# PROCLAMATION BY THE Governor of the State of Texas

#### TO ALL TO WHOM THESE PRESENTS SHALL COME:

Senate Bill No. 1, the General Appropriations Act, having been duly certified by the Comptroller of Public Accounts pursuant to Article 3, Section 49a of the Texas Constitution, has been presented to me for action. The bill would appropriate approximately \$182.3 billion from all funding sources, including \$80.7 billion from the General Revenue Fund, for the fiscal biennium beginning September 1, 2009. General revenue spending would decrease by \$1.6 billion, or 1.9 percent, compared to the current biennium, which has happened only once before in Texas since World War II.

At the beginning of the session, Lieutenant Governor Dewhurst, Speaker Straus and I announced our shared commitment to working together to ensure a balanced budget, even in light of a significantly lower revenue estimate than last biennium. We worked collectively throughout the session to ensure our state's priorities were met while remembering that every dollar spent is that of a hard-working Texan. The legislature has done a commendable job in reducing the general revenue appropriation to live within the revenue estimate the comptroller issued in January. It is particularly noteworthy that this balanced budget was produced without making appropriations from the state's "Rainy Day Fund," and without a tax increase. In fact, the Rainy Day Fund is projected to have a balance of more than \$9 billion at the end of the 2010-2011 biennium, and taxes were reduced on approximately 40,000 small businesses across Texas.

This budget makes many investments that I support, including continuing investments in water infrastructure and border security, which are essential to the growth and security of It continues funding for the Texas Enterprise Fund and the Emerging Technology Fund, two of the greatest tools our state has in creating a competitive business climate and investing in new technologies to attract world-class researchers to the state's institutions of higher education. It also makes a significant increase in funding for financial aid for higher education, and for the Skills Development Fund, which will be critical to helping more Texans pursue their dreams of going to college and continuing to ensure the state has an educated and trained workforce to compete in the global marketplace.

While the Texas Legislature has crafted a budget that meets the state's continued obligations despite the tightening economy, I would be remiss if I did not sound three notes of caution. First, funding from the American Recovery and Reinvestment Act has been isolated in a single article of the budget to ensure the greatest transparency in how these funds are appropriated, which will be critical to writing the budget next session. However, just as I have repeatedly warned against spending stimulus dollars on things that will create ongoing obligations once this money runs out, I must reiterate that state agencies and organizations receiving these funds should not expect them to be renewed by the state in the next biennium.

Additionally, I continue to believe that state spending should be transparent and easy to understand for the more than 24 million people living in Texas. While some areas of this document have become more transparent, other items of appropriation have become harder to identify. Texans have a right to understand how their tax dollars are being spent. Providing more transparent items of appropriation and increasing the number of specific line items would add precision and clarity to the appropriations act.

Finally, although the legislature took steps to further reduce diversions in the budget, truth-in-budgeting is an important part of our commitment to transparency, and we must continue to reduce and eliminate these diversions in future budgets. I have been on record, along with others in state leadership, calling to end diversions from the State Highway Fund that reduce the funds available for important road construction and maintenance throughout the state. We must continue to improve our truth-in-budgeting so that Texans' taxes and fees are spent for the purposes for which they are collected.

My line-item vetoes total \$97.2 million in general revenue and \$288.9 million from all funding sources. I hereby object to and veto the following items from Senate Bill No. 1, and include a statement of my objections to each of those items:

#### Article II - Health and Human Services

Department of State Health Services

Sec. 77. Contingency for Regulating Independent Freestanding Emergency Rooms and Urgent Care Clinics. Contingent on passage of House Bill 2183, or similar legislation relating to the licensure of independent freestanding emergency rooms and urgent care clinics, and creation of the respective licensing fees, by the Eighty first Legislature, Regular Session, the Department of State Health Services is appropriated \$1,074,136 for fiscal year 2010 and \$633,658 for fiscal year 2011 from the fees collected and deposited in the General Revenue Fund to implement the provisions of the legislation. The number of "Full-Time Equivalents (FTE)" is increased by 19.5 FTEs in fiscal year 2010 and 11 FTEs in fiscal year 2011.

This veto deletes a contingent rider for a bill that did not pass.

# Article V - Public Safety and Criminal Justice

Texas Department of Criminal Justice

Sec. 81. Contingency for Reducing and Increasing Texas Department of Criminal Justice Appropriations. Contingent on the enactment of Senate Bill 1206, House Bill 1899, House Bill 1958, or similar legislation relating to the release of certain inmates who complete a rehabilitation tier program from the Texas Department of Criminal Justice, by the Eighty first Legislature, Regular Session, funding in Goal C, Incarcerate Felons, is reduced by \$9,039,832 in General Revenue Funds in fiscal year 2010 and \$5,742,667 in General Revenue Funds in fiscal year 2011. Also contingent on the enactment of this legislation, funding in Strategy F.2.1 Parole Supervision, is increased by \$736,746 in General Revenue Funds in fiscal year 2010 and \$468,027 in General Revenue Funds in fiscal year 2011 to provide for the supervision of these offenders.

This veto deletes a contingent rider for a bill that I vetoed.

### Article VIII – Regulatory

Residential Construction Commission
All Items of Appropriation

2010 \$ 8,995,102 \$ 8,995,103

This veto deletes a contingent appropriation for the agency. Rider 4 provides that funds appropriated for fiscal year 2011 were made contingent on the continuation of the Texas Residential Construction Commission. House Bill No. 2295, or similar legislation providing for the continuation of the agency, failed to pass the 81<sup>st</sup> Legislature.

# **Article IX – General Provisions**

Sec. 17.31. Contingency Appropriation for House Bill No. 373, House Bill No. 3556, Senate Bill No. 362 or Senate Bill No. 363. Contingent on passage of House Bill 373, House Bill 3556, Senate Bill 362, or Senate Bill 363, or similar legislation relating to requiring a voter to present proof of identification, by the Eighty-first Legislature,

Regular Session, the Secretary of State is appropriated \$2,000,000 for fiscal year 2010 from the General Revenue Fund for voter education.

Any unexpended balances remaining in appropriations made herein as of August 31, 2010, are hereby appropriated for the fiscal year beginning September 1, 2010.

This veto deletes a contingent rider for a bill that did not pass.

Sec. 17.36. Contingency Appropriation for House Bill No. 518. Contingent on enactment of House Bill 518 by the Eighty first Legislature, Regular Session, or similar legislation relating to the creation of a student loan repayment program for certain correctional officers and a loan repayment assistance program for certain speech pathologists and audiologists, the Higher Education Coordinating Board is hereby appropriated \$391,551 in fiscal year 2010 and \$869,117 in fiscal year 2011 out of the General Revenue Fund to implement provisions of the legislation.

This veto deletes a contingent rider for a bill that I vetoed.

Sec. 17.39. Contingency Appropriation for House Bill No. 821. Contingent upon passage of House Bill 821, or similar legislation by the Eighty-first Legislature, Regular Session, 2009, relating to the sale, recovery, and recycling of certain television equipment, and in addition to amounts appropriated herein to the Texas Commission on Environmental Quality (TCEQ), there is hereby appropriated out of the General Revenue Fund in Strategy C.1.3, Pollution Prevention and Recycling, an amount not to exceed \$127,500 in each fiscal year of the 2010-11 biennium in new fee revenues generated as a result of the bill's passage. The funds shall be used to implement the television manufacturers registration program created by the bill. This appropriation is contingent upon the TCEQ assessing fees to generate revenue sufficient to cover these appropriations.

This veto deletes a contingent rider for a bill that I vetoed.

Sec. 17.40. Contingency Appropriation for House Bill No. 982. Notwithstanding any other provisions in this act, contingent on passage of House Bill 982, or similar legislation relating to the imposition of a 10 percent tax on the gross receipts from admissions fees charged by sexually oriented businesses and the repeal of the sexually-oriented business fee, by the Eighty first Legislature, Regular Session, the Supreme Court is appropriated \$750,000 in fiscal year 2010 and \$1,250,000 in fiscal year 2011 from taxes on admission fees charged by sexually-oriented businesses deposited to the General Revenue Fund and transferred to the General Revenue-Dedicated Sexual Assault Fund No. 5010 for Basic Civil Legal Services (Strategy B.1.1). Any unexpended balances in appropriations made for this purpose in fiscal year 2010 are appropriated to the Supreme Court in fiscal year 2011 for the same purposes.

This veto deletes a contingent rider for a bill that did not pass.

Sec. 17.52. Contingency Appropriation for House Bill No. 2248. Contingent upon the enactment of House Bill 2248, or similar legislation relating to an emergency management plan for certain health care facilities, by the Eighty first Legislature, Regular Session, 2009, the Department of Public Safety is appropriated \$244,314 in General Revenue-Dedicated Operators and Chauffeurs License Account No. 099 in fiscal year 2010 and \$191,664 in General Revenue-Dedicated Operators and Chauffeurs License Account No. 099 in fiscal year 2011 to implement the provisions of the legislation. Also contingent upon the enactment of House Bill 2248 or similar legislation, the "Number of Full Time Equivalents (FTE)" for the Department of Public Safety is increased by 5.0 for each fiscal year of the 2010-11 biennium.

This veto deletes a contingent rider for a bill that did not pass.

Sec. 17.53. Contingency Appropriation for House Bill No. 2250 or Senate Bill No. 1106. Contingent on enactment of Senate Bill 1106 or House Bill 2250, or similar legislation relating to payment of claims to pharmacies and pharmacists, by the Eighty first Legislature, Regular Session, the Texas Department of Insurance is appropriated \$190,939 in fiscal year 2010 and \$177,115 in fiscal year 2011 from General Revenue Insurance Companies Maintenance Tax and Insurance Department Fees to implement the provisions of the legislation. The "Number of Full Time Equivalents" in the agency bill pattern is increased by 3.0 FTEs in each fiscal year.

This veto deletes a contingent rider for a bill that did not pass.

Sec. 17.55. Contingency Appropriation for House Bill No. 2295. Contingent on the enactment of House Bill 2295, or similar legislation relating to the continuation and functions of the Texas Residential Construction Commission, by the Eighty-first Legislature, Regular Session, the Residential Construction Commission is appropriated \$764,463 for fiscal year 2010 and \$814,463 in fiscal year 2011 from the General Revenue Fund to implement the provisions of the legislation. This appropriation is also contingent on the Residential Construction Commission assessing or increasing fees sufficient to generate, in addition to revenue requirements elsewhere in this Act, during the 2010-11 biennium, \$1,884,258 in excess of \$22,064,000 (Object Codes 3175 and 3846), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2010 and 2011. Also, the "Number of Full time Equivalents (FTEs)" indicated in agency's bill pattern is increased by 10.0 FTEs in each fiscal year contingent upon agency meeting the above revenue target. The Residential Construction Commission, upon completion of necessary actions to assess or increase such additional fees, shall furnish copies of the Residential Construction Commission's minutes and other information supporting the estimated revenues to be generated for the 2010-11 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.

This veto deletes a contingent rider for a bill that did not pass.

Sec. 17.63. Contingency Appropriation for House Bill No. 2740. Contingent on passage of House Bill 2740, or similar legislation relating to the Licensing and Regulation of Youth Camps, by the Eighty first Legislature, Regular Session, the Department of State Health Services is hereby appropriated revenue not to exceed \$261,411 in fiscal year 2010, and \$282,974 for fiscal year 2011 to implement 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 2740. The "Number of Full-Time-Equivalent Positions" indicated in the agency's bill pattern is increased by 2.3 in fiscal year 2010 and 3.1 in fiscal year 2011.

This veto deletes a contingent rider for a bill that did not pass.

Sec. 17.64. Contingency Appropriation for House Bill No. 2962 or Senate Bill No. 841. Contingent on passage of House Bill 2962, Senate Bill 841, or similar legislation relating to the child health plan program, by the Eighty first Legislature, Regular Session, the Health and Human Services Commission is appropriated the following to implement the provisions of the legislation: \$10,849,180 in fiscal year 2010 and \$27,332,502 in fiscal year 2011 from General Revenue Funds; \$10,180,970 in fiscal year 2010 and \$29,013,610 in fiscal year 2011 from Premium Copayments; \$683,448 in fiscal year 2010 and \$1,844,449 in fiscal year 2011 from Experience Rebates for CHIP; \$734,476 in fiscal year 2010 and \$1,974,601 in fiscal year 2011 from Vendor Drug Rebates for CHIP; and \$27,455,209 in fiscal year 2010 and \$69,653,071 in fiscal year 2011 from Federal Funds.

This veto deletes a contingent rider for a bill that did not pass.

Sec. 17.65. Contingency Appropriation for House Bill No. 3180. Contingent upon the enactment of House Bill 3180 or similar legislation relating to the licensing and regulation of commercial dog and cat breeders and the regulation of dog and cat dealers; providing penalties, and contingent upon the Texas Department of Licensing and Regulation assessing or increasing fees sufficient to generate, during the 2010-2011 biennium, \$2,028,668 in excess of \$62,551,340 (Object Codes 3035, 3146, 3147, 3160, 3161, 3164, 3175, 3366, 3727), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2010 and 2011 and in excess of revenue requirements elsewhere in this act, the Texas Department of Licensing and Regulation shall be appropriated \$862,505 in Fiscal Year 2010 and \$775,455 in Fiscal Year 2011 in General Revenue. Also, the "Number of Full-time Equivalents (FTEs)" indicated in agency's bill pattern shall be increased by 14.5 FTEs in each fiscal year contingent upon agency 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 the Department of Licensing and Regulation's minutes and other information supporting the estimated revenues to be generated for the 2010-11 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.

This veto deletes a contingent rider for a bill that did not pass.

Sec. 17.71. Contingency Appropriation for House Bill No. 3595. Contingent on passage of House Bill 3595, or similar legislation relating to the provision of drug court programs, by the Eighty-first Legislature, Regular Session, the Office of Court Administration is appropriated \$149,374 in fiscal year 2010 and \$145,516 in fiscal year 2011 in General Revenue to implement the provisions of the legislation. Also contingent on passage of House Bill 3595, or similar legislation, the "Number of Full Time-Equivalents (FTE)" for the Office of Court Administration is increased by 2.0 FTEs each fiscal year.

This veto deletes a contingent rider for a bill that did not pass.

Sec. 17.79. Contingency Appropriation for Senate Bill No. 8.—Contingent on passage of Senate Bill 8, or similar legislation relating to the Texas Health Services Authority, by the Eighty first Legislature, Regular Session, the Health and Human Services Commission is hereby appropriated \$1,000,000 in General Revenue for fiscal year 2010, and \$1,000,000 in General Revenue for fiscal year 2011 to implement the provisions of the legislation. Additionally, the agency's FTE cap is increased by 5.0 in fiscal year 2010 and 5.0 in fiscal year 2011.

This veto deletes a contingent rider for a bill that did not pass.

Sec. 17.83. Contingency Appropriation for Senate Bill No. 81. Contingent on passage of Senate Bill 81, or similar legislation relating to the certain providers of subsidized child care, by the Eighty first Legislature, Regular Session, the Department of Public Safety is hereby appropriated revenue not to exceed \$70,725 in fiscal year 2010, and \$62,100 for fiscal year 2011 to implement the provisions of the legislation. In no event shall the amount expended by this provision exceed the amount of additional revenue generated pursuant to Senate Bill 81.

This veto deletes a contingent rider for a bill that did not pass.

Sec. 17.88. Contingency Appropriation for Senate Bill No. 485.—Contingent on enactment of Senate Bill 485 or similar legislation relating to medical loss ratios of preferred provider benefit plan issuers, by the Eighty first Legislature, Regular Session,

the Texas Department of Insurance is appropriated \$150,442 in fiscal year 2010 and \$61,361 in fiscal year 2011 from General Revenue Insurance Companies Maintenance Tax and Insurance Department Fees to implement the provisions of the legislation. The "Number of Full-Time Equivalents" in the agency bill pattern is increased by 1.0 FTEs in each fiscal year.

This veto deletes a contingent rider for a bill that did not pass.

Sec. 17.90. Contingency Appropriation for Senate Bill No. 499. Contingent on passage of Senate Bill 499, or similar legislation relating to the Birth Records of Adopted Children, by the Eighty first Legislature, Regular Session, the Department of State Health Services is hereby appropriated revenue not to exceed \$49,500 in fiscal year 2010, and \$75,000 for fiscal year 2011 to implement the provisions of the legislation. In no event shall the amount expended by this provision exceed the amount of additional revenue generated pursuant to Senate Bill 499.

This veto deletes a contingent rider for a bill that did not pass.

Sec. 17.91. Contingency Appropriation for Senate Bill No. 546. Contingent upon the enactment of Senate Bill 546, or similar legislation relating to energy efficiency goals and programs and demand reduction targets; creating an office of energy efficiency deployment in the state energy conservation office, the Public Utility Commission shall be appropriated \$55,354 in fiscal year 2010 and \$55,453 in fiscal year 2011 in General Revenue and 1.0 FTE each fiscal year.

This veto deletes a contingent rider for a bill that did not pass.

Sec. 17.98. Contingency Appropriation for Senate Bill No. 1001 or House Bill No. 2233. Contingent upon the enactment of Senate Bill 1001 or House Bill 2233, or similar legislation relating to the continuation and operation of the office of public insurance counsel by the Eighty first Legislature, Regular Session, the Office of Public Insurance Counsel shall be appropriated the amounts of \$61,786 in fiscal year 2010 and \$59,286 in fiscal year 2011 out of General Revenue for the purpose of implementing that Act. The "Number of Full-Time-Equivalents (FTE)" indicated in the Office of Public Insurance Counsel's bill pattern shall be increased by 1.0 FTE in each fiscal year.

This veto deletes a contingent rider for a bill that did not pass.

Sec. 17.101. Contingency for Senate Bill No. 1007 or House Bill No. 2203. Contingent upon the enactment of Senate Bill 1007 or House Bill 2203, or similar legislation relating to the continuation and operation of the Texas Department of Insurance and the operation of certain insurance programs; imposing administrative penalties, by the Eighty-first Legislature, Regular Session, appropriations to the Texas Department of Insurance shall be reduced in the amounts of \$805,576 in fiscal year 2010 and \$805,576 in fiscal year 2011 from General Revenue Dedicated Texas Department of Insurance Operating Account Fund No. 036 and \$491,997 in fiscal year 2010 and \$491,997 in fiscal year 2011 from General Revenue.

This veto deletes a contingent rider for a bill that did not pass.

Sec. 17.107. Contingency Appropriation for Senate Bill No. 1329. Contingent on passage of Senate Bill 1329, or similar legislation relating to the licensing of food manufacturers, wholesalers, and warehouse operators, by the Eighty-first Legislature, Regular Session, the Department of State Health Services is hereby appropriated revenue not to exceed \$224,758 in Food and Drug Registration funds in fiscal year 2011 to implement the provisions of the legislation. In no event shall the amount expended by this provision exceed the amount of additional revenue generated pursuant to Senate Bill

1329. The "Number of Full Time Equivalent Positions" indicated in the agency's bill pattern is increased by 3.0 in fiscal year 2011.

This veto deletes a contingent rider for a bill that did not pass.

Sec. 17.110. Contingency Appropriation for Senate Bill No. 1388. Contingent on passage of Senate Bill 1388, or similar legislation relating to process server certification and the establishment of a certification division within the Office of Court Administration, by the Eighty-first Legislature, Regular Session, the Office of Court Administration is appropriated \$265,466 in fiscal year 2010 and \$246,300 in fiscal year 2011 from the new General Revenue Dedicated Process Server Certification Account and is provided 4.0 FTEs in each fiscal year to implement the provisions of the legislation.

This veto deletes a contingent rider for a bill that did not pass.

Sec. 17.111. Contingency Appropriation for Senate Bill No. 1414.—In addition to amounts appropriated herein to the Texas Commission on Environmental Quality (TCEQ) and contingent upon passage of Senate Bill 1414 or similar legislation relating to the regulation of aggregate production operations by the Eighty first Legislature, 2009, there is hereby appropriated out of the Water Resource Management Account No. 153 in Strategy C.1.1, Field Inspection and Complaint Response, \$257,314 in fiscal year 2010 and \$194,314 in fiscal year 2011 in new fee revenues generated as a result of the bill's passage. The funds shall be used to regulate aggregate production operations as required by the bill. These appropriations are contingent upon the TCEQ assessing fees sufficient to generate, during the 2010-11 biennium, revenue to cover the appropriations for the aggregate productions operations regulation program as well as "Other direct and indirect costs" for the program 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 may reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

In addition, contingent upon passage of Senate Bill 1414 or similar legislation, the Number of Full-Time Equivalents indicated herein for the TCEQ is hereby increased by 4.0 in each fiscal year of the 2010-11 biennium.

This veto deletes a contingent rider for a bill that did not pass.

Sec. 17.112. Contingency Appropriation for Senate Bill No. 1548 or Senate Bill No. 2567. Contingent on passage of Senate Bill 1548, Senate Bill 2567, or similar legislation relating to the monitoring and oversight of certain public retirement systems and public investments, and establishing the State Pension and Investment Review Board by the Eighty-first Legislature, Regular Session, the Pension Review Board or successor agency is hereby appropriated an additional \$1,000,000 out of the General Revenue Fund in each fiscal year of the 2010-11 biennium and is authorized to employ an additional 11 Full-Time Equivalents each fiscal year of the biennium, to implement the provisions of the legislation.

This veto deletes a contingent rider for a bill that did not pass.

Sec. 17.113. Contingency Appropriation for Senate Bill No. 1830. Contingent upon enactment of Senate Bill 1830 by the Eighty first Legislature, Regular Session, or similar legislation relating to the establishment, operation, and funding of open enrollment charter schools, the Texas Education Agency is hereby appropriated \$5,000,000 in General Revenue for Fiscal Year 2010 to implement the provisions of the bill. Any unexpended balances from fiscal year 2010 from this provision are hereby appropriated to the agency in fiscal year 2011 for the same purpose.

This veto deletes a contingent rider for a bill that did not pass.

Sec. 17.116. Contingency Appropriation for Senate Bill No. 1879. Contingent upon the enactment of Senate Bill 1879, or similar legislation relating to the licensing and regulation of genetic counselors, by the Eighty-first Legislature, Regular Session, the Texas Medical Board shall be appropriated the amounts of \$35,281 in fiscal year 2010 and \$18,382 in fiscal year 2011 in General Revenue Funds for the purpose of implementing that Act. This appropriation is also contingent on the Texas Medical Board assessing or increasing fees sufficient to generate, in addition to revenue requirements elsewhere in this Act, during the 2010-11 biennium, \$64,167 in excess of \$28,688,000 (Object Code 3560 and 3562), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2010 and 2011. Also, the "Number of Full-Time-Equivalents (FTE)" indicated in the Texas Medical Board's bill pattern shall be increased by 0.5 FTEs in each fiscal year contingent upon the Texas Medical Board meeting the above revenue target. The Texas Medical Board, upon completion of necessary actions to assess or increase such additional fees, shall furnish copies of the Texas Medical Board's minutes and other information supporting the estimated revenues to be generated for the 2010-11 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.

This veto deletes a contingent rider for a bill that did not pass.

Sec. 17.119. Contingency Appropriation for Senate Bill No. 2233. Contingent upon the enactment of Senate Bill 2233, or similar legislation relating to the regulation of debt management services providers and providing a penalty, by the Eighty First Legislature, Regular Session, the Office of Consumer Credit Commissioner is hereby appropriated the amounts of \$250,600 in fiscal year 2010 and \$230,600 in fiscal year 2011 out of General Revenue for the purpose of implementing that Act. Also, the "Number of Full-Time-Equivalents (FTE)" figure is increased by 4.0 FTEs in each fiscal year.

This veto deletes a contingent rider for a bill that did not pass.

Sec. 17.121. Contingency Appropriation for Senate Bill No. 2313. Contingent on passage of Senate Bill 2313, or similar legislation relating to the creation and funding of the Water Plan Projects Fund to assist the Texas Water Development Board in the funding of certain projects identified in the state and regional water plans, by the Eighty-first Legislature, Regular Session, the Water Development Board is appropriated \$35,060,992 for fiscal year 2010 and \$57,834,840 for fiscal year 2011 out of the Water Plan Projects Fund to issue \$940,000,000 in G.O. Water Bonds. Included in this amount is \$3,781,250 in fiscal year 2010 and \$7,906,250 in fiscal year 2011 out of the Water Plan Projects Fund for debt service to issue \$150,000,000 in bonds for the State Participation Program; \$1,382,292 in fiscal year 2010 and \$2,847,292 in fiscal year 2011 out of the Water Plan Projects Fund for debt service to issue \$35,000,000 in bonds for the Economically Distressed Areas Program; and \$29,897,452 in fiscal year 2010 and \$47,081,298 in fiscal year 2011 to issue \$755,000,000 out of the Water Plan Projects Fund in Water Infrastructure Fund bonds.

Also contingent on passage and funding of Senate Bill 2313 or similar legislation, the General Revenue appropriated elsewhere in this Act for Debt Service Payments—Non-Self Supporting G.O. Water Bonds is reduced by \$17,530,496 in fiscal year 2010 and \$28,917,420 in fiscal year 2011 or a total of \$46,447,916 for the 2010-11 biennium, the reduction to be distributed between the following strategies: Strategy A.1.1, \$691,145 in fiscal year 2010 and \$1,423,646 in fiscal year 2011; Strategy A.1.2, \$1,890,625 in fiscal year 2010 and \$3,953,125 in fiscal year 2011; and Strategy A.1.4, \$14,948,726 in fiscal year 2010 and \$23,540,649 in fiscal year 2011.

Finally, contingent on passage and funding of Senate Bill 2313 or similar legislation, and the reduction in General Revenue appropriated elsewhere in this Act for Debt Service Payments - Non Self-Supporting G.O. Water Bonds, \$46,447,916 in General Revenue is hereby transferred to the General Revenue-Dedicated Texas Emissions Reduction Plan Account No. 5071 as of September 1, 2009.

This veto deletes a contingent rider for a bill that did not pass.

I have signed Senate Bill No. 1 together with this proclamation stating my objections to individual items of appropriation therein. In accordance with Article IV, Section 14 of the Texas Constitution, individual items of appropriation objected to shall be of no force or effect. The remaining portions of the bill shall be effective according to their terms.

Since the Legislature by its adjournment has prevented the return of this bill, I am filing this bill and these objections in the office of the Secretary of State and giving notice thereof by this public proclamation according to the aforementioned constitutional provision.

	IN TESTIMONY WHEREOF, I have signed my name officially and caused the Seal of the State to be affixed hereto at Austin, this 19th day of June, 2009.
	RICK PERRY Governor of Texas
ATTESTED BY:	
COBY SHORTER, III Deputy Secretary of State	