilitation Teacher I	B02
5091	Rehabilitation Teacher II	B04
5092	Rehabilitation Teacher III	B06
5105	Veterans Assistance Counselor I	B06
5106	Veterans Assistance Counselor II	B07
5107	Veterans Assistance Counselor III	B08
5108	Veterans Assistance Counselor IV	B10
5109	Veterans Assistance Counselor V	B12
5112	Substance Abuse Counselor I	B05
5113	Substance Abuse Counselor II	B06
5120	MHMR Services Aide	A04
5121	MHMR Services Assistant I	A06
5122	MHMR Services Assistant II	A07
5123	MHMR Services Assistant III	A08
5124	MHMR Services Supervisor	A10
5130	Qualified Mental Retardation Professional I	B05
5131	Qualified Mental Retardation Professional II	B06
5132	Qualified Mental Retardation Professional III	B07
5133	Qualified Mental Retardation Professional IV	B08
5140	Recreation Program Specialist I	A09
5142	Recreation Program Specialist II	A11
5144	Recreation Program Specialist III	A13
5201	Resident Specialist I	A07
5203	Resident Specialist II	A09
5205	Resident Specialist III	A11
5207	Resident Specialist IV	A13
5209	Resident Specialist V	A15
5221	Clinical Social Worker I	B05
5222	Clinical Social Worker II	B07
5223	Clinical Social Worker III	B09
5224	Clinical Social Worker IV	B11
5226	Case Manager I	B04

CLASSIFIED POSITIONS FOR THE 2006–07 BIENNIUM
(Continued)

5227	Case Manager II	B05
5228	Case Manager III	B07
5229	Case Manager IV	B09
5231	Volunteer Services Coordinator I	B03
5232	Volunteer Services Coordinator II	B05
5233	Volunteer Services Coordinator III	B07
5234	Volunteer Services Coordinator IV	B09
5235	Volunteer Services Coordinator V	B11
5300	HHS Program Coordinator I	B10
5302	HHS Program Coordinator II	B12
5304	HHS Program Coordinator III	B14
5502	Human Services Technician I	A04
5503	Human Services Technician II	A06
5504	Human Services Technician III	A07
5505	Human Services Technician IV	A09
5525	Quality Assurance Specialist I	B07
5526	Quality Assurance Specialist II	B08
5527	Quality Assurance Specialist III	B09
5528	Quality Assurance Specialist IV	B11
5540	Child Support Officer I	B03
5541	Child Support Officer II	B05
5542	Child Support Officer III	B07
5543	Child Support Officer IV	B09
5550	Child Support Technician I	A09
5551	Child Support Technician II	A11
5552	Child Support Technician III	A13
5614	Interpreter I	B06
5616	Interpreter II	B08
5618	Interpreter III	B10
5700	Human Services Specialist I	B03
5701	Human Services Specialist II	B04
5702	Human Services Specialist III	B05
5703	Human Services Specialist IV	B06
5704	Human Services Specialist V	B07
5705	Human Services Specialist VI	B08
5706	Human Services Specialist VII	B09
6052	Forensic Scientist I	B10
6053	Forensic Scientist II	B11
6054	Forensic Scientist III	B12
6055	Forensic Scientist IV	B13
6056	Forensic Scientist V	B14
6057	Forensic Scientist VI	B15
6082	Forensic Photographer I	B07
6084	Forensic Photographer II	B09
6086	Forensic Photographer III	B11
6090	Communications Center Specialist I	A08
6092	Communications Center Specialist II	A10
6095	Police Communications Operator I	A12
6096	Police Communications Operator II	A13
6097	Police Communications Operator III	A14
6098	Police Communications Operator IV	A15
6114	Fingerprint Technician I	A10
6115	Fingerprint Technician II	A11
6116	Fingerprint Technician III	A12
6117	Fingerprint Technician IV	A14
6121	Firearms/Latent Print Technician I	B07
6122	Firearms/Latent Print Technician II	B08
6150	Crime Lab Evidence Technician	B05
6152	Combined DNA Index System Analyst I	B10
6154	Combined DNA Index System Analyst II	B12
6221	Public Safety Records Technician I	A09

CLASSIFIED POSITIONS FOR THE 2006–07 BIENNIUM
(Continued)

6222	Public Safety Records Technician II	A10
6229	Security Officer I	A06
6230	Security Officer II	A08
6232	Security Officer III	A10
6234	Security Officer IV	A12
7304	Archeologist I	B06
7306	Archeologist II	B08
7308	Archeologist III	B10
7310	Archeologist IV	B12
7315	Historian I	B06
7317	Historian II	B08
7319	Historian III	B10
7350	Library Assistant I	A07
7352	Library Assistant II	A09
7354	Library Assistant III	A11
7401	Librarian I	B06
7402	Librarian II	B08
7403	Librarian III	B10
7404	Librarian IV	B12
7405	Archivist I	B06
7407	Archivist II	B08
7409	Archivist III	B10
7460	Exhibit Technician I	B02
7462	Exhibit Technician II	B04
7464	Exhibit Technician III	B06
7466	Museum Curator	B08
8003	Custodian I	A03
8005	Custodian II	A05
8007	Custodian III	A08
8021	Custodial Manager I	A11
8023	Custodial Manager II	A13
8025	Custodial Manager III	A15
8031	Groundskeeper I	A04
8032	Groundskeeper II	A06
8033	Groundskeeper III	A08
8103	Food Service Worker I	A03
8104	Food Service Worker II	A05
8108	Food Service Manager I	A09
8109	Food Service Manager II	A11
8110	Food Service Manager III	A14
8111	Food Service Manager IV	A16
8116	Cook I	A03
8117	Cook II	A04
8118	Cook III	A06
8119	Cook IV	A08
8202	Sewing Room Worker	A03
8203	Sewing Room Supervisor	A06
8252	Laundry Worker I	A03
8253	Laundry Worker II	A05
8254	Laundry Worker III	A07
8260	Laundry Manager I	A09
8261	Laundry Manager II	A11
8262	Laundry Manager III	A14
8263	Laundry Manager IV	A16
8302	Barber/Cosmetologist	A06
8400	Canteen Manager I	A10
8401	Canteen Manager II	A13
9004	Maintenance Assistant	A06
9022	Equipment Operator I	A09
9024	Equipment Operator II	A11
9026	Equipment Operator III	A13

CLASSIFIED POSITIONS FOR THE 2006–07 BIENNIUM
(Continued)

9034	Air Conditioning and Boiler Operator I	B03
9035	Air Conditioning and Boiler Operator II	B05
9036	Air Conditioning and Boiler Operator III	B07
9037	Air Conditioning and Boiler Operator IV	B09
9041	Maintenance Technician I	A06
9042	Maintenance Technician II	A08
9043	Maintenance Technician III	A09
9044	Maintenance Technician IV	A11
9045	Maintenance Technician V	A13
9051	Maintenance Supervisor I	A10
9052	Maintenance Supervisor II	A12
9053	Maintenance Supervisor III	A14
9054	Maintenance Supervisor IV	A15
9055	Maintenance Supervisor V	A16
9060	Electronics Technician I	A15
9062	Electronics Technician II	A17
9305	Transportation Maintenance Specialist I	A13
9306	Transportation Maintenance Specialist II	A15
9307	Transportation Maintenance Specialist III	A16
9308	Transportation Maintenance Specialist IV	A17
9309	Transportation Maintenance Specialist V	A18
9321	Vehicle Driver I	A03
9322	Vehicle Driver II	A05
9323	Vehicle Driver III	A07
9324	Vehicle Driver IV	A09
9416	Motor Vehicle Technician I	A08
9417	Motor Vehicle Technician II	A10
9418	Motor Vehicle Technician III	A12
9419	Motor Vehicle Technician IV	A14
9512	Machinist I	A13
9514	Machinist II	A15
9624	Aircraft Pilot I	B11
9626	Aircraft Pilot II	B13
9636	Aircraft Mechanic	B10
9700	Radio Communications Technician I	A10
9704	Radio Communications Technician II	A12
9706	Radio Communications Technician III	A14
9733	Equipment Maintenance Technician I	A14
9734	Equipment Maintenance Technician II	A16
9802	Electrician I	B06
9804	Electrician II	B08
9806	Electrician III	B10
9812	HVAC Mechanic I	A12
9814	HVAC Mechanic II	A14
9816	HVAC Mechanic III	A16
9901	Public Safety Inspector I	C05
9902	Public Safety Inspector II	C06
9905	Pilot Investigator I	C04
9906	Pilot Investigator II	C05
9907	Pilot Investigator III	C06
9908	Pilot Investigator IV	C07
9920	Trooper Trainee	C01
9922	Probationary Trooper	C02
9928	Trooper	C03
9935	Corporal	C03
9940	Sergeant, Public Safety	C04
9941	Lieutenant, Public Safety	C05
9942	Captain, Public Safety	C06
9943	Assistant Commander, Public Safety	C07
9944	Commander, Public Safety	C08
9945	Major, Public Safety	C08

CLASSIFIED POSITIONS FOR THE 2006–07 BIENNIUM
(Continued)

9950	Agent Trainee	C02
9956	Agent	C03
9960	Sergeant, Alcoholic Beverage	C04
9961	Lieutenant, Alcoholic Beverage	C05
9962	Captain, Alcoholic Beverage	C06
9963	Major, Alcoholic Beverage	C08
9965	Investigator Trainee - Office of the Inspector General	C01
9971	Investigator - Office of the Inspector General	C03
9972	Regional Supervisor - Office of the Inspector General	C04
9973	Regional Manager - Office of the Inspector General	C05
9974	Multi-Regional Administrator - Office of the Inspector General	C06
9975	Chief Inspector - Office of the Inspector General (less than 12 years of service)	C07
9976	Chief Inspector - Office of the Inspector General (more than 12 years of service)	C08
9980	Game Warden Trainee	C01
9981	Probationary Game Warden	C02
9987	Game Warden	C03
9990	Sergeant, Game Warden	C04
9991	Lieutenant, Game Warden	C05
9992	Captain, Game Warden	C06
9993	Assistant Commander, Game Warden	C07
9994	Commander, Game Warden	C08
9995	Major, Game Warden	C08

SCHEDULE A CLASSIFICATION SALARY SCHEDULE

For the Fiscal Year Beginning September 1, 2005

Salary Group	Minimum	Maximum
A2	15,576	20,172
A3	16,308	21,144
A4	17,064	22,140
A5	17,856	23,184
A6	18,732	24,336
A7	19,644	25,548
A8	20,652	26,880
A9	21,792	28,380
A10	22,944	31,662
A11	24,252	33,571
A12	25,632	35,580
A13	27,132	37,752
A14	28,740	40,098
A15	30,432	42,569
A16	32,311	45,240
A17	34,308	48,036
A18	36,504	51,106

SCHEDULE A CLASSIFICATION SALARY SCHEDULE

For the Fiscal Year Beginning September 1, 2006

Salary Group	Minimum	Maximum
A2	16,176	20,777
A3	16,908	21,778
A4	17,664	22,804
A5	18,456	23,880
A6	19,332	25,066
A7	20,244	26,314
A8	21,272	27,686
A9	22,446	29,231
A10	23,632	32,612
A11	24,980	34,578
A12	26,401	36,648
A13	27,946	38,885
A14	29,602	41,301
A15	31,345	43,846
A16	33,280	46,597
A17	35,337	49,477
A18	37,599	52,639

SCHEDULE B CLASSIFICATION SALARY SCHEDULE

For the Fiscal Year Beginning September 1, 2005

Salary Group	Minimum	Maximum
B1	21,792	30,444
B2	22,944	32,111
B3	24,252	34,045
B4	25,632	36,092
B5	27,132	38,301
B6	28,740	40,672
B7	30,432	43,168
B8	32,311	45,876
B9	34,308	48,709
B10	36,504	55,499
B11	38,825	59,005
B12	41,296	62,774
B13	43,905	66,743
B14	46,725	71,036
B15	49,733	80,184
B16	52,990	85,426
B17	56,435	90,979
B18	60,129	96,932
B19	67,966	109,562
B20	76,877	123,926
B21	97,094	156,524
B22	122,816	197,995

SCHEDULE B CLASSIFICATION SALARY SCHEDULE

For the Fiscal Year Beginning September 1, 2006

Salary Group	Minimum	Maximum
B1	22,446	31,357
B2	23,632	33,074
B3	24,980	35,067
B4	26,401	37,175
B5	27,946	39,450
B6	29,602	41,892
B7	31,345	44,463
B8	33,280	47,253
B9	35,337	50,171
B10	37,599	57,164
B11	39,990	60,776
B12	42,535	64,658
B13	45,222	68,745
B14	48,127	73,167
B15	51,225	82,590
B16	54,580	87,988
B17	58,128	93,709
B18	61,932	99,840
B19	70,005	112,849
B20	79,183	127,644
B21	100,007	161,220
B22	126,500	203,935

SCHEDULE C CLASSIFICATION SALARY SCHEDULE

For the Fiscal Years Beginning September 1, 2005 and September 1, 2006

Salary Rates

Salary Group	Less than 4 years of Service	≥ 4 Years of Service	≥ 8 Years of Service	≥ 12 Years of Service	≥ 16 Years of Service	≥ 20 Years of Service
C1	$33,300					
C2	$36,380					
C3	$41,000	$45,496	$48,992	$52,488	$54,984	$57,480
C4		$51,736	$55,232	$58,728	$61,224	$63,720
C5		$57,976	$61,472	$64,968	$67,464	$69,960
C6		$64,216	$67,712	$71,208	$73,704	$76,200
C7		$75,864	$76,864	$77,864	$77,864	$77,864
C8		$80,024	$81,024	$82,024	$82,024	$82,024

PART 3. SALARY ADMINISTRATION AND OTHER EMPLOYMENT PROVISIONS

Sec. 3.01. **Salary Rates.**

(a) For each fiscal year of the biennium beginning September 1, 2005, annual salary rates for classified positions are as provided by the Classification Salary Schedules of § 2.01.

(b) In addition to the limits under this Article, the State Classification Office shall review new exempt positions created during the interim and provide recommendations on the appropriate class title and salary group for these positions to the Legislature during the appropriations process.

(c) For the fiscal year beginning September 1, 2006, the salary of a classified employee shall be converted to the applicable salary schedule for fiscal year 2007 in this Act at the same salary rate in the same salary group in which paid in August 2006.

(d) There is no authority to grant salary increases as part of the conversion of employees to Salary Schedules A, B, and C, except in the cases of:

(1) across-the-board salary increases authorized in this Act; or

(2) employees whose positions are reallocated or reclassified in accordance with § § 654.0155, 654.0156, or 659.254, Government Code.

(e) Notwithstanding other provisions in this Act, agencies are authorized to pay salaries that are below or in excess of the designated salary ranges in § 2.01 as a result of the fiscal year 2006 conversion of employees to appropriate salary groups in Salary Schedules A and B. An employee hired by the State on or after September 1, 2005, including interagency transfers, must be paid at a salary rate that falls within the salary range of the applicable salary group.

(f) Notwithstanding other provisions in this Act, the Department of Public Safety of the State of Texas may pay its employees classified as Corporal I, II, III, IV, or V, Traffic Law Enforcement, at rates that exceed the maximum rates designated in Salary Schedule C by up to $600 per fiscal year.

(g) Employees within the Principals, Teachers, Supervisors, and Coaches title at the Texas School for the Blind and Visually Impaired, the Texas School for the Deaf, and Texas Youth Commission are not subject to the salary administration provisions in Part 3 of this Article.

(h) Notwithstanding other provisions in this Act, the Department of Public Safety, Department of Criminal Justice, Parks and Wildlife Department, and the Alcoholic Beverage Commission of Texas shall pay its employees classified as commissioned peace officers in Salary Schedule C, salary stipends at rates that exceed the maximum rates designated in Salary Schedule C. Salary stipends shall be paid to commissioned peace officers who achieve certain levels of skill or certifications as approved by the departments. Such skills and certifications shall include:

(1) Education Level: $50 per month for an associate degree, $100 per month for a bachelor degree, and $150 per month for a master degree.

(2) Commission on Law Enforcement Officer Standards and Education Certification Level: $50 per month for intermediate, $100 per month for advanced, and $150 per month for masters.

(3) Bilingual Capabilities: $50 per month for the ability to speak a language other than English.

Commissioned peace officers may receive a stipend for education level or certification level, but not both. The agencies shall work with the Comptroller to establish an efficient salary reporting and payment system.

Sec. 3.02. **Salary Supplementation.** Funds appropriated by this Act to a state agency or to an institution of higher education may not be expended for payment of salary to a person whose classified or exempt salary is being supplemented from other than appropriated funds until a report showing the

amount and sources of salary being paid from other sources has been reported to the Secretary of State and Comptroller.

Sec. 3.03. **Classified Salary Rates.** An agency subject to Part 2 or Part 3 of this Article shall make employments of personnel as provided by the Position Classification Plan.

Sec. 3.04. **Salary Limits.** For the biennium beginning September 1, 2005, the rate for determining the expenditure limitations for merit salary increases and promotions under § 659.261, Government Code, is not limited by this Act as a percentage of the total amount spent by the agency in the preceding fiscal year for classified salaries.

Sec. 3.05. **Scheduled Exempt Positions.**

(a) Except for the positions listed under Subsection (b)(3), a position listed following an agency's appropriation in the agency's "Schedule of Exempt Positions" shall receive compensation at a rate not to exceed the amount indicated in that agency's "Schedule of Exempt Positions."

(b) (1) Notwithstanding the rate listed in an agency's "Schedule of Exempt Positions," a position listed in Subsection (b)(3) may receive compensation at a rate set by the Governor in an amount not to exceed the "Maximum Salary" but not less than the "Minimum Salary" for the appropriate group as listed in Subsection (b)(2).

(2) An exempt position listed in Subsection (b)(3) for which the term "Group," followed by an Arabic numeral, is indicated, may receive compensation at a rate within the range indicated below for the respective salary group indicated.

Scheduled Exempt Position Salary Rates

Group	Minimum Salary	Maximum Salary
1	$ 45,816	$ 70,788
2	54,228	83,784
3	64,200	99,192
4	76,068	117,516
5	90,060	139,140
6	106,692	189,000

(3)

	Agency	Position	Salary Group
(1)	Fire Fighters' Pension Commissioner:	Commissioner	Group 1;
(2)	Secretary of State:	Secretary of State	Group 4;
(3)	Office of State-Federal Relations:	Executive Director	Group 3;
(4)	Health and Human Services Commission:	Commissioner	Group 6;
(5)	Texas Education Agency:	Commissioner of Education	Group 6;
(6)	Adjutant General's Department:	Adjutant General	Group 4;
(7)	Texas Department of Criminal Justice:	Presiding Officer, Board of Pardons and Paroles	Group 3;
(8)	Texas Department of Criminal Justice:	Parole Board Members (6)	Group 3;
(9)	Texas Commission on Environmental Quality:	Commissioners (3)	Group 5;
(10)	Texas Department of Housing and Community Affairs:	Executive Director	Group 4;
(11)	Texas Workforce Commission:	Commissioners (3)	Group 4;
(12)	State Office of Administrative Hearings:	Chief Administrative Law Judge	Group 3;
(13)	Texas Department of Insurance:	Commissioner of Insurance	Group 6;
(14)	Office of Public Insurance Counsel:	Public Counsel	Group 3;
(15)	Public Utility Commission of Texas:	Commissioners (3)	Group 4;

(16)	Office of Public Utility Counsel: and	Public Counsel	Group 3;
(17)	Bond Review Board:	Executive Director	Group 3.

(c) In addition to all other requirements, any salary increase from appropriated funds within the limits provided by this section and salary increases within the limit established under an agency's bill pattern, must be:

(1) in writing;

(2) signed by the presiding officer of the governing board;

(3) submitted to the Governor, the Legislative Budget Board and the Comptroller; and

(4) approved by the governing board in a public meeting.

(d) (1) Each title listed in a "Schedule of Exempt Positions" following an agency's appropriation authorizes one position for the agency unless the title is followed by an Arabic numeral indicating the number of positions authorized or unless the title is followed by "(UL)" which authorizes an unlimited number of positions for such position title.

(2) The number of authorized positions for a title listed in a "Schedule of Exempt Positions" may be exceeded only:

(A) for the purpose of hiring a replacement in a key management position as certified by the chief administrator of the agency;

(B) if the current incumbent of the position has formally resigned or otherwise announced irrevocable plans to vacate the position;

(C) for a period of time not to exceed the equivalent of one month's salary per fiscal year per terminating incumbent (excluding time spent on the payroll for the purpose of exhausting accrued annual leave or state compensatory time); and

(D) if exceptions are reported as prescribed for payroll reporting procedures.

(e) Notwithstanding the rate listed in the agency's "Schedule of Exempt Positions," a position listed in this subsection shall receive compensation at the rate and within the group provided below.

Scheduled Exempt Position Salary Rates

Position		**Salary Group**	**Rate**
(1)	Attorney General	Group 6	$125,000;
(2)	Comptroller of Public Accounts	Group 6	$125,000;
(3)	Commissioner of Agriculture	Group 6	$125,000;
(4)	Land Commissioner	Group 6	$125,000;
(5)	Railroad Commissioner (3)	Group 6	$125,000.

Sec. 3.06. **Evening, Night, Weekend Shift Pay: Registered Nurses and Licensed Vocational Nurses.** A state agency may pay an additional evening shift or night shift differential not to exceed 15 percent of the monthly pay rate to registered nurses or licensed vocational nurses who work the 3:00 p.m. to 11:00 p.m. shift, or its equivalent, or who work the 11:00 p.m. to 7:00 a.m. shift, or its equivalent. An additional weekend shift salary differential not to exceed five percent of the monthly pay rate may be paid to registered nurses and licensed vocational nurses. The weekend shift salary differential may be paid to an eligible individual in addition to the evening shift or night shift salary differential.

Sec. 3.07. **Recruitment and Retention Bonuses.** A state agency may pay a bonus to an individual as provided by § 659.262, Government Code, as added by Acts 2003, Seventy-eighth Legislature, Chapter 200, § 16(f).

Sec. 3.08. **Equity Adjustments.**

(a) A state agency is authorized to adjust the salary rate of an employee whose position is classified under the position classification plan to any rate within the employee's salary group range as necessary to maintain desirable salary relationships:

(1) between and among employees of the agency; or

(2) between employees of the agency and employees who hold similar positions in the relevant labor market.

(b) In determining desirable salary relationships under Subsection (a), a state agency shall consider the education, skills, related work experience, length of service, and job performance of agency employees and similar employees in the relevant labor market.

(c) A state agency may award an equity adjustment to an employee under this section only if:

(1) the employee has worked in the employee's current position for not less than six months while maintaining at least a satisfactory level of job performance; and

(2) the adjustment does not take effect during the same fiscal year as another equity adjustment made to the employee's salary under this section.

(d) A state agency shall adopt internal written rules relating to making equity adjustments under this section. The rules shall include procedures under which the agency will review and analyze the salary relationships between agency employees who receive salaries under the same job classification and perform the same type and level of work to determine if inequities exist.

Sec. 3.09. **Appropriation for Schedule C Pay Raises and Stipends.**

(a) Appropriations made by this Act to the agencies listed below are hereby increased for each fiscal year by the amounts and from the appropriation sources indicated below for Schedule C pay raises and stipends.

(b) For the fiscal years beginning September 1, 2005 and September 1, 2006:

Agency Name	General Revenue	General Revenue–Dedicated (Fund 9)	Federal Funds	Other Funds (Fund 6)	Total for Each Fiscal Year of the Biennium
Alcoholic Beverage Commission	$2,041,994	$0	$0	$0	$2,041,994
Department of Criminal Justice	$780,300	$0	$0	$0	$780,300
Parks and Wildlife Department	$0	$4,225,766	$297,640	$0	$4,523,406
Department of Public Safety	$0	$0	$1,008,291	$30,503,827	$31,512,218
Subtotal	$2,822,294	$4,225,766	$1,306,031	$30,503,827	$38,857,918
Additional Benefits	$385,243	$576,817	$178,273	$4,163,772	$5,304,106
Grand Total	$3,207,537	$4,802,583	$1,484,304	$34,667,599	$44,162,024

(c) The amounts appropriated above include $2,041,994 in each fiscal year in General Revenue Funds to the Texas Alcoholic Beverage Commission for Schedule C pay raises and stipends.

These appropriations are contingent upon the Texas Alcoholic Beverage Commission increasing fees and surcharges, pursuant to § 5.50, Alcoholic Beverage Code, by $4,641,452 and providing such information deemed necessary by the Comptroller of Public Accounts to issue a finding of fact that the increased revenues are estimated to be available in excess of the Comptroller's Biennial Revenue Estimate, including supplemental estimates used in certifying this Act, to fund the increased appropriations and benefits.

PART 4. EMPLOYMENT POLICIES AND PROVISIONS

Sec. 4.01. **Method of Salary Payments.** All annual salaries appropriated by this Act are for full-time employment unless specifically designated as part-time. This section may not be construed to prevent the chief administrator of an agency from paying less than the maximum salary rate specified in this Act for a position, or the employment of a part-time employee to fill a regular position provided for in this Act, so long as the salary rate for such part-time employee is proportional to the regular rate for full-time employment.

Sec. 4.02. **Exception - Contracts Less Than 12 Months.** Facilities of the Texas Youth Commission in Article V or institutions of higher education or the schools for the blind or deaf in Article III of this Act that make contracts for less than a twelve-month period may pay salaries in equal monthly payments for the period of the contract.

Sec. 4.03. **Matching Retirement and Certain Insurance.** In each instance in which an operating fund or account is created and named by statute, the responsible officials of the state may transfer into the operating fund or account sufficient moneys from treasury funds, local, institutional, or federal funds to pay proportionally the costs of matching state employees' retirement contributions and the state's share of Old Age and Survivors Insurance.

Sec. 4.04. **Per Diem of Board or Commission Members and Advisory Committee Members.**

(a) As authorized by § 659.032, Government Code, the per diem of state board and commission members consists of:

(1) compensatory per diem, if specifically authorized by law, at $30 per day;

(2) reimbursement of actual expenses for meals and lodging not to exceed $121 per day when traveling within this state and reimbursement of actual expenses for meals and lodging when traveling outside of this state in an amount not to exceed the rates specified for a state employee under this Act; and

(3) reimbursement of transportation and incidental expenses at the rates specified in this Act for state employees.

(b) If a law enacted after former Article 6813f, VTCS, (September 1, 1983), authorizes per diem for members of a particular state board or commission, but does not specify the amount of the per diem, then the amount of the per diem is the amount provided by Subsection (a).

(c) The funds appropriated by this Act may not be expended to reimburse members of a state agency advisory committee for expenses associated with conducting committee business, including travel expenses, unless the expenditures for an advisory committee are within the limits provided by Subsection (f) below, and are:

(1) specifically authorized by this Act; or

(2) approved by the Governor and the Legislative Budget Board subsequent to the effective date of this Act.

(3) For the purpose of this subsection, the term "advisory committee" has the meaning assigned by § 2110.001, Government Code.

(4) This subsection does not apply to an advisory committee established by the governing board of a retirement system trust fund.

(5) This subsection applies only to an advisory committee that is subject to Chapter 2110, Government Code.

(d) An agency that has a "Schedule of Exempt Positions and Per Diem of Board (or Commission) Members" following the agency's appropriations may expend appropriations for board or commission member compensatory per diem in an amount not to exceed the amount specified in the schedule for each respective fiscal year.

(e) A full time employee paid from funds appropriated by this Act may not be paid both a salary and compensatory per diem for concurrent service as a state employee and as a board or commission member.

(f) (1) Unless otherwise specifically provided for in this Act or by the written authorization of the Legislative Budget Board and Governor, and pursuant to Government Code, § 2110.004, total amounts expended in each fiscal year of the biennium for reimbursement of expenses for an advisory committee authorized to be reimbursed elsewhere in this Act by agencies and institutions, out of funds appropriated to those entities, may not exceed the greater of:

(A) ninety percent (90%) of total expenditures for reimbursement of the same advisory committee by the agency or institution in fiscal year 2003; or

(B) total expenditures for reimbursement of the advisory committee by the agency or institution as approved by the Legislative Budget Board and Governor for fiscal year 2004 .

(2) Unless otherwise provided for in this Act, to the maximum extent possible, agencies and institutions shall encourage the use of videoconferencing and teleconferencing and shall schedule meetings and locations to facilitate the travel of participants so that they may return the same day and reduce the need to reimburse members for overnight stays.

Sec. 4.05. **Political Aid and Legislative Influence Prohibited.** The funds appropriated by this Act, regardless of source or character, may not be expended except in compliance with Chapter 556, Government Code.

Sec. 4.06. **Limitations on Use of Appropriated Funds.** Funds appropriated by this Act, other than those appropriated to an institution of higher education, may be expended only for items set out in the expenditure classifications of the Comptroller's Manual of Accounts insofar that an agency expending the appropriated funds has existing statutory authority for making the expenditures and the expenditures are not otherwise limited or prohibited in this Act.

Sec. 4.07. **Contract Workforce.**

(a) In this section, contract workers are defined as independent contractors, temporary workers supplied by staffing companies, contract company workers, and consultants.

(b) No appropriated funds may be expended for payment of a contract workforce in which the contract is executed, amended, or renewed on or after September 1, 2005, until an agency or institution:

(1) develops and documents comprehensive policies and procedures for its contract workforce;

(2) examines and documents the legal and personnel issues related to the use of a contract workforce;

(3) conducts and documents a cost benefit analysis of its current contract workforce prior to hiring additional contract workers or amending or renewing existing contracts; and

(4) documents why and how the use of contract workers fit into agency staffing strategies, including consideration of agency mission, goals and objectives, existing and future employee skills needed, compensation costs, productivity, nature of services to be provided, and workload.

Agencies shall consult the *Best Practices and Guidelines for Effectively Using a Contract Workforce* (SAO Report No. 99-326) when planning for and implementing the requirements of this section.

(c) The State Auditor may require an agency to provide interim reports or additional information as necessary to ensure compliance with this section. The State Auditor may review each agency's report and follow up based on identified risks.

PART 5. TRAVEL REGULATIONS

Sec. 5.01. **Travel Definitions.**

The definitions established by § 660.002, Government Code, apply to Part 5 of this Article, unless another meaning is clearly provided. In Part 5 of this Article:

(1) "Council of governments" includes:

(A) a council of governments created under Chapter 391, Local Government Code;

(B) a regional planning commission created under Chapter 391, Local Government Code; or

(C) a regional planning agency created under Chapter 391, Local Government Code.

(2) "State agency" includes the entities within the definition of § 660.002(19) Government Code, and also includes a council of governments, a local workforce development board, or a MHMR community center, that uses funds appropriated by this Act to pay for the transportation, meals, lodging, or other travel expenses of its employees.

Sec. 5.02. **General Travel Provisions.** The funds appropriated by this Act to a state agency for the payment of transportation, meals, lodging, or incidental expenses is the maximum amount that may be expended by the agency. The funds appropriated by this Act may not be expended for those expenses unless the travel and the resulting requests for payment or reimbursement comply with the conditions and limitations in this Act, Chapter 660, Government Code, and the Comptroller's Rules.

Sec. 5.03. **Failure to Comply.**

(a) If the State Auditor determines that the travel for which payment was made out of appropriated funds is not in compliance with Chapter 660, Government Code, the State Auditor shall so certify to the Comptroller. The Comptroller shall reduce the appropriation of the state agency that paid the travel expenses by an amount equal to the entire amount paid by the state agency for that individual for that travel occurrence.

(b) The Comptroller shall prepare an annual report indicating the appropriation reductions, by state agency, made pursuant to this section for the previous fiscal year. The Comptroller shall submit the report to the Legislative Budget Board not later than December 1.

Sec. 5.04. **Transportation Expenses.** For a state employee's use of a personally owned or leased motor vehicle, the mileage reimbursement rate for travel equals the maximum fixed mileage allowance specified in the revenue rulings issued by the Internal Revenue Service under the federal income tax regulations as announced by the Comptroller.

Sec. 5.05. **Transportation in Personally Owned or Leased Aircraft.**

(a) The rate of reimbursement to be paid to a key official, member of a board, commission, or a member of the Legislature for travel in the person's personally owned or leased aircraft, either within or without the boundaries of this state, is:

(1) 40 cents per highway mile when traveling in single-engine aircraft;

(2) 55 cents per highway mile when traveling in twin-engine aircraft; and

(3) one dollar per highway mile when traveling in turbine-powered or other aircraft.

(b) The rate of reimbursement for a state employee when the employee travels in the employee's personally owned or leased aircraft, either within or without the boundaries of this state, is:

(1) 40 cents per highway mile when traveling in single-engine aircraft; or

(2) 55 cents per highway mile when traveling in twin-engine, turbine-powered, or other aircraft.

Sec. 5.06. **Travel Meals and Lodging Expenses.**

(a) A state employee who travels within this state shall be reimbursed for the actual cost of lodging and meals. However, the reimbursements may not exceed $85 per day per location for lodging and $36 per day for meals.

(b) At the discretion of each chief administrator of a state agency, a state employee whose duties require the employee to travel outside the employee's designated headquarters without an overnight stay away from the employee's headquarters may be reimbursed for the actual cost of the employee's meals not to exceed $36.

(c) A state employee who travels outside of this state but within the continental United States shall be reimbursed for the employee's actual expenses for lodging and meals. However, the reimbursement may not exceed the maximum out-of-state meals and lodging rates, based on the federal travel regulations, issued by the Comptroller unless the Comptroller determines, in advance of travel, that local conditions necessitate a change in the lodging rate for a particular location. If an employee travels to a location where an allowance has not been set by the Comptroller, the Comptroller shall establish a rate for that location.

(d) A state employee may receive reimbursements for the employee's actual expenses for meals and lodging when traveling outside the continental United States.

(e) A state agency or institution may reimburse a state employee for a meal expense the employee incurs while traveling outside the employee's designated headquarters for less than six consecutive hours if the reimbursement:

(1) receives the written approval by the chief administrator of the state agency or institution;

(2) meets the rules adopted by the Comptroller regarding reimbursement for traveling outside the employee's designated headquarters for less than six consecutive hours; and

(3) complies with § 660.206, Government Code.

Sec. 5.07. **Special Provisions Regarding Travel Expenses.** Reimbursement for meals and lodging as authorized by Subchapter H, Chapter 660, Government Code, on an "actual expenses" or "actual amount of" basis may not exceed twice the maximum rates specified in § 5.06 of this Article.

Sec. 5.08. **Limitation on Travel Expenditures.**

(a) In this section "travel" refers only to travel outside the state of Texas, except as set forth in Subsection (k) of this section.

(b) (1) None of the funds appropriated by this Act may be expended, without the prior approval of the Legislative Budget Board, for travel purposes if such expenditure would cause the agency's or institution's travel expenditures for that fiscal year to exceed an amount equal to 100 percent of that agency's or institution's fiscal year 2000 amount of travel expenditures including any excess travel expenditure amounts approved by waiver.

(2) The general limitations provided by this subsection apply in addition to the limits of any additional agency specific limitation.

(3) In the event that a state agency or institution had, as determined by the Comptroller, no expenditures for travel outside the state of Texas during fiscal year 2000, the general limitations provided by Subsection (b)(1) shall not apply, but out-of-state travel spending may not exceed in either year of the biennium the amount spent for that purpose in the last state fiscal year in which out-of-state travel occurred.

(c) The Legislative Budget Board may consider requests from agencies which demonstrate circumstances which would make such reductions in actual travel impractical or inefficient in accomplishing the goals and strategies contained in their appropriations pattern. Such circumstances may include: new or expanded programs, law enforcement, tax collection activities, statutorily mandated travel, or other pressing public purposes.

(d) The Comptroller shall prescribe accounting procedures and reporting requirements to administer this section and to ensure that expenditures for travel by all state agencies and institutions of higher education are properly reported and monitored.

(e) (1) Upon notification by the Comptroller that a state agency or institution of higher education has exceeded the travel cap limit as specified in Subsection (b) of this section for two consecutive fiscal years without the written approval of the Legislative Budget Board, the state agency or institution of higher education may not pay or reimburse with funds appropriated by this Act, a travel expense for travel to conventions, conferences, or seminars except as provided by this Subsection (e).

(2) The Comptroller may allow a state agency or institution of higher education to reimburse or pay a travel expense incurred by an employee on or after the date the agency or institution receives notice of its exceeding the limits if:

(A) the expense is incurred while the employee is returning to the employee's designated headquarters;

(B) the reimbursement or payment is necessary to prevent unreasonable hardship to the employee; or

(C) the expense is incurred while the employee is completing official state business that the agency or institution deems critical to fulfillment of the agency's or institution's constitutional or statutory duties.

(3) The Comptroller shall notify the Legislative Budget Board if the Comptroller allows such a payment or reimbursement. The notification must include the reason that the payment or reimbursement is allowed. The Legislative Budget Board may then direct the Comptroller to reduce the agency's or institution's appropriation by the amount of the payment or reimbursement if in the Legislative Budget Board's opinion the payment was the result of an agency failing to comply with the notification by the Comptroller.

(f) All documents filed by an appointed officer under this section are public information. In this section, the term "public information" has the meaning provided by Chapter 552, Government Code.

(g) In this section "appointed officer" includes all persons included under the definition provided by Chapter 572, Government Code, except that for the purposes of the definition of "appointed officer," the term "state agency" also includes a council of governments, a local workforce development board, or a mental health mental retardation community center that uses funds appropriated by this Act to pay for the transportation, meals, lodging, or other travel expenses of its employees or officials. For the purpose of this provision, the term "council of governments" shall include a council of governments, a regional planning commission, or similar regional planning agency created under Chapter 391, Local Government Code.

(h) An appointed officer may not receive reimbursement from funds appropriated by this Act for expenses related to travel before filing with the Texas Ethics Commission copies of all documents that will be submitted to the Comptroller and Legislative Budget Board in support of the travel expense claim.

(i) Funds appropriated by this Act may not be used to pay expenses for a trip to foreign countries, except for Canada or Mexico, unless the board or commission of each state agency and institution of higher education has approved the travel before departure. A copy of the approval must be attached to each travel voucher submitted to the Comptroller. By October 1 of each year, each agency and institution of higher education must submit a report on all foreign travel with required approvals to the Governor and the Legislative Budget Board.

(j) In implementing this rider, state agencies shall review their travel policies in order to ensure that travel which is critical to the delivery of services consistent with the mission of the agency is not affected.

(k) Travel expenses incurred within the Washington, D.C. area by the Office of State-Federal Relations (OSFR) and by state agencies and institutions of higher education that are represented by their employees in the Washington, D.C. office of OSFR shall be considered in-state travel for the purpose of calculating the agencies' compliance with out-of-state travel limitation provisions.

Sec. 5.09. **Expenditures for Commercial Air Travel.**

(a) It is the intent of the Legislature that the Texas Building and Procurement Commission establish rules to encourage state agencies and institutions of higher education to reduce travel expenses by purchasing airline tickets at least 14 days before an employee of the agency or institution travels by commercial air carrier on agency or institution business.

(b) Effective September 1, 2005, the Comptroller shall reduce appropriations made to all state agencies appropriated funds under Articles I through VIII of this Act, excluding institutions of higher education, by a total of $4,994,716 in General Revenue for the biennium beginning September 1, 2005. Amounts to be reduced at each affected agency shall be determined by the Texas Building and Procurement Commission based on historical information related to agency travel and all reductions in appropriations must be approved by the Legislative Budget Board and Governor.

(c) Effective September 1, 2005, the Comptroller shall reduce appropriations made to all institutions of higher education appropriated funds under Article III of this Act by a total of $3,000,000 in General Revenue for the biennium beginning September 1, 2005. Amounts to be reduced at each affected institution shall be determined by the Texas Building and Procurement Commission based on historical information related to agency travel and all reductions in appropriations must be approved by the Legislative Budget Board and Governor.

PART 6. GENERAL LIMITATIONS ON EXPENDITURES

Sec. 6.01. **Definitions.**

In this Act:

(a) "Earned federal funds" means all moneys received in connection with each entitlement period of a federally funded contract, grant, or program, excluding reimbursements under § 8.02(c), which are not required by the governing agreement to be disbursed thereon. Typically, earned federal funds arise from recoveries of costs previously paid from a nonfederal fund source, indirect cost allocations, interest earned on federal funds, and minor sources such as the sale of fixed assets purchased with federal funds. Except for state agencies of higher education and their affiliated agencies whose earned federal funds are held outside the state treasury, the expenditure of funds received or earned by a state agency is limited to the appropriation authority granted to the agency. Any such excess funds remaining at the end of the 2004–05 biennium for an agency shall be returned to the General Revenue Fund. A state agency or institution participating in federally funded or other programs, where indirect cost reimbursements are an allowable part of charges to the program, shall establish procedures to maximize the recovery of such costs.

(b) "Unexpended balance" or the abbreviation "UB" means the unobligated balance remaining in an appropriation, i.e., only that part of an appropriation, if any, that has not been set apart by the incurring of an obligation, commitment, or indebtedness by the state agency authorized to spend the appropriation. A reference in this Act to "unexpended balance" or "UB" is a reference to the unobligated balance of an amount appropriated by this Act for the fiscal year ending August 31, 2006, unless another meaning is clearly indicated.

Sec. 6.02. **Interpretation of Estimates.** In the event the amounts of federal funds, local funds, or funds other than appropriations from the General Revenue Fund, have been estimated in this Act in sums greater than are actually received by the respective agencies of the state, this Act may not be construed as appropriating additional funds from General Revenue to make up such differences. Wherever the language of this Act appropriates all receipts or balances from a specified source but uses an estimated amount to inform the Legislature and the public, the estimated figure is not to be construed as a limitation on the amount appropriated.

Sec. 6.03. **Emergency and Deficiency Grants Out of Special Funds.** For the purposes of § § 401.061 and 403.075, Government Code, appropriations to the Office of the Governor from "special funds" include excess revenues from General Revenue Fund-Dedicated accounts that were previously special funds above those estimated by the Comptroller in certifying this Act.

Sec. 6.04. **Excess Obligations Prohibited.**

(a) An agency specified in this Act may not incur an obligation in excess of the amounts appropriated to it for the respective objects or purposes named.

(b) As a specific exception to Subsection (a) the Texas Building and Procurement Commission may determine that a proposed installment purchase arrangement is cost effective and certify this finding in response to an agency request.

(c) A determination made by the Texas Building and Procurement Commission under Subsection (b) may be made for obligations incurred for the purchase or lease of automated information system equipment only if the agency has on file with the Legislative Budget Board a Biennial Operating Plan, including any amendments to the Biennial Operating Plan, and the plan has been approved by the Legislative Budget Board.

(d) If this section is violated, the State Auditor shall certify the fact of the violation and the amount of over-obligation to the Comptroller, and the Comptroller shall deduct an amount equivalent to the over-obligation from the salary or other compensation due the responsible disbursing or requisitioning officer or employee, and apply the amount to the payment of the obligation.

(e) This provision is specified pursuant to § 10, Article XVI, Texas Constitution.

Sec. 6.05. **Interpretation of Legislative Intent.** Funds appropriated by this Act shall be expended, as nearly as practicable, for the purposes for which appropriated. In the event an agency cannot determine

legislative purpose from the pattern of appropriations, the agency shall seek to determine that purpose from the proceedings of the legislative committees responsible for proposing appropriations for this state.

Sec. 6.06. **Comptroller's Duty to Pay.** The Comptroller may not refuse to pass for payment a legal claim, factually justified, for which a valid appropriation has been made.

Sec. 6.07. **Last Quarter Expenditures.**

(a) A state agency or other governmental unit using funds appropriated by this Act may not expend during the last quarter of a fiscal year more than one-third of the funds appropriated for that fiscal year.

(b) Specifically exempted from Subsection (a) are:

(1) expenditures contracted for in previous quarters;

(2) funds required by statute, rule or regulation to be expended on a different time frame;

(3) seasonal employment of personnel;

(4) construction contracts;

(5) contracts dealing with purchases of food, medicines, or drugs;

(6) expenditures related to the Children with Special Health Care Needs (formerly known as "CIDC") program operated by the Department of State Health Services; and

(7) expenditures occasioned by disaster or other Act of God.

(c) The funds exempted, under Subsection (b) may not be considered in the computation of the total funds appropriated in a fiscal year for the purpose of applying Subsection (a).

Sec. 6.08. **Appropriation Transfers.**

(a) Subject to any specific restriction in another provision of this Act, an appropriation contained in this Act may be transferred from one appropriation item to another appropriation item in an amount not to exceed 12.5 percent of the appropriation item from which the transfer is made for the fiscal year, at the discretion of the chief administrative officer of the state agency or institution.

(b) As a specific exception to Subsection (a), funds appropriated for capital budget items are subject to restrictions contained elsewhere in this Act.

(c) Funds appropriated by this Act in items of appropriation that are part of a Goal for "Indirect Administrative and Support Costs" or "Indirect Administration" may also be transferred from one appropriation item to another appropriation item within that same Goal without limitation as to the amount of such a transfer.

(d) Appropriations made by this Act to each state agency or institution of higher education are not subject to transfer between agencies or institutions except under the provisions of interagency contract, budget execution statutes, or specific rider or statutory authorization.

Sec. 6.09. **Transfers for Contract Services.** Funds appropriated in the various Articles of this Act for "Employees Retirement System," "Social Security State Match," and "Benefit Replacement Pay" may be transferred between Articles for similar appropriation items for the purpose of paying employee benefits costs incurred by higher education institutions when those institutions have contracted to provide services to state agencies.

Sec. 6.10. **Employee Benefit and Debt Service Items.**

(a) Funds appropriated in the various Articles of this Act for "Employees Retirement System," "Social Security State Match," "Benefit Replacement Pay," "Texas Public Finance Authority-G.O. Bond Debt Service Payments," and "Lease-Payments to the Texas Public Finance Authority" may be transferred between Articles to a like appropriation item without limitation as to the amount of such transfer.

(b) An agency to which an appropriation listed under Subsection (a) is made may pool such appropriations, made in the various Articles for a common purpose, into a single cost pool for the purpose of administering the appropriation.

Sec. 6.11. **Benefits Paid Proportional by Fund.**

(a) Unless otherwise provided, in order to maximize balances in the General Revenue Fund, payment for benefits paid from appropriated funds, including "local funds" and "education and general funds" as defined in § 51.009 (a) and (c), Education Code, shall be proportional to the source of funds.

(b) Unless otherwise specifically authorized by this Act, the funds appropriated by this Act out of the General Revenue Fund may not be expended for employee benefit costs, or other indirect costs, associated with the payment of salaries or wages, if the salaries or wages are paid from a source other than the General Revenue Fund. Payments for employee benefit costs for salaries and wages paid from sources, including payments received pursuant to interagency agreements or as contract receipts, other than the General Revenue Fund shall be made in proportion to the source of funds from which the respective salary or wage is paid or, if the Comptroller determines that achieving proportionality at the time the payment is made would be impractical or inefficient, then the General Revenue Fund shall be reimbursed for any such payment made out of the General Revenue Fund.

(c) The Comptroller, after consulting with the Legislative Budget Board and the State Auditor's Office, shall develop rules to provide for the administration of this section.

(d) Each agency or institution of higher education (including a community or junior college) having General Revenue Fund appropriations and other sources of financing shall file with the Comptroller and the State Auditor a report demonstrating proportionality. The report shall be filed before November 20th following the close of the fiscal year for the salaries, wages, and benefits of the preceding year ended August 31. The report shall be in a format prescribed by the Comptroller of Public Accounts in collaboration with the Legislative Budget Board and the State Auditor's Office. The State Auditor shall at least biennially review agency and institution (including a community or junior college) compliance with the requirements of this section if the agency or institution (including a community or junior college) receives funds appropriated under Articles II, III, or VI of this Act. The Comptroller, on receipt of notification from the State Auditor of amounts disproportionally paid from General Revenue Fund appropriations, shall reduce current year General Revenue Fund appropriations of the agency or institution until such time as such amounts are repaid from sources other than the General Revenue Fund.

Sec. 6.12. **Appropriations from Special Funds.** Notwithstanding other provisions of this Act, appropriation amounts from special funds or special accounts in the General Revenue Fund are specifically limited to amounts not to exceed the actual balances and revenues available to each such fund or account.

Sec. 6.13. **Limitation on Grants to Units of Local Government.**

(a) The funds appropriated by this Act may not be expended in the form of a grant to, or a contract with, a unit of local government unless the terms of the grant or contract require that the funds received under the grant or contract will be expended subject to limitations and reporting requirements similar to those provided by:

(1) Parts 2 and 3 of this Article (except there is no requirement for increased salaries for local government employees);

(2) § § 556.004, 556.005, and 556.006, Government Code;

(3) § § 2113.012 and 2113.101, Government Code;

(4) § 6.24 of this Article (Performance Rewards and Penalties);

(5) § 7.01 of this Article (Budgeting and Reporting);

(6) § 7.02 of this Article (Annual Reports and Inventories); and

(7) § 2102.0091, Government Code.

(b) In this section, "unit of local government" means:

(1) a council of governments, a regional planning commission, or a similar regional planning agency created under Chapter 391, Local Government Code;

(2) a local workforce development board; or

(3) a MHMR community center.

Sec. 6.14. **Limitation on State Employment Levels.**

(a) (1) If the reduction of the number of full-time equivalent employees (FTEs) required by Subsection (a)(2) of this section would be impractical or inefficient in accomplishing the goals and strategies contained in the appropriations pattern of a state agency or institution of higher education or would impede new or expanded programs, law enforcement, tax collection activities, or other pressing public purposes, then the Legislative Budget Board and Governor may consider requests for exemptions from the requirements of this Subsection (a) from those entities which demonstrate such circumstances.

(2) The FTE limit shown in the bill pattern of state agencies and institutions of higher education appropriated funds under this Act are reduced by two percent (2%). This reduction does not apply to:

(A) a state agency or institution having fewer than 300 FTEs;
(B) the Office of the Governor;
(C) the Office of the Comptroller; or
(D) the Office of the Attorney General.

(b) Without the written approval of the Governor and the Legislative Budget Board, a state agency or institution of higher education may not use funds appropriated by this Act to pay all or part of the salaries or benefits of a number of employees which would cause the number of full-time equivalent employees (FTEs) paid from funds appropriated by this Act by the state agency or institution of higher education for a fiscal quarter to exceed the figure indicated by this Act for that state agency or institution.

(c) A request by a state agency or institution of higher education to exceed or reduce the FTE limitations established by this section must be submitted by the governing board of the state agency or institution of higher education and must include at a minimum:

(1) the date on which the board approved the request;

(2) a statement justifying the need to exceed or reduce the limitation;

(3) the source of funds to be used to pay any additional salaries; and

(4) an explanation as to why the functions of any proposed additional FTEs cannot be performed within current staffing levels.

(d) For the purpose of Subsection (b), the number of FTEs employed by a state agency (not including an institution of higher education or an affiliated entity, the State Preservation Board, Parks and Wildlife Department, Texas School for the Blind and Visually Impaired, Texas School for the Deaf, and Texas Commission on Environmental Quality) for a fiscal quarter:

(1) shall be determined in accordance with the report filed pursuant to § 2052.103, Government Code;

(2) shall only include employees paid with funds appropriated through this Act;

(3) shall not include overtime hours; and

(4) shall include a position filled by temporary or contract workers for more than half of the work days of the year preceding the final day of the reporting period. Temporary or contract workers shall include workers employed under contract to fill specific positions customarily filled by state employees. The State Auditor is authorized to provide interpretations of this provision.

(e) For the purpose of Subsection (b), the number of FTEs employed by the State Preservation Board, Texas Commission on Environmental Quality, the Parks and Wildlife Department, the Texas School for the Blind and Visually Impaired, the Texas School for the Deaf, or an institution of higher education or an affiliated entity, for a fiscal year:

(1) shall be determined in accordance with the reports filed pursuant to § 2052.103, Government Code;

(2) shall be an average of the four reports filed for that fiscal year;

(3) shall include employees paid with funds appropriated through this Act;

(4) shall not include overtime hours; and

(5) shall include a position filled by temporary or contract workers for more than half of the work days of the year preceding the final day of the reporting period. Temporary or contract workers shall include workers employed under contract to fill specific positions customarily filled by state employees. The State Auditor is authorized to provide interpretations of this provision.

(f) This section shall not apply to appropriations made by this Act to the:

(1) Office of the Governor; or

(2) Comptroller when that agency has determined by a cost/benefit analysis that an outsourcing or contracting arrangement provides savings to this State.

(g) The limitations on FTEs under this section do not apply to a state agency or institution in instances of employment, including employment of temporary or contract workers, directly associated with events declared disasters by the Governor. Each state agency or institution shall annually notify the State Auditor, Comptroller, Legislative Budget Board, and Governor of FTEs exempted under this section.

(h) The limitations on FTEs under this section do not apply to a state agency or institution in an instance of employment, including employment of a temporary or contract worker, associated with implementation of a project that is 100 percent federally funded. With regard to the exemption from the FTE limitations provided by this subsection, the state agency or institution is exempt from the FTE limitations only for the duration of the federal funding for the employment related to the project and all salaries, benefits, and other expenses incurred related to

employment must be paid from federal funds. Each state agency or institution shall notify the State Auditor, Comptroller, Legislative Budget Board, and Governor of FTEs exempted under this subsection.

(i) If a program is transferred from a state agency or institution of higher education, then at any time during the biennium, the Legislative Budget Board and the Governor may agree to reduce the number of FTEs paid from funds appropriated by this Act by the state agency or institution of higher education for one or more fiscal quarters to a figure below that indicated by this Act for that agency or institution.

Sec. 6.15. **Purchases of Postage.**

(a) If the expenditures for postage by an agency, other than the Legislature or an institution of higher education, exceed $4,000 for a fiscal year, the agency shall purchase postage only in accordance with § 2113.103(c), Government Code.

(b) The amount received by an agency as a refund of postage used by the agency shall be deposited in the fund to the credit of the appropriation from which postage for the agency is paid and is hereby appropriated to the agency for postage use.

Sec. 6.16. **Limitation on Expenditures - Capital Budget.**

(a) Contained in appropriations made to certain agencies by this Act are amounts identified as the "Capital Budget." Except as provided under this section, none of the funds appropriated by this Act, in excess of amounts restricted to capital budget purposes, may be expended for capital budget purposes without the prior approval of the Governor and Legislative Budget Board.

(b) A request for approval to exceed the transfer limitation on capital budget expenditures under Subsection (i) must be submitted by the agency's governing board and must include at a minimum:

(1) the date on which the board approved the request;

(2) a statement justifying the need to exceed the limitation;

(3) the source of funds to be used to make the purchases; and

(4) an explanation as to why such expenditures cannot be deferred.

(c) This restriction does not apply to:

(1) expenditures for capital outlay items or projects that are not included in the definition of "Capital Budget" under Subsection (d); or

(2) expenditures for Capital Budget purposes made by:

(A) institutions of higher education; or
(B) public community/junior colleges.

(d) "Capital Budget" includes expenditures, for assets with a biennial project cost or unit cost in excess of $25,000, within the following categories:

(1) Acquisition of Land and Other Real Property (except for right-of-way purchases made by the Texas Department of Transportation);

(2) Construction of Buildings and Facilities;

(3) Repairs or Rehabilitation of Buildings and Facilities;

(4) Construction of Roads (except for such expenditures made by the Texas Department of Transportation);

(5) Acquisition of Information Resource Technologies;

(6) Transportation Items;

(7) Acquisition of Capital Equipment and Items; or

(8) Other Lease Payments to the Master Lease Purchase Program (for items acquired prior to September 1, 2005 only).

(e) Any expenditure directly related to acquisition of an asset, or to placing an asset in service, may be paid from the appropriation made to the "Capital Budget."

(f) In implementing this section, the Comptroller should refer to the detailed instructions for preparing and submitting requests for legislative appropriations for the biennium beginning September 1, 2005, and the definitions therein, and to the official request for legislative appropriations submitted by the affected agency.

(g) Appropriations restricted to capital budget purposes and not identified in a "Capital Budget" as being for lease payments to the master lease purchase program (MLPP) or for other lease-purchase payments may be utilized to make lease payments under MLPP or for other lease or installment payments only if the agency to which the appropriation is made provides a report to the Comptroller specifying the sum of the lease payments to be made during the biennium for the Capital Budget item being acquired. The Comptroller shall reduce the appropriation made by this Act for the Capital Budget item in an amount equal to the difference between the appropriated amount and the sum of the lease payments for the biennium and deposit that amount into the unappropriated balance of the original funding source. In the event that the Comptroller cannot determine the amount appropriated for a specific Capital Budget item, the amount shall be determined by the Legislative Budget Board.

(h) Funds restricted to "Acquisition of Information Resource Technologies" may also be used to purchase or contract for computer time, facility resources, maintenance, and training.

(i) (1) An agency may transfer appropriations:
- (A) from a non-capital budget item to a capital budget item;
- (B) from a capital budget item to another capital budget item; or
- (C) from a capital budget item to an additional capital budget item not presented in the agency's bill pattern.

(2) Without the approval of the Governor and the Legislative Budget Board:
- (A) the amounts transferred during a fiscal year as provided by Subdivision (1) of this Subsection (i) may not exceed 25 percent of either:
  - (i) the amount of the capital budget item, as presented in the agency's bill pattern from which funds are being transferred; or
  - (ii) the amount of the capital budget item, if presented in the agency's bill pattern, to which funds are being transferred;

- (B) appropriations may not be transferred directly from a non-capital budget item to an additional capital budget item not presented in the agency's bill pattern;

- (C) appropriations may not be transferred to an additional capital budget item that is not presented in the agency's bill pattern if that additional capital budget item was presented to a committee, subcommittee, or working group of the Seventy-ninth Legislature but was not adopted by the Seventy-ninth Legislature; and

- (D) an agency that does not have a capital budget provision following its items of appropriation in this Act may not use funds appropriated by this Act for capital budget purposes.

(j) Any unexpended balances remaining in appropriations made by this Act for capital budget purposes for fiscal year 2006 are hereby appropriated for fiscal year 2007 for the same purpose.

(k) (1) Notwithstanding limitations on capital expenditures provided elsewhere, appropriations made by this Act that may be used for the payment of utility bills are hereby authorized to be used to pay for energy and water conservation-related projects, including lease payments under the state's Master Lease Purchase Program, entered into in accordance with energy and water conservation statutes.

(2) Capital expenditures for items that could be financed through the utility savings made possible by a comprehensive energy and water conservation contract authorized by § 2166.406, Government Code, are prohibited unless part of a comprehensive energy and/or water conservation contract authorized under § 2166.406, Government Code.

(3) Before authorizing expenditures for capital items that consume energy or water or that are related to the energy and/or water consumption of an agency's facilities, the Comptroller must verify that the items could not be part of a cost-effective contract for energy and water conservation measures authorized by § 2166.406, Government Code.

Sec. 6.17. **Construction Policy.** A state entity receiving an appropriation under this Act may not establish a rule or policy that is inconsistent with the legislative intent that funds appropriated by this Act for construction projects be expended only pursuant to state entity policies that provide the greatest competitive advantage to the state allowable under Chapter 2258, Government Code.

Sec. 6.18. **Grant Restriction.** Funds appropriated by this Act may not be expended for a grant to a law enforcement agency regulated by Chapter 1701, Occupations Code, unless:

(1) the law enforcement agency requesting the grant is in compliance with all rules developed by the Commission on Law Enforcement Officer Standards and Education; or

(2) the Commission on Law Enforcement Officer Standards and Education certifies that the requesting agency is in the process of achieving compliance with such rules.

Sec. 6.19. **Expenditures for State-Federal Relations.**

(a) Funds appropriated by this Act may not be spent by a state agency to carry on functions for which funds have been appropriated to the Office of State-Federal Relations to perform except when an interagency contract has been executed between the Office of State-Federal Relations and the state agency.

(b) Prior to travel to the Washington, D.C. area, including any trip with a destination to the Reagan-National, Dulles, or Baltimore Washington International airports, state agency personnel shall inform the Office of State-Federal Relations regarding:

(1) the timing of the trip;

(2) the purpose of the trip; and

(3) the name of a contact person for additional information.

(c) Under Subsection (b) the term "travel" is limited to only activities:

(1) involving obtaining or spending federal funds; or

(2) impacting federal policies.

Sec. 6.20. **Research Policy.**

(a) An agency may not expend any funds appropriated by this Act for research projects of any type until the agency has adopted and filed with the Legislative Budget Board a policy that clearly establishes and protects the property rights of the state with regard to any patentable product, process, or idea that might result from such research.

(b) In order to avoid duplication, a state agency, excluding an institution of higher education, may not expend funds appropriated by this Act to conduct or support policy research on a subject within the statutory jurisdiction of another agency without providing prior written notification, to the agency that has the statutory jurisdiction, concerning a work plan and the coordination of resources.

Sec. 6.21. **Court Representation and Outside Legal Counsel.**

(a) Except as otherwise provided by the Constitution or general or special statutes, the Attorney General shall have the primary duty of representing the State in the trial of civil cases. Prior to expenditure of funds for retaining outside legal counsel, agencies or departments (other than those included in Article X of this Act) shall request the Attorney General to perform such services. If the Attorney General determines that outside counsel is in the best interest of the State, the Attorney General shall so certify to the Comptroller and to the requesting agency which may then utilize appropriated funds to retain outside counsel. However, funds appropriated by this Act may not be used to contract with an attorney who represents clients before the agency or who has, during a six month period preceding the initiative of the contract and a six month period following the termination of the contract, represented clients before the agency. An agency may not initiate the process of selecting outside legal counsel prior to receiving the approval of the Attorney General to retain outside counsel.

(b) Funds appropriated in this Act may not be expended by any agency of the state government (other than those included in Article X of this Act) to initiate a civil suit or defend itself against a legal action without the consent of the Attorney General. Absent this consent, the agency shall be represented in that particular action by the Attorney General.

(c) On receipt of a request for outside counsel, the Attorney General shall make a determination on the request as expeditiously as possible, but in no event later than 10 working days after receiving such request.

(d) Where the Attorney General, district attorney, criminal district attorney, county attorney, or other lawyer is required by constitutional or statutory provision to represent a state agency, state official, state board, or state department, compensation may not be paid from any appropriation made in this Act to any other attorney for representing the State in the trial of a civil suit except in those cases where the Attorney General consents to such representation or the district attorney, criminal district attorney, county attorney, or other lawyer has requested that the attorneys employed by the particular state agency, state official, state department, or state board assist with the trial of the particular civil suit.

(e) This section does not restrict a state agency, state official, state department, or state board in the investigation and assembling of evidence in connection with a pending or prospective civil suit. This section does not prohibit the foregoing state officials, state agencies, state boards, or state departments and their employees from investigating, filing, or presenting to any person a claim, owing to the State.

(f) This section does not restrict the Attorney General from employing special assistants to assist in the trial of civil suits to be paid from the appropriations therefore made to the Attorney General.

(g) If a state agency requests the Attorney General to take legal action in court against another state agency, the Attorney General shall give special consideration to permitting one of the agencies to employ, from the permitted agency's funds, outside counsel to represent that agency in that action, in order to avoid a conflict of interest by the Attorney General in the representation of both agencies.

(h) If the Attorney General initiates legal action against another state agency on behalf of the Attorney General rather than another agency, the Legislature determines that a conflict of interest exists and the agency against which the Attorney General takes action may expend appropriated funds for outside legal counsel to represent that agency without the prior approval or consent of the Attorney General.

(i) Subsections (a) - (h) do not apply to funds appropriated to:

(1) the Office of the Governor;

(2) Comptroller;

(3) Department of Agriculture;

(4) General Land Office and Veteran's Land Board; or

(5) the Railroad Commission of Texas.

(j) The funds appropriated by this Act may not be expended to pay the legal fees or expenses of a lawyer or law firm that represents the State or any of its agencies in a contested matter if the lawyer or law firm is representing a plaintiff in a proceeding seeking monetary damages from the State or any of its agencies.

(k) (1) None of the money appropriated by this Act may be expended by a state governmental entity for payment of legal fees or expenses under a contingent fee contract for legal services without the prior approval of the Legislative Budget Board.

(2) For purposes of this section, "state governmental entity" means a board, commission, department, office, or other agency in the executive branch of state government created under the constitution or a statute, including an institution of higher education.

(3) This section applies to all contingent fee contracts for legal services entered into by a state governmental entity, including legal services related to a parens patriae action or proceeding brought by a state governmental entity in the name of the state, except that this section does not apply to a contingent fee contract:

(A) for legal services performed for a state governmental entity in relation to the entity's actions as a receiver, special deputy receiver, liquidator, or liquidating agent in connection with the administration of the assets of an insolvent entity, including actions under Article 21.28, Insurance Code, or Chapters 36, 66, 96, or 126, Finance Code; or

(B) under which recoveries from more than one entity are contemplated and the expected amount of each recovery and the actual amount of each recovery do not exceed $100,000.

(l) Any litigation that results in settlement, court order or other arrangement providing revenues or financial benefits to the State of Texas shall be structured to require the entire amount due to be paid to the treasury.

(m) (1) None of the money paid to a state governmental entity (as a result of a settlement of litigation, or other arrangement providing revenues or financial benefits as a result of litigation) may be expended by any state government entity unless the Legislative Budget Board is notified in writing by the Office of the Attorney General regarding the terms of the settlement or other arrangement and by the state governmental entity receiving the money regarding the plans for the use of the money. The written notice must be delivered to the Legislative Budget Board as soon as practicable, but no later than the 20th day of the month following approval of the settlement or arrangement by a court.

(2) This subsection does not apply to a settlement of litigation, court order resulting from litigation, or other arrangement providing revenues or financial benefits as a result of litigation:

(A) for a state governmental entity in relation to the entity's actions as a receiver, special deputy receiver, liquidator, or liquidating agent in connection with the administration of the assets of an insolvent entity, including actions under Article 21.28, Insurance Code, or Chapters 36, 66, 96, or 126, Finance Code; or

(B) under which recovery to the state governmental entity does not exceed $500,000.

Sec. 6.22. **Judgments and Settlements.**

(a) The funds appropriated by this Act, including appropriations made in Article X of the Act, may not be expended for payment of a judgment or settlement prosecuted by or defended by the Attorney General and obtained against the State or a state agency, except:

(1) pursuant to this section; or

(2) where it is specifically provided in an item of appropriation that the funds thereby appropriated or expenditures therein authorized may be used for the payment of such judgments or settlements.

(b) The authorization provided by this subsection does not apply in those cases where the judgment order of the trial court was entered, or a settlement agreement was executed, prior to September 1, 1995. State agencies appropriated funds by this Act may expend funds appropriated elsewhere in this Act for the purposes of paying settlements and judgments against the state for causes brought in a federal court or a court in this state under specific statutory authority. Payments made pursuant to this subsection are subject to the following processes and limitations:

(1) such funds are to be paid out by the Comptroller on vouchers drawn by the agency settling the lawsuit or paying the judgment, subject to the approval of the Governor and of the Attorney General according to Subsection (d);

(2) for purposes of this subsection, "judgment" means a judgment order rendered in a federal court or a court in this state for which an appeal or rehearing, or application therefore, is not pending and for which the time limitations for appeal or rehearing have expired;

(3) the payment of a settlement or judgment may not exceed $250,000;

(4) the payment of the settlement or judgment would not cause the total amount of payments made by the payer agency for that fiscal year to exceed 10 percent of the total amount of funds available for expenditure by that agency for that fiscal year; and

(5) the payment of a settlement or judgment may be made only with a complete release from any and all related claims and causes against the State, and in the case of a judgment, the payment may be made only in full satisfaction of that judgment.

(c) A state agency shall report a claim for property damage to the Attorney General not later than the second working day after the date the agency receives the claim. A state agency shall prepare a voucher for payment of a claim not later than the 10th working day after the date an agreement to settle the claim has been reached.

(d) Payment of all judgments and settlements prosecuted by or defended by the Attorney General is subject to approval of the Attorney General as to form, content, and amount, and certification by the Attorney General that payment of the judgment or settlement is a legally enforceable obligation of the State. This subsection applies equally to funds appropriated for expenditure through the state treasury, as well as funds appropriated for expenditure from funds held in local banks.

(e) The Attorney General shall report to the Legislative Budget Board and the Governor not less than monthly, a listing of all settlements and judgments of more than $5,000 submitted to the Comptroller for payment. The document for publication shall contain at least the following information unless all or part of the information is exempt by court order or Chapter 552, Government Code, (the Open Records Act):

(1) a summary of the cause of action;

(2) a summary of the terms of the settlement;

(3) the style of the case;

(4) the name and business address of each attorney representing the opposing litigants at the time of the settlement;

(5) the amount of the judgment or settlement;

(6) the fund or account from which payment was or should be made;

(7) the statutory citation for the appropriation or other authority to be made;

(8) specific statutes granting waiver of sovereign immunity or legislative resolution granting litigant permission to sue;

(9) the date of judgment or settlement; and

(10) other information as the Legislative Budget Board may request and in the form requested by the Legislative Budget Board.

(f) The State Auditor may verify compliance with this section for all funds appropriated in this Act, including funds that are retained and expended from accounts held outside the state treasury and that are not subject to reimbursement through funds held in the state treasury. On verification that an agency has not obtained the Attorney General's approval prior to payment of a judgment or settlement, the State Auditor may certify such fact to the Comptroller. The Comptroller may withhold all appropriations for administrative expenses for the involved agency, until the Legislative Audit Committee notifies the Comptroller that the agency's non-compliance has been reviewed and necessary recommendations or changes have been made.

Sec. 6.23. **Expenditures for Representatives of Grievants Prohibited.**

(a) The funds appropriated by this Act may not be used to pay expenses for salary, travel, or per diem of a public employee who represents grievants in the presentation of grievances concerning wages, hours of work, or conditions of work.

(b) Notwithstanding Subsection (a), a state employee may take annual leave, compensatory leave, or leave without pay, subject to the procedures established by the state employee's agency of employment, to engage in this activity.

Sec. 6.24. **Performance Rewards and Penalties.**

(a) It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of each state agency and institution. In order to achieve the objectives and service standards established by this Act, agencies and institutions shall make every effort to attain the designated key performance target levels associated with each item of appropriation.

(b) To support and encourage the achievement and maintenance of these appropriated annual performance levels, continued expenditure of any appropriations in this Act shall be contingent upon compliance with the following provisions:

(1) Agencies and institutions, in coordination with the Legislative Budget Board, shall establish performance milestones for achieving targets within each annual budget and performance period; time frames for these milestones and the related performance reporting schedule shall be under guidelines developed by the Legislative Budget Board.

(2) Agencies and institutions shall provide testimony as to the reasons for any performance variances to the Senate Finance Committee and the House Appropriations Committee, as determined to be necessary by those committees; assessments of agency and institution performance shall be provided to the committees under guidelines and procedures developed by the Legislative Budget Board.

(c) Upon a finding that an agency or institution has successfully met or exceeded performance expectations, or has failed to achieve expected performance levels, the Legislative Budget Board, and the Governor, may adopt a budget execution order, which may include but is not limited to, one or more of the following:

(1) Positive Incentives/Rewards - Increased funding, exemption from reporting requirements, increased funding transferability, formalized recognition or accolade, awards or bonuses, expanded responsibility, or expanded contracting authority; or

(2) Negative Incentives/Redirection - Evaluation of outcome variances for remedial plan, reduction of funding, elimination of funding, restriction of funding, withholding of funding, reduction of funding transferability, transfer of functional responsibility to other entity, recommendation for placement in conservatorship, direction that a management audit be conducted or direction that other remedial or corrective actions be implemented.

(3) The Legislative Budget Board may develop rules and procedures for the implementation of the above provisions.

(4) The Legislative Budget Board may request comments from the State Auditor's Office regarding performance penalties and rewards.

(d) To further foster, support, and reward outstanding performance, ongoing productivity improvements and innovative improvement programs, and to retain key high performing employees, qualified state agencies and institutions may expend amounts necessary from funds appropriated in this Act for the purposes of enhancing compensation for employees who directly contributed to such improvements. Only classified employees (including classified employees of institutions of higher education) are eligible for enhanced compensation, and this award shall not exceed 6.8 percent of an employee's annual base pay. To be eligible for this provision, an agency or institution must:

(1) Achieve or exceed targets for 80 percent of the established key performance measures:

(A) For fiscal year 2006, eligibility shall be determined by the Legislative Budget Board based on performance reported to the Automated Budgeting and Evaluation System of Texas (ABEST) for fiscal year 2005;

(B) For fiscal year 2007, eligibility shall be determined by the Legislative Budget Board based on performance reported to ABEST for fiscal year 2006; and

(2) Have an unqualified certification for at least 70 percent of its performance measures as shown by its most recent certification review by the State Auditor's Office; and

(3) File a report with the Comptroller, Legislative Budget Board, Governor, House Appropriations Committee, and Senate Finance Committee describing the success of the innovative program and criteria used to assess the improvements; and

(4) Sixty days prior to implementation file a report with the Comptroller, Legislative Budget Board, Governor, House Appropriations Committee, and Senate Finance Committee

describing in detail how the agency intends to use this flexibility to further the goals of this section.

Sec. 6.25. **Bookkeeping Entries.** Should clerical or bookkeeping errors result in any moneys being expended, transferred, or deposited into incorrect funds in or with the state treasury or any moneys being cleared from a trust and suspense fund to other than the proper fund, such erroneously expended, transferred, deposited, or cleared moneys may be transferred to the correct funds or accounts or trust and suspense account within the state treasury on request of the administering department with the concurrence of the Comptroller, and so much as is necessary for said transfer is hereby appropriated.

Sec. 6.26. **Accounting for State Expenditures.**

(a) Notwithstanding the various patterns of appropriation established in this Act, the Comptroller shall account for the expenditure of funds appropriated by this Act in a manner that allows for the reporting of expenditures attributable to each strategy in each agency's respective Strategic Planning and Budget Structure as approved by the Governor and the Legislative Budget Board. The information shall be recorded and maintained systematically in the state accounting system in a manner that provides for the integration of the state's budget data and the state's accounting data and to facilitate the state's budget development process.

(b) This section does not require the deposit into and subsequent disbursement of funds from the state treasury that relate to Texas Public Education Grants, Skiles Act Debt Service, or "local funds" defined in § 51.009, Education Code, except for tuition and lab fees.

Sec. 6.27. **Grants.**

(a) Funds appropriated by this Act for grants of money to be made by state agencies, including the agencies in the legislative branch, are appropriated for the statutory purposes as the grantor agency may specify. A state agency shall distribute grants on a reimbursement or as needed basis unless otherwise provided by statute or otherwise determined by the grantor agency to be necessary for the purposes of the grant.

(b) Funds appropriated by this Act for grants to be made by a state agency for a particular fiscal year may be distributed in subsequent fiscal years so long as the grant has been awarded and treated as a binding encumbrance by the grantor agency prior to the end of the appropriation year of the funds appropriated for grant purposes. Distribution of the grant funds is subject to § 403.071, Government Code.

Sec. 6.28. **Fee Increase Notification.** None of the funds appropriated by this Act may be expended by an agency which increases the rate of a fee assessed by that agency unless the agency provides a notice to the payer of the fee that the fee rate was set by the agency or its governing board and not mandated by the Legislature.

Sec. 6.29. **Reimbursements for Unemployment Benefits.**

(a) For the purposes of this section, 'agency' includes a state agency as defined under § 2151.002, Government Code, which includes an institution of higher education (except a public junior college) as defined under § 61.003, Education Code.

(b) At the close of each calendar quarter, the Texas Workforce Commission shall prepare a statement reflecting the amount of unemployment benefits paid to all former state employees based on wages earned from state employment and present it to the Comptroller. The Comptroller shall pay by warrant or transfer out of funds appropriated from the Unemployment Compensation Special Administration Account No. 165 such amount to the Unemployment Compensation Benefit Account No. 937 to reimburse it for such payments.

(c) The Unemployment Compensation Special Administration Account No. 165 shall be reimbursed, as Interagency Transfers to the Unemployment Compensation Special Administration Account No. 165, for one-half of the unemployment benefits paid, from appropriations made in this Act to the agency that previously employed each respective former

state employee whose payroll warrants were originally issued in whole or part from the General Revenue Fund or dedicated General Revenue Fund accounts, Federal Funds, or Other Funds, such as Fund No. 006.

(d) From information related to unemployment benefits paid on behalf of previously employed former state employees provided by the Texas Workforce Commission, the Comptroller shall determine the proportionate amount of the reimbursement or payment due from the General Revenue Fund, any General Revenue–Dedicated accounts, Federal Funds or Other Fund appropriations made elsewhere in this Act to agencies. The Comptroller shall transfer such amounts to the Unemployment Compensation Special Administration Account No. 165. The amounts reimbursed pursuant to this subsection are hereby appropriated to the Unemployment Compensation Special Administration Account No. 165 for the purpose of reimbursing the Unemployment Compensation Benefit Account No. 937, as Interagency Transfers to the Unemployment Compensation Special Administration Account No. 165. The reimbursement requirements established by this subsection may be waived, either in whole or in part, by the Legislative Budget Board.

(e) In addition to other reimbursement provided by this section, the Unemployment Compensation Special Administration Account No. 165 shall be reimbursed, for one-half of the unemployment benefits paid, from amounts appropriated to the Reimbursements to the Unemployment Compensation Benefit Account item in this Act out of dedicated General Revenue Fund accounts or Other Funds and shall be fully reimbursed from funds held in local bank accounts, for all former state employees whose payroll warrants were originally issued in whole or part from dedicated General Revenue Fund accounts, Other Funds or local bank accounts, respectively. From information provided by the Texas Workforce Commission, the Comptroller shall determine the proportionate amount of the reimbursement or payment due from funds other than General Revenue and transfer such funds to the Unemployment Compensation Special Administration Account No. 165. The amounts reimbursed from local funds pursuant to this subsection are hereby appropriated to the Unemployment Compensation Special Administration Account No. 165 for the purpose of reimbursing the Unemployment Compensation Benefit Account No. 937. Such transfers and payments as are authorized under law shall be made not later than the 30th day after the date of receipt of the statement of payments due.

(f) The Comptroller may prescribe accounting procedures and regulations to implement this section.

(g) The Comptroller, upon certification of amounts due from the Texas Workforce Commission, including the sources of such amounts due, may transfer funds from such agencies or other units of state government as the Texas Workforce Commission certifies remain due more than 30 days from receipt of the statement of payments due. The Texas Workforce Commission shall also determine the amounts due from funds held outside the state treasury and notify the State Auditor and Comptroller of such amounts.

Sec. 6.30. **Payments to the State Office of Risk Management (SORM).**

(a) In this section:

(1) "Agency" includes a state agency as defined under § 2151.002, Government Code, which includes an institution of higher education (except a public junior college) as defined under § 61.003, Education Code, and may also include any other unit of state government as defined by the rules of the SORM, which participates in cost allocation plan provided under this section;

(2) "Assessment" means the amount of the workers' compensation assessment placed on an agency by SORM as provided by this section and other relevant law; and

(3) "SORM" means the State Office of Risk Management.

(b) At the beginning of each fiscal year, the SORM shall prepare a statement reflecting the assessments due from all agencies and present it to the Comptroller.

(c) Notwithstanding other provisions in this Act, agencies shall transfer to SORM their assessed allocation amounts for workers' compensation coverage for their employees from funding in the same proportion as their expected payroll funding, including General Revenue Funds, dedicated General Revenue Fund accounts, Other Funds or local bank accounts.

(d) Transfers and payments as are authorized under law shall be made not more than 30 days from receipt of the statement of payments due.

(e) The Comptroller may prescribe accounting procedures and regulations to implement this section.

(f) Upon certification by SORM of amounts due, the Comptroller may transfer funds from an agency if the assessment amount due remains unpaid after more than 30 days from receipt of the statement of payments due.

(g) All funds recovered by SORM from third parties by way of subrogation are appropriated to SORM to be used for the payment of workers' compensation benefits to state employees and shall be retained in Strategy A.1.1., Workers' Compensation Payments, in whole for that purpose.

(h) Amounts not to exceed 2 percent in total of workers' compensation annual expenditures may be awarded to agencies by SORM for the purposes of risk management and loss prevention. In the event that Strategy A.1.1., Workers' Compensation Payments, funded by the annual assessments to agencies, exceeds 110 percent of the expected annual payments, the portion of the excess over 110 percent funded from all funding sources shall be returned to agencies. The excess returned to the agencies by SORM is appropriated to the agencies for expenditures consistent with the original funding source. An all funds excess of 10 percent or less will be used to lower the cumulative assessments to agencies the following year.

(i) In the event the total assessments in any year prove insufficient to fund expenditures, SORM may, with the approval of the Legislative Budget Board, temporarily utilize additional general revenue in an amount not to exceed 20 percent of the cumulative assessments for that fiscal year. Any additional general revenue funds will be utilized only for the purpose of temporary cash flow and must be repaid upon receipt of the following year's assessments in accordance with procedures established by the Comptroller. All transfers from and repayments to the General Revenue Fund shall be reported by SORM to the Legislative Budget Board.

(j) The reimbursement requirements established by this section may be waived or delayed, either in whole or in part, by the Legislative Budget Board.

(k) SORM shall require agencies to provide to SORM and agencies shall submit to SORM information regarding the specific funding sources from which agencies pay their assessed allocation amounts for workers' compensation coverage for their employees.

Sec. 6.31. **Consolidated Funds.** Contingent on the enactment of legislation relating to the dedication of funds, the Comptroller, on approval of the Legislative Budget Board, may change an applicable agency's method of financing source name as provided in this Act to reflect changes made by the other legislation that affects the status of the funding source. No change in the amount of the appropriation would be affected by this change.

Sec. 6.32. **Demographic and Statistical Studies.**

(a) Before expending funds appropriated by the Act for the purpose of contracting for a consultant or other private assistance in performing a study required by the Legislature that includes statistical or demographic analysis of data, the agency conducting the study shall determine if the resources of the Texas Legislative Council or The University of Texas at San Antonio are available to assist the agency in designing or conducting that component of the study.

(b) None of the funds appropriated by the Act may be granted to or expended by any entity which performs political polling. This prohibition regarding political polling does not apply to a poll conducted by an academic institution as a part of the institution's academic mission that is not conducted for the benefit of a particular candidate or party.

Sec. 6.33. **Cost Allocations.** For the purpose of more effective and efficient identification and allocation of costs, and to effect timely payments to employees and vendors, agencies may temporarily charge salary and/or operating costs to appropriations most applicable for the expense being incurred. Upon receipt of more specific information such as personnel-time allocation information for payrolls, or allocation of office supplies or other goods and services, agencies may reimburse the original paying appropriations by transfer from the appropriation to which the expenditure should have been charged. Such transfers must be accomplished within twelve months in a manner which records appropriate expenditures to the borrowing appropriation and negative expenditures to the lending appropriation. These transfers may be in summary amounts in a manner approved by the Comptroller. Each agency must maintain adequate detailed records to support summary transfer amounts.

Sec. 6.34. **Use of Appropriations to Contract for Audits.**

(a) Notwithstanding any other law, or other sections of this Act, none of the funds appropriated in this Act shall be used by the agencies or institutions of higher education to enter into a contract with an independent audit entity for audit services, except as specified by this section.

(b) An agency or institution appropriated funds in this Act may use funds appropriated in this Act to:

(1) Enter into an interagency contract with the State Auditor's Office (SAO) for the SAO to provide audit services to the agency or institution. At the discretion of the State Auditor and the Legislative Audit Committee, the SAO may conduct the audit or the SAO may enter into a contract with an independent audit entity to conduct the audit; or

(2) Enter into a contract with an independent audit entity for the provision of audit services pursuant to Section 321.020, Government Code, if:

(A) the SAO has reviewed the scope of the proposed audit and has issued a written approval for the scope of the proposed audit, and

(B) the SAO has delegated the authority to enter into the proposed audit to the agency or institution, in the event the agency or institution does not have a specific statutory delegation of authority to enter into a contract for audit services.

Sec. 6.35. **Restriction on Expenditures for Lobbying Activities.**

(a) Except as provided by Subsection (b) of this section, none of the funds appropriated under this Act may be used to compensate a lobbyist registered under Chapter 305, Government Code, for engaging in lobbying activities.

(b) Subsection (a) of this section does not apply to the payment of compensation to a person employed by a state agency or institution.

PART 7. REPORTING REQUIREMENTS

Sec. 7.01. **Budgeting and Reporting.**

(a) As a limitation and restriction upon appropriations made by this Act, agencies and institutions of higher education appropriated funds by this Act may expend funds only if there is compliance with the following provisions:

(1) On or before December 1 of each fiscal year, an itemized budget covering the operation of that fiscal year shall be filed with the Governor, the Legislative Budget Board, the

Comptroller, and the Legislative Reference Library in the format prescribed jointly by the Legislative Budget Board and the Governor.

(2) All subsequent amendments to the original budget shall be filed with the Governor and the Legislative Budget Board within 30 days of approval of such amendments unless such reporting requirement is waived.

(3) Under guidelines developed by the Legislative Budget Board, each agency shall file a report with the Legislative Budget Board, the Governor, the Legislative Reference Library, the state publications clearinghouse of the Texas State Library, State Auditor's Office, and the appropriate substantive committees of the House and Senate. The report shall analyze the agency's performance relative to the attainment of stated outcome, output and efficiency targets of each funded goal and strategy. The report shall be submitted at such intervals required by the Legislative Budget Board. The report shall contain a comparison of actual performance for the reporting period with targeted performance based on the level of funding appropriated. In developing guidelines for the submission of agency performance reports, the Legislative Budget Board (in consultation with the Governor) shall:

(A) specify the measures to be reported including the key performance measures established in this Act;

(B) approve the definitions of measures reported; and

(C) establish standards for and the reporting of variances between actual and targeted performance levels.

(4) The Legislative Budget Board (in consultation with the Governor) may adjust projected performance target levels, develop new measures, modify or omit existing measures and measure definitions, and/or transfer measures between agencies, goals or strategies to reflect appropriation changes made by riders or other legislation subsequent to passage of this Act, invocation of budget execution authority by the Governor and the Legislative Budget Board, or as unforeseen circumstances may warrant during the biennium.

(5) To ensure that the Program and Cost Accounting functions of the Uniform Statewide Accounting System (USAS) are maximized, it is the intent of the Legislature that the Legislative Budget Board and the Governor:

(A) determine the agencies, institutions, goals, strategies or other reporting units for which cost accounting data is required;

(B) approve the basis for calculating and allocating costs to selected functions, tasks or measures;

(C) determine the frequency of reporting cost accounting data needed; and

(D) provide for the integration of cost accounting data into the budget development and oversight process.

(6) The determinations to be made should be based upon due consideration of the relative benefits and cost-effectiveness of applying cost accounting requirements to a given state operation.

(b) It is further the intent of the Legislature that the Comptroller develop and provide USAS training modules and support for state agencies and institutions to activate the cost accounting requirements addressed above.

Sec. 7.02. **Annual Reports and Inventories.**

(a) None of the moneys appropriated by this Act may be expended after November 20th following the close of the fiscal year unless an annual report has been filed by the executive head of each agency specified in this Act in accordance with § 2101.011, Government Code.

(b) The State Auditor shall certify to the Comptroller any agency that has not filed the required annual report within the specified time. The Comptroller shall withhold any appropriations for expense reimbursements for the heads of agencies or any employees of such agencies as are on this certified list until the State Auditor notifies the Comptroller that the delinquent reports have been filed.

(c) The words "heads of agencies" as used in this section means the elected and appointed officials, members of commissions, boards, etc., and the chief administrative officer of such department, board, commission, bureau, office, or agency of the state for which appropriations are made in this Act.

Sec. 7.03. **Notification to Members of the Legislature.**

(a) An agency shall provide notification to affected members of the Legislature prior to the public announcement of the closing of any agency field offices.

(b) At the time of announcing information to the news media concerning a matter of public safety, a state agency that receives funds appropriated under this Act shall make a reasonable attempt to contact each member of the Legislature whose district could be affected by the content of the press release and disclose to the member the content of the press release. To receive notice from an agency as provided by this section, a member of the Legislature must request that the agency inform the member regarding all press releases.

Sec. 7.04. **Contract Notification: Amounts Greater than $50,000.**

(a) In this section "contract" includes a contract, agreement, or other written expression of terms of agreement or an amendment, modification, renewal, or extension of such for the purchase or sale of goods or services that was entered into or paid for, either in whole or in part, by a state agency or institution of higher education during a fiscal year.

(b) In this section a contract does not include:

(1) a contract that has been reported to the Legislative Budget Board under §§ 2054.008, 2166.2551, 2254.006, or 2254.0301, Government Code;

(2) a purchase order;

(3) an interagency contract;

(4) an interlocal agreement;

(5) a contract with a value of less than or equal to $50,000; or

(6) a contract paid only with funds not appropriated by this Act.

(c) Before October 1 of each fiscal year, a state agency or an institution of higher education shall report to the Legislative Budget Board in the manner prescribed by Legislative Budget Board all contracts to which the agency or institution was a party during the prior fiscal year.

Sec. 7.05. **Contract Notification: Amounts Greater than $500,000.**

(a) In this section "contract" includes:

(1) a contract, agreement, purchase order, interagency contract, interlocal agreement, or other written expression of terms of agreement or an amendment, modification, renewal, or extension of such for the purchase or sale of goods or services that was entered into or paid for, either in whole or in part, by a state agency or institution of higher education during a fiscal year, which has a value of more than $500,000; or

(2) a series of contracts, agreements, purchase orders, interagency contracts, interlocal agreements, or other written expressions of terms of agreement, or amendments, modifications, renewals, or extensions of such for the purchase or sale of goods or services that was entered into or paid for, either in whole or in part, by a state agency or institution of higher education during a fiscal year which together total in value an amount greater than $500,000 and involving both:

(A) a single entity or individual; and

(B) a state agency or institution of higher education.

(b) In this section a contract does not include a contract that has been reported to the Legislative Budget Board:

(1) under §§ 2054.008, 2166.2551, 2254.006, or 2254.0301, Government Code; or

(2) § 7.04 of this Article.

(c) Before October 1 of each fiscal year, a state agency or an institution of higher education shall report to the Legislative Budget Board in the manner prescribed by the Legislative Budget Board all contracts to which the agency or institution was a party during the prior fiscal year.

Sec. 7.06. **Reports and References.**

(a) All references in this Act to the "Governor," "Office of the Governor," and "Governor's Office of Budget and Planning" are changed to "the Governor's Office."

(b) A state agency or institution shall submit to the Governor's Office all reports, approval processes, notifications, filings, documentation of expenditures, plans, addendums, or updates submitted to the Legislative Budget Board, under provisions contained in this Act.

Sec. 7.07. **Disclosure of Federal Funds.** Before the beginning of each regular session of the Legislature, a state agency that has been awarded federal funds designated to be expended in a specific geographical area of the state or designated to be expended for specific purposes shall itemize federal funds awarded, expended, and unexpended, in a report to be provided to the Legislature, Speaker of the House, Lieutenant Governor, Governor, Legislative Reference Library, and Legislative Budget Board, to the extent those awarded funds exceed estimated appropriations.

Sec. 7.08. **Report of Form Documents Available to Public.**

(a) Before October 1 of each fiscal year, each state agency shall report to the Texas Building and Procurement Commission in the manner prescribed by the Texas Building and Procurement Commission the agency's efforts to make information, documents, and forms more easily accessible to the public.

(b) As part of the reporting required by this section, each agency shall report the total number of different form documents that may be filed with the agency as required by statute, rule, or agency policy and the number of those form documents that are available to the public immediately:

(1) for printing, copying, or electronic filing by way of the agency's internet website;
(2) on request at the agency's offices; and
(3) by way of facsimile or other means.

Sec. 7.09. **Reporting Fees, Fines, and Penalties.**

(a) Before November 1 of each fiscal year, each state agency and institution of higher education shall report to the Legislative Budget Board in the manner prescribed by the Legislative Budget Board all fees, fines, and penalties assessed and all fees, fines, and penalties assessed but not collected by the agency or institution during the prior fiscal year.

(b) Each report made under this section shall detail the effort made by the reporting state agency or institution of higher education to collect fees, fines, and penalties that are more than ninety days past due.

Sec. 7.10. **Reporting of Federal Homeland Security Funding.** All state agencies and institutions of higher education shall report in their Operating Budget reports to the Legislative Budget Board:

(a) an estimated amount of federal homeland security funding received by the agency and used for the operation and administration of state homeland security programs; and

(b) federal homeland security funding received by the agency or institution of higher education and passed through to other agencies or local units of government.

(1) Information provided in accordance with Subsection (b) shall be used for informational purposes only and shall be reported to the members of the legislature by the Legislative Budget Board at the end of each fiscal year.

PART 8. OTHER APPROPRIATION AUTHORITY

Sec. 8.01. **Acceptance of Gifts of Money.**

(a) A gift or bequest of money to a state agency named in this Act, including the legislative branch, that has specific authority to accept gifts is appropriated to the agency designated by the grantor and for the purpose the grantor may specify, subject to Subsections (b), (c), (d), and (e).

(b) Unless exempted by specific statutory authority, a gift or bequest of money shall be:

(1) deposited into the state treasury, and

(2) expended in accordance with the provisions of this Act.

(c) A gift or bequest to a state agency may not be transferred to a private or public development fund or foundation, unless written permission for the transfer is given by the donor of the gift or representative of the estate. An account of all such letters of written permission and transfers of gifts or bequests shall be kept by the agency and shall be reported to the State Auditor.

(d) An unexpended balance, from a gift or bequest, existing at the beginning of this biennium or at the end of a fiscal year of this biennium is hereby appropriated for use during this biennium for the purpose provided by the grantor.

(e) It is the intent of the Legislature that during the years subsequent to this biennium, to the extent allowed by law, the gift or bequest be used by the beneficiary agency for the purpose provided by the grantor.

Sec. 8.02. **Federal Funds/Block Grants.**

(a) All funds received from the United States government by a state agency or institution named in this Act are hereby appropriated to the agency for the purposes for which the federal grant, allocation, aid, payment, or reimbursement was made subject to the provisions of this section.

(b) Except for an institution of higher education, federal funds:

(1) including unexpended balances, shall be deposited to and expended from the specific appropriation item identified in this Act; and

(2) may not be expended for a strategy or function other than a strategy or function that has been reviewed by the Seventy-ninth Legislature and authorized by specific language in this Act or encompassed by an agency's budget structure as established by this Act.

(c) As applicable, federal reimbursements received for expenditures previously made or services performed on behalf of federal programs from state funds shall be credited by the Comptroller to the fund from which the expenditure was originally made. The credit shall be to the agency's current appropriation item or accounts from which the expenditures of like character were originally made and are hereby appropriated. Reimbursements received from employee benefits paid from General Revenue Fund appropriations of other administering agencies shall be deposited to the unappropriated General Revenue Fund.

(d) A position created for administration of federal grant programs shall be phased out upon discontinuance of the particular federal grant for which it was authorized.

(e) (1) Semi-annual reports, of federal funds received and their intended usage comparing historical, appropriated, and agency expected amounts for those funds, shall be filed by the Governor with the Legislative Budget Board and the presiding officers of both houses of the Legislature for referral to appropriate standing committees for review.

(2) Before expending or obligating funds received under a federal grant or program, an agency must file the required information regarding application for federal funds and receipt of federal funds.

(f) Agencies subject to Chapter 654, Government Code (the Position Classification Act) will make federal grant employment in accordance with the provisions of that Act in positions listed in, or otherwise authorized by, this Article.

(g) In order to maximize the amount of federal alcohol and drug abuse funds that might become available to the Department of State Health Services, state funds used by a state agency to provide alcohol and drug abuse services may be counted towards any required state matching contribution for such federal funds.

(h) In the event that federal programs that authorize federal funds included in this Act are eliminated, consolidated, or replaced with new federal programs and funding authorization or block grants, or the federal funds appropriated to agencies are reduced, any reduction or reallocation of federal funds will be distributed across affected agencies and programs to pattern the strategies and programs included in this Act to the extent possible without restricting the state's ability to receive federal funds, in accordance with a plan adopted by the designated single state agency or otherwise by each affected agency. An agency shall provide a copy of the plan to the Legislative Budget Board and the Governor.

Sec. 8.03. **Reimbursements and Payments.**

(a) Except as provided in Subsection (f), any reimbursements received by an agency of the state for authorized services, including contractual agreements with a non-governmental source or any unit of government, including state, federal, or local government, refund of expenditures received by an agency of the state and any payments to an agency of the state government made in settlement of a claim for damages, are hereby appropriated to the agency of the state receiving such reimbursements and payments for use during the fiscal year in which they are received. Revenues specifically established by statute on a fee or service provided basis are not appropriated by this section and are available for expenditure by the collecting agency only if appropriated elsewhere in this Act.

(b) Forfeited money, proceeds from the sale of forfeited property or similar monetary awards related to the agency's participation in the seizure of controlled substances or other contraband are hereby appropriated to the receiving state agency, unless distribution is otherwise provided by statute or specific provision of this Act.

(c) Except as provided elsewhere in this Act, net amounts of money received by an agency as a result of tax seizures or other similar recoveries authorized by statute shall be deposited in the state treasury as unappropriated revenues to the funds or accounts authorized by statute.

(d) The portion of proceeds representing recoveries of costs incurred in forfeitures under Subsection (b) or, seizures or similar recoveries under Subsection (c) are appropriated to the receiving agency. Such cost recoveries include court costs, attorney fees, rentals or storage fees, auction and sale costs, preparation costs to condition property for sale, and salaries, travel, and other overhead costs of the agency.

(e) The reimbursements, refunds, and payments received under Subsection (a) shall be credited by the Comptroller to the agency's current appropriation items or accounts from which the expenditures of like character were originally made, or in the case of damage settlements to the appropriation items or accounts from which repairs or replacements are made; provided, however, that any refund of less than $50 to an institution of higher education for postage, telephone service, returned books and materials, cylinder and container deposits, insurance premiums and like items, shall be deposited to the current fund account of the institution in the state treasury and such funds are hereby appropriated.

(f) Fifty percent of the reimbursements, refunds, and payments of state funds received under Subsection (a) as a result of a recovery audit pursuant to Chapter 2115, Government Code, shall be credited by the Comptroller to the agency's current appropriation items or accounts from which the expenditures of like character were originally made and such funds are hereby appropriated to the agency in the fiscal year in which the funds are received. The remaining 50 percent shall be deposited in the state treasury as unappropriated revenues to the originating funds or accounts.

Sec. 8.04. **Surplus Property.** Receipts to any agency of the state government specified in this Act received from the sale of surplus property, equipment, commodities, or salvage (including recycled products) pursuant to the provisions of Chapter 2175, Government Code, are hereby appropriated to the state agency for expenditure during the fiscal year in which the receipts are received. Receipts from such surplus and salvage (including recycled products) sales shall be expended from the appropriation item from which like property, equipment, or commodities would be purchased.

Sec. 8.05. **Refunds of Deposits.**

(a) Any money deposited into the state treasury which is subject to refund as provided by law shall be refunded from the fund into which the money was deposited, transferred, or otherwise credited, and so much as is necessary for said refunds is hereby appropriated.

(b) Unless another law, or section of this Act, provides a period within which a particular refund claim must be made, funds appropriated by this Act may not be used to pay a refund claim made under this section after four years from the latest date on which the amount collected or received by the state was due, if the amount was required to be paid on or before a particular date. If the amount was not required to be paid on or before a particular date, a refund claim may not be made after four years from the date the amount was collected or received. A person who fails to make a refund claim within the period provided by law, or this provision, may not receive payment of a refund under this section.

(c) As a specific limitation to the amount of refunds paid from funds appropriated by this Act during the 2006–07 biennium, the Comptroller may not approve claims or issue warrants for refunds in excess of the amount of revenue estimated to be available from the tax, fee, or other revenue source during the biennium according to the Biennial Revenue Estimate of the Comptroller used for certification of this Act. Any claim or portion of a claim that is in excess of this limitation shall be presented to the next Legislature for a specific appropriation in

order for payment to be made. The limit provided by this subsection does not apply to any taxes or fees paid under protest.

Sec. 8.06. **Vending Machines.** All receipts collected from vending machine operations pursuant to § 2203.005, Government Code, are hereby appropriated to the institution, board, commission, or agency for use as directed by the board or commission authorizing the installation.

Sec. 8.07. **Pay Station Telephones.** All receipts collected from pay station telephone operations pursuant to § 2170.009, Government Code, are hereby appropriated for use by the agency as determined by the governing board or commission.

Sec. 8.08. **Appropriation of Collections for Seminars and Conferences.** All funds collected for the reimbursement of costs directly associated with the conducting of seminars, conferences, or clinics that directly relate to the legal responsibilities and duties of the agency and that are for the purposes of education, training, or informing employees or the general public are hereby appropriated for the necessary expenses incurred in conducting the seminar; provided, however, all applicable laws, and rules and regulations for the acquisition of goods and services for the state shall apply to the expenditures. Any unexpended balances remaining as of August 31, 2005, in an appropriation made by Article IX, § 8.08, of House Bill 1, Seventy-eighth Legislature, Regular Session, 2003, are hereby appropriated for the same purpose.

Sec. 8.09. **Appropriation of Bond Proceeds.** The proceeds from the issuance and sale of bonds or other obligations pursuant to the provisions of Chapter 1232, Government Code, and Chapter 1401, Government Code or other law, are appropriated to the state agency to whose account the proceeds are deposited or credited. Proceeds include interest and investment income.

Sec. 8.10. **CMIA Interest Payments.**

(a) There is hereby appropriated to the Comptroller for the biennium ending August 31, 2007 sufficient general revenue monies for the payment of interest due the federal government under the federal Cash Management Improvement Act of 1990 (31 U.S.C. § 6501 et seq.).

(b) An amount equal to the amount of interest payments made from general revenue on behalf of special funds or accounts as a result of the federal Cash Management Improvement Act of 1990 is hereby appropriated from special funds. The Comptroller shall transfer from each special fund or account to general revenue, an amount equal to the amount of interest paid on behalf of each special fund or account.

Sec. 8.11. **Appropriation of Receipts: Credit, Charge, or Debit Card Service Fees.** Any fee receipts assessed by an agency for the use of a credit, charge, or debit card for the payment of a fee, tax, penalty, or other charge authorized by law are appropriated to that agency from the fund to which the fee was deposited for the purpose of paying the costs associated with receiving the payment. Any cost recovery fees, excluding subscription fees as defined in Subchapter I, Chapter 2054, Government Code, approved by the TexasOnline Authority as authorized under Chapter 2054, Government Code, are hereby appropriated to that agency from the fund to which the fee was deposited for the purpose of paying the costs associated with implementing and maintaining electronic services. Any unexpended balances from credit, charge, or debit card processing or convenience fees remaining at the end of the fiscal biennium ending August 31, 2005, are reappropriated to the assessing agency from the agency from the fund to which the fee was deposited for the same purposes for the fiscal biennium beginning September 1, 2005.

PART 9. INFORMATION RESOURCES PROVISIONS

Sec. 9.01. **Purchases of Information Resources Technologies.**

(a) In this section:

(1) “Information resources,” “Information resources technologies,” and “Major information technology project” have the meanings provided by § 2054.003, Government Code.

(2) "Quality Assurance Team" and "QAT" means the representatives of the Legislative Budget Board, the State Auditor, and the Department of Information Resources, as defined by § 2054.158, Government Code.

(b) A state agency may not request appropriations for information technology unless the information technology is in a plan approved by the Legislative Budget Board.

(c) Prior to amending a contract for development of a major information technology project, when the amendment constitutes a 10 percent or greater change, the agency shall notify the Governor, Lieutenant Governor, Speaker of the House, Senate Finance Committee, House Appropriations Committee, and the QAT. For contracts having a total value in excess of $1.0 million an amendment to the contract that changes the total value of the contract or any element of the contract by more than 10 percent of the total value of the contract is not valid without QAT approval.

Sec. 9.02. **Quality Assurance Review of Major Information Resources Projects.**

(a) In this section:

(1) "Major information resources project" has the meaning provided by § 2054.003, Government Code.
(2) "Quality Assurance Team" or "QAT" means the representatives of the Legislative Budget Board, the State Auditor, and the Department of Information Resources, as defined by § 2054.158, Government Code.

(b) A state agency may not expend appropriated funds for a major information resources project unless the project has been reviewed and approved by the Legislative Budget Board in the agency's biennial operating plan and the QAT. The QAT shall determine approval based on an analysis of the project's risk. The QAT may request any information necessary to determine a project's potential risk. The QAT may waive the project review requirements for a project.

(c) The QAT may require independent project monitoring, project status reporting, project expenditure reporting, or any additional information necessary to assess a project's on-going potential for success. After a project has been completed, the QAT may also require an agency to submit a project post-implementation evaluation report to determine if the project met its planned objectives. The QAT may take any additional actions or request information as specified in § 2054.1181, Government Code.

(d) On request by the QAT, the State Auditor's Office shall provide audit and review of the projects and the information provided by the agencies.

(e) The QAT may request the assistance of the Comptroller in regard to the accuracy of project expenditures and compliance with this Act.

(f) The QAT shall provide an annual report to the Governor, Lieutenant Governor, Speaker of the House, the House Appropriations Committee, and Senate Finance Committee on the status of projects under its review by December 1.

(g) The State Auditor's Office may:

(1) provide an independent evaluation of the post implementation evaluation review process to ensure the validity of its results; and
(2) send the evaluation to the Legislative Audit Committee.

(h) The Legislative Budget Board may issue guidelines for software development, quality assurance, and the review of major information resources projects.

(i) Unless waived by the Legislative Budget Board the QAT shall require each affected agency to:

(1) quantitatively define the expected outcomes and outputs for each major information resource project at the outset;
(2) monitor cost; and
(3) evaluate the final results to determine whether expectations have been met.

Sec. 9.03. **Biennial Operating Plan and Information Resources Strategic Plan Approval.** It is the intent of the Legislature that agencies and institutions of higher education receiving appropriated funds for the acquisition of information technology must have a current Information Resources Strategic Plan and a Biennial Operating Plan including any amendments as approved by the Legislative Budget Board prior to expending any funds for information technology. Information Technology items identified in the Capital Budget Rider must be included and approved in the Biennial Operating Plan or a subsequently approved amendment of the Biennial Operating Plan. The Legislative Budget Board may direct the Comptroller to deny the agency or institution of higher education access to information technology appropriations for non-compliance.

Sec. 9.04. **Information Technology Replacement.** It is the intent of the Legislature that agencies and institutions of higher education receiving appropriated funds for the acquisition of information technology, including seat management, perform a cost-benefit analysis of leasing vs. purchasing information technology and develop a personal computer replacement schedule. Agencies and institutions of higher education should use the Department of Information Resources' (DIR) *Guidelines for Lease versus Purchase of Information Technologies* to evaluate costs and DIR's *PC Life Cycles: Guidelines for Establishing Life Cycles for Personal Computers* to prepare a replacement schedule. The use of the State Data Center for seat management should also be evaluated.

Sec. 9.05. **Training Programs Using the Internet.** To reduce costs, maximize efficiency, and minimize travel costs and other budget expense, it is the intent of the Legislature that state agencies and institutions of higher education use Internet-based training for state-mandated human resources training and other training programs if Internet-based training is available and appropriate. Not later than January 1, 2006, the Department of Information Resources (DIR) shall report to the Legislature regarding the amount of training conducted by state agencies and institutions of higher education and on the use of Internet-based training by the agencies and institutions. The agencies and institutions shall timely provide the DIR with information necessary to make the report.

Sec. 9.06. **Higher Education Institution Data Centers.**

(a) Each institution of higher education (as defined under § 61.003, Education Code) shall conduct a detailed inventory of its data center services.

(b) The chief information officer (or similar position) of each institution shall submit the inventory in a format, at a level of detail and by a date determined by the Department of Information Resources (DIR), to DIR. In addition, to ensure the accuracy of the inventory data, the internal auditor (or similar position) of each institution or system (as applicable) shall verify that the inventory data reported captures the full size, scope, and cost of data center services of each institution or system based on the format and level of detail determined by DIR.

(c) All institutions of higher education are required to report this inventory to DIR. Institutions of higher education that are associated with university systems shall report the inventory to DIR on a system-wide basis.

(d) DIR may perform follow-up site visits to confirm the information reported by the institution.

(e) The results of the inventory and DIR's recommendations based on potential cost savings for data center service consolidation including consolidation within institutions or systems shall be submitted by DIR to the Legislative Budget Board and the Governor by September 1, 2006.

(f) DIR shall investigate and report to the Legislative Budget Board and the Governor by September 1, 2006 on the potential impact on higher education institution data center service consolidation efforts of the Lonestar Education And Research Network (LEARN).

PART 10 HEALTH-RELATED PROVISIONS

Sec. 10.01. **Purchasing of Pharmaceuticals.** An agency appropriated funds for the purpose of the purchase of pharmaceutical products may establish a preference for the purchase of those pharmaceutical products from a manufacturer that voluntarily participates in the Department of State Health Services' Vendor Drug Rebate Program for the Children with Special Health Care Needs (formerly known as "CIDC") Program and the Kidney Health Care Program.

Sec. 10.02. **Full Application for Health Coverage.** To the fullest extent permitted by federal law and regulations, all state agencies that have children in their custody must apply for enrollment of all children in the Medicaid or the Children's Health Insurance Program, unless the children have otherwise been provided health insurance.

Sec. 10.03. **State Agency Communication with Employees Regarding the State Kids Insurance Program (SKIP).**

(a) A state agency shall provide each employee with information regarding the State Kids Insurance Program (SKIP) and Medicaid. When offering insurance to employees, agencies must provide separate literature, including eligibility requirements and prices, for SKIP and Children's Medicaid. The outreach shall be performed at least annually during open enrollment and with any new state employee at the time of hiring.

(b) The Health and Human Services Commission shall maintain an application and a brochure for state employees about SKIP and for Children's Medicaid. These documents shall be maintained with collaboration from the Employees Retirement System, the Health and Human Services Commission's internal Medicaid division, and the Health and Human Services Commission's Children's Health Insurance Program department. The brochure should include an eligibility chart, pricing information, and a telephone number to call the Health and Human Services Commission or the Employees Retirement System to answer questions. All of the aforementioned documents shall be easily reproduced by other state agencies, and shall be made available on each agency's website to download from the Internet. The information contained within these documents shall be updated annually.

Sec. 10.04. **Completion of Memorandum of Understanding Regarding Transition Services for Students with Disabilities.** The Texas Education Agency, the Department of Aging and Disability Services, the Department of Assistive and Rehabilitative Services, and the Department of State Health Services, with other appropriate agencies as requested by the above agencies, shall develop, agree to, and by rule adopt an updated memorandum of understanding that establishes the respective responsibilities of each agency for the provision of services necessary to prepare students enrolled in special education programs for a successful transition to life outside of the public school system. The memorandum of understanding shall include clear designation of the respective responsibility of each participating agency to provide or pay for specific services, establish a uniform system across participating agencies for resolution of disputes regarding transition services, and establish a point of responsibility within each participating agency for implementation by that agency of the requirements of the memorandum of understanding. The updated memorandum of understanding must be completed by December 31, 2005.

Sec. 10.05. **Interagency Contract Funding for Regional Specialist Projects.**

(a) The Department of Assistive and Rehabilitative Services is hereby authorized to collect funds to be used as provided by this section through interagency contracts with the 20 state agencies identified as provided by this section.

(b) Each agency identified as provided by this section shall provide $24,750 for fiscal year 2006 and $24,750 for fiscal year 2007 via interagency contract by October 1 of each fiscal year to the Department of Assistive and Rehabilitative Services for the purpose of funding a Regional Specialist project in all eleven health and human services regions of this state. General Revenue in the amount of $240,000 in Department of Assistive and Rehabilitative Services Strategy A.1.1., Contract Services made available by this method of finance change to current Regional Specialist projects shall be made available for expenditure on development of a Hispanic trilingual interpreter test, hard of hearing projects, and senior citizens projects.

(c) The 20 state agencies having the greatest number of employees whose duties include direct interaction with members of the public shall contract with the Department of Assistive and Rehabilitative Services for the purpose of funding a Regional Specialist project in all eleven

health and human services regions of this state. The State Auditor's Office and the Department of Assistive and Rehabilitative Services shall cooperate to identify the 20 state agencies with the greatest number of employees whose duties include direct interaction with members of the public for each year of the biennium. Unless the State Auditor's Office and the Department of Assistive and Rehabilitative Services cooperatively identify other agencies to be substituted on the list of 20 agencies subject to this section, the 20 agencies subject to this section include:

(1) Texas Education Agency;
(2) Texas Health and Human Services Commission;
(3) Texas Department of Transportation;
(4) Department of Aging and Disability Services;
(5) Texas Department of Criminal Justice;
(6) Department of State Health Services;
(7) Department of Family and Protective Services;
(8) Texas Workforce Commission;
(9) Texas Building and Procurement Commission ;
(10) Texas Department of Insurance;
(11) Department of Public Safety of the State of Texas;
(12) Office of the Attorney General;
(13) Texas Commission on Environmental Quality;
(14) Railroad Commission of Texas;
(15) Texas Youth Commission;
(16) General Land Office and Veteran's Land Board;
(17) Parks and Wildlife Department;
(18) Texas Lottery Commission;
(19) Comptroller of Public Accounts; and
(20) Texas Alcoholic Beverage Commission.

Sec. 10.06. **Appropriation of Disproportionate Share Hospital Payments to State-Owned Hospitals.** Disproportionate Share Hospital Program payments from the Health and Human Services Commission to state-owned hospitals are appropriated to the receiving state agency/hospital as replacement funding for funds transferred to the Health and Human Services Commission and are subject to the accounting provisions as required by the Comptroller including deposits to the fund or account from which the original source of transfers to the Health and Human Services Commission was made.

Sec. 10.07. **Informational Listing - Health Care Appropriations.** The following is an informational listing of amounts appropriated specifically for health care services in this Act, and does not make appropriations. For purposes of this section, health care appropriations include programs identified as health care-related in this Act, and do not include health care appropriations made to institutions of higher education with non-appropriated funds.

For purposes of this informational listing, health care appropriations include, but are not limited to, appropriations for Medicaid, inpatient and outpatient services, health care premiums, medications, laboratory services, community care services, nursing facility and hospice payments, rehabilitation services, alcohol and drug abuse treatment, mental retardation, and comprehensive therapies and related services for children with developmental delays. Certain non-health care-related costs which could not be broken out from other health care costs are also included in the listing below.

Programs	**All Funds (in millions) 2006**	**All Funds (in millions) 2007**
Article I		
Employees Retirement System - State Employee Group Health Insurance	$ 996.4	$ 1,064.5
Employee Children's Insurance Program (SKIP)	10.0	10.6
Workers' Compensation (State Office of Risk Management agencies)	60.3	62.7

Article II		
Health and Human Services Commission - Medicaid	13,122.0	13,270.9
Health and Human Services Commission - Children's Health Insurance Program	609.7	791.5
Department of Aging and Disability Services	5,541.6	5,347.6
Department of Assistive and Rehabilitative Services	327.7	341.5
Department of State Health Services	1,307.6	1,312.4
Article II Special Provisions	(240.9)	(184.7)
Article III		
Health-related Higher Education Institutions	1,664.6	1,823.7
Higher Education Group Health Insurance	604.2	638.5
Higher Education Workers' Compensation Non-State Office of Risk Management	15.2	15.4
Teacher Retirement System - TRS Care	210.8	295.9
Teacher Retirement System - Active Care - Independent School District Employee Pass-Through	272.7	274.8
Texas Education Agency - Independent School District Employee Insurance	440.4	444.8
Article V		
Texas Department of Criminal Justice - Correctional Managed Health Care	315.9	315.8
Texas Department of Criminal Justice - Psychiatric Care	43.1	43.1
Texas Department of Criminal Justice - Substance Abuse Treatment	50.2	50.2
Texas Department of Criminal Justice - Special Needs Offenders	15.4	15.4
Texas Youth Commission	19.0	19.2
Article VII		
Texas Department of Transportation	42.2	42.1
Office of Rural Community Affairs	5.6	5.6
Total*	**$25,433.6**	**$26,000.4**
Method of Finance		
Total, General Revenue	$10,321.6	$10,464.6
Total, General Revenue–Dedicated	507.2	540.4
Total, Federal Funds	12,354.4	12,580.2
Total, Other Funds	2,250.4	2,416.2
Total,* All Funds	$25,433.6	$26,001.4

* Totals may not add because of rounding

Sec. 10.08. **Informational Listing on Use of Tobacco Settlement Receipts.**

(a) The following is an informational list of the amounts (as shown in thousands) appropriated elsewhere in this Act to agencies from tobacco settlement receipts and estimated distributions from funds and endowments created by House Bill 1676 and House Bill 1945, Seventy-sixth Legislature and Senate Bill 126, Seventy-seventh Legislature for each fiscal year of the 2006–07 biennium and does not make appropriations:

	2006	2007
(1) Health and Human Services Commission		
A.1.2. Integrated Eligibility and Enrollment	$ 10,812	$ 11,066
B.1.4. Premiums: Children/Medically Needy	277,324	211,261
C.1.1. Children's Health Insurance Program	130,426	175,002
C.1.2. Immigrant Health Insurance	17,779	18,501
C.1.3. School Employee Children Insurance	9,697	10,106
C.1.4. CHIP Vendor Drug Program	29,201	35,934
(2) Department of State Health Services		
B.2.8 Tobacco Education and Prevention, estimated	5,482	5,743
A.1.1. Coordinated Public Health Services, estimated	4,240	4,391
B.3.1. EMS and Trauma Care System, estimated	4,140	4,186

	C.1.1. Texas Center for Infectious Disease, estimated	1,042	1,076
	B.3.3. Health Care Facilities Improvements, estimated	0	0
(3)	Office of Rural Community Affairs		
	B.1.1. Health Care Access Programs, estimated	173	173
	B.2.1. Health Facility Capital Improvements, estimated	2,190	2,190
(4)	Texas Higher Education Coordinating Board		
	G.1.1. Earnings-Minority Health, estimated	1,125	1,125
	G.1.2. Earnings-Nursing, Allied Health, estimated	2,025	2,025
	G.2.1. Earnings-Baylor College of Medicine, estimated	1,125	1,125
(5)	University of Texas Southwestern Medical Center at Dallas		
	E.1.1. Tobacco Earnings-UT SWMC Dallas, estimated	2,250	2,250
	E.1.2. Tobacco-Permanent Health Fund, estimated	2,079	2,079
(6)	University of Texas Medical Branch at Galveston		
	F.1.1. Tobacco Earnings-UTMB Galveston, estimated	1,125	1,125
	F.1.2. Tobacco-Permanent Health Fund, estimated	1,912	1,912
(7)	University of Texas Health Science Center at Houston		
	F.1.1. Tobacco Earnings-UTHSC Houston, estimated	1,125	1,125
	F.1.2. Tobacco-Permanent Health Fund, estimated	1,713	1,713
(8)	University of Texas Health Science Center at San Antonio		
	F.1.1. Tobacco Earnings-UTHSC San Antonio, estimated	9,000	9,000
	F.1.2. Tobacco-Permanent Health Fund, estimated	1,571	1,571
(9)	University of Texas M.D. Anderson Cancer Center		
	F.1.1. Tobacco Earnings-UT MD Anderson, estimated	4,500	4,500
	F.1.2. Tobacco-Permanent Health Fund, estimated	1,656	1,656
(10)	University of Texas Health Center at Tyler		
	F.1.1. Tobacco Earnings-UTHC Tyler, estimated	1,125	1,125
	F.1.2. Tobacco-Permanent Health Fund, estimated	1,164	1,164
(11)	Texas A&M University System Health Science Center		
	F.1.1. Tobacco Earnings-TAMU System HSC, estimated	1,125	1,125
	F.1.2. Tobacco-Permanent Health Fund, estimated	1,185	1,185
(12)	University of North Texas Health Science Center at Fort Worth		
	E.1.1. Tobacco Earnings-UNT HSC Ft. Worth, estimated	1,125	1,125
	E.1.2. Tobacco-Permanent Health Fund, estimated	1,155	1,155
(13)	Texas Tech University Health Sciences Center		
	E.1.1. Tobacco Earnings-TX Tech HSC El Paso, estimated	1,125	1,125
	E.1.2. Tobacco Earnings-TX Tech HSC not El Paso, estimated	1,125	1,125
	E.1.3. Tobacco-Permanent Health Fund, estimated	1,399	1,399
(14)	University of Texas System		
	F.1.1. Tobacco Earnings-RAHC, estimated	900	900

(15) University of Texas El Paso		
F.1.1. Tobacco Earnings-UTEP, estimated	1,125	1,125
(16) Baylor College of Medicine		
Article III, Special Provisions-Health Fund for Higher Education, estimated	1,916	1,916

(b) Informational Listing - Permanent Funds and Endowments. The following is an informational list of the amounts used to capitalize Permanent Funds and Endowments created by House Bill 1676 and 1945, Seventy-sixth Legislature and by Senate Bill 126, Seventy-seventh Legislature, and does not make appropriations.

(1) Permanent Health Fund for Higher Education	$ 350,000,000
(2) Permanent Fund for Children and Public Health	100,000,000
(3) Permanent Fund for Health and Tobacco Education and Enforcement	200,000,000
(4) The University of Texas Health Science Center at San Antonio Endowment	200,000,000
(5) Permanent Fund for Emergency Medical Services and Trauma Care	100,000,000
(6) Permanent Fund for Rural Health Facility Capital Improvement (Rural Hospital Infrastructure)	50,000,000
(7) The University of Texas M.D. Anderson Cancer Center Endowment	100,000,000
(8) Texas Tech University Health Sciences Center Endowment (El Paso)	25,000,000
(9) The University of Texas Southwestern Medical Center at Dallas Endowment	50,000,000
(10) Texas Tech University Health Sciences Center Endowment (Other than El Paso)	25,000,000
(11) The University of Texas Medical Branch at Galveston Endowment	25,000,000
(12) The University of Texas Health Science Center at Houston Endowment	25,000,000
(13) The University of Texas Health Center at Tyler Endowment	25,000,000
(14) Texas A&M University System Health Science Center Endowment	25,000,000
(15) University of North Texas Health Science Center at Fort Worth Endowment	25,000,000
(16) Lower Rio Grande Valley Regional Academic Health Center Endowment	20,000,000
(17) The University of Texas at El Paso Endowment	25,000,000
(18) Baylor College of Medicine	25,000,000
(19) Permanent Fund for Higher Education Nursing, Allied Health and Other Health Related Programs	45,000,000
(20) Permanent Fund for Minority Health Research and Education	25,000,000
(21) Permanent Hospital Fund for Capital Improvements and the Texas Center for Infectious Disease	25,000,000
(22) Permanent Endowment Fund for the Rural Communities Healthcare Investment Program	2,500,000

Sec. 10.09. **Interagency Contract Funding for Prescription Drug Importation Study.**

(a) The Employees Retirement System of Texas is hereby authorized to collect funds to be used as provided by this section through interagency contracts with the 20 state agencies identified as provided by this section. A new strategy is hereby created in the Employees Retirement System's bill pattern, Statewide Drug Cost Containment, and funds received through interagency contract shall be deposited to the new strategy and spent for the purposes as provided in this section.

(b) Each agency identified as provided by this section shall provide $12,500 for fiscal year 2006 via interagency contract by October 1, 2005 to the Employees Retirement System of Texas in the Statewide Drug Cost Containment Strategy for the purpose of conducting a detailed cost-effectiveness and feasibility study for implementing a prescription drug importation program. If an agency has not executed the contract by the specified date, then the Comptroller of Public Accounts may reduce an agency's appropriation and execute the transfer of funds. The Employees Retirement System of Texas is required to report to the Legislative Budget Board and Governor the results of this study by March 1, 2006.

(c) In conducting this study the Employees Retirement System shall analyze and report on the following:

(1) Safety of managed prescription drugs importation;

(2) Feasibility and cost savings by method of finance of prescription drug importation for each drug purchasing program administered by state agencies and institutions of higher education including but not limited to the Health and Human Service Commission, Teacher Retirement System, Employees Retirement System, Department of State Health Services, Department of Aging and Disability Services, Texas Department of Criminal Justice, University of Texas System, and Texas A&M University System;

(3) Prescription drug importation operating models utilized by other jurisdictions and make recommendations on the most feasible and cost-effective model for Texas;

(4) Opportunities to integrate Texas pharmacists into the state's efforts to increase the affordability of safe prescription drugs;

(5) Federal statutory developments that may impact Texas' ability to implement a prescription drug importation program; and

(6) All potential foreign sources of safe, lower cost prescription drugs.

(d) The 20 state agencies having the greatest number of employees shall contract with the Employees Retirement System of Texas for the purpose of funding the study of a prescription drug importation program in fiscal year 2006. The State Auditor's Office and the Employees Retirement System of Texas shall cooperate to identify the 20 state agencies with the greatest number of employees. Unless the State Auditor's Office and the Employees Retirement System of Texas cooperatively identify other agencies to be substituted on the list of 20 agencies subject to this section, the 20 agencies subject to this section include:

(1) Texas Education Agency;
(2) Texas Health and Human Services Commission;
(3) Texas Department of Transportation;
(4) Department of Aging and Disability Services
(5) Texas Department of Criminal Justice;
(6) Department of State Health Services;
(7) Department of Family and Protective Services;
(8) Texas Workforce Commission;
(9) Texas Building and Procurement Commission;
(10) Texas Department of Insurance;
(11) Department of Public Safety of the State of Texas;
(12) Office of the Attorney General;
(13) Texas Commission on Environmental Quality;
(14) Railroad Commission of Texas;
(15) Texas Youth Commission;
(16) General Land Office and Veteran's Land Board;
(17) Parks and Wildlife Department;
(18) Texas Lottery Commission;
(19) Comptroller of Public Accounts; and
(20) Texas Alcoholic Beverage Commission.

Sec. 10.10. **Use of Unused Unopened Nursing Home Prescription Drugs.** The Department of State Health Services shall require nursing homes to send in a secure manner unopened packages of prescription drugs that would otherwise be destroyed because the intended recipient of the drugs has died to the appropriate entity as directed by the Correctional Managed Health Care Committee for use in the Correctional Managed Care program.

PART 11. PROVISIONS RELATED TO REAL PROPERTY

Sec. 11.01. **Limitation on Use of Funds for Personal Residences.**

(a) Out of appropriations made by this Act, expenditures exceeding an aggregate amount of $25,000 for the biennium beginning on September 1, 2005, may not be made for purchasing, remodeling, or repairing of any one particular personal residence or living quarters unless the expenditures are:

(1) (A) required by court order;

(B) will result in increased safety, significant net cost savings, or prevention of substantial waste; or

(C) are specifically identified in a Capital Budget in this Act; and

(2) the Governor and Legislative Budget Board have approved the expenditure.

(b) The Texas Building and Procurement Commission shall report all expenditures exceeding an aggregate amount of $25,000 for the biennium for purchasing, remodeling, or repairing any one particular personal residence or living quarters to the Legislative Budget Board.

Sec. 11.02. **Statewide Capital Planning.**

(a) An agency or institution of higher education appropriated funds by this Act shall supply to the Bond Review Board capital planning information relating to projects subject to this section and financing options for the 2008–09 fiscal biennium in a format and according to guidelines developed by the Bond Review Board. Such information shall include:

(1) a description of the project or acquisition;
(2) the cost of the project;
(3) the anticipated useful life of the project;
(4) the timing of the capital need;
(5) a proposed source of funds (method of financing);
(6) a proposed type of financing; and
(7) any additional related information requested by the Bond Review Board.

(b) The Bond Review Board shall compile a statewide capital expenditure plan for the 2008–09 fiscal biennium from the information submitted by agencies and institutions in accordance with the capital planning guidelines. Copies of the guidelines shall be filed with the Governor and the Legislative Budget Board no later than December 31, 2005. The Bond Review Board shall file copies of the capital expenditure plan for the period beginning September 1, 2007 with the Governor and the Legislative Budget Board no later than September 1, 2006 .

(c) The statewide capital plan required by this section shall identify the state's capital needs and alternatives to finance these needs. The Bond Review Board shall review input from all state agencies and institutions regarding the agencies' and institutions' current and future capital needs as part of the strategic planning process. The Bond Review Board shall inform the Legislature on the possible budget impact of the capital plan on the state's debt capacity.

(d) This section applies to each anticipated state project requiring capital expenditures for:

(1) land acquisition;

(2) construction of building and other facilities;
(3) renovations of buildings and other facilities estimated to exceed $1 million in the aggregate for a single state agency or institution of higher education; or
(4) major information resources projects estimated to exceed $1 million.

(e) The Higher Education Coordinating Board and the Bond Review Board shall eliminate redundant reporting by consolidating this report and the Higher Education Coordinating Board's Master Plan report, to the greatest extent possible.

Sec. 11.03. **Limitation on Expenditures for Leased Space.** Funds appropriated by this Act may not be expended for leased office or building space for operations that are moved into newly constructed, purchased, expanded, or renovated state owned facilities funded from Texas Public Finance Authority Revenue Bonds.

Sec. 11.04. **Efficient Use of State Owned and Leased Space.**

(a) In the event that an agency moves from leased space to state owned space subsequent to the passage of this Act, the Comptroller shall reduce funds appropriated to each affected agency, by an amount equal to the lease costs that would have been incurred for the remainder of the biennium had the agency remained in leased space, less the costs the agency incurs for moving and the agency's tenant finish-out expenses as defined by the Texas Building and Procurement Commission. Required moving and tenant finish-out costs incurred by an agency moving from leased space to state owned space in fiscal year 2005 may be paid from 2006 fiscal year appropriations and costs incurred in 2006 may be paid from 2007 fiscal year appropriations as necessary to facilitate the move. The Comptroller shall transfer to the Texas Building and Procurement Commission from the special funds or accounts, including dedicated General Revenue Fund accounts, of those agencies that move into a state facility funded from Texas Public Finance Authority revenue bond proceeds, each agency's proportional share of the lease payments made for the facility as determined by the Texas Building and Procurement Commission. The Comptroller shall reduce the amounts appropriated to the Texas Building and Procurement Commission out of the General Revenue Fund for Lease Payments, in the appropriate Article of this Act, by an amount equal to the sum of the transfers from the special funds or accounts. The funds so transferred are hereby appropriated to the Texas Building and Procurement Commission for the purposes of making lease payments to the Texas Public Finance Authority.

(b) In the event that an agency obtains a lease at a rate lower than existing lease amounts, subsequent to the passage of the Act, the Comptroller shall reduce funds appropriated to each affected agency by an amount equal to the lease costs that would have been incurred for the remainder of the 2006–07 biennium, as determined by the Comptroller. If obtaining a reduced lease rate requires the agency to move its location, the Comptroller shall reduce the agency's appropriations less costs the agency incurs for moving the agency's tenant finish-out expenses as defined by the Texas Building and Procurement Commission. Required moving and tenant finish-out costs incurred by an agency moving from leased space in fiscal year 2006 may be paid from fiscal year 2007 appropriations as necessary to facilitate the move.

Sec. 11.05. **State Owned Housing - Recover Housing Costs.**

(a) It is the intent of the Legislature that the General Land Office (GLO) shall contract for the determination of the fair market rental value of all housing provided to state employees by agencies required to report their housing. The GLO shall provide, to each state agency providing housing to employees, information regarding the fair market rental values. The GLO shall also provide the statewide total and agency totals to the Legislative Budget Board, Governor, and Comptroller.

(b) Each agency required to report employee housing to the General Land Office shall recover, from persons first employed by the agency before September 1, 1999, at least 20 percent of the established fair market rental value of its housing. Each agency required to report employee housing to the General Land Office shall recover, from persons first employed by

the agency after August 31, 1999, at least 100 percent of the established fair market rental value of its housing. The recovered funds are hereby appropriated to the agency for its use.

(c) Agencies that provide employee housing shall report to the Legislature annually all employees who receive agency housing, the fair market rental value of housing supplied by the agency, and the amount of revenue recovered to meet the mandated goals.

(d) Unless specifically authorized by this Act, a person may not receive housing below the rate established by this section. Individuals authorized by this Act for reduced rate housing are absolutely critical to safe operation of a facility.

(e) Funds may not be expended to construct additional employee housing.

(f) When existing facilities are no longer suitable for employee housing, the agency should determine the feasibility of converting the use of housing or razing the structure before making repairs or updates.

(g) A person may not receive additional compensation in lieu of state-owned housing.

(h) An agency may withhold rent payments from the salary of an agency employee. The Comptroller may adopt rules related to withholding of rent payments from salaries.

Sec. 11.06. **State Agency Emergency Leases.** It is the intent of the Legislature that all emergency leases held by state agencies be eliminated. To assure for better planning on the part of state agencies and response from the Texas Building and Procurement Commission Leasing Division, state agencies are directed to adhere to the following provisions:

(a) A state agency that is in an emergency lease agreement on September 1, 2005 shall have its appropriation in each fiscal year in which it is in the emergency lease agreement reduced by the dollar amount charged to the agency in addition to its base level rent.

(b) At least one year before an agency's lease expires, an agency must notify the Texas Building and Procurement Commission in writing of its intent to renew its existing lease or relocate its offices.

(c) If an agency fails to notify the Texas Building and Procurement Commission in writing at least one year prior to a lease expiration, and is subsequently forced to initiate an emergency lease agreement, the agency shall have its appropriation in the each fiscal year in which it is in an emergency lease agreement reduced by the dollar amount charged to the agency in addition to its base level rent.

(d) If an agency notifies the Texas Building and Procurement Commission in writing one year prior to a lease expiration in accordance with Chapter 2167, Government Code, and the Texas Building and Procurement Commission fails to renew/initiate a lease agreement for the agency by the lease expiration date, and an agency is forced to initiate an emergency lease agreement, the Texas Building and Procurement Commission shall have its appropriation reduced in each fiscal year in which the affected agency is in an emergency lease agreement by the dollar amount charged to the agency in addition to the agency's base level rent.

(e) The Comptroller will make all necessary reductions established in this provision each month of an emergency lease agreement. Funds lapsed by agencies for violation of this provision shall be deposited into the fund in the State Treasury from which they were originally appropriated.

(f) Additionally, the Texas Building and Procurement Commission shall provide quarterly reports to the Legislative Budget Board and the Governor detailing the number of state agencies holding emergency leases, and providing the status on the progress of terminating the emergency lease agreement.

(g) In addition to the requirements of this section, emergency leases for health and human services agencies are also governed by § 2167.004, Government Code.

(h) The Department of Agriculture is exempted from the provisions of this section.

Sec. 11.07. **Prepayment of Annual Lease Costs.**

(a) In order to effectuate greater savings out of funds appropriated to state agencies for leased office or building space, the Texas Building and Procurement Commission (TBPC) is hereby authorized to enter into an agreement, on behalf of a state agency, with a landlord for prepayment of the annual lease costs in exchange for an early payment discount.

(b) A report regarding the amount of savings realized as a result of an early payment discount shall be provided to the Legislative Budget Board by TBPC no later than 30 days subsequent to the date of the duly executed agreement with the landlord. After approval by the Legislative Budget Board, the Comptroller of Public Accounts shall reduce the appropriations of the affected agency for each year of the biennium in an amount identified by TBPC and submitted to the Comptroller.

Sec. 11.08. **Equipment Maintenance Cost Reductions.**

(a) It is the intent of the Legislature that all state agencies participate in a cooperative effort with the Texas Building and Procurement Commission (TBPC) to reduce equipment maintenance costs. The TBPC may assist state agencies in reducing equipment maintenance costs by establishing consolidated volume contracts for maintenance services, by making TBPC maintenance contracts available to other state agencies, or by assisting state agencies with restructuring or renegotiating their maintenance contracts. If the TBPC enters into a contract for consulting services related to reducing equipment maintenance costs, each state agency shall use the services provided under the contract to the greatest extent possible.

(b) By October 1 of each fiscal year TBPC shall report to the Legislative Budget Board and the Governor's Office any savings achieved by agencies or institutions of higher education through use of TBPC procurement services and maintenance services contracts.

PART 12. PROVISIONS RELATED TO PROPERTY

Sec. 12.01. **Aircraft.**

(a) Notwithstanding any other provision of this Act, the purchase of aircraft may not be made from appropriated funds except as authorized in this section.

(b) Agencies authorized to expend appropriated funds for the maintenance and operation of state-owned aircraft or replacements authorized by Subsection (d) are:

(1) Texas A&M University System;
(2) Texas Department of Criminal Justice;
(3) Texas Department of Transportation;
(4) Parks and Wildlife Department;
(5) Department of Public Safety of the State of Texas;
(6) University of Texas System;
(7) Texas State Technical College;
(8) Texas Forest Service; and
(9) State Aircraft Pooling Board.

(c) Notwithstanding any other provision of this Act, all state-owned aircraft (including aircraft forfeited to or seized by a particular agency) are subject to the authority of the State Aircraft Pooling Board under Chapter 2205, Government Code.

(d) Expenditure of appropriated funds for replacement of aircraft with aircraft of comparable quality may be made contingent upon approval of the State Aircraft Pooling Board and a finding of fact by the Governor that a report has been filed with the Governor showing that:

(1) the aircraft to be replaced has been destroyed or has deteriorated to an extent that continued operation presents a serious hazard or that the aircraft to be replaced can no longer meet the mission requirements of the principal user state agency; and

(2) other state-owned aircraft cannot be effectively utilized in lieu of a replacement aircraft.

(e) Expenditures necessary to purchase liability insurance pursuant to § 2205.045(a), Government Code, shall be made on a pro rata basis, as determined by the State Aircraft Pooling Board, from appropriations authorized to each agency operating a state-owned aircraft. The Comptroller shall transfer such necessary amounts from agencies operating aircraft to the State Aircraft Pooling Board for the purchase of liability insurance and expenditure of such funds by the Board is hereby authorized.

(f) Any reimbursements received by a state agency for authorized aircraft services rendered to another state agency are hereby appropriated to the agency receiving the reimbursements, and shall be credited to the agency's appropriation item from which the cost of aircraft operation is paid.

(g) In this section "State Aircraft Pooling Board" includes a state agency performing the functions of the State Aircraft Pooling Board.

Sec. 12.02. **Publication or Sale of Printed, Recorded, or Electronically Produced Matter or Records.**

(a) Funds appropriated by this Act may not be used for the publication, recording, production, or distribution of any item or matter, including lists, notices, pamphlets, video tapes, audio tapes, microfiche, films or other electronically produced information or records unless such publication, recording, or production is:

(1) essential to accomplish or achieve a strategy or outcome target established by this Act; or

(2) required by law.

(b) Any funds received and collected from any charges specifically authorized by statute for the productions, publications, or records are hereby appropriated to the agency issuing the productions, publications, or records for use during the year in which the receipts are collected. The Comptroller shall credit such receipts to the like appropriation item from which the original costs are paid.

Sec. 12.03. **Limitation on Expenditures for Purchases and Conversions of Alternative Fuel Vehicles.** A state agency, including an institution of higher education, that is required to meet the percentage requirements for vehicles capable of using alternative fuels under Chapter 2158, Government Code, may expend funds appropriated by this Act for the purpose of meeting the percentage requirements only if the agency purchases or converts a vehicle that uses the most cost-effective, fuel efficient and mechanically efficient alternative fuel source.

Sec. 12.04. **Lost Property.**

(a) A state agency or institution of higher education must annually report to the Legislative Budget Board and the Comptroller the value of property lost or missing from the possession of the agency or institution of higher education. The Legislative Budget Board and the Comptroller may prescribe forms and dates for reporting.

(b) The Comptroller shall withhold from the General Revenue Funds, General Revenue–Dedicated Funds, or Other Funds appropriated to the state agency or institution of higher education by this Act an amount equal to 50 percent of the value of the lost property

originally purchased with those funds provided that the loss falls outside the standards promulgated by the American Society for Testing and Materials. If a state agency or institution of higher education subsequently recovers or accounts for lost property to the satisfaction of the Comptroller, the Comptroller shall release to the state agency or institution of higher education a proportional amount of previously withheld General Revenue Funds, General Revenue–Dedicated Funds, or Other Funds.

(c) This section applies to all state agency and institution of higher education property without regard to the source of funds or classification of funds used to acquire the property.

Sec. 12.05. **Transfer of Master Lease Purchase Program Payments.**

(a) The Texas Public Finance Authority is hereby authorized to transfer each agency's share of administrative fees and lease payments pursuant to the Master Lease Purchase Program from each agency's appropriations made elsewhere in this Act to the Texas Public Finance Authority Master Lease Purchase Program cost of issuance funds and the State Lease Fund Account, respectively. Transfers for administrative fees and lease payments may not be made earlier than 15 days prior to the date that debt service payment is required. The Texas Public Finance Authority may transfer funds necessary for Master Lease Purchase Program debt service payments from the State Lease Fund Account to the Texas Public Finance Authority Master Lease Purchase Program interest and sinking funds.

(b) The Comptroller shall assist the Texas Public Finance Authority in the transfer of lease payments. State agencies participating in the Master Lease Purchase Program shall cooperate in the timely transfer of lease payments to the Texas Public Finance Authority. The absence of specific Master Lease payment appropriations, identified in an agency's capital budget, does not release an agency from lease payment obligations.

Sec. 12.06. **Vehicle Fleet Management.** It is the intent of the Legislature that all state agencies and institutions shall adopt rules or policies to implement the State Vehicle Fleet Management Plan issued by the Office of Vehicle Fleet Management of the Texas Building and Procurement Commission. In accordance with the State Vehicle Fleet Management Plan, the Office of Vehicle Fleet Management shall not grant a waiver for vehicle purchases for those agencies that have not adopted rules or procedures as required by § 2171.1045, Government Code. It is the intent of the Legislature that agencies follow recommendations in the State Vehicle Fleet Management Plan regarding replacing state vehicles when they reach 6 years (72 months) of service or 100,000 miles, whichever comes first. Circumstances may warrant exceptions to this policy based on economic factors for the state, as in the case of vehicles with excessive maintenance costs or unusually low maintenance costs. All state agencies and institutions must maintain detailed supporting documentation on their vehicle fleets and shall submit fleet data to the Office of Vehicle Fleet Management.

Sec. 12.07. **Interoperability Communications Equipment: Federal Funding.**

(a) It is the intent of the Legislature that contingent upon receipt of any federal funds for interoperability communications equipment by a state agency, the state agency receiving the federal funding shall expend those funds to establish an interoperable communications system. The interoperable communications equipment shall be subject to guidelines established by the United States Department of Homeland Security, Office of Domestic Preparedness.

(b) This section applies to federal funds appropriated by this Act and received by:

(1) the Texas Parks and Wildlife Department;
(2) the Texas Department of Transportation;
(3) the Texas Youth Commission;
(4) the Texas Alcoholic Beverage Commission;
(5) the Department of Public Safety of the State of Texas;
(6) the Texas Department of Criminal Justice; or
(7) the Texas Forest Service.

(c) Except as provided by Subsection (e) of this section, none of the federal funds received by an agency named under Subsection (b) of this section to establish an interoperable communications system may be used to purchase new agency radio equipment until equipment required to achieve system interoperability has been established at the agency. The interoperable communications equipment shall be subject to guidelines established by the United States Department of Homeland Security, Office of Domestic Preparedness.

(d) Except as provided by Subsection (e) of this section, after the establishment of a interoperable communications system by all seven of the state agencies listed under Subsection (b) of this section, no federal communications interoperability grants or funds provided to the State of Texas for distribution to local, county, or municipal government agencies shall be spent by those local, county, or municipal government agencies for new radio equipment purchases unless such funds are first used for equipment to connect to an interoperable system established by the state agencies. The interoperable communications equipment shall be subject to guidelines established by the United States Department of Homeland Security, Office of Domestic Preparedness.

(e) (1) A state or local entity may use any funds not otherwise restricted to replace broken or failing communications equipment and maintain an existing communications system until an interoperable system can be created.
(2) This section is not a limitation on maintenance of an existing communications system or replacement of broken or failing communications equipment.

(f) Quarterly, each agency named under Subsection (b) of this section to establish an interoperable communications system shall report to the Legislative Budget Board and the Governor regarding the agency's progress to achieve system interoperability and meet any interoperable communications equipment guidelines established by the United States Department of Homeland Security, Office of Domestic Preparedness.

Sec. 12.08. **Interoperability Communications Equipment: All Appropriated Funding.**

(a) It is the intent of the Legislature that except as provided by Subsection (c) of this section, none of the funds appropriated to a state agency listed under Subsection (b) of this section shall be expended by the state agency for the purchase of new radio equipment until the state agency has established an interoperable communications system. The interoperable communications equipment shall be subject to guidelines established by the United States Department of Homeland Security, Office of Domestic Preparedness.

(b) This section applies to the following state agencies:

(1) the Texas Parks and Wildlife Department;
(2) the Texas Department of Transportation;
(3) the Texas Youth Commission;
(4) the Texas Alcoholic Beverage Commission;
(5) the Department of Public Safety of the State of Texas;
(6) the Texas Department of Criminal Justice; and
(7) the Texas Forest Service.

(c) (1) A state agency may use any funds not otherwise restricted to replace broken or failing communications equipment and maintain an existing communications system until an interoperable system can be created.

(2) This section is not a limitation on maintenance of an existing communications system or replacement of broken or failing communications equipment.

(d) Quarterly, each agency named under Subsection (b) of this section to establish an interoperable communications system shall report to the Legislative Budget Board and the Governor regarding the agency's progress to achieve system interoperability and meet any interoperable communications equipment guidelines established by the United States Department of Homeland Security, Office of Domestic Preparedness.

PART 13. OTHER PROVISIONS

Sec. 13.01. **Employee Meal Authorization.** State agencies providing institution-based services, including the Texas Department of Criminal Justice, the Department of Aging and Disability Services, the Department of State Health Services, the Texas Youth Commission, the Texas School for the Blind and Visually Impaired, and the Texas School for the Deaf, may provide meals to employees working in institutional settings and may charge a fee at costs established by the agencies that does not exceed the direct and indirect costs of preparation.

Sec. 13.02. **Bank Fees and Charges.** From interest income appropriated by this Act, amounts may be used for the purpose of paying bank fees and charges as necessary.

Sec. 13.03. **In-kind Gas Program.** The General Land Office shall, on a monthly basis, inform the Comptroller of the savings being achieved by an agency under the in-kind gas program of § 31.401, Natural Resources Code and the Comptroller shall reduce the agency's utility appropriation authority accordingly. The Comptroller shall transfer the savings realized into the General Revenue Fund.

Sec. 13.04. **Cleaning Allowances.** A cleaning allowance is an allotment to help defray the cost of maintaining a uniform for certain state employees. A cleaning allowance authorized elsewhere in this Act for specific positions of employment is an authorization for the specific position and shall not transfer with an employee if that employee transfers to a position for which such reimbursement is not authorized.

Sec. 13.05. **Coordination of Tourism and Travel Promotion.** It is the intent of the Legislature that the Texas Commission on the Arts, the Texas Historical Commission, the Texas Economic Development and Tourism Office within the Office of the Governor, the Texas Department of Parks and Wildlife, and the Texas Department of Transportation coordinate their efforts and spending related to tourism and travel promotion. These agencies shall develop, maintain and adhere to a memorandum of understanding that details the specific travel and tourism objectives and responsibilities of each agency and continues to provide interagency coordination and support to achieve the objectives.

Sec. 13.06. **Appropriation: Temporary Assistance for Needy Families (TANF) Federal Funds.**

(a) For the biennium beginning September 1, 2005, in addition to sums appropriated elsewhere by this Act, the balance of all available TANF federal funds allocated to the State is hereby appropriated for the purposes for which the TANF block grant is made. In the event of an expenditure requirement related to fiscal penalties, caseload growth, or other program needs (such as meeting work participation targets or increasing the capacity to serve TANF recipients facing time-limited benefits), the funds appropriated by this provision and/or the balance of all available TANF federal funds appropriated elsewhere by this Act may be expended and/or transferred as appropriate by the Single State Agency for TANF, subject to the written prior approval of the Governor and the Legislative Budget Board.

(b) The expenditure of TANF federal funds is hereby limited to those amounts specifically identified and appropriated by this Act, unless specific written approval is made by the Legislative Budget Board and Governor.

Sec. 13.07. **Incentive and Productivity**.

(a) Net annual savings or revenues realized from employee suggestions implemented by a state agency under rules promulgated by the State Council on Competitive Government must be allocated by the state agency as follows:

(1) An amount not to exceed $5,000 or 10 percent of the annual net savings or revenues attributable to a suggestion implemented by a state agency shall be available for the payment of employee awards under an employee awards program.

(2) The remaining amount, equal to at least 90 percent of the original annual net savings or revenues from amounts appropriated to the agency in the fiscal year(s) in which the savings or revenues were realized, shall be retained by the agency to pay for agency operations.

(b) The net savings or revenues realized in a fiscal year are to be considered encumbered by the agency implementing the suggestion for purposes of carrying out the allocation of funds listed in Subsection (a). The amounts encumbered shall be accounted for in the following manner:

(1) Upon implementation of an approved employee suggestion, an agency shall establish a Savings Measurement Account for that suggestion and transfer into this account the share of the projected net first-year savings or revenues attributable to the suggestion during that fiscal year. All balances in these accounts as of August 31, 2005, are appropriated for fiscal year 2006, and all balances in these accounts as of August 31, 2006 are appropriated for fiscal year 2007. At the beginning of the following fiscal year, the agency shall transfer into the Savings Measurement Account the remaining share of the projected net savings or revenues for each approved suggestion.

(2) At the conclusion of the implementation period for an approved and implemented suggestion, the amount of net savings or revenues certified by the agency and the State Council on Competitive Government shall be compared with the balance in the Savings Measurement Account for that employee suggestion. If the certified net savings or revenue amount exceeds the balances in the Savings Measurement Account, the additional funds shall be derived from that agency's current year appropriations. If the certified net savings or revenue amount is less than the balance in the Savings Measurement Account, the excess amount deposited is available to the agency for expenditures in the current fiscal year for the same purposes as the original source appropriations. The certified net savings or revenues shall be transferred in accordance with Subsection (a).

(c) In the event that agencies identify statutory, federal or constitutional restrictions on the use of funds in accounts where savings or revenues were generated by approved employee suggestions, agencies are authorized to substitute other funding and appropriation sources for the $5,000 or 10 percent employee award portion under Subsection (a). All such substitutions for statutory, federal, or constitutional restrictions shall be reviewed and approved by the Comptroller before the substitution of $5,000 or 10 percent from other funds is adopted.

(d) The Comptroller and the State Council on Competitive Government shall jointly develop rules for the above provisions of this section.

Sec. 13.08. **Contingency Appropriation Reduction.**

(a) After considering all other contingency riders in this Act and all legislation passed by the Seventy-ninth Legislature that affects revenue, if the appropriations made by Articles I through X of this Act exceed the estimated available revenue, all appropriations made under this Act out of the General Revenue Fund and General Revenue–Dedicated accounts are hereby automatically reduced on a pro-rata basis by the amount necessary, if any, to ensure that the total amount appropriated does not exceed the estimated revenue, pursuant to Article 3, Section 49a, Texas Constitution; provided, however, that appropriations described under Subsection (c) of this section shall not be reduced.

(b) The Comptroller shall report the amount of the automatic reductions, if any, to the Governor and Legislative Budget Board.

(c) Appropriations described under this Subsection (c) that may not be reduced by an action taken pursuant to this section are as follows:

(1) Appropriations identified in Sec. 6.10 of Article IX;

(2) Appropriations made to the Texas Education Agency for the Foundation School Program in Strategies A.1.1, FSP-Equalized Operations, and A.1.2, FSP-Equalized Facilities;

(3) Appropriations made in Article IV of this Act;

(4) Appropriations made to the Teacher Retirement System;

(5) Appropriations made to the Optional Retirement Program;

(6) Appropriations made to the Higher Education Fund;

(7) Appropriations made for Debt Service Payments for Non-Self Supporting G.O. Water Bonds;

(8) Appropriations made for Compensation to Victims of Crime; and

(9) Appropriations designated as "estimated."

Sec. 13.09. **Appropriations from State Tax Revenue.** The appropriations from state tax revenue not dedicated by the Constitution for the 2006–07 biennium shall not exceed the Texas Constitution's Article VIII, § 22 limit of $52,145,745,157 established by the Legislative Budget Board pursuant to § 316.002, Government Code. The limit on appropriations that can be made for the 2006–07 biennium is subject to adjustments resulting from revenue forecast revisions or subsequent appropriations certified by the Comptroller to the 2004–05 biennial appropriations from state tax revenue not dedicated by the Constitution. The Comptroller may adjust the composition of fund and account balances without any net change in balances or change in appropriations so as to ensure compliance with the limit set forth in Article VIII, § 22 of the Texas Constitution.

Sec. 13.10. **Appropriation Transfers: Billings for Statewide Allocated Costs.** As provided by Chapter 2106, Government Code, relating to billings to state agencies for the costs of support services allocated to agencies under the statewide cost allocation plan which implements *e-Texas Issue AFM-3 (2001),* the Comptroller shall transfer appropriations made to state agencies and institutions of higher education by this Act to the General Revenue Fund, under Articles I-VIII of this Act, in amounts which total an estimated $30 million for the biennium.

At least thirty days prior to making transfers of agency appropriations to the General Revenue Fund pursuant to this provision, the Comptroller shall develop and prepare a plan of reductions and notify the Legislative Budget Board and Governor of the amounts proposed for reduction by each agency.

Sec. 13.11. **Contingency Rider.** It is the intent of the Legislature that appropriations made in this Act be expended only for purposes and programs specifically funded in the Act, and contingency appropriations made for legislation adopted by the Seventy-ninth Legislature be the sole source of funding for implementation of that legislation. No state agency or institution of higher education is required to reallocate or redistribute funds appropriated in this Act to provide funding for programs or legislation adopted by the Seventy-ninth Legislature for which there is not specific appropriation or contingency provision identified in this Act.

Sec. 13.12. **TexasOnline Authority: Occupational Licenses.** Each licensing entity not otherwise authorized to increase occupational license fees elsewhere in this Act is authorized to increase the occupational license or permit fees imposed on the licensing entity's licensees by an amount sufficient to cover the cost of the subscription fee charged by the TexasOnline Authority to the licensing entity pursuant to Chapter 2054, Government Code. Each licensing entity provided by Chapter 2054, Government Code and not otherwise authorized to increase occupational license fees elsewhere in this Act is hereby appropriated the additional occupational license or permit fees in excess of the Comptroller's biennial revenue estimate 2006–07 for the sole purpose of payment to the TexasOnline contractor subscription fees for implementing and maintaining electronic services for the licensing entities. Each agency, upon completion of necessary actions to access or increase fees, shall furnish copies of board meeting minutes, an annual schedule of the number of license issuances or renewals and associated annual fee total, and any other supporting documentation to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a notification letter will be issued and the contingent appropriation made available for the intended purposes.

Sec. 13.13. **Disaster Related Transfer Authority.**

(a) In the event of a disaster proclamation by the Governor under the Texas Disaster Act of 1975, Chapter 418, Government Code, transfers of appropriations made in this Act, if necessary to respond to the disaster and if made according to the terms of this section, are permitted.

(b) Health and Human Services Agencies: For a health and human services agency listed in Chapter 531, Government Code, that directly responds to the disaster, the Commissioner of Health and Human Services is authorized to transfer funds from another health and human services agency listed in Chapter 531, Government Code to the responding agency, and may transfer funds between the strategies of each agency for the purpose of funding the disaster response subject to the prior notification of the Legislative Budget Board and Governor as provided by Subsection (e).

(c) Other Agencies: An agency other than a health and human services agency listed in Chapter 531, Government Code that directly responds to a disaster may transfer appropriations within the agency, without regard to any limits on transfer of appropriations between strategies, subject to the prior notification of the Legislative Budget Board and Governor as provided by Subsection (e).

(d) Transfers Between Agencies: In the event that a transfer involving at least one agency not listed in Chapter 531, Government Code is necessary in order to respond to a disaster, the agencies involved in the transfer shall request approval from the Legislative Budget Board and the Governor for the emergency transfer of funds, pursuant to Article XVI, Section 69, Texas Constitution. Any request under this subsection should include the same information required in the recommended plan of transfer below, and a copy shall be provided to the Comptroller.

(e) Notification of Recommended Plan of Transfer.

(1) Recommended Plan of Transfer: A recommended plan of transfer submitted by an agency to the Governor and Legislative Budget Board under this section must include the following information:

(A) a copy of the appropriate disaster proclamation made under Chapter 418, Government Code;

(B) the amounts to be transferred (listed by method of finance);

(C) the agency or agencies affected;

(D) the programs affected by the transfer; and

(E) any other information requested by the Legislative Budget Board.

(2) Notification and Approval: An agency must notify the Legislative Budget Board, the Comptroller, the Governor, and any other agency involved in the transfer at least 14 days prior to the date of recommended transfers. If neither the Legislative Budget Board nor the Governor issue a written disapproval within 14 days of receipt of the agency recommended plan of transfer, the Comptroller shall transfer the funds as recommended.

Sec. 13.14. **Informational Items.** Object of expense (OOE) listings contained in this Act, and other informational listings are not appropriations, and are merely informational listings that are intended to qualify or direct the use of funds appropriated in agency strategies, or are incidental to the appropriation made in the agency strategies.

Sec. 13.15. **Incentive Program to Waive Participation in Group Benefit Plan.**

(a) This section is contingent on the enactment of Senate Bill 1863 or similar legislation by the Seventy-ninth Legislature, Regular Session, providing that employees and retirees may receive an incentive under certain circumstances if they waive participation in the Group Benefit Plan.

(b) The Employees Retirement System is required to inform employees and retirees in the Group Benefit Plan that they may waive participation in the plan, and to provide an opportunity for employees and retirees to waive participation in the plan. The employee or retiree shall certify to the Employees Retirement System on a form prescribed by the Employees Retirement System that the employee or retiree receives comprehensive health coverage from another source, such as the TRICARE military health system, or as a dependent in another health plan.

(c) The employing agency of the employee or retiree shall submit $60 per month to the Employees Retirement System in lieu of the "employee-only" state contribution amount for each employee and retiree that waives participation in the Group Benefit Plan. Each employee or retiree that waives participation in the Group Benefit Plan and certifies such to the Employees Retirement System, may enroll in optional coverage at the Employees Retirement System without charge if the monthly payment for the optional coverages does not exceed $60 per month. Optional insurance for the employees and retirees participating in the Group Benefit Plan shall be defined under rules adopted by the Employees Retirement System. An employee or retiree participating in the Group Benefit Plan is defined by the Employees Retirement System pursuant to this rider may only use $60 per month of the employee-only state contribution if they sign and submit the appropriate form to the Employees Retirement System documenting comprehensive health insurance coverage from another source.

(d) Appropriations made by this Act to the Employees Retirement System are hereby reduced pursuant to Subsection (c) from the General Revenue Fund, $2,387,823, from General Revenue–Dedicated Funds, $251,350, and from Other Funds, $1,549,991 in each fiscal year of the biennium. The Comptroller will make the reductions in a manner consistent with statutory provisions, in consultation with the Legislative Budget Board.

Sec. 13.16. **Contingency Rider for House Bill 3540.**

(a) This section is contingent on the enactment of House Bill 3540 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to eliminating benefit replacement pay and longevity pay payments to retirees who retire from state employment and return to work for the state (return-to-work retirees).

(b) The Comptroller shall identify:

(1) the number of return-to-work retirees receiving benefit replacement pay on September 1, 2005;

(2) by agency, the number of return-to-work retirees receiving longevity pay on September 1, 2005; and

(3) by agency, the number of return-to-work retirees receiving longevity pay on September 1, 2006.

(c) On September 1, 2005, the Comptroller shall reduce biennial appropriations for benefit replacement pay to each article of the General Appropriations Act by that amount identified pursuant to Subsection (b) and by method of financing that would have been paid to return-to-work retirees during the 2006–07 biennium.

(d) On September 1 of each year of the biennium, the Comptroller shall reduce each agency's fiscal year appropriation by the annual amount of longevity pay that would have been paid to return-to-work retirees employed by the agency during that fiscal year and by method of financing, as identified pursuant to Subsection (b).

(e) The Comptroller shall reduce biennial appropriations pursuant to Subsection (c). Appropriations made by this Act for benefit replacement pay are hereby reduced from the General Revenue Fund, $4,923,533, from General Revenue–Dedicated Funds, $518,267, and from Other Funds, $3,195,977 for the 2006–2007 biennium. The Comptroller shall reduce each agency's budget pursuant to Subsection (d). The sum of the reductions from appropriations made by this Act for the 2006–2007 biennium pursuant to Subsection (d) shall equal from the General Revenue Fund,

$5,973,499, from General Revenue–Dedicated Funds, $628,789, and from Other Funds, $3,877,535. The Comptroller will make the reductions in a manner consistent with statutory provisions, in consultation with the Legislative Budget Board.

Sec. 13.17. **Appropriation for a Salary Increase for General State Employees.**

(a) As used in this section, "salary increase" shall mean a four percent (4%) increase in annual salary with a minimum of $100 per month increase in salary, to begin on September 1, 2005, and another increase in annual salary to occur on September 1, 2006, consisting of an additional three percent (3%) increase in the annual salary with a minimum of $50 per month increase in salary.

(b) The Comptroller of Public Accounts is hereby appropriated an amount estimated to be $350,000,000 out of the General Revenue Fund, an amount estimated to be $30,000,000 out of General Revenue–Dedicated, and an amount estimated to be $205,000,000 out of other funds and accounts to fund a salary increase described in Subsection (a) of this section for employees of state agencies, including employees of the Higher Education Coordinating Board, as such a salary increase is reflected in the salary rates authorized elsewhere in this Act.

(c) This section shall not apply to statewide elected officials, justices and judges of the appellate and district courts, district attorneys, criminal district attorneys, county attorneys performing the duties of a district attorney, line item exempt (non-classified) employees, salary Schedule C personnel, employees of institutions of higher education except for employees of a Texas A&M University System service agency and except as provided by Subsection (h) regarding longevity pay and hazardous duty pay, employees of a Texas A&M University System service agency to the extent that the salary increase would cause the employee to earn a gross monthly salary from all state-related entity payroll sources of more than $6,250, other employees who have been given a salary increase described elsewhere in this Act, or the compensatory per diem of board or commission members. The other employees who have been given a salary increase described elsewhere in this Act include:

(1) at the Office of the Attorney General the approximately 272 employees (Assistant Attorney Generals I, II, III, IV, and V) who receive pay increases as a result of the appropriation of $2,433,609 for use during each fiscal year out of the General Revenue Funds generated by a contingency rider for a fee increase in the bond review fee as provided by a rider following the bill pattern of the Office of the Attorney General;

(2) at the State Commission on Judicial Conduct the approximately 14 employees who receive one time increases of approximately four percent (4%) from the approximately $32,000 appropriated from the General Revenue Fund for use during each fiscal year of the biennium but only to the extent of that four percent (4%) pay increase included in appropriations made in this Act;

(3) at the Supreme Court of Texas:
(A) Staff Attorneys;
(B) Law Clerks;

(4) at the Court of Criminal Appeals:
(A) Staff Attorneys;
(B) Law Clerks;
(C) The Clerk of the Court;

(5) at the 14 Courts of Appeals:
(A) Staff Attorneys;
(B) Law Clerks;
(C) employees whom a Court of Appeals designate as receiving salary increases from the $4,000,000 block grant appropriated for use of the 14 Courts of Appeals;

(6) contingent on the passage of Senate Bill 1698 or other similar legislation modifying fees paid by oil and gas operators, the approximately 453 employees at the Railroad Commission {composed of 237 engineering employees (Engineering Tech I-V,

Engineering Specialist I-VI, Engineering Assistants I-III, and Engineers I-VII); 22 financial employees (Accountants I-VII, Auditors I-VI, and Budget Analysts I-IV); and 194 administrative employees (Clerks I-V, Word Processing Operator I-III, Administrative Assistants I-IV, Executive Assistants I-II, and Legal Secretaries I-IV)} who receive pay increases as a result of the appropriation of $1,029,982 for use during fiscal year 2006 from the General Revenue Fund and the appropriation of $1,059,952 for use during fiscal year 2007 from the General Revenue Fund, $4,768 for use during each fiscal year of the biennium from Earned Federal Funds, $251,851 for use during each fiscal year of the biennium from General Revenue-Dedicated Fund Oil Field Cleanup Account No. 145, and $31,174 for use during each fiscal year of the biennium from General Revenue-Dedicated Fund Alternative Fuels Research and Education Account No. 101, as provided by rider following the bill pattern of the Railroad Commission;

(7) at the Credit Union Department the approximately 24 employees who receive a pay increase funded from the $63,869 appropriated for use during fiscal year 2006 to fund regular salary progressions for examination staff and $48,198 appropriated for use during fiscal year 2007 for the same purpose;

(8) at the Animal Health Commission (AHC) the approximately 18 employees (six Veterinary I positions, ten Veterinary II positions, and two Deputy Director Veterinarian positions) who receive a pay increase funded from the $180,000 appropriated for use during fiscal year 2006 out of the General Revenue Fund and $180,000 appropriated for use during fiscal year 2007 out of the General Revenue Fund as provided by rider following the bill pattern to be used for salary increases for veterinarians located in AHC field offices;

(9) at the State Office of Administrative Hearings the Administrative Law Judges who receive a pay increase from the $348,100 appropriated for use during the biennium out of the General Revenue Fund and $236,900 appropriated for use during the biennium out of the State Highway Fund 006;

(10) at the Department of Family and Protective Services the approximately 2,413 child protective services investigation caseworkers and supervisors who receive an annual stipend of $5,000 as a result of the appropriation of $14,853,750 in General Revenue Funds and $19,805,000 in All Funds appropriated for use during the 2006-07 biennium; and

(11) at the Department of the Family and Protective Services the approximately 3,059 child protective services direct delivery staff who receive a two percent (2%) pay increase but only to the extent of that two percent (2%) pay increase included in appropriations made in this Act or in House Bill 10 for child protective services reform.

(d) Any increase in employee benefits costs associated with the salary increase as described above shall be paid only out of the appropriations made above in Subsection (b).

(e) Provisions requiring salaries and benefits to be proportional to the source of funds shall apply to all sums allocated under this section, except as otherwise provided and except for county extension agents who may receive a salary increase solely from appropriations made from the General Revenue Fund. Each agency shall pay the increase in compensation from funds held in the state treasury and from local funds in the same proportion as the employee's regular compensation.

(f) The Comptroller of Public Accounts shall promulgate rules and regulations as necessary to administer this section. Funds appropriated in this section shall be allocated to each agency, and to the appropriate employee benefit appropriation items, in accordance with such rules and regulations and may be used only for the purpose of providing a salary increase and paying associated employee benefit costs.

(g) This section does not authorize an increase of classified salary rates or exempt salary rates above the rates listed in the applicable schedule in this Act.

(h) Longevity Pay and Hazardous Duty Pay

(1) In addition to the amounts appropriated above, an amount estimated to be $49,348,427 out of the General Revenue Fund, an amount estimated to be $6,245,138 out of the General Revenue–Dedicated, and an amount estimated to be $41,803,704 out of Other Funds and accounts out of funds appropriated elsewhere in this Act to state agencies will be used to provide employees of state agencies entitled to longevity pay and increases in longevity pay with longevity pay at the rate of $20 per month for each two years of lifetime service credit, contingent on the passage of appropriate legislation.

(2) In addition to the amounts appropriated above, an amount estimated to be $24,365,414 out of the General Revenue Fund, and an amount estimated to be $10,442,320 out of Other Funds and accounts out of funds appropriated elsewhere in this Act to institutions of higher education and out of funds appropriated elsewhere in this Act to state agencies for benefits for employees of institutions of higher education will be used to provide employees of institutions of higher education entitled to longevity pay and increases in longevity pay with longevity pay at the rate of $20 per month for each two years of lifetime service credit, contingent on the passage of appropriate legislation.

(3) In addition to the amounts appropriated above, an amount not to exceed $23,875,075 out of General Revenue, and an amount estimated to be $540,095 out of General Revenue–Dedicated, and an amount estimated to be $4,224,006 out of Other Funds and accounts out of funds appropriated elsewhere in this Act to state agencies will be used to provide employees of state agencies entitled to hazardous duty pay and increases in hazardous duty pay with hazardous duty pay at the rate of $10 per month for each year of lifetime service credit, contingent on the passage of appropriate legislation.

(4) The appropriations made in this subsection also include amounts to pay for associated benefits.

(i) Agencies subject to a special provisions rider "Appropriations Limited to Revenue Collections" shall increase revenues as necessary to cover the increased salary amounts appropriated above. It is estimated that the aggregate amount will be $20,000,000.

Sec. 13.18. **Appropriation of Any Vetoed Funds**. An amount equal to the sum of the General Revenue Fund and General Revenue–Dedicated account appropriations contained in this Act that are vetoed by the Governor under Section 14, Article IV, Texas Constitution, shall be segregated by the Comptroller and is hereby appropriated for budget execution as provided by Chapter 317, Government Code.

PART 14. CONTINGENCY AND OTHER PROVISIONS

Sec. 14.01. **Contingency Appropriation for Senate Bill 978.**

(a) Contingent on passage of Senate Bill 978 or similar legislation by the Seventy-ninth Legislature, relating to expanding participation in the Model Fines Collection Program, and the Comptroller of Public Accounts issuing a finding of fact certifying the availability of an amount equal to $6,214,926 in additional, unappropriated balances in General Revenue and General Revenue–Dedicated Accounts in excess of the Comptroller's Biennial Revenue Estimate, excluding the Compensation to Victims of Crime Fund No. 469, in addition to the amounts appropriated elsewhere in this Act, appropriations to the following agencies are increased in the amounts and for the purposes indicated below. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified below as well as related employee benefit costs, the Comptroller of Public Accounts shall reduce the appropriation authority provided below to be within the amount of revenue expected to be available.

(b) Out of the General Revenue Fund:

		August 31, 2006	August 31, 2007
(1)	Office of Court Administration, Strategy A.1.1, Court Administration, to provide 4.0 full-time equivalent positions and related funding to expand the Model Fines Collection Program.	$310,588	$268,668
(2)	Comptroller of Public Accounts, Strategy A.1.1, Ongoing Audit Activities, to provide 5.0 full-time equivalent positions in fiscal year 2006 and 8.0 full-time equivalent positions in fiscal year 2007 and related costs to perform revenue audits related to the Model Fines Collection Program.	$244,500	$391,200
(3)	Supreme Court of Texas, Strategy A.1.2, Basic Civil Legal Services, to provide additional funding for civil legal services for the indigent.	$1,500,000	$1,500,000
(4)	Judiciary Section, Comptroller's Department, Strategy A.1.2, Visiting Judges–Regions	$918,345	$918,345
(5)	Judiciary Section, Comptroller's Department, Strategy A.1.3, Visiting Judges–Appellate	$81,655	$81,655
	Total	$3,055,088	$3,159,868

Sec. 14.02. **Contingency for House Bill 7.**

(a) Contingent upon the enactment of House Bill 7 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to the creation of the Office of Injured Employee Counsel, amounts not to exceed $3,090,313 in fiscal year 2006 and $3,096,687 in fiscal year 2007, out of General Revenue Funds appropriated to the Workers' Compensation Commission by this Act for the 2006–07 biennium, and 91 full-time-equivalent positions in each fiscal year of the 2006–07 biennium shall be transferred to the Office of Injured Employee Counsel not later than March 1, 2006. In addition to the transfers identified in the previous sentence above, the Office of Injured Employee Counsel shall be appropriated, out of the General Revenue–Dedicated – Texas Department of Insurance Operating Fund No. 36, $1,636,000 in each fiscal year of the 2006–07 biennium and is authorized 31 additional full-time-equivalent positions in each fiscal year of the 2006–07 biennium. The salary for the Injured Employee Counsel position shall be authorized at the Group 3 Exempt Position salary level not to exceed $85,000 in each fiscal year of the 2006–07 biennium.

(b) Contingent upon the enactment of House Bill 7 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to the transfer of the functions of the Workers' Compensation Commission to the Department of Insurance, all applicable riders, all applicable performance measures, and all funds and full-time-equivalent positions remaining after the transfers made according to the terms as stated above in subsection (a) of this rider that are appropriated to the Workers' Compensation Commission by this Act for the 2006–07 fiscal biennium shall be transferred to the Department of Insurance not later than February 28, 2006.

(c) Contingent upon the enactment of House Bill 7 by the Seventy-ninth Legislature, Regular Session, or similar legislation shifting the deposit of revenues collected from any workers' compensation maintenance taxes, application fees, or regulatory fees from the General Revenue Fund to the General Revenue–Dedicated – Texas Department of Insurance Operating Fund No. 36, money appropriated to the Workers' Compensation Commission by this Act for the 2006–07 fiscal biennium out of the General Revenue Fund, excluding funds appropriated out of the GR Dedicated – Subsequent Injury Account No. 5101, shall be appropriated in an equal amount out of the General Revenue–Dedicated – Texas Department of Insurance Operating Fund No. 36 and not out of the General Revenue Fund.

(d) Contingent upon the enactment of House Bill 7 by the Seventy-ninth Legislature, Regular Session, or similar legislation shifting the deposit of revenues collected from any workers'

compensation maintenance taxes, application fees, or regulatory fees from the General Revenue Fund to the General Revenue–Dedicated – Texas Department of Insurance Operating Fund No. 36, and contingent upon the receipt of revenue collections from workers' compensation maintenance taxes, application fees, and regulatory fees, the Workers' Compensation Commission, the Department of Insurance, and the Office of Injured Employee Counsel may temporarily utilize General Revenue Funds. These funds shall be utilized only for the purpose of temporary cash flow needs. The transfer and reimbursements of funds shall be made under procedures established by the Comptroller of Public Accounts to ensure all borrowed funds are reimbursed to the Treasury on or before August 31, 2007.

(e) Contingent upon the enactment of House Bill 7 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to the creation of a return-to-work pilot program for small employers, and notwithstanding any other provision in this Act, revenues collected from administrative penalties and appropriated to the Workers' Compensation Commission, not to exceed $100,000 in each fiscal year of the 2006–07 biennium, shall be used for the purpose of making eligible reimbursements under the provisions of the return-to-work pilot program.

(f) The Legislative Budget Board is authorized to resolve any disputes concerning the transfers identified in this rider.

Sec. 14.03. **Contingency Appropriation for House Bill 164 and Senate Bill 66.** Contingent upon the enactment of House Bill 164 or similar legislation by the Seventy-ninth Legislature, Regular Session, relating to the civil and criminal consequences of engaging in conduct related to the manufacture of methamphetamine and to the distribution and retail sales of certain chemical substances, the Department of State Health Services is hereby appropriated $1,090,553 in fiscal year 2006 and $1,186,957 in fiscal year 2007 in General Revenue and $92,640 in fiscal year 2006 and $101,726 in fiscal year 2007 from General Revenue–Dedicated Account 5024 to implement the provisions of the bill.

Further, contingent upon the enactment of both House Bill 164 or similar legislation and Senate Bill 66 or similar legislation relating to the establishment of certain programs and initiatives designed to prevent the manufacture and use of methamphetamines, the Department of State Health Services is appropriated $80,060 in fiscal year 2006 and $80,060 in fiscal year 2007 in General Revenue to implement the provisions of the Senate Bill 66, including implementation of a methamphetamine watch program and prevention and education programs for private and public school students and their parents. In no event shall the total amounts appropriated herein exceed the amounts of additional revenue collected pursuant to House Bill 164.

Sec. 14.04. **Contingency Appropriation for House Bill 275.** Contingent on the enactment of House Bill 275 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to the application fee for wine and beer retailer's permits and retail dealer's on-premise licenses, the Alcoholic Beverage Commission is appropriated an amount not to exceed $45,800 in fiscal year 2006 in Strategy D.1.2, Information Resources, from the General Revenue Fund. In no event shall the amount appropriated by this provision exceed the amount of additional revenue generated pursuant to House Bill 275.

Sec. 14.05. **Contingency Appropriation for House Bill 677.** Contingent upon the enactment of House Bill 677 or similar legislation relating to emergency services for sexual assault survivors, by the Seventy-ninth Legislature, Regular Session, the Department of State Health Services is hereby appropriated $53,511 in fiscal year 2006 and $62,927 in fiscal year 2007 out of additional revenue collected in the General Revenue–Dedicated Hospital Licensing account and certified by the Comptroller of Public Accounts pursuant to House Bill 677 for the purpose of implementing that Act. In no event shall the total amount appropriated herein exceed the amount of additional revenue collected pursuant to the Act in each fiscal year.

Sec. 14.06. **Contingency Appropriation for House Bill 972.** Contingent upon the enactment of House Bill 972, or similar legislation relating to the continuation and functions of the Texas Board of Chiropractic Examiners, by the Seventy-ninth Legislature, Regular Session, the Board of Chiropractic Examiners shall be appropriated in Strategy A.2.2, Enforcement Indirect Administration, the amount of $5,600 in fiscal year 2006 and $5,600 in fiscal year 2007 out of General Revenue in the Board of Chiropractic Examiners' bill pattern for the purpose of reimbursement of peer review committee

members. Such appropriations are also contingent on the Board of Chiropractic Examiners assessing fees sufficient to generate, during the 2006–07 biennium, $11,200 in excess of: (1) $2,317,000 (Object Codes 3562), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007, and (2) the $52,301 required to be raised in Rider 3, Contingent Revenue, above in the Board of Chiropractic Examiners' bill pattern. The Board of Chiropractic Examiners, upon completion of necessary actions to assess or increase such additional fees, shall furnish copies of board minutes and other information supporting the estimated revenues to be generated for the 2006–07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

Sec. 14.07. **Contingency Appropriation for House Bill 1068.** Contingent on the enactment of House Bill 1068 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to forensic analysis and DNA testing, the Department of Public Safety is appropriated an amount not to exceed $3,494,950 in fiscal year 2006 and $2,081,650 in fiscal year 2007 in Strategy C.1.6, Crime Labs, from the State Highway Fund. In no event shall the amount appropriated by this provision exceed the biennial amount of additional revenue generated in the State Highway Fund pursuant to House Bill 1068.

Sec. 14.08. **Contingency for House Bill 1126.** Contingent on passage of House Bill 1126, or similar legislation relating to relating to exemptions from the law governing emergency medical services for certain transfer vehicles and staff and to the minimum qualifications for obtaining an emergency medical services provider license, by the Seventy-ninth Legislature, Regular Session, the Department of State Health Services is appropriated $128,000 for fiscal year 2006 and $67,000 for fiscal year 2007 from the Emergency Medical Services Account No. 512 for the purposes of implementing the provisions of the legislation. In no event shall the amount expended by this provision exceed the amount of additional revenue generated pursuant to House Bill 1126.

Sec. 14.09. **Contingency Appropriation for House Bill 1361: Animal Identification Program.** In addition to amounts appropriated elsewhere in this Act and contingent upon passage of House Bill 1361, or similar legislation creating the Animal Identification Program, there is hereby appropriated to the Texas Animal Health Commission out of the General Revenue Fund an amount not to exceed $255,636 in fiscal year 2006 and $189,136 in fiscal year 2007 in fee revenues from premises registration fees for the program. These funds shall be used to administer the Animal Identification Program established through the legislation.

This appropriation is contingent upon new revenue being generated due to the passage of legislation and deposited to the credit of the General Revenue Fund in an amount at least equal to $444,772 for the 2006-07 biennium. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Comptroller of Public Accounts shall reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

Sec. 14.10. **Graduate Medical Education.** The Comptroller of Public Accounts shall adjust the amounts in the Graduate Medical Education strategies in Article III of this Act for the Health-Related Institutions for fiscal year 2006–07 by November 1, 2005 based on information provided by the Legislative Budget Board. The Higher Education Coordinating Board shall provide any information requested by the Legislative Budget Board for this adjustment by October 1, 2005.

Sec. 14.11. **Contingency Appropriation for House Bill 951: Pipeline Right-of Way Assessments.** In addition to amounts appropriated elsewhere in this Act and contingent upon passage of House Bill 951, or similar legislation authorizing municipalities to assess charges to the owners or operators of pipelines located in rights-of-way, there is hereby appropriated to the Railroad Commission out of the General Revenue Fund in an amount not to exceed $297,934 in fiscal year 2006 and $286,884 in fiscal year 2007 in new revenues resulting from cost recovery by the Railroad Commission as provided in the legislation for costs incurred associated with the appeals of municipal assessments by oil and gas pipeline owners and operators.

Sec. 14.12. **Contingency for House Bill 1480.** Contingent on the enactment of House Bill 1480 or similar legislation, relating to the issuance of special license plates to benefit certain programs, the Higher Education Coordinating Board is appropriated the following amounts:

(a) In addition to the amounts appropriated in Strategy B.1.2, License Plate Scholarships, the Higher Education Coordinating Board is hereby appropriated out of the General Revenue Fund an amount equal to the amount collected under the provisions of the legislation above the Comptroller's 2006–07 Biennial Revenue Estimate not to exceed $4,800 in fiscal year 2006 and $4,800 in fiscal year 2007 for grants to benefit drug-abuse prevention and education programs sponsored by Mother's Against Drunk Driving.

(b) In addition to the amounts appropriated in Strategy B.1.2, License Plate Scholarships, the Higher Education Coordinating Board is hereby appropriated out of the General Revenue Fund an amount equal to the amount collected under the provisions of the legislation above the Comptroller's 2006–07 Biennial Revenue Estimate not to exceed $7,200 in fiscal year 2006 and $7,200 in fiscal year 2007 for grants to benefit educational projects sponsored by Boy Scouts Council in the State of Texas.

Sec. 14.13. **Contingency Appropriation for House Bill 1982: Texas Certified Retirement Community Program.** In addition to amounts appropriated elsewhere in this Act and contingent upon passage of House Bill 1982, or similar legislation creating the Texas Certified Retirement Community Program, there is hereby appropriated to the Texas Department of Agriculture out of the General Revenue Fund an amount not to exceed $65,071 in fiscal year 2006 and $47,978 in fiscal year 2007 in fee revenues from application fees for the program. These funds shall be used to administer the Texas Certified Retirement Community Program established through the legislation.

This appropriation is contingent upon new revenue being generated due to the passage of legislation and deposited to the credit of the General Revenue Fund in an amount at least equal to $113,049 for the 2006–07 biennium. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Comptroller of Public Accounts shall reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

Sec. 14.14. **Contingency for House Bill 2100.** Contingent on passage of House Bill 2100, or similar legislation relating to heirloom wedding anniversary certificates, by the Seventy-ninth Legislature, Regular Session, the Department of State Health Services is appropriated $300,000 for fiscal year 2006 and $300,000 for fiscal year 2007, out of the Childhood Immunization Account created under the provisions of the bill, for the purposes of implementing the provisions of the legislation. In no event shall the amount expended by this provision exceed the amount of additional revenue generated pursuant to House Bill 2100.

Sec. 14.15. **Contingency for House Bill 2101.** Contingent on passage of House Bill 2101, or similar legislation relating to heirloom birth certificates, by the Seventy-ninth Legislature, Regular Session, the Department of State Health Services is appropriated $157,000 for fiscal year 2006 and $157,000 for fiscal year 2007, out of the Childhood Immunization Account created under the provisions of the bill, for the purposes of implementing the provisions of the legislation. In no event shall the amount expended by this provision exceed the amount of additional revenue generated pursuant to House Bill 2101.

Sec. 14.16. **Contingency Appropriation for House Bill 2337.** Contingent on the enactment of House Bill 2337 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to the use of information provided by an applicant for a driver's license or personal identification certificate in an image verification system, the Department of Public Safety is appropriated $7,447,447 in fiscal year 2006 in Strategy B.1.1, Driver License and Records, from the State Highway Fund.

Sec. 14.17. **Contingency for House Bill 2421 or Senate Bill 1096.** Notwithstanding any other provisions in this act and contingent upon the enactment of House Bill 2421, or Senate Bill 1096, or similar legislation by the Seventy-ninth Legislature, Regular Session, $41,500,000 of the amount transferred from the Employment and Training Investment Holding Fund to the General Revenue–Dedicated Texas Enterprise Fund Account No. 5107, is hereby appropriated out of the General Revenue–Dedicated Texas Enterprise Fund Account No. 5107 to the Trusteed Programs Within the Office of the Governor, Strategy A.1.8, Texas Enterprise Fund, for the purposes of economic development initiatives in accordance with Government Code § 481.078.

Also contingent upon the enactment of House Bill 2421, or Senate Bill 1096, or similar legislation by the Seventy-ninth Legislature, Regular Session, relating to funding for the Texas Enterprise Fund, Rider 24,

Contingency Appropriation for Senate Bill 1096 in the Trusteed Programs Within the Office of the Governor's bill pattern, is hereby repealed.

Contingent upon the enactment of House Bill 2421, or Senate Bill 1096, or similar legislation by the Seventy-ninth Legislature, Regular Session, relating to funding for the Skills Development Fund, the Texas Workforce Commission shall be appropriated $10,157,092 from General Revenue - Holding Trust Fund 5069 in fiscal year 2006 and $20,500,000 in fiscal year 2007 from the Skills Development Fund in Strategy A.2.1, Skills Development from revenue generated by House Bill 2421 or Senate Bill 1096.

Also contingent upon the enactment of House Bill 2421, or Senate Bill 1096, or similar legislation by the Seventy-ninth Legislature, Regular Session, relating to funding for the Skills Development Fund, Rider 32, Contingency Appropriation for Senate Bill 1177 in the Texas Workforce Commission's bill pattern, is hereby repealed.

In no event shall the total amount appropriated by this rider exceed the amount of additional revenue collected pursuant to House Bill 2421 or Senate Bill 1096 in each fiscal year.

Sec. 14.18. **Contingency Appropriation for House Bill 2510: On-Site Sewage Disposal System Service and Maintenance Licensing and Registration.** In addition to amounts appropriated elsewhere in this Act and contingent upon passage of House Bill 2510, or similar legislation requiring persons engaged in on-site sewage disposal service and maintenance to obtain licenses and registrations from the Texas Commission on Environmental Quality (TCEQ), there is hereby appropriated to the TCEQ out of the Occupational Licensing Account No. 468 an amount not to exceed $166,960 in fiscal year 2006 and $127,470 in fiscal year 2007 in fee revenues collected from registrants and licensees pursuant to Water Code, Chapter 37. These funds shall be used to administer the licensing and administration program for persons engaged in on-site sewage disposal service and maintenance established through the legislation.

Sec. 14.19. **Petroleum Storage Tank Administration and Contingency Appropriation.** Out of funds appropriated above in Strategy D.1.1, Storage Tank Administration and Cleanup, not more than $7,385,406 in fiscal year 2006 and not more than $2,954,000 in fiscal year 2007 in gross receipts to the Petroleum Storage Tank Remediation (PSTR) Account No. 655 may be transferred to the Waste Management Account No. 549 for necessary expenses associated with the PSTR Account and the groundwater protection cleanup program, in accordance with Water Code, § 26.3573 (d)-(e). Furthermore, the Texas Commission on Environmental Quality (TCEQ) shall not transfer funds, from the PSTR Account No. 655 from Strategy D.1.1, Storage Tank Administration and Cleanup, to any other strategy.

For the purposes of implementing activities supported in Strategy D.1.1, Storage Tank Administration and Cleanup, the TCEQ is exempt from provisions of Article IX relating to the inclusion of temporary or contract workers in the calculation of the number of Full-Time-Equivalent (FTE) positions by a state agency.

Contingent upon passage of House Bill 3540, or similar legislation extending the PSTR program and maintaining the petroleum products delivery fee at the fiscal year 2005 level for the 2006–07 biennium, by the Seventy-ninth Legislature, Regular Session, and in addition to the amounts appropriated above in Strategy D.1.1., Storage Tank Administration and Cleanup, the TCEQ is hereby appropriated for the fiscal year beginning on September 1, 2006, $61,300,000 out of the PSTR Account No. 655 in revenues in excess of the Comptroller's Biennial Revenue Estimate (BRE) for the 2006–07 biennium. Notwithstanding provisions contained within this Act, an amount not to exceed $4,445,000 in revenues in excess of the Comptroller's BRE for the 2006–07 biennium may be transferred from the PSTR Account No. 655 to the Waste Management Account No. 549. Upon such transfer of funds and in addition to amounts appropriated above, an amount not to exceed $4,445,000 out of the Waste Management Account No. 549 is hereby appropriated for necessary administrative expenses associated with the PSTR Account and the groundwater protection cleanup program, in accordance with Water Code, § 26.3573 (d)-(e).

In addition, contingent upon legislation extending the PSTR program and maintaining the petroleum products delivery fee at the fiscal year 2005 level for the 2006–07 biennium, by the Seventy-ninth Legislature, Regular Session, the "Number of Full-Time Equivalents (FTE)" figure indicated above for the TCEQ is hereby increased by 54 in fiscal year 2007.

Sec. 14.20. **Contingency Appropriation for House Bill 3112.** Contingent on the passage of House Bill 3112, or similar legislation by the Seventy-ninth Legislature, Regular Session, and the availability of federal homeland security funds for cyber security infrastructure, the Department of Information Resources is hereby appropriated $492,000 in Federal Funds in fiscal year 2006 and $3,592,000 in Federal Funds in fiscal year 2007 for the purpose of establishing a network security center to provide network security services to state agencies and local entities. In addition, the Department of Information Resources may expend amounts collected through interagency contracts with state agencies and receipts from local governments to provide network security services to state agencies and local entities.

Sec. 14.21. **Contingency Reduction in Appropriations for House Bill 3540.** Contingent upon the enactment of House Bill 3540, or similar legislation by the Seventy-ninth Legislature, Regular Session, implementing a recommendation from the Staff Performance Report related to the establishment of a multi-state drug purchasing pool, appropriations to the Health and Human Services Commission made above in Strategy B.2.2, Medicaid Vendor Drug Program are reduced by $5,626,901 in General Revenue Funds and $8,682,720 in Federal Funds for fiscal year 2006, and $11,934,280 in General Revenue Funds and $18,256,157 in Federal Funds for fiscal year 2007 to reflect savings from the anticipated increase in supplemental rebates due to the states' increased purchasing power.

Sec. 14.22. **Contingency Appropriation for Senate Bill 6: Guardianship Certification.** Contingent upon the enactment of Senate Bill 6, or similar legislation by the Seventy-ninth Legislature, Regular Session, and contingent upon the establishment of a board to oversee certification of private professional guardians, out of General Revenue funds appropriated above in Article II, $65,000 for state fiscal year 2006 and $65,000 for state fiscal year 2007 shall be transferred from the Health and Human Services Commission to the Office of Court Administration (OCA) for providing staff support to the board established to oversee certification for private professional guardians. In addition, the Full-Time Equivalent (FTE) cap for the Office of Court Administration is hereby increased by 1 for each year of the 2006-07 biennium.

Any fees collected under Government Code Sec. 111.062 added by Senate Bill 6 or similar legislation by the Seventy-ninth Legislature, Regular Session, and deposited to the Guardianship Certification Account in the General Revenue fund are appropriated to the Office of Court Administration for the administration of this chapter (estimated to be $20,000 for the 2006–07 biennium).

Sec. 14.23. **Contingency Appropriation for Senate Bill 24.** Contingent upon the enactment of Senate Bill 24 or similar legislation relating to the creation of a donor education, awareness, and registry program and the establishment of an organ donor and tissue council and anatomical gift donation by the Seventy-ninth Legislature, Regular Session:

(a) The Department of State Health Services (DSHS) is hereby appropriated revenue generated from additional fees collected under the provisions of the bill for the purpose of implementing and administering the Donor Education, Awareness, and Registry Program and the Texas Organ, Tissue, and Eye Donor Council (estimated to be $414,720 in General Revenue in each fiscal year of the 2006–07 biennium); and

(b) The Department of Transportation is hereby appropriated the funds deposited to the State Highway Fund, under the provisions of the bill, to Strategy D.1.3, Registration and Titling, for initial costs incurred by the agency to implement the provisions of the bill (estimated to be $451,200 in State Highway Funds for the 2006–07 biennium). Any unexpended balances remaining as of August 31, 2006 in the appropriation made pursuant to this rider are hereby appropriated for the fiscal year beginning September 1, 2006. It is the intent of the Legislature that not more than 25 percent of the revenue generated under the provisions of the bill, may be deposited in the State Highway Fund for this purpose.

In no event shall the amount appropriated herein exceed the amount of additional revenue generated pursuant to Senate Bill 24.

Sec. 14.24. **Contingency for Senate Bill 40.** Contingent upon enactment of Senate Bill 40 by the Seventy-ninth Legislature, Regular Session, or other similar legislation relating to permanency planning procedures for children residing in state institutions, out of funds appropriated to the Department of Aging and Disability Services, the department shall allocate $164,096 in General Revenue Funds for

fiscal year 2006 and $176,852 in General Revenue Funds for fiscal year 2007 to implement provisions of the bill.

Sec. 14.25. **Contingency Appropriation for Senate Bill 46.** Contingent upon enactment of Senate Bill 46 or similar legislation relating to the consolidation of recipient identification and benefits issuance by the Seventy-ninth Legislature, Regular Session, the Health and Human Services Commission shall expend out of appropriated funds an amount not to exceed $10,000,000 for the biennium in General Revenue to implement the provisions of the bill.

Sec. 14.26. **Contingency for Senate Bill 52.** Contingent upon enactment of Senate Bill 52 by the Seventy-ninth Legislature, Regular Session, or other similar legislation relating to competitive grant programs for aging and disability services, out of funds appropriated to the Department of Aging and Disability Services, the department shall allocate $75,000 in General Revenue Funds, $150,000 in All Funds for fiscal year 2006 and $75,000 in General Revenue Funds, and $150,000 in All Funds for fiscal year 2007 to implement provisions of the bill.

Sec. 14.27. **Health and Human Services.** Notwithstanding other provisions of this Act, the salary of the Commissioner of Health and Human Services shall be $200,000 per year.

Sec. 14.28. **Construction of Snyder Office.** Contingent on the donation of land, the Department of Public Safety is appropriated $1,180,085 in State Highway Funds in fiscal year 2006 in Strategy F.1.6, Physical Plant, for construction of a Snyder Office.

Sec. 14.29. **The University of Texas Health Science Center at San Antonio.** In addition to funds appropriated elsewhere in this Act, The University of Texas Health Science Center at San Antonio is appropriated $1.5 million in general revenue funds for fiscal year 2006 and $1.5 million in general funds fiscal year 2007 to allocated to Strategy E.1.3, Laredo Extension Campus.

Sec. 14.30. **Funding for the Abilene Campus at Cisco Junior College.** In addition to the funds appropriated elsewhere in this Act for Cisco Junior College, $216,500 in General Revenue is hereby appropriated to Strategy I.1.1, Academic Education, Cisco Junior College in fiscal year 2006 to fund contact hour growth associated with the new campus at Abilene.

Sec. 14.31. **Texas Museum of Music History.** Notwithstanding any other provisions in this Act it is the intent of the Legislature that $10 million in federal Transportation Enhancement Program funds administered by the Texas Department of Transportation be made available during the biennium for whichever entity is designated as the official Texas museum of music history by the Trusteed Programs within the Office of the Governor. The Texas Department of Transportation shall make available during the biennium $10 million in federal Transportation Enhancement Program funds administered by the department for the designated entity provided that such entity's project meets federal funding requirements of the Transportation Enhancement Program as defined by federal regulations of the U.S. Department of Transportation, Federal Highway Administration under Title 23 of the United States Code. The Texas Department of Transportation will review the Texas museum of music history project to determine if it meets the federal Transportation Enhancement Program guidelines in Title 23 of the United States Code. It is the intent of the Legislature that funds appropriated above would cover allowed costs of administering the Texas museum of music history project.

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Texas museum of music history under the Transportation Enhancement Program to other available projects should the project fail to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

Sec. 14.32. **Railroad Commission.** Increase the appropriations to the Railroad Commission out of the General Revenue Fund by $1,180,011 in each fiscal year of the 2006–07 biennium and $107,572 out of the General Revenue–Dedicated Alternative Fuels Research and Education Account No. 101 in each fiscal year of the 2006–07 biennium for the Oil and Gas Migration capital project, Oil and Gas Monitoring and Inspections (including 9.5 full-time equivalents per fiscal year), Pipeline and LP Gas Safety, and LP Gas Usage.

Sec. 14.33. **Umbilical Cord Blood Bank.** Out of funds appropriated above to the Health and Human Services Commission for fiscal year 2006, $1,000,000 in General Revenue is allocated for an unrelated donor umbilical cord blood bank, subject to the following limitations:

(a) The entity awarded a grant or contract by the Health and Human Services Commission shall provide local matching funds in an amount equal to funding provided by the Commission. The Comptroller shall certify that an appropriate amount of local matching funds have been made available prior to releasing state funding; and

(b) Any unexpended balances of these funds remaining as of August 31, 2006, are appropriated to the Health and Human Services Commission for the fiscal year beginning September 1, 2006 for the same purpose.

Sec. 14.34. **Reagan Building Project.** Included in amounts appropriated to the Texas Building and Procurement Commission in Strategy C.2.1, Facilities Operation, out of General Obligation Bond proceeds, $3.0 million shall be used for completion of renovations to the John H. Reagan Building and other projects authorized under law.

Sec. 14.35. **Contingency Appropriation for General Revenue–Dedicated Coastal Protection Account No. 027.** Contingent upon: a) the passage of legislation modifying the limitation on the use of the funds in the General Revenue–Dedicated Coastal Protection Account No. 027 by the Seventy-ninth Legislature, Regular Session, and b) the Comptroller of Public Accounts certifying revenue to the General Revenue–Dedicated Coastal Protection Account No. 027 of at least $40,784,477 for the 2006–07 biennium, $8,911,030 in General Revenue–Dedicated Coastal Protection Account No. 027 in fiscal year 2006 and $5,692,057 in General Revenue–Dedicated Coastal Protection Account No. 027 in fiscal year 2007 is appropriated for coastal erosion control projects and activities in Strategy A.1.1, Coastal Erosion Grants.

In addition, contingent on the passage of this legislation, the number of full-time-equivalent (FTE) positions authorized for the General Land Office and Veterans' Land Board is increased by 38 FTEs (26.0 FTEs per fiscal year in Strategy B.1.1, Coastal Management, and 12.0 FTEs per fiscal year in Strategy B.1.2, Coastal Erosion) for the purpose of implementing projects and activities funded by the appropriations made in this section.

In addition, contingent on the passage of legislation, the General Land Office is hereby authorized to transfer, in addition to appropriation transfers authorized elsewhere in this Act for the Coastal Protection Account No. 027, an additional 10 percent of appropriations made out of Coastal Protection Account No. 027 from the Trusteed Programs Within the General Land Office to Strategy B.1.1, Coastal Management, and Strategy B.1.2, Coastal Erosion, of the General Land Office and Veterans' Land Board.

Sec. 14.36. **School Readiness Models.** Out of federal funds appropriated to the Texas Workforce Commission in Strategies A.3.1, TANF Choices Child Care; A.3.2, Transitional Child Care; and A.3.3, At-risk Child Care, up to $50 million for the biennium shall be made available to child care providers participating in integrated school readiness models developed by the State Center for Early Childhood Development at the University of Texas Health Science Center. This initiative shall be implemented in a way to avoid any decline in the number of children receiving child care during the 2006–07 biennium.

Sec. 14.37. **Contingency Appropriation for Senate Bill 165.** Contingent upon the enactment of Senate Bill 165, or similar legislation relating to the regulation of private process servers, by the Seventy-ninth Legislature, Regular Session, the Department of Licensing and Regulation shall be appropriated in Strategy A.1.1, License, Register, and Certify, the amount of $210,079 in fiscal year 2006 and $198,079 in fiscal year 2007, and Strategy B.1.3, Resolve Complaints, the amounts of $112,325 in fiscal year 2006 and $105,125 in fiscal year 2007 out of General Revenue for the purpose of implementing that Act. Such appropriations are also contingent on the Department of Licensing and Regulation assessing fees sufficient to generate, during the 2006–07 biennium, $692,048 in excess of: (1) $14,592,000 (Object Codes 3146, 3147 and 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for 2006 and 2007, and (2) the $1,954,401 required to be raised in rider 11, Contingent Revenue, above in the Department of Licensing and Regulation's bill pattern. Also, the "Number of Full-time Equivalent Positions (FTE)" figure indicated above includes 3.5 FTEs in each fiscal year contingent upon the Department of Licensing and Regulation meeting the above revenue target. The

Department of Licensing and Regulation, upon completion of necessary actions to assess or increase such additional fees, shall furnish copies of board minutes and other information supporting the estimated revenues to be generated for the 2006–07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

Sec. 14.38. **Contingency Appropriation for a Judicial Salary Increase.**

(a) Contingent on passage of Senate Bill 368 or similar legislation by the Seventy-ninth Legislature relating to compensation of state judges, and the Comptroller of Public Accounts issuing a finding of fact certifying additional revenue collections from fees, fines, and court costs during the 2006–07 biennium that exceed the Comptroller of Public Accounts Biennial Revenue Estimate for these items by at least $22,596,639 in fiscal year 2006 and $23,665,289 in fiscal year 2007, the Comptroller of Public Accounts is hereby appropriated an amount estimated to be to $39,542,928 out of the Judicial Fund No. 573 and $6,719,000 out of the General Revenue Fund to fund a salary increase described in Subsection (b) of this section and related benefits costs for state judges and other court personnel linked to the salary of state judges in the Government Code, and to fund the creation of new district courts as described in Subsection (k) of this section.

(b) As used in this section, "salary increase" shall mean an increase in annual salary for state judges to begin on September 1, 2005 and September 1, 2006, or on another date, contingent on passage of Senate Bill 368 or similar legislation by the Seventy-ninth Legislature relating to compensation of state judges.

(c) Any increase in employee benefits costs associated with the salary increase as described above shall be paid only out of the appropriations made above in Subsection (a), including $6,679,000 out of the General Revenue Fund for the purposes of funding the increased costs to the Judicial Retirement System – Plan I.

(d) Provisions requiring salaries and benefits to be proportional to the source of funds shall apply to all sums allocated under this section, except as otherwise provided. Each court or agency shall pay the increase in compensation from funds held in the state treasury and from local funds in the same proportion as the employee's regular compensation.

(e) The Comptroller of Public Accounts shall promulgate rules and regulations as necessary to administer this section. Funds appropriated in this section shall be allocated to each court or agency, and to the appropriate employee benefit appropriation items, in accordance with such rules and regulations and may be used only for the purpose of providing a salary increase and paying associated employee benefit costs.

(f) This section does not authorize an increase of exempt salary rates above the rates provided in Senate Bill 368 or similar legislation by the Seventy-ninth Legislature relating to compensation of state judges.

(g) Contingent on passage of Senate Bill 368 or similar legislation by the Seventy-ninth Legislature relating to compensation of state judges, the Comptroller shall increase appropriations out of the Judicial Fund No. 573 and decrease appropriations out of the General Revenue Fund by $3,054,000 in fiscal year 2006 and by $3,665,000 for Strategy D.1.1, District Judges, out of funds appropriated elsewhere in this Act to the Judiciary Section, Comptroller's Department.

(h) Contingent on passage of Senate Bill 368 or similar legislation by the Seventy-ninth Legislature relating to compensation of state judges that redirects payments for salary supplements for local administrative judges from Government Code § 659.0125 to Government Code § 659.012(d), the description for Strategy A.1.4, Local Administrative Judge Supplement in the bill pattern for the Judiciary Section, Comptroller's Department is replaced with the following description: Per Government Code § 659.012(d).

(i) Included in amounts appropriated above in Subsection (a) is $20,000 out of the General Revenue Fund for each fiscal year for the purposes of funding $5,000 salary supplements to additional judges eligible for such supplements under Government Code § 659.012(d).

(j) Contingent on passage of Senate Bill 368 or similar legislation by the Seventy-ninth Legislature relating to compensation of state judges that increases the state salary supplement paid to certain constitutional county judges under Government Code, 26.006(a) the name and description for Strategy C.1.1, Constitutional County Judge General Revenue Supplement in the bill pattern for the Judiciary Section, Comptroller's Department is replaced with the following name and description: Constitutional County Judge General Revenue and Judicial Fund No. 573 Supplement: Salary supplement per Gov. Code 26.006. Estimated.

(k) Contingent on passage of Senate Bill 368 or similar legislation by the Seventy-ninth Legislature relating to compensation of state judges and contingent on passage of Senate Bill 1189 or similar legislation by the Seventy-ninth Legislature, Regular Session, included in amounts appropriated above in Section (a) is an amount estimated to be $475,125 in fiscal year 2006 and estimated to be $932,775 in fiscal year 2007 out of the Judicial Fund No. 573 to the Judiciary Section, Comptroller's Department for additional district courts created effective on or after September 1, 2005. Also contingent on passage of Senate Bill 1189 or similar legislation the "Number of Full-Time-Equivalent Positions (FTE)" for the Judiciary Section, Comptroller's Department is hereby increased by 5.0 FTEs in fiscal year 2006 and 12.0 FTEs in fiscal year 2007 for the new district courts (estimated to be 12.0 FTEs).

Sec. 14.39. **Contingency Appropriation for Senate Bill 410.**

(a) Contingent upon the enactment of Senate Bill 410, or similar legislation relating to the continuation and functions of the Texas State Board of Pharmacy, by the Seventy-ninth Legislature, Regular Session, the Board of Pharmacy shall be appropriated in Strategy A.1.1, Licensing, the amount of $29,754 in fiscal year 2006 and $6,100 in fiscal year 2007, and Strategy B.1.1, Enforcement, the amounts of $175,775 in fiscal year 2006 and $150,782 in fiscal year 2007 out of General Revenue for the purpose of implementing that Act. Such appropriations are also contingent on the Board of Pharmacy assessing fees sufficient to generate, during the 2006–07 biennium, $431,539 in excess of: (1) $8,272,000 (Object Code 3562), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for 2006 and 2007, and (2) the $242,037 required to be raised in rider 2, Contingent Revenue, above in the Board of Pharmacy's bill pattern. Also, the "Number of Full-time Equivalent Positions (FTE)" indicated in the Board of Pharmacy's bill pattern shall be increased by 3.0 FTEs in each fiscal year contingent upon the Board of Pharmacy meeting the above revenue target. The Board of Pharmacy, upon completion of necessary actions to assess or increase such additional fees, shall furnish copies of board minutes and other information supporting the estimated revenues to be generated for the 2006–07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

(b) Also, contingent upon the enactment of Senate Bill 410 or similar legislation by the Seventy-ninth Legislature, Regular Session, abolishing the General Revenue–Dedicated – Pharmacy Board Operating Account No. 523 and directly or indirectly providing for the deposit of revenue collected by the Board of Pharmacy to the undedicated portion of the General Revenue Fund, money appropriated to the Board of Pharmacy during the state fiscal biennium beginning September 1, 2005, is appropriated out of the General Revenue Fund.

Sec. 14.40. **Contingent on Senate Bill 411.** Contingent upon the enactment of Senate Bill 411, or similar legislation by the Seventy-ninth Legislature, Regular Session, relating to the regulation of barbers and cosmetologists by the Texas Department of Licensing and Regulation and the abolition of the State Board of Barber Examiners and the Texas Cosmetology Commission, in the Texas Department of Licensing and Regulation's bill pattern by decreasing $239,099 in fiscal year 2006 and $238,458 in fiscal year 2007 from General Revenue from Strategy D.2.1, Cosmetology Enforcement and decrease $85,901 in fiscal year 2006 and $86,542 in fiscal year 2007 from General Revenue from Strategy F.1.1, Barbers Investigations.

Sec. 14.41. **Contingency Appropriation for Senate Bill 419.** Contingent upon the enactment of Senate Bill 419, or similar legislation relating to the continuation and functions of the Texas State Board of Medical Examiners, by the Seventy-ninth Legislature, Regular Session, the Board of Medical Examiners shall be appropriated in Strategy B.1.1, Enforcement, the amounts of $213,992 in fiscal year 2006 and $212,072 in fiscal year 2007 out of General Revenue in the Board of Medical Examiners bill pattern for the purpose of implementing that Act. Such appropriations are also contingent on the Board of Medical Examiners assessing fees sufficient to generate, during the 2006–07 biennium, $426,064 in excess of $28,642,000, (Object Codes 3560, 3562 and 3572), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for 2006 and 2007. The Board of Medical Examiners, upon completion of necessary actions to assess or increase such additional fees, shall furnish copies of board minutes and other information supporting the estimated revenues to be generated for the 2006–07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

Sec. 14.42. **Contingency Appropriation for Senate Bill 696.** Contingent on the enactment of Senate Bill 696 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to the testing and examination fee requirements for certain provisional license holders, the Department of Public Safety is appropriated an amount not to exceed $131,836 in fiscal year 2006 and $125,722 in fiscal year 2007 in Strategy B.1.1, Driver License and Records, from the General Revenue Fund. In no event shall the amount appropriated by this provision exceed the amount of additional revenue generated pursuant to Senate Bill 696.

Sec. 14.43. **Contingency for Senate Bill 727.** Contingent upon enactment of Senate Bill 727 or similar legislation authorizing the transfer of administration of the Public Information Act from the Texas Building and Procurement Commission to the Office of the Attorney General:

(a) the appropriations to the Texas Building and Procurement Commission are hereby reduced by $46,000 in General Revenue and 0.75 full-time equivalents (FTEs) in Strategy E.1.3, Other Support Services, in each fiscal year of the biennium; and

(b) appropriations to the Office of the Attorney General are hereby increased by $46,000 in General Revenue and 0.75 full-time equivalents (FTEs) in Strategy A.1.1, Legal Services, in each fiscal year of the biennium.

Sec. 14.44. **Contingency Appropriation for Senate Bill 785: Regulation of Quarries.** In addition to amounts appropriated elsewhere in this Act and contingent upon passage of Senate Bill 785, or similar legislation requiring quarries to obtain permits from the Texas Commission on Environmental Quality (TCEQ), there is hereby appropriated to the TCEQ out of the Clean Air Account No. 151 an amount not to exceed $250,000 in fiscal year 2006 and $220,471 in fiscal year 2007 in fee revenues from quarry permit fees. These funds shall be used to administer the quarry permitting program established through the legislation.

Sec. 14.45. **Contingency Appropriation for Senate Bill 1112.** Contingent upon the enactment of Senate Bill 1112, or similar legislation relating to debt management services: providing a penalty, by the Seventy-ninth Legislature, Regular Session, the Office of Consumer Credit Commissioner shall be appropriated in Strategy B.1.1, Examination and Enforcement, the amounts of $66,400 in fiscal year 2006 and $61,900 in fiscal year 2007 and in Strategy B.2.1, Licensing Investigation, the amounts of $14,000 in fiscal year 2006 and $14,000 in fiscal year 2007 out of General Revenue in the Office of Consumer Credit Commissioner's bill pattern for the purpose of regulating Consumer Debt Management Service providers. Such appropriations are also contingent on the Office of Consumer Credit Commissioner assessing fees sufficient to generate, during the 2006–07 biennium, $187,538 in excess of: (1) $6,792,000 (Object Codes 3172,3174, and 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007, and (2) the $454,462 required to be raised in Rider 5, Contingent Revenue, above in the Office of Consumer Credit Commissioner's bill pattern. The Office of Consumer Credit Commissioner, upon completion of necessary actions to assess or increase such additional fees, shall furnish copies of board minutes and other information supporting the estimated revenues to be generated for the 2006–07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the

projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes. In no event shall the amount expended by this provision exceed the amount of additional revenue generated pursuant to Senate Bill 1112.

Sec. 14.46. **Contingency Appropriation for Senate Bill 1143.** Contingent upon the enactment of Senate Bill 1143, or similar legislation relating to a loan secured by personal property with limited recourse against the borrower, by the Seventy-ninth Legislature, Regular Session, the Office of Consumer Credit Commissioner shall be appropriated in Strategy B.1.1, Examination and Enforcement, the amounts of $180,500 in fiscal year 2006 and $170,500 in fiscal year 2007 and in Strategy B.2.1, Licensing Investigation, the amounts of $27,000 in fiscal year 2006 and $27,000 in fiscal year 2007 out of General Revenue in the Office of Consumer Credit Commissioner's bill pattern for the purpose of regulating limited recourse secured loan lenders. Such appropriations are also contingent on the Office of Consumer Credit Commissioner assessing fees sufficient to generate, during the 2006–07 biennium, $483,812 in excess of: (1) $6,792,000 (Object Codes 3172,3174, and 3175), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2006 and 2007, and (2) the $454,462 required to be raised in Rider 5, Contingent Revenue, above in the Office of Consumer Credit Commissioner's bill pattern. The Office of Consumer Credit Commissioner, upon completion of necessary actions to assess or increase such additional fees, shall furnish copies of board minutes and other information supporting the estimated revenues to be generated for the 2006–07 biennium under the revised fee structure to the Comptroller of Public Accounts. If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes. In no event shall the amount expended by this provision exceed the amount of additional revenue generated pursuant to Senate Bill 1143.

Sec. 14.47. **Contingency for Senate Bill 1239.** Contingent on the passage of Senate Bill 1239 or similar legislation relating to a risk assessment program for Type 2 diabetes and the creation of the Type 2 Diabetes Risk Assessment Program Advisory Committee, by the Seventy-ninth Legislature, Regular Session, the appropriation made above for the University of Texas at Pan American in Strategy C.2.6, Texas/Mexico Border Health, is transferred to the Department of State Health Services in Strategy A.3.1, Cardiovascular Disease, Diabetes and Injury Prevention, in the amount of $290,938 in General Revenue in each fiscal year of the 2006–07 biennium for the purpose of implementing the provisions of the legislation.

Sec. 14.48. **Contingency Appropriation for Senate Bill 1311.** Contingent on passage of Senate Bill 1311, or similar legislation relating to the establishment of an off-highway vehicle trail and recreational area program, by the Seventy-ninth Legislature, Regular Session, the Texas Parks and Wildlife Department is appropriated $200,000 in fiscal year 2006 and $160,000 in fiscal year 2007 out of the Off-Highway Vehicle Trail and Recreational Area Account in Strategy B.2.2, Boating Access and Other Grants, for the purpose of providing a state match to federal funds available for off-highway recreational program development.

Sec. 14.49. **Contingency Appropriation for Senate Bill 1370.** Contingent upon the passage of Senate Bill 1370 or similar legislation by the Seventy-ninth Legislature, Regular Session:

(a) The Texas Cooperative Extension is appropriated out of the General Revenue Fund $50,000 each fiscal year to be used in Strategy C.1.1, Economic Competitiveness for extension viticulture operations;

(b) The Texas Agricultural Experiment Station is appropriated out of the General Revenue Fund $50,000 each fiscal year to be used in Strategy A.1.1, Agricultural/Life Sciences Research for viticulture research;

(c) Texas Tech University is appropriated out of the General Revenue Fund $65,000 each fiscal year to be used in Strategy C.2.3, Emerging Technologies Research for the Texas Wine Marketing Research Institute;

(d) The Texas Department of Agriculture is appropriated out of the General Revenue Fund $280,000 each fiscal year to be used in Strategy A.1.1, Generate Marketing Opportunities for distribution to institutions of higher education for enology research and an additional $3,100,000 to be

deposited in the general revenue fund to the credit of the wine industry development fund to support the development of the wine industry and increase the economic impact of the wine industry on the state;

(e) Public Community/Junior Colleges is appropriated $50,000 out of the General Revenue Fund each fiscal year to be used in Strategy S.1.2, Vocational/Technical Education to fund the T.V. Munson Viticulture and Enology Center at Grayson Community College; and

These appropriations are contingent upon a finding of fact by the Comptroller that the revenue generated by wine excise tax and sales tax from winery permit holders and holders of out-of-state winery shippers' permits exceeds the Comptroller's Biennial Revenue Estimate by $4,000,000 for the biennium. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Comptroller of Public Accounts shall reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

Sec. 14.50. **Contingency Appropriation for Senate Bill 1581.** Contingent upon enactment of Senate Bill 1581, or similar legislation relating to the creation of a state pharmacy assistance program by the Seventy-ninth Legislature, Regular Session, and contingent upon receiving the necessary designation for a state pharmacy assistance program for individuals receiving community mental health services, the Department of State Health Services' appropriation is reduced by $15,971,248 for the biennium in General Revenue. Contingent upon enactment of Senate Bill 1581 and contingent upon receiving the necessary designation for a state pharmacy assistance program for individuals receiving Primary Health Care services, the Department of State Health Services' appropriation is reduced by $192,356 for the biennium in General Revenue. Contingent upon enactment of Senate Bill 1581 and the designation of a state pharmacy assistance program, the Health and Human Services Commission is appropriated $4,300,000 for the biennium in General Revenue to implement the provisions of the legislation. The Comptroller of Public of Accounts shall not implement the reductions or increases to appropriations authorized under this provision until the Health and Human Services Commission certifies to the Legislative Budget Board, Governor, and the Comptroller of Public Accounts that such designation is secured.

Sec. 14.51. **Contingency Appropriation for Senate Bill 1667: Transfer of Radioactive Waste Regulation.** Contingent upon passage of Senate Bill 1667, or similar legislation relating to the transfer of radioactive waste regulation from the Department of State Health Services to the Texas Commission on Environmental Quality (TCEQ), or similar legislation by the Seventy-ninth Legislature, Regular Session, all powers, duties, obligations, rights, contracts, records, property, equipment, personnel, and funds appropriated to the Department of State Health Services (DSHS) for the regulation of the commercial storage and processing and the disposal of radioactive waste, except those related to the regulation of oil and gas naturally occurring radioactive material (NORM) waste, are hereby transferred to the TCEQ, including $447,608 out of the General Revenue Fund in each fiscal year of the biennium and 8 Full-Time Equivalents (FTE). The TCEQ shall use this appropriation to regulate radioactive waste pursuant to Health and Safety Code, Chapter 401.

In addition, there is hereby appropriated to the TCEQ fee revenues deposited to the credit of the General Revenue Account No. 0001, Object Code 3589, pursuant to the passage of legislation, $1,181,156 in fiscal year 2006 and $1,064,656 in fiscal year 2007. The "Number of Full-Time Equivalents (FTE)" figure for the TCEQ indicated herein is hereby increased by 8 for each fiscal year of the biennium beginning September 1, 2005.

The Legislative Budget Board is hereby authorized to resolve any disputes concerning the transfer of appropriations and FTEs from the DSHS to the TCEQ.

Sec. 14.52. **Contingency Appropriation for Senate Bill 1670.** Contingent upon the enactment of Senate Bill 1670 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to a motor vehicle financial responsibility verification program, the Department of Transportation shall be appropriated $5,955,987 in fiscal year 2006 and $1,946,781 in fiscal year 2007 out of State Highway Fund No. 006 for the implementation of a motor vehicle financial responsibility verification program.

Sec. 14.53. **Contingency Appropriation for Senate Bill 1704.** Contingent on passage of Senate Bill 1704, or similar legislation relating to juror pay by the Seventy-ninth Legislature, Regular Session, the

Comptroller of Public Accounts is appropriated an amount estimated to be $7,423,000 in fiscal year 2006 and an amount estimated to be $12,981,000 in fiscal year 2007 out of the Judicial Fund No. 573 for the purposes of implementing the provisions of the legislation. Any amounts deposited to the credit of Judicial Fund No. 573 in excess of estimated amounts for juror pay are hereby appropriated to the Comptroller for the same purpose. Any unexpended balances of these funds remaining as of August 31, 2006 are hereby appropriated to the Comptroller for the fiscal year beginning September 1, 2006 for the same purpose.

Sec. 14.54. **Contingency Appropriation for Senate Bill 1685.** Contingent upon the enactment of Senate Bill 1685 or similar legislation relating to the licensing and regulation of wholesale drug distributors by the Seventy-ninth Legislature, Regular Session, the Department of State Health Services is appropriated revenue not to exceed $92,640 in fiscal year 2006 and $101,726 in fiscal year 2007 from the collection of fees deposited to General Revenue–Dedicated Account 5024 above amounts identified in the Comptroller of Public Accounts' Biennial Revenue Estimate. In no event shall the amount expended by this provision exceed the amount of additional revenue generated pursuant to Senate Bill 1685.

Sec. 14.55. **Health Care Facilities.** In addition to funds appropriated elsewhere in this Act for the use of the Department of State Health Services, for fiscal year 2006, Strategy D.1.5., Health Care Facilities, the Department is hereby appropriated $13.5 million from the General Revenue Fund, to be allocated by use of an interagency agreement to health care related facilities in Midland to be operated by the Texas Tech University Health Sciences Center for an OB-GYN Medical Residency Program and a Physician's Assistant Program. The appropriated funds shall be expended in accordance with contractual agreements between the Department and the Texas Tech University Health Sciences Center.

Sec. 14.56. **Debt Collections.** Contingent upon the enactment of House Bill 2233, or similar legislation by the Seventy-ninth Legislature, Regular Session, and to the extent that an agency contracts with one or more persons to collect delinquent or past due obligations in accordance with Section 2107.003, Government Code, as amended, all sums necessary to pay any contract costs to the person or persons under contract and any court costs collected to the court entitled to the court costs are hereby appropriated to the agency from the collection proceeds. The balance of the proceeds shall be transferred to the General Revenue Fund or to any dedicated or special funds or accounts to which the collection proceeds may belong and are not appropriated for use by the agency.

Sec. 14.57. **Appropriation from General Revenue–Dedicated Account and Funds Consolidation.** If funds appropriated under this Act from a General Revenue–Dedicated Account should be unavailable because of the funds consolidation process, then the appropriation made under this Act shall be considered to have been made from the General Revenue Fund.

Sec. 14.58. **Contingency Appropriation for House Bill 2223.** Contingent on the enactment of House Bill 2223 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to the making of a notation on a forged check by a financial institution, the Savings and Loan Department shall be appropriated any revenue from fees collected as a result of the implementation of that Act that are in excess of the amounts included in the Comptroller's Biennial Revenue Estimate for the 2006–07 biennium that may be used for the purposes of the legislation. In no event shall the amount appropriated by this provision exceed the amount of additional revenue generated pursuant to House Bill 2223.

Sec. 14.59. **Contingency Appropriation for Senate Bill 1850.** Contingent on the enactment of Senate Bill 1850 by the Seventy-ninth Legislature, Regular Session, or similar legislation relating to the regulation of certain businesses that sell beer or wine in certain counties, the Alcoholic Beverage Commission is appropriated an amount not to exceed $173,194 in fiscal year 2006 and $129,994 in fiscal year 2007 from the General Revenue Fund. In no event shall the amount appropriated by this provision exceed the amount of additional revenue generated pursuant to Senate Bill 1850.

Sec. 14.60. **Legislative Intent on Public School Funding.** Contingent on the passage of House Bill 2, it is the intent of the Legislature that appropriations made in this Act and in House Bill 10 will be sufficient to increase funding to public schools by $3 billion over and above the cost of enrollment growth.

Sec. 14.61. **Contingency for House Bill 2329.** Contingent upon enactment of House Bill 2329 or similar legislation relating to authorization for issuance of tuition revenue bonds, there is hereby appropriated $108,000,000 in general revenue for the 2006–07 biennium for the purpose of paying debt service on the bonds authorized in the legislation. The debt service appropriations shall be transferred to affected institutions of higher education based on a plan developed by the Higher Education Coordinating Board and approved by the Legislative Budget Board.

RECAPITULATION - ARTICLE IX
GENERAL PROVISIONS
(General Revenue)

	For the Years Ending August 31, 2006	August 31, 2007
Discontinue Longevity Pay for Return to Work Retirees	(2,873,524)	(3,099,975)
Discontinue Benefit Replacement Pay for Return to Work Retirees	(2,368,443)	(2,555,090)
Allow Employees to Opt out of State Health Coverage	(2,387,823)	(2,387,823)
Contingency Appropriation for Senate Bill 978	3,055,088	3,159,868
Appropriation for Schedule C Pay Raises and Stipends	3,207,537	3,207,537
Salary Increase for State Employees	132,695,795	217,304,205
Expenditures for Commercial Air Travel	(3,997,358)	(3,997,358)
Contingency for Senate Bill 1227	3,000,000	0
Contingency Appropriation for House Bill 3540	(5,626,901)	(11,934,280)
Contingency Appropriation for Senate Bill 411	(325,000)	(325,000)
Contingency Appropriation for Senate Bill 1581	(5,281,802)	(6,581,802)
Appropriations for Various Agencies	2,896,511	2,680,011
Health Care Facilities	13,500,000	0
TOTAL, ARTICLE IX - GENERAL PROVISIONS	$ 135,494,080	$ 195,470,293

RECAPITULATION - ARTICLE IX
GENERAL PROVISIONS
(General Revenue - Dedicated)

	For the Years Ending August 31, 2006	August 31, 2007
Discontinue Longevity Pay for Return to Work Retirees	(302,476)	(326,313)
Discontinue Benefit Replacement Pay for Return to Work Retirees	(249,310)	(268,957)
Allow Employees to Opt out of State Health Coverage	(251,350)	(251,350)
Appropriation for Schedule C Pay Raises and Stipends	4,802,583	4,802,583
Salary Increase for State Employees	11,386,768	18,613,232
Appropriations for Various Agencies	107,572	107,572
TOTAL, ARTICLE IX - GENERAL PROVISIONS	$ 15,493,787	$ 22,676,767

RECAPITULATION - ARTICLE IX
GENERAL PROVISIONS
(Federal Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Discontinue Longevity Pay for Return to Work Retirees	(1,008,254)	(1,087,711)
Discontinue Benefit Replacement Pay for Return to Work Retirees	(831,032)	(896,523)
Allow Employees to Opt out of State Health Coverage	(837,833)	(837,833)
Appropriation for Schedule C Pay Raises and Stipends	1,484,304	1,484,304
Salary Increase for State Employees	42,850,301	69,649,699
Contingency Appropriation for House Bill 3540	(8,682,720)	(18,256,157)
TOTAL, ARTICLE IX - GENERAL PROVISIONS	$ 32,974,766	$ 50,055,779

RECAPITULATION - ARTICLE IX
GENERAL PROVISIONS
(Other Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Discontinue Longevity Pay for Return to Work Retirees	(857,016)	(924,554)
Discontinue Benefit Replacement Pay for Return to Work Retirees	(706,378)	(762,044)
Allow Employees to Opt out of State Health Coverage	(712,158)	(712,158)
Appropriation for Schedule C Pay Raises and Stipends	34,667,599	34,667,599
Salary Increase for State Employees	35,183,436	57,316,564
Contingency Appropriation for House Bill 2337	7,447,447	0
Appropriations for Various Agencies	1,180,085	0
Contingency Appropriation for Senate Bill 1670	5,955,987	1,946,781
Less Interagency Contracts	$ 0	$ 0
TOTAL, ARTICLE IX - GENERAL PROVISIONS	$ 82,159,002	$ 91,532,188

RECAPITULATION - ARTICLE IX
GENERAL PROVISIONS
(All Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Discontinue Longevity Pay for Return to Work Retirees	(5,041,270)	(5,438,553)
Discontinue Benefit Replacement Pay for Return to Work Retirees	(4,155,163)	(4,482,614)
Allow Employees to Opt out of State Health Coverage	(4,189,164)	(4,189,164)
Contingency Appropriation for Senate Bill 978	3,055,088	3,159,868
Appropriation for Schedule C Pay Raises and Stipends	44,162,023	44,162,023
Salary Increase for State Employees	222,116,300	362,883,700
Expenditures for Commercial Air Travel	(3,997,358)	(3,997,358)
Contingency for Senate Bill 1227	3,000,000	0
Contingency Appropriation for House Bill 3540	(14,309,621)	(30,190,437)
Contingency Appropriation for Senate Bill 411	(325,000)	(325,000)
Contingency Appropriation for Senate Bill 158	(5,281,802)	(6,581,802)
Contingency Appropriation for House Bill 2337	7,447,447	0
Appropriations for Various Agencies	4,184,168	2,787,583
Health Care Facilities	13,500,000	0
Contingency Appropriation for Senate Bill 1670	5,955,987	1,946,781
Less Interagency Contracts	$ 0	$ 0
TOTAL, ARTICLE IX - GENERAL PROVISIONS	$ 266,121,635	$ 359,735,027
Number of Full-Time-Equivalents (FTE)	(4,237.4)	(4,173.1)

ARTICLE X

THE LEGISLATURE

Sec. 1. The several sums of money herein specified, or so much thereby as may be necessary, are appropriated out of any funds in the State Treasury not otherwise appropriated, or out of special funds as indicated, for the support, maintenance, or improvement of the designated legislative agencies.

SENATE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 28,959,422	$ 32,928,938
Total, Method of Financing	$ 28,959,422	$ 32,928,938
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: SENATE		
A.1.1. Strategy: SENATE	$ 28,959,422	$ 32,928,938
Grand Total, SENATE	$ 28,959,422	$ 32,928,938
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,631,409	$ 1,664,037
Group Insurance	4,253,505	4,604,713
Social Security	2,170,980	2,214,400
Benefits Replacement	194,987	185,238
Subtotal, Employee Benefits	$ 8,250,881	$ 8,668,388
Debt Service		
Lease Payments	$ 1,707,137	$ 1,649,982
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 9,958,018	$ 10,318,370

1. **Purposes for Which Appropriations May Be Expended.** Funds appropriated to the Senate may be expended for constitutionally authorized annual salaries for Members of the Senate and the Lieutenant Governor, per diem, other salaries and wages, consumable supplies and materials, current and recurring operating expenses, films, membership dues in any national or regional organization of legislative leaders, capital outlay, building repair and remodeling and other expenses of the Senate including interim expenses of the Seventy-ninth and Eightieth Legislatures as may be authorized by law or by resolution.

2. **Appropriation of Fees: Rental Space in Capitol Building.** The Texas Senate shall charge a reasonable fee for rental of space within the State Capitol Building under its control and authority. Any fees so collected are hereby appropriated for use by the Texas Senate during the biennium covered by this Act.

3. **Unexpended Balances.** Any unexpended balances as of August 31, 2005, in the appropriations made by the Legislature to the Senate are hereby appropriated to the Senate for the same purposes for the biennium beginning September 1, 2005.

HOUSE OF REPRESENTATIVES

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 28,002,788	$ 37,371,563
Total, Method of Financing	$ 28,002,788	$ 37,371,563
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: HOUSE OF REPRESENTATIVES		
A.1.1. Strategy: HOUSE OF REPRESENTATIVES	$ 28,002,788	$ 37,371,563
Grand Total, HOUSE OF REPRESENTATIVES	$ 28,002,788	$ 37,371,563
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,516,549	$ 1,546,880
Group Insurance	6,371,020	6,918,518
Social Security	2,032,355	2,073,002
Benefits Replacement	160,610	152,579
Subtotal, Employee Benefits	$ 10,080,534	$ 10,690,979
Debt Service		
Lease Payments	$ 2,741,403	$ 2,528,062
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 12,821,937	$ 13,219,041

1. **Purposes For Which Appropriations May Be Expended.** Funds appropriated to the House of Representatives may be expended for Constitutionally authorized annual salaries for Members of the House of Representatives, per diem, other salaries and wages, consumable supplies and materials, current and recurring operating expenses, films, membership dues in the National Conference of State Legislatures and in any national or regional organization of legislative leaders, capital outlay, building repair and remodeling, and other expenses for the House of Representatives, including interim expenses of the Seventy-ninth and Eightieth Legislatures as may be authorized by law or resolution.

2. **Appropriation of Fees: Rental Space in Capitol Building.** The House of Representatives shall charge a reasonable fee for rental of space within the State Capitol Building under its control and authority. Any fees so collected are hereby appropriated for use by the House during the biennium covered by this Act.

3. **Unexpended Balances.** Any unexpended balances as of August 31, 2005, in the appropriations made by the Legislature to the House of Representatives are hereby appropriated to the House of Representatives for the same purposes for the biennium beginning September 1, 2005.

4. **Transfer Authority.** Transfers in an amount determined by the Speaker of the House may be made from these balances for the purpose of funding Senate Bill No. 54, Acts of the Sixty-fifth Legislature, Regular Session.

5. **Unexpended Balances: Senate and House of Representatives.** Any unexpended balances as of August 31, 2006 in the appropriations made hereinabove to the Senate and the House of Representatives are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2006.

6. **Transfer and Appropriation to Legislative Budget Board Account.** Out of the appropriations made in this Article for the Senate or the House of Representatives, there may be transferred, upon the written approval of the Lieutenant Governor or the Speaker of the House, to an appropriations account for the Legislative Budget Board, such sums as may be deemed necessary but not to exceed an aggregate of $4,211,256 for the fiscal year beginning September 1, 2005 and $4,211,704 for the fiscal year beginning September 1, 2006, for maintaining the operations of said Legislative Budget Board. In addition to amounts identified elsewhere in this

provision, there is hereby appropriated to the Legislative Budget Board out of the General Revenue Fund a total of $18,619,789 for the 2006-07 biennium in lieu of prior and other interagency transfers, including:

a. $249,375 each fiscal year from the Texas Education Agency for school finance modeling;

b. $207,813 each fiscal year from the Texas Education Agency for the Educational Economic Policy Center;

c. $282,625 each fiscal year from the Health and Human Services Commission for the Federal Funds Analysis Unit;

d. $339,732 each fiscal year from the Texas Legislative Council for computer support;

e. $1,172,013 each fiscal year for other necessary expenses in carrying out the provisions of Chapter 322, Government Code;

f. $270,077 in fiscal year 2006 and $552,578 in fiscal year 2007 from unexpended balances;

g. $697,419 each fiscal year from the Department of Information Resources to evaluate and review information planning and information systems and strategic and biennial operating plans;

h. $3,541,328 each fiscal year from the Comptroller of Public Accounts to review the effectiveness and efficiency of the operations of school districts, public junior colleges and general academic teaching institutions; and

i. $2,408,262 each fiscal year from the Comptroller of Public Accounts to review the effectiveness and efficiency of the policies, management, fiscal affairs and operations of state agencies, and review the effectiveness and efficiency of the policies and management of a governmental committee or state agency involved in certain records management.

Such sums as may be transferred to an account for the Legislative Budget Board shall be budgeted by said Board pursuant to Chapter 322, Government Code, and any amendments thereto including the payment of travel expenses and registration fees incurred by Budget Board members or members of its staff in attending meetings on problems of federal-state relations, interstate problems, problems affecting state or local governments, and meetings sponsored by the Council of State Governments or any of its affiliated organizations, and contributions incident to membership in national or regional organizations of state governments.

7. Unexpended Balances: Legislative Budget Board.

a. Any unexpended balances as of August 31, 2005, in the appropriations made to the Legislative Budget Board for fiscal year 2005, are hereby appropriated to the Legislative Budget Board for the biennium beginning September 1, 2005.

b. Any unexpended balances as of August 31, 2006, in the appropriations made hereinabove to the Legislative Budget Board are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2006.

8. Texas School Performance Reviews. In view of the cost savings and efficiency measures accruing to school districts from School Performance Reviews, the Legislative Budget Board may enter into interlocal cost sharing agreements with school districts where districts requesting review will be responsible for up to 25 percent of the cost of such performance reviews. The Legislative Budget Board shall be solely responsible for the terms and conditions of the contracts and administration of the program. However, any such cost sharing contracts shall include the school as a third party. The financial responsibility of such schools shall be a direct obligation of the school to pay the vendor upon approval of the work product by the Legislative Budget Board.

9. Transfer to Sunset Advisory Commission Account and Unexpended Balances.

a. Out of the appropriations made in this Article for the Senate or the House of Representatives, there may be transferred upon the written approval of the Lieutenant Governor or the Speaker of the House, to an appropriations account for the Sunset

Advisory Commission such sums as may be deemed necessary but not to exceed an aggregate of $1,659,628 for the fiscal year beginning September 1, 2005, and $1,725,941 for the fiscal year beginning September 1, 2006, for maintaining the operations of the Commission. Any unexpended balances as of August 31, 2006, in the appropriations made hereinabove to the Sunset Advisory Commission are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2006.

b. Any unexpended balances as of August 31, 2005, in the appropriations made to the Sunset Advisory Commission for fiscal year 2005, are hereby appropriated to the Sunset Advisory Commission for the biennium beginning September 1, 2005.

LEGISLATIVE COUNCIL

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 32,487,839	$ 35,487,729
Total, Method of Financing	$ 32,487,839	$ 35,487,729
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: LEGISLATIVE COUNCIL		
A.1.1. Strategy: LEGISLATIVE COUNCIL	$ 32,487,839	$ 35,487,729
Grand Total, LEGISLATIVE COUNCIL	$ 32,487,839	$ 35,487,729
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 1,191,273	$ 1,215,099
Group Insurance	2,274,368	2,440,379
Social Security	1,513,497	1,543,766
Benefits Replacement	160,977	152,929
Subtotal, Employee Benefits	$ 5,140,115	$ 5,352,173
Debt Service		
Lease Payments	$ 2,963,821	$ 2,439,630
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 8,103,936	$ 7,791,803

1. **Purposes for Which Appropriations May Be Expended.** Funds appropriated to the Legislative Council may be expended for payment of salaries and other necessary expenses to carry out the council's statutory powers and duties (including those powers and duties provided by Chapters 301, 323, and 326, Government Code; §§ 531.203, 762.011, and 2053.004, Government Code; and § 276.008, Election Code) and to carry out responsibilities assigned pursuant to legislative resolution. Out of the funds appropriated above $1,000,000 each shall be transferred annually to the Senate and the House of Representatives for printing costs and $50,000 each shall be transferred annually for moving expenses.

2. **Unexpended Balances.** Any unexpended balances as of August 31, 2005 previously appropriated to the Legislative Council are hereby appropriated to the Council for the biennium beginning September 1, 2005 for the purposes stated in Rider provision 1 of the preceding appropriation to the Council.

   Any unexpended balances in the appropriations account of the Legislative Council as of August 31, 2006 are hereby appropriated to the Legislative Council for the fiscal year beginning September 1, 2006.

3. **Appropriation of Fees: Charges for Information Services.** In addition to other amounts appropriated, there is appropriated to the Legislative Council for the fiscal years beginning September 1, 2005 and September 1, 2006 any amounts received as charges under § 323.014(c), Government Code.

4. **Transfers to Legislative Agencies.** The Legislative Council may transfer amounts, as appropriate, to the Commission on Uniform State Laws and to other legislative agencies as determined by the Lieutenant Governor and the Speaker of the House.

COMMISSION ON UNIFORM STATE LAWS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 98,750	$ 112,064
Total, Method of Financing	$ 98,750	$ 112,064
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: COMMISSION ON UNIFORM STATE LAWS		
A.1.1. Strategy: COMMISSION ON UNIFORM STATE LAWS	$ 98,750	$ 112,064
Grand Total, COMMISSION ON UNIFORM STATE LAWS	$ 98,750	$ 112,064

1. **Purposes for Which Appropriations May Be Expended.** Funds appropriated to the Commission on Uniform State Laws may be expended for payment of the contribution by the State of Texas to the National Conference of Commissioners on Uniform State Laws and for payment of other necessary expenses of the commission in carrying out provisions of Chapter 415, Acts, Fifty-second Legislature, Regular Session, 1951, as amended by Chapter 735, Acts, Sixty-fifth Legislature, Regular Session, 1977, including the printing of the commission's report and travel expenses of members of the commission to attend annual meeting of the National Conference of Commissioner's on Uniform State Laws and travel to the state capitol on commission business.

2. **Unexpended Balances.** Any unexpended balances as of August 31, 2005 in the general appropriations made for the Commission on Uniform State Laws are hereby appropriated to the Commission on Uniform State Laws for the same purposes for the biennium beginning September 1, 2005.

   Any unexpended balances in the appropriations of the Commission on Uniform State Laws as of August 31, 2006 are hereby appropriated to the Commission on Uniform State Laws for the fiscal year beginning September 1, 2006.

STATE AUDITOR'S OFFICE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 11,746,832	$ 11,673,504
Other Funds		
Appropriated Receipts	1,800,000	1,800,000
Interagency Contracts	1,100,000	1,100,000
Subtotal, Other Funds	$ 2,900,000	$ 2,900,000
Total, Method of Financing	$ 14,646,832	$ 14,573,504
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: STATE AUDITOR		
A.1.1. Strategy: STATE AUDITOR	$ 14,646,832	$ 14,573,504
Grand Total, STATE AUDITOR'S OFFICE	$ 14,646,832	$ 14,573,504
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 733,821	$ 748,497
Group Insurance	1,360,396	1,465,832
Social Security	979,223	998,808
Benefits Replacement	94,508	89,782
Subtotal, Employee Benefits	$ 3,167,948	$ 3,302,919
Debt Service		
Lease Payments	$ 1,264,643	$ 982,842
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 4,432,591	$ 4,285,761

1. **Legislative Audit Committee Direction.** The sums appropriated for the State Auditor's Office are to be expended under the direction and subject to the control of the Legislative Audit Committee.

2. **Appropriation of Interagency Contracts.** All funds transferred to the State Auditor's Office (SAO) pursuant to interagency contracts for services provided by the SAO are hereby appropriated to the SAO during the fiscal year in which they are received and shall be used as provided by Government Code, Chapter 321.

3. **Appropriation of Appropriated Receipts.** All funds reimbursed to the State Auditor's Office (SAO) by governmental entities for the provision of services are hereby appropriated to the SAO during the fiscal year in which they are received and shall be used as provided by Government Code, Chapter 321.

4. **Unexpended Balances.** Any unexpended balance as of August 31, 2005, in amounts previously appropriated to the State Auditor from the General Revenue Fund is hereby appropriated to the State Auditor for the same purposes for the biennium beginning September 1, 2005.

   Any unexpended balance remaining in the appropriations of the State Auditor as of August 31, 2006, is hereby appropriated to the State Auditor for the same purposes for the fiscal year beginning September 1, 2006.

5. **Notification of State Auditor Reports.** The State Auditor shall provide copies of audit reports to the respective affected agencies and to the Legislative Audit Committee prior to public release of any audit or audit information.

LEGISLATIVE REFERENCE LIBRARY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 1,315,831	$ 1,404,850
Other Funds		
Appropriated Receipts	10,000	10,000
Interagency Contracts	5,000	5,000
Subtotal, Other Funds	$ 15,000	$ 15,000
Total, Method of Financing	$ 1,330,831	$ 1,419,850
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Items of Appropriation:		
A. Goal: LEGISLATIVE REFERENCE LIBRARY		
A.1.1. Strategy: LEGISLATIVE REFERENCE LIBRARY	$ 1,330,831	$ 1,419,850
Grand Total, LEGISLATIVE REFERENCE LIBRARY	$ 1,330,831	$ 1,419,850
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
Employee Benefits		
Retirement	$ 54,074	$ 55,156
Group Insurance	127,775	137,540
Social Security	70,048	71,449
Benefits Replacement	5,560	5,282
Subtotal, Employee Benefits	$ 257,457	$ 269,427
Debt Service		
Lease Payments	$ 182,263	$ 141,648
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	$ 439,720	$ 411,075

1. **Purposes for Which Appropriations May Be Expended.** Funds appropriated to the Legislative Reference Library may be expended for library administration and services, for salaries and wages, travel, consumable supplies and materials, current and recurring operating expenses, capital outlay, books and periodicals, and other necessary expenses to be expended under the direction of the Legislative Library Board.

2. **Unexpended Balances.** Any unexpended balances as of August 31, 2005, in the general appropriations made to the Legislative Reference Library are hereby appropriated for the biennium beginning September 1, 2005.

   Any unexpended balances as of August 31, 2006, in the appropriations made hereinabove to the Legislative Reference Library are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2006.

SPECIAL PROVISIONS RELATING TO THE LEGISLATURE

Sec. 2. (a) A provision of the General Provisions of this Act that restricts or limits the use or transfer of appropriated funds, or that imposes a duty or places a limitation or condition precedent on a state agency, applies to entities and appropriations under this Article only to the extent that the provision by its terms specifically and expressly applies to those entities or appropriations. A general reference to "funds appropriated by this Act" or similar words is not specific and express application for purposes of this section.

(b) Amounts appropriated under this Article may be transferred among entities covered by this Article in accordance with Chapter 326, Government Code.

Sec. 3. Authorization to Spend Unexpended Balances. Notwithstanding any other provision contained herein, a legislative agency may only spend prior year balances with the approval of its respective governing board.

RETIREMENT AND GROUP INSURANCE

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund, estimated	$ 20,228,667	$ 21,425,469
Total, Method of Financing	$ 20,228,667	$ 21,425,469
Items of Appropriation:		
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS Retirement Contributions. Estimated.	$ 5,511,660	$ 5,621,894
A.1.2. Strategy: GROUP INSURANCE Group Insurance. Estimated.	$ 14,717,007	$ 15,803,575
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	$ 20,228,667	$ 21,425,469
Grand Total, RETIREMENT AND GROUP INSURANCE	$ 20,228,667	$ 21,425,469

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund, estimated	$ 7,382,745	$ 7,487,235
Total, Method of Financing	$ 7,382,745	$ 7,487,235
Items of Appropriation:		
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT Comptroller - Social Security.		
A.1.1. Strategy: STATE MATCH – EMPLOYER State Match – Employer. Estimated.	$ 6,766,103	$ 6,901,425
A.1.2. Strategy: BENEFIT REPLACEMENT PAY Benefit Replacement Pay. Estimated.	$ 616,642	$ 585,810
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	$ 7,382,745	$ 7,487,235
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	$ 7,382,745	$ 7,487,235

LEASE PAYMENTS

	For the Years Ending August 31, 2006	August 31, 2007
Method of Financing:		
General Revenue Fund	$ 9,006,161	$ 7,923,715
Total, Method of Financing	$ 9,006,161	$ 7,923,715
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: LEASE PAYMENTS	$ 9,006,161	$ 7,923,715 & UB
To TBPC for Payment to TPFA.		
Grand Total, LEASE PAYMENTS	$ 9,006,161	$ 7,923,715

RECAPITULATION - ARTICLE X
THE LEGISLATURE
(General Revenue)

	For the Years Ending August 31, 2006	August 31, 2007
Senate	$ 28,959,422	$ 32,928,938
House of Representatives	28,002,788	37,371,563
Legislative Budget Board	9,168,644	9,451,145
Legislative Council	32,487,839	35,487,729
Commission on Uniform State Laws	98,750	112,064
State Auditor's Office	11,746,832	11,673,504
Legislative Reference Library	1,315,831	1,404,850
Subtotal, Legislature	$ 111,780,106	$ 128,429,793
Retirement and Group Insurance	20,228,667	21,425,469
Social Security and Benefit Replacement Pay	7,382,745	7,487,235
Lease Payments	9,006,161	7,923,715
Subtotal,	$ 36,617,573	$ 36,836,419
TOTAL, ARTICLE X - THE LEGISLATURE	$ 148,397,679	$ 165,266,212

RECAPITULATION - ARTICLE X
THE LEGISLATURE
(Other Funds)

	For the Years Ending August 31, 2006	August 31, 2007
State Auditor's Office	$ 2,900,000	$ 2,900,000
Legislative Reference Library	15,000	15,000
Subtotal, Legislature	$ 2,915,000	$ 2,915,000
Less Interagency Contracts	$ 1,105,000	$ 1,105,000
TOTAL, ARTICLE X - THE LEGISLATURE	$ 1,810,000	$ 1,810,000

RECAPITULATION - ARTICLE X
THE LEGISLATURE
(All Funds)

	For the Years Ending August 31, 2006	August 31, 2007
Senate	$ 28,959,422	$ 32,928,938
House of Representatives	28,002,788	37,371,563
Legislative Budget Board	9,168,644	9,451,145
Legislative Council	32,487,839	35,487,729
Commission on Uniform State Laws	98,750	112,064
State Auditor's Office	14,646,832	14,573,504
Legislative Reference Library	1,330,831	1,419,850
Subtotal, Legislature	$ 114,695,106	$ 131,344,793
Retirement and Group Insurance	20,228,667	21,425,469
Social Security and Benefit Replacement Pay	7,382,745	7,487,235
Lease Payments	9,006,161	7,923,715
Subtotal,	$ 36,617,573	$ 36,836,419
Less Interagency Contracts	$ 1,105,000	$ 1,105,000
TOTAL, ARTICLE X - THE LEGISLATURE	$ 150,207,679	$ 167,076,212

ARTICLE XI. SAVINGS CLAUSE

If any section, sentence, clause or part of this Act shall for any reason be held to be invalid, such decision shall not affect the remaining portions of this Act; and it is hereby declared to be the intention of the Legislature to have passed each sentence, section, clause, or part thereof irrespective of the fact that any other sentence, section, clause or part thereof may be declared invalid.

ARTICLE XII. EMERGENCY CLAUSE

The importance of the legislation to the people of the State of Texas and the crowded condition of the calendars in both Houses of the Legislature create an emergency and an imperative public necessity that the Constitutional Rule requiring bills to be read on three separate days in each House be suspended, and said Rule is hereby suspended; and this Act shall take effect and be in force from and after its passage, and it is so enacted.