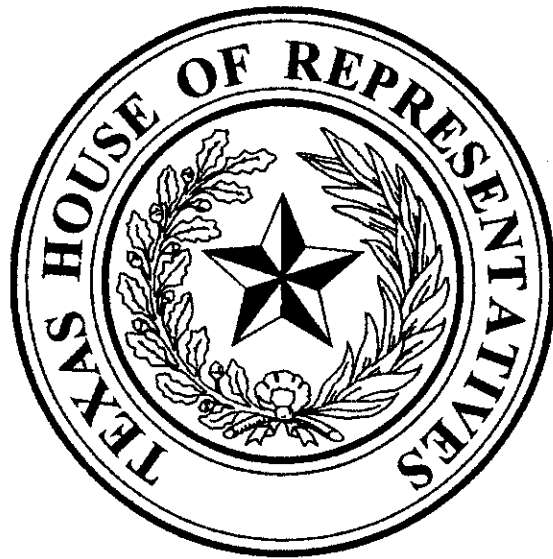


HOUSE COMMITTEE ON APPROPRIATIONS

ARTICLE 9



March 13, 2013

By _____

Article IX
Prepared by LBB Staff,
March 13, 2013

Overview

Modify Section 6.08, Benefits Paid Proportional by Fund to exclude community colleges from proportionality for higher education employees group insurance.

Required Action

On page IX-28, modify Section 6.08, Appropriation Benefits Paid Proportional by Fund as follows.

Sec. 6.08. 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 ~~including~~ except for higher education employees group insurance for public community or junior colleges.
- (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 except for public community or junior colleges. For purposes of this Act, a public community or junior college may expend funds appropriated for employee benefit costs for any employee if the employee is: (1) otherwise eligible to participate in the group benefits program; and (2) an instructional or administrative employee whose salary may be fully paid from funds appropriated under the General Appropriations Act, regardless of whether the salary is actually paid from appropriated funds. 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 and maintain 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 in collaboration with the Legislative Budget Board and the State Auditor's Office. The State Auditor ~~may~~ 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

Department of Information Resources, Article IX
Proposed Rider Amendment
Payments to the Department of Information Resources

Prepared by LBB Staff, 02/22/2013

Overview

Amend Article IX, Section 9.07, Payments to the Department of Information Resources, to modify the two month operating reserve authorized for the Telecommunications Revolving Account to reflect two months of the annual projected average direct and indirect administrative costs. Also amend Section 9.07 to modify calculations of the two month operating reserves for both the Telecommunications Revolving Account and the Statewide Technology Account to exclude payments to vendors for which DIR bills agencies.

Required Action

On page IX-45 of Senate Bill 1, amend the following rider:

Sec. 9.07. Payments to the Department of Information Resources.

- (a) Before December 1 of each fiscal year, the Department of Information Resources (DIR) shall prepare a report which reflects the amount of unexpended and unobligated balances carried forward in the DIR Clearing Fund, Telecommunications Revolving, and Statewide Technology accounts, respectively from the previous fiscal year and submit the report to the Governor, Legislative Budget Board, and the Comptroller.
- (b) For purposes of this provision, "agency" includes a state agency, institution of higher education, or local governmental entity that uses DIR information technology commodity contracts, telecommunications or data center services, or is appropriated funds in this Act.
- (c) For purposes of this subsection, "total revenue" means the total amount of administrative fees collected from users of DIR's information technology commodity contracts authorized by Government Code, Chapter 2157. In the event that unexpended and unobligated balances in the DIR Clearing Fund Account at the end of any fiscal year exceed 10 percent of total revenue, as defined in this section, processed through the account in the prior fiscal year, the portion of the excess over 10 percent from all funding sources shall be returned to agencies, no later than May 1 of each fiscal year. The excess returned to the agencies by DIR is appropriated to the agencies for expenditures consistent with the original funding source.
- (d) For purposes of this subsection, "two month operating reserve" means the annual projected average direct and indirect administrative costs for two months related to providing Telecommunications Services under Government Code, Chapter 2170, excluding payments to telecommunications vendors for which DIR directly bills agencies. In the event that unexpended and unobligated balances in the Telecommunications Revolving Account at the end of any fiscal year exceed a two month operating reserve as defined in this section, the portion of the excess over the two month operating reserve funded from all funding sources shall be returned to agencies, no later than May 1 of each fiscal year. The excess returned to the agencies by DIR is appropriated to the agencies for expenditures consistent with the original funding source.
- (e) For purposes of this subsection, "two month operating reserve" means the annual projected average direct and indirect administrative costs for two months related to providing Data Center Services under Government Code, Chapter 2054, Subchapter L, excluding payments to Data Center Services vendors for which DIR directly bills agencies. In the event that unexpended and unobligated balances in the Statewide

Technology Account at the end of any fiscal year exceed a two month operating reserve as defined in this section, the portion of the excess over the two month operating reserve funded from all funding sources shall be returned to agencies, no later than May 1 of each fiscal year. The excess returned to the agencies by DIR is appropriated to the agencies for expenditures consistent with the original funding source.

- (f) The Comptroller may prescribe accounting procedures and regulations to implement this section.
- (g) The reimbursement requirements established by this section may be waived or delayed, either in whole or in part, by the Legislative Budget Board.
- (h) DIR shall coordinate with the Legislative Budget Board on development of a methodology to implement this provision.
- (i) DIR shall require participating agencies to provide to DIR, and those agencies shall submit to DIR, information regarding the specific funding sources from which agencies pay administrative costs charged for the use of DIR's information technology commodity cooperative contracts, telecommunications, and/or data center services respectively and as applicable.

Article IX
Proposed Rider
Use of Green Building Techniques
Prepared by LBB Staff, 2/23/13

Overview

Add a new rider encouraging the use of green building techniques in the constructing or remodeling of state facilities during the 2014-15 biennium.

Required Action

On page IX-54 of Article IX, add the following rider:

Sec. 11.07. Use of Water Conservation Techniques in State Construction. Out of funds appropriated elsewhere in this Act, the Facilities Commission or any other state agency, including institutions of higher education, shall consider the use of water conservation techniques, including but not limited to waterless urinals and low-flow appliances, in the construction and remodeling of state facilities. A state entity covered by this provision that elects not to make use of water conservation technologies in the activities specified above shall report to the Facilities Commission the fiscal justification for such a decision. The Facilities Commission shall summarize received reports and provide the results to the Legislative Budget Board and the Office of the Governor not later than February 1, 2015.

Article IX
Proposed Rider – Technical Correction
License Plates
Prepared by LBB Staff, 3/11/13

Overview

Make a technical correction of the license plate appropriation to exclude appropriation of balances existing at end of Fiscal Year 2013..

Required Action

On page IX-58 of Article IX, amend the following rider:

REVISED SEC. 13.05

Sec. 13.05 Appropriation of Specialty License Plate Receipts.

- (a) For the fiscal biennium beginning September 1, 2013, the amounts appropriated to an agency under Articles I-VIII of this Act include, regardless of whether or not the amounts may be shown under or limited by the bill pattern ~~or riders~~ of the agency or the special provisions applicable to the Article of this Act under which the agency's appropriation might be located, all revenue collected by an agency on or after September 1, 2013, that is associated with the sale of a Texas specialty license plate, as authorized by Subchapter G, Chapter 504, Transportation Code, or other applicable statute, , including any new license plates that may be authorized or issued after September 1, 2013.
- (b) Amounts appropriated by this section shall be used for purposes consistent with this Act and all applicable statutes.

By _____

Article IX
Prepared by LBB Staff,
March 12, 2013

Overview

Amend Sec. 17.02 Appropriation of Proposition 4 General Obligation Bond Proceeds.
LBB will draft rider that conforms to Committee decision.

Required Action

On page IX-____, amend Sec. 17.02 Appropriation of Proposition 4 General Obligation
Bond Proceeds. LBB will draft rider that conforms to Committee decision.

By: Turner

Proposed Article IX Rider Veterans Services at Other State Agencies

Prepared by LBB Staff, 02/26/2013

Overview

Add a new Article IX rider requiring state agencies that receive funding through the 2014-15 General Appropriations Act, to provide information to veterans that are clients of that state agency about all state agencies that provide veterans services.

Required Action

1) On page IX-75 in Part 17, Contingent Provisions, add the following new provision:

Veterans Services at Other State Agencies. Out of funds appropriated elsewhere in this Act, any state agency or institution of higher education, including the Veterans Commission, Department of State Health Service, Adjutant General, Texas Workforce Commission, General Land Office, or any other state agency or institution that receives funding in this Act and provides specific services to veterans, shall provide information to veterans seeking assistance from that state agency or institution of other state agencies or institutions that provide additional veterans specific services, as identified by the Texas Coordinating Council for Veterans Services.

By: Turner

**Coordination for Youth Prevention and Intervention Services
Proposed Rider for Article IX**

Coordination for Youth Delinquency and Dropout Prevention and Intervention Services, including Interagency Contracts, between the Department of Family and Protective Services, the Juvenile Justice Department, the Texas Education Agency, and the Adjutant General's Department

Prepared by LBB Staff, 02/27/2013

Overview

Require the Department of Family and Protective Services, the Juvenile Justice Department, the Texas Education Agency, and the Adjutant General's Department to coordinate delivery of youth prevention and intervention services for the most effective and efficient use of state dollars.

Required Action

On page IX-103 of the House General Appropriations Bill, add the following rider:

_____. **Agency Coordination for Youth Prevention and Intervention Services.** From funds appropriated above for the purpose of juvenile delinquency prevention and dropout prevention and intervention services, the Department of Family and Protective Services, the Juvenile Justice Department, the Texas Education Agency, and the Adjutant General's Department shall coordinate the delivery of juvenile delinquency prevention and dropout prevention and intervention services. Juvenile delinquency prevention and dropout prevention and intervention services are programs or services that are aimed at preventing academic failure, failure on state assessments, dropout, juvenile delinquency, truancy, runaways, and children living in family conflict. Each of the agencies listed above shall coordinate services with the others to prevent redundancy and to ensure optimal service delivery to youth at risk of engaging in delinquency and/or dropping out of school. Programs shall demonstrate effectiveness through established outcomes.

Not later than October 1 of each fiscal year beginning in 2014, the agencies shall provide to the Legislative Budget Board, detailed monitoring, tracking, utilization, outcome, and effectiveness information on all juvenile delinquency prevention and dropout prevention and intervention services for the preceding five fiscal year period. The reports shall include information on the impact of all juvenile delinquency and dropout prevention and intervention initiatives and programs delivered or monitored by the agencies.

By: Turner

Texas Juvenile Justice Department, Article V
New Contingency Rider

Contingency: Expand Access of the Independent Ombudsman for Youth at Adult Facilities

Prepared by LBB Staff, 03/11/2013

Overview

This new contingency rider will expand access of the Independent Ombudsman for the Juvenile Justice Department for youth at adult facilities.

Required Action

On page V-43 of the Texas Juvenile Justice Department bill add the following rider:

____. **Contingency: Expanded Access for Independent Ombudsman.** Contingent on the enactment of HB 1543 or similar legislation, out of funds appropriated above in Strategy C.1.1, Office of the Independent Ombudsman, the Ombudsman for the Texas Juvenile Justice Department shall visit and monitor the Youth Offender Program in corrections facilities operated by the Texas Department of Criminal Justice.

By: _____

Article IX
Proposed Funding
Statewide Salary Increase
Prepared by LBB Staff, 03/13/2013

Overview

Provide funding for both years of the biennium to state agencies other than institutions of higher education for the purpose of providing state agencies with the ability to award merit salary increases to particular employees selected by the agencies and in amounts determine by the agency. The sum of the funding to be provided to each agency each year for the purpose of providing the merit salary increases equals 1% of the sum of employee salaries. Excluded from the calculation of the one percent amount appropriated to agencies for the purpose of awarding merit salary increases to employees selected by the agency are employees who have received a targeted salary increase elsewhere in this Act if specifically referenced in the rider. Agencies are prohibited from using the funds made available by this rider for providing monthly merit pay increases to the employees who receive a targeted salary increase from funds specifically appropriated for the targeted pay increases elsewhere in this Act.

Required Action

On page IX- ____ of Part 17 of Article IX, add the following rider:

Sec. 17. XX. Appropriation for a Merit Salary Increase for General State Employees.

(a) (1) As used in this section, "merit increase" shall means a monthly compensatory increase under the definition provided by Section 659.255(a)(3), Government Code, awarded to an employee using funds appropriated by this Section.

(2) As used in this Section, "merit increase" does not mean a compensatory increase awarded to an employee:

- (A) using funds other than the funds appropriated by this Section; or
- (B) pursuant to Section 659.255(f), Government Code.

(3) From the amount appropriated under Subsection (b) of this Section, the funding to be allocated to each agency for each fiscal year of the biennium by the Comptroller for the purpose of providing the merit salary increases under this Section equals one percent of the annual pay for each employee. Employees excluded under Subsection (c) below are not included in this calculation.

(b) The Comptroller of Public Accounts is hereby appropriated an amount estimated to be \$77,991,908 out of the General Revenue Fund and General Revenue-Dedicated, and an amount estimated to be \$131,533,791 out of all funds and accounts to fund a merit increase described in Subsection (a) of this section for employees of state agencies, including employees of the Higher Education Coordinating Board and employees of a Texas A&M University System service agency.

(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, other employees who have been given a salary increase as described in this Subsection (c) , or the compensatory per diem of board or commission members. The other employees who

By: _____

Article IX
Proposed Funding
Certain Targeted Salary Increases
Prepared by LBB Staff, 03/12/2013

Overview

Prohibit agencies from using funding intended for salary increases for any other purpose.

Required Action

On page IX- ___ of Part 17 of Article IX, add the following rider:

Sec. 17.XX Certain Targeted Salary Increases.

From funds appropriated elsewhere in this Act for certain targeted salary increases, the following agencies shall use the amounts detailed below for the following purposes only:

- (1) at the Department of Aging and Disability Services for direct care workers at State Supported Living Centers a pay increase and benefits from the approximately \$21,557,488 appropriated from the General Revenue Fund and \$51,518,222 out of All Funds for use during the biennium;
- (2) at the Department of State Health Services for direct care workers at State Hospitals a pay increase and benefits from the approximately \$10,774,230 appropriated from the General Revenue Fund for use during the biennium;
- (3) at the Department of Criminal Justice for correctional officers a five percent (5%) career ladder pay increase and benefits from the approximately \$120,611,800 appropriated from the General Revenue for use during the biennium;
- (4) at the Juvenile Justice Department for juvenile correctional officers a five percent (5%) career ladder pay increase and benefits from the approximately \$6,399,422 appropriated from the General Revenue for use during the biennium;
- (5) at the Department of Family and Protective Services for employees a pay increase and benefits from the approximately \$20,711,836 appropriated from TANF federal funds for use during the biennium; and
- (6) at the Railroad Commission for employees a pay increase for a salary parity exceptional item appropriation for compensation and benefits paid from the \$3,600,000 appropriated from General Revenue-Dedicated Funds for use during the biennium.

By: _____

Article IX
Appropriation for Salary Increase for State Employees in Salary Schedule C

Prepared by LBB Staff, 03/13/2013

Overview

Add a rider providing the funding for a pay increase for employees in the Schedule C salary schedule.

Required Action

On page IX- of Section 17 of Article IX, add the following rider:

Sec. 17.07 Appropriation for a Salary Increase for State Employees in Salary Schedule C.

(a) Appropriation for Salary Schedule C Pay Raises

(1) Appropriations made elsewhere in this Act to the agencies listed below are hereby increased for both fiscal year 2014 and fiscal year 2015 by the amounts and from the appropriation sources indicated below for Schedule C pay raises. Appropriations made in this section may be used only to pay for salary increases and related benefits for employees in Salary Schedule C.

Agency Name	General Revenue	General Revenue–Dedicated (Fund 9)	Total for 2014–15 Biennium
Alcoholic Beverage Commission	\$1,248,213	\$0	\$1,248,213
Department of Criminal Justice	\$471,437	\$0	\$471,437
Parks and Wildlife Department	\$209,260	\$2,823,487	\$3,032,747
Department of Public Safety	\$21,040,646	\$0	\$21,040,646
Subtotal	\$22,969,556	\$2,823,487	\$25,793,043
Additional Benefits	\$3,342,070	\$410,817	\$3,752,888
Grand Total	\$26,311,626	\$3,234,305	\$29,545,931

(2) Amounts provided in this section shall be used to provide a salary increase for all Schedule C employees. Increases in pay for employees in Salary Schedule C in this section have been incorporated in the Schedule C Classification Salary Schedule in Section 2.01 of Article IX of this Act.

(b) 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) of this section.

(c) 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 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.

(d) 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.

(e) This section does not authorize an increase of classified salary rates above the rates listed in the Schedule C in this Act.

By: _____

Article IX
Office of Court Administration/Texas Indigent Defense
Commission, Article IV
Proposed Rider
Evaluate State Counsel for Offenders

Prepared by LBB Staff, 3/13/2013

Overview

The motion would add a rider directing the Texas Indigent Defense Commission (TIDC) to use funds appropriated for a cost-benefit analysis of providing the State Counsel for Offenders (SCFO) with structural and budgetary independence. The TIDC has expertise in this policy arena and is the best qualified state agency to conduct such an evaluation. Collaboration with a state agency rather than an outside vendor will conserve state resources. Such an evaluation will determine if SCFO is providing adequate defense services and if structural and budgetary independence is needed to improve defense services and meet national standards. The rider would not be a cost to the bill.

Required Action

On page IX-103 of the Article IX bill pattern, add the following rider:

_____ . Evaluate State Counsel for Offenders. From funds appropriated above in Strategy D.1.1, Texas Indigent Defense Commission (TIDC), in the bill pattern of the Office of Court Administration, the TIDC shall coordinate with the Texas Department of Criminal Justice (TDCJ) to conduct an evaluation of the operations of the State Counsel for Offenders (SCFO). The study will include an evaluation of attorney caseloads as they compare to national standards, attorney salaries as they compare to attorney salaries in the Special Prosecution Unit of Walker County, the SCFO budget as it compares to budgets in similar offices in other states, the use of investigators and experts, case outcomes, and how the structure and operations of the SCFO compare to the recommendations of the American Bar Association's Ten Principles of a Public Defense Delivery System, as well as any other best practices determined by the TIDC. A report including the results of the study shall be submitted to the Legislative Budget Board and the Governor not later than September 1, 2014.