

Issue Docket

Conference Committee on Senate Bill 1

2014-15 General Appropriations Bill

ARTICLE IX

May 17, 2013

Per the Final Directives to the LBB Staff for the Appropriations Bill during Production, adopted by the Senate Bill 1 conference committee on May 17, 2013, this docket has been edited to make adjustments to items in order to conform them to final committee decisions

**ARTICLE IX - GENERAL PROVISIONS
ISSUE DOCKET**

Conference Committee on General Appropriations Bill

Agency/Item	<u>Senate</u>		<u>House</u>		Biennial Difference	Explanation
	2014	2015	2014	2015		
<u>APPROPRIATION FOR A SALARY INCREASE FOR GENERAL STATE EMPLOYEES</u>						
Appropriations Made in Riders	\$ 151,016,162	\$ 151,016,163	\$ 43,844,597	\$ 87,689,194	\$ 170,498,534	Senate provides an appropriation of \$302,032,324 for a 3% salary increase for general state employees with certain positions receiving targeted increases excluded; House provides an appropriation of \$131,533,791 for funding for merit increases for general state employees with certain positions receiving targeted increases excluded.
Sec. 17.06/Sec. 17.09 Appropriation for a Salary Increase for General State Employees	IX-64 Rider Packet, page IX-20		IX-64 Rider Packet, page IX-20			FY14: 1% w/\$50 monthly minimum; FY15: an additional 2% with \$50 monthly minimum FY14-15: \$154,278,647 GR; \$246,554,767 All Funds

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Conference Committee on General Appropriations Bill

Agency/Item	<u>Senate</u>		<u>House</u>		Biennial Difference	Explanation
	2014	2015	2014	2015		
<u>APPROPRIATION FOR INCREASE FOR STATE EMPLOYEES IN SALARY SCHEDULE C</u>						
Appropriations Made in Riders	IX-65		IX-66			
	\$ 59,168,736	\$59,168,736	\$ 29,545,931	\$ 29,545,931	\$ 59,245,610	Senate provides appropriation of \$118,337,472 for a 10% salary increase and equity adjustment for Schedule C employees; House provides appropriation of \$59,091,862 for an equity adjustment.
Sec. 17.07/Sec. 17.11 Appropriation for an Equity Adjustment and 10 Percent Salary Increase for State Employees in Schedule C.	IX-65 Rider Packet, page IX-24		IX-66 Rider Packet, page IX-24			FY14: one half of equity adjustment plus 5%; FY15: similar increase resulting in equity adjustment plus 10% compared to 2013 salary levels. \$102,757,797 All Funds; \$7,355,886 GR for biennium

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ISSUE DOCKET
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Agency/Item	2014	<u>Senate</u>	2015	2014	<u>House</u>	2015	Biennial Difference	Explanation
<u>APPROPRIATIONS RELATED TO DATA CENTER SERVICES</u>		IX-66			IX-67			
No Issues		IX-66 Rider Packet, N/A			IX-67 Rider Packet, N/A		Technical correction to exclude \$193,530 reduction from TDLR	

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Agency/Item	Senate		House		Biennial Difference	Explanation
	2014	2015	2014	2015		
<u>CONTINGENCY FOR ADMINISTRATION OF THE CANCER PREV & RESEACH INSTITUTE</u>						
		N/A		IX-67		
Number of Full-Time-Equivalents (FTEs) in Riders	0.0	0.0	7.0	7.0		
Appropriations Made in Riders	\$ -	\$ -	\$ 306,124,830	\$ 297,062,446	\$ 603,187,276	House includes \$594,124,892 appropriation of general obligation bond proceeds to CPRIT to review, award, and administer grants contingent on adoption of a bill relating to the administration of CPRIT.
	Conform to Funding Decisions Made Elsewhere					
Sec. 17.13. Contingency for Administration of the Cancer Prevention and Research Institute.		N/A		IX-67 Rider Packet, page IX-32		

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Agency/Item	<u>Senate</u>		<u>House</u>		Biennial Difference	Explanation
	2014	2015	2014	2015		
<u>ARTICLE IX</u>						
Sec. 2.01. Position Classification Plan.	IX-16 Rider Packet, page IX-1		IX-16 Rider Packet, page IX-1		Conform to Funding Decisions Made Elsewhere	Differences in Classification Salary Schedules for Schedules A, B, and C resulting from different levels of salary increases adopted.
Sec. 3.02. Salary Supplementation.	IX-18 Rider Packet, page IX-4		IX-18 Rider Packet, page IX-4			House includes additional language requiring reporting of the methodology used to determine the salary supplement.
Sec. 3.04. Scheduled Exempt Positions.	IX-18 Rider Packet, page IX-4		IX-18 Rider Packet, page IX-4			House includes Director-Librarian of TSLAC among positions eligible for salary increase with approval of the LBB and Governor.

Agency/Item	Senate		House		Biennial Difference	Explanation
	2014	2015	2014	2015		
Sec. 3.12. Required Compliance with Current Law and Equal Employment Opportunity Commission Rulings.	N/A		IX-21 Rider Packet, page IX-8			House includes new section expressing intent that all expenditures in the Act be in accordance with current law, including EEOC rulings.
Sec. 5.05. Travel Meals and Lodging.	IX-23 Rider Packet, page IX-9		IX-23 Rider Packet, page IX-9			House includes additional language setting maximum per diem for lodging for cities without a specific federal rate at \$85 per night.
Sec. 6.08. Benefits Paid Proportional by Fund.	IX-26 Rider Packet, page IX-10		IX-26 Rider Packet, page IX-10			House includes language including junior/community colleges in benefits proportionality; Senate excludes junior/community colleges and provides a contingency for inclusion if legislation limiting GR for benefits contribution to 50% not be adopted. Senate requires audit by SAO; House makes audit by SAO permissive.

Agency/Item	Senate		House		Biennial Difference	Explanation
	2014	2015	2014	2015		
Sec. 6.23 Prohibition on Use of Appropriated Funds for Embryonic Stem Cell Research.	N/A		IX-33 Rider Packet, page IX-11			House includes new section prohibiting the expenditure of appropriated funds on stem cell research unless it involves existing stem cell lines approved by the National Institutes of Health.
Sec. 6.24. State Agency Administration of Programs; Study.	N/A		IX-33 Rider Packet, page IX-11			House includes new section expressing intent that all agencies maximize efficiency, comply with federal and state laws, and study whether new programs would improve agency performance.
Sec. 9.03. Biennial Operating Plan and Information Resources Strategic Plan Approval.	IX-41 Rider Packet, page IX-13		IX-42 Rider Packet, page IX-13			House includes intent language; Senate includes same section without intent language.

Agency/Item	<u>Senate</u>		<u>House</u>		Biennial Difference	Explanation
	2014	2015	2014	2015		
Sec. 9.04. Information Technology Replacement.	IX-42 Rider Packet, page IX-13		IX-42 Rider Packet, page IX-13			Senate includes additional language requiring all technology replacements to be coordinated by DIR through a bulk purchasing effort.
Sec. 11.01. Limitation on Use of Funds for Personal Residences.	IX-46 Rider Packet, page IX-15		IX-46 Rider Packet, page IX-15			Senate includes a cap of \$25,000 on the aggregate amount that may be used for the repair or purchasing of a personal residence; House includes a cap of \$100,000.
Sec. 11.04. State Owned Housing.	IX-48 Rider Packet, page IX-15		IX-47 Rider Packet, page IX-15			Senate includes language that the amount of revenue recovered should meet the mandated goals; House does not include that language.
Sec. 11.07. Use of Water Conservation Techniques in State Construction.	N/A		IX-48 Rider Packet, page IX-16			House includes new section requiring consideration of water conservation in remodeling and new construction of state buildings.

Agency/Item	<u>Senate</u>		<u>House</u>		Biennial Difference	Explanation
	2014	2015	2014	2015		
Sec. 13.06. Study on Cost of Education Adjustment.	N/A		IX-51 Rider Packet, page IX-18			House includes new section requiring the LBB to conduct a study and issue recommendations on the cost of education index adjustment.
Sec. 13.07. Foundation School Program Allotments for Certain Students.	N/A		IX-51 Rider Packet, page IX-17			House includes new section requiring the LBB to conduct a study on FSP allotments for compensatory education, bilingual education and full-day kindergarten.
Sec. 17.02. Appropriation of Proposition 4 General Obligation Bond Proceeds.	IX-62 Rider Packet, page IX-19		IX-62 Rider Packet, page IX-19		Conform to Funding Decisions Made Elsewhere	Differences reflect the amounts of general obligation bond proceeds appropriated elsewhere in the Act.

Agency/Item	Senate		House		Biennial Difference	Explanation
	2014	2015	2014	2015		
Sec. 17.06. Appropriation for a Salary Increase for General State Employees.	IX-64 (Sec. 17.06) Rider Packet, page IX-20		IX-64 (Sec.17.09) Rider Packet, page IX-20		Conform to Funding Decisions Made Elsewhere	Senate provides a 3% salary increase for general state employees with certain positions receiving targeted increases excluded; House provides 1% of payroll to fund merit increases for general state employees with certain positions receiving targeted increases excluded.
Sec. 17.06. Veterans Services at Other State Agencies.	N/A		IX-64 Rider Packet, page IX-23			House includes new section requiring agencies that provide veterans' services to provide information to veterans about other verteran-specific services provided by other state agencies.
Sec. 17.07. Agency Coordination for Youth Prevention and Intervention Services.	N/A		IX-64 Rider Packet, page IX-23			House includes new section requiring the coordination of juvenile delinquency and dropout prevention and intervention services.

Agency/Item	<u>Senate</u>		<u>House</u>		Biennial Difference	Explanation
	2014	2015	2014	2015		
Sec. 17.07. Appropriation for an Equity Adjustment and 10 Percent Salary Increase for State Employees in Schedule C. (Senate section heading)	IX-65 (Sec. 17.07) Rider Packet, page IX-24		IX-66 (Sec.17.11) Rider Packet, page IX-24		Conform to Funding Decisions Made Elsewhere	Senate provides a 10% salary increase and equity adjustment for Schedule C employees; House provides for an equity adjustment.
Sec. 17.08. Contingency: Expanded Access for Independent Ombudsman.	N/A		IX-64 Rider Packet, page IX-25			House includes new contingent section requiring the Ombudsman for the Juvenile Justice Department to visit and monitor the Youthful Offender Program within the Department of Criminal Justice.
Sec. 17.09. Funding of Certain Capital Needs.	IX-67 Rider Packet, page IX-26		N/A			Senate includes new section expressing intent to fund certain capital needs.

Agency/Item	<u>Senate</u>		<u>House</u>		Biennial Difference	Explanation
	2014	2015	2014	2015		
Sec. 17.10. Funding Contingent upon the Passage of Legislation.		IX-69 Rider Packet, page IX-29	N/A			Senate includes new section expressing intent to fund certain contingencies.
Sec. 17.11. Certain Targeted Salary Increases.		IX-69 (Sec. 17.11) Rider Packet, page IX-29	IX-66 (Sec.17.10) Rider Packet, page IX-29		Conform to Funding Decisions Made Elsewhere	House and Senate each provide direction for the expenditure for certain targeted salary increases; differences based on underlying decisions of targeted salary increases.
Sec. 17.12. Certain Medicaid Funds.		IX-70 Rider Packet, page IX-31	N/A			Senate includes new section requiring approval by the LBB of any plan to modify Medicaid eligibility and providing principles to be used in approval of the plan.

Agency/Item	<u>Senate</u>		<u>House</u>		Biennial Difference	Explanation
	2014	2015	2014	2015		
Sec. 17.12. Evaluate State Counsel for Offenders.	N/A		IX-67 Rider Packet, page IX-32			House includes new section requiring the Texas Indigent Defense Counsel and the Department of Criminal Justice to conduct a review of the State Counsel for Offenders.
Sec. 17.13. Contingency for Administration of the Cancer Prevention and Research Institute.	N/A		IX-67 Rider Packet, page IX-32		Conform to Funding Decisions Made Elsewhere	House includes section appropriating funding for CPRIT contingent on adoption of a bill relating to the administration of CPRIT.
Sec. 17.15. Texas Education Agency: Additional Funding for the Foundation School Program.	N/A		IX-69 Rider Packet, page IX-33		Conform to Funding Decisions Made Elsewhere	House includes new contingent section providing additional \$1 billion in funding from the Foundation School Fund to the Foundation School Program. The amount appropriated by the House rider has been included in the Article 3 Issue Docket.

**ARTICLE IX - GENERAL PROVISIONS
ISSUE DOCKET**

Conference Committee on General Appropriations Bill

Agency/Item	<u>Senate</u>		<u>House</u>		Biennial Difference	Explanation
	2014	2015	2014	2015		
<u>Additions</u>						
	IX		IX			
Sec. 17.12. Additional Appropriation for Employee Benefits.	\$ -	\$ -	\$ -	\$ -	ADOPT	Workgroup adds \$39.5 million in General Revenue and \$51.1 million in All Funds for employee benefits for increases in FTEs approved by the conference committee.
Sec. 17.13. Additional Appropriation for Retirement Contribution.	\$ -	\$ -	\$ -	\$ -	ADOPT	Workgroup adds contingency for SB 1459 for state agencies to contribute 0.5 percent for each eligible employee for benefit contributions.
Sec. 17.14. Eligible Expenses in the Medicaid Program.					ADOPT	Workgroup adds \$300,000,000 to General Revenue-Dedicated account No. 5111 to DSHS to transfer to HHSC for eligible expenses in the Medicaid Program and reduces the \$300,000,000 in General Revenue from HHSC Goal B, Medicaid.

Agency/Item	<u>Senate</u>		<u>House</u>		Biennial Difference	Explanation
	2014	2015	2014	2015		
Sec. 17.15. State Agency Internal Accounting Systems.					ADOPT	Workgroup adds legislative intent language identifying Comptroller authority over certain accounting and payroll systems, including enterprise resource planning systems.
Sec. 17.16. Department of Public Safety Method of Finance Swap.	\$ -	\$ -	\$ -	\$ -	ADOPT	Workgroup increases General Revenue Funds at DPS by \$265.3 million and reduces Fund 6 by \$265.3 million. The rider also increases appropriations of Fund 6 to TxDOT by \$265.3 million. An additional \$134.7 million in GR/Fund 6 swap, for a total of \$400 million, is considered in HB
Sec. 17.17. Contingency Appropriation: Credits against the Cost of Recapture.					ADOPT	Workgroup adds \$1,517,160 in General Revenue to TEA for credits against the cost of recapture for districts below a certain tax threshold in tax year 2009.
Sec. 17.18. Spaceport Contingency.					ADOPT	Workgroup adds \$10,000,000 in General Revenue to the Office of the Governor for the Spaceport Trust Fund held outside the State treasury, contingent on SpaceX committing to locating in the state.

Agency/Item	<u>Senate</u>		<u>House</u>		Biennial Difference	Explanation
	2014	2015	2014	2015		
Sec. 18.01. Bureau of Economic Geology.	\$ -	\$ -	\$ -	\$ -	ADOPT	Workgroup adds \$1,000,000 in General Revenue to UT at Austin for the Bureau of Economic Geology contingent on the increased General Revenue.
Sec. 18.02. UTMB Hospital Operations.	\$ -	\$ -	\$ -	\$ -	ADOPT	Workgroup adds \$10,000,000 in General Revenue to UT at Medical Branch at Galveston to support the institution's hospital operations.
Sec. 18.59. Appropriation for ACE for Health and Brighter Bites Programs.	\$ -	\$ -	\$ -	\$ -	ADOPT	Workgroup adds \$1,200,000 in General Revenue to Texas Department of Agriculture for the biennium ; \$600,000 for ACE for Health pilot program and \$600,000 for Brighter Bites pilot program.

Sec. 17.06. Appropriation for a Salary Increase for General State Employees.

(a) As used in this section, "salary increase" shall mean a one percent (1%) increase in annual salary with a minimum of \$50 per month increase in salary for the fiscal year to begin on September 1, 2013 and another increase in annual salary to begin on September 1, 2014 consisting of an additional two percent (2%) in the annual salary with a minimum of \$50 per month increase in salary.

(b) For the biennium the Comptroller of Public Accounts is hereby appropriated an amount estimated to be \$154,278,648 out of the General Revenue Fund, an amount estimated to be \$12,809,229 out of General Revenue-Dedicated, an amount estimated to be \$46,173,828 out of State Highway Fund No. 006, an amount estimated to be \$2,554,646 out of Other Funds and accounts, and an amount estimated to be \$30,738,418 out of federal funds to fund a salary increase as described in Subsection (a) of this section for employees of state agencies, including employees of the Higher Education Coordinating Board and the employees of a Texas A&M University System service agency, as such a salary increase is reflected in the salary rates authorized elsewhere in this Act. Included in the amounts above are General Revenue Funds intended to provide the salary increase for certain FTEs currently paid from federal fund sources that would not be available for this purpose.

(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 the employees of a Texas A&M University System service agency), 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 Department of Aging and Disability Services direct service professionals /direct care workers at State Supported Living Centers who receive a ten percent (10%) pay increase from the approximately \$13,751,152 appropriated from the General Revenue Fund and \$32,721,362 out of All Funds for use during the biennium;

(2) at the Department of State Health Services direct care workers /psychiatric nurse assistants at State Hospitals who receive a pay increase from the approximately \$14,790,336 appropriated from the General Revenue Fund for use during the biennium;

(3) contingent on the Austin Independent School District Board of Trustees reauthorizing or voters approving a three percent (3 %) pay increase for teachers, at the Texas School for the Blind and Visually Impaired, educational professionals who receive a three percent (3%) pay increase from the approximately \$197,661 appropriated from the General Revenue Fund for use during the biennium;

(4) contingent on the Austin Independent School District Board of Trustees reauthorizing or voters approving a three percent (3 %) pay increase for teachers, at the Texas School for the Deaf, educational professionals who receive a three percent (3%) pay increase from the approximately \$193,908 appropriated from the General Revenue Fund for use during the biennium;

(5) at the Supreme Court of Texas employees classified as Attorney V, General Counsel, and Clerk of the Court and non-legal positions who receive a pay increase from the approximately \$289,000 appropriated from the General Revenue Fund for use during the biennium;

(6) at the Court of Criminal Appeals the General Counsel, Clerk of the Court, staff attorneys, central staff attorney, law clerks, and non-legal staff positions who receive a pay increase from the approximately \$482,439 appropriated from the General Revenue Fund for use during the biennium;

(7) at the Office of Court Administration court coordinators in child support and child protection courts who receive a pay increase from the approximately \$105,884 appropriated from the General Revenue Fund and \$204,642 from All Funds for use during the biennium;

(8) at the Department of Criminal Justice correctional officers who receive a five percent (5%) career ladder pay increase from the approximately \$120,611,800 appropriated from the General Revenue Fund for use during the biennium;

(9) at the 14 Courts of Appeals, the Chief Staff Attorney, staff attorney positions, law clerks, and non-legal staff positions who receive a pay increase from the approximately \$4,052,516 appropriated from the General Revenue Fund for use during the biennium;

(10) at the Juvenile Justice Department juvenile correctional officers who receive a five percent (5%) career ladder pay increase from the approximately \$5,988,086 from the General Revenue Fund for use during the biennium; and

(11) at the Railroad Commission employees who receive a pay increase from the approximately \$3,600,000 appropriated from the General Revenue Dedicated Account No. 5155, Oil and Gas Regulation and Cleanup Account, for use during the biennium.

(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. 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 unless their salary is paid from those federal funds deemed unavailable in Subsection (b).

(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.

Sec. 17.11. 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 \$13,751,152 appropriated from the General Revenue Fund and \$32,721,362 out of All Funds during the biennium for a ten percent (10%) pay increase for direct care workers at State Supported Living Centers;
- (2) at the Department of Family and Protective Services, \$15,436,523 appropriated from the General Revenue Fund and \$17,265,012 out of All Funds for a career ladder for workers, and \$3,051,454 appropriated from the General Revenue Fund and \$3,446,824 out of All Funds for supervisor reclassification;
- (3) at the Department of State Health Services \$14,790,336 appropriated from the General Revenue Fund during the biennium for a pay increase for psychiatric nursing assistants at State Hospitals;
- (5) at the Supreme Court of Texas \$289,000 appropriated from the General Revenue Fund during the biennium for a pay increase for employees classified as Attorney V, General Counsel IV, the Clerk of the Court and non-legal staff positions;
- (6) at the Court of Criminal Appeals \$482,439 appropriated from the General Revenue Fund for use during the biennium for a pay increase for the General Counsel, Clerk of the Court, staff attorneys, central staff attorneys, law clerks, and non-legal staff positions;
- (7) at the 14 Courts of Appeals \$4,052,516 appropriated from the General Revenue Fund for use during the biennium for pay increases for the Chief Staff Attorney, staff attorney positions, law clerks and non-legal staff positions;
- (8) at the Office of Court Administration \$105,884 appropriated from the General Revenue Fund and \$204,642 from All Funds for use during the biennium for a pay increase for court coordinators in child support and child protection courts;
- (9) at the Department of Criminal Justice \$120,611,800 appropriated from the General Revenue Fund for use during the biennium for a five percent (5%) career ladder pay increase, including benefits, for correctional officers;
- (10) at the Department of Criminal Justice \$16,000,000 appropriated from the General Revenue Fund for use during the biennium to be transferred in interagency contracts to the University of Texas Medical Branch and the Texas Tech University Health Science Center for market level salary adjustments for correctional managed healthcare provider staff.
- (11) at the Juvenile Justice Department \$5,988,086 appropriated from the General Revenue Fund for use during the biennium for a five percent (5%) career ladder pay increase, including benefits, for juvenile correctional officers; and
- (12) at the Railroad Commission \$3,600,000 appropriated from the General Revenue Dedicated Account No. 5155, Oil and Gas Regulation and Cleanup Account, for use during the biennium for a pay increase for certain employees.

Sec. 17.07. Appropriation for Salary Increases 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 the fiscal biennium 2014-15 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)	Other Funds (Fund 6)	Total for Fiscal 2014-15 Biennium
Alcoholic Beverage Commission	\$3,784,402	\$0	\$0	\$3,784,402
Department of Criminal Justice	\$1,952,893	\$0	\$0	\$1,952,893
Parks and Wildlife Department	\$628,682	\$8,482,650	\$0	\$9,111,332
Department of Public Safety	\$0	\$0	\$74,889,097	\$74,889,097
Subtotal	\$6,365,977	\$8,482,650	\$74,889,097	\$89,737,724
Additional Benefits	\$989,909	\$1,319,052	\$10,711,112	\$13,020,073
Grand Total	\$7,355,886	\$9,801,702	\$85,600,209	\$102,757,797

(2) Amounts provided in this section shall be used to provide salary increases in fiscal years 2014 and 2015. The increase in 2014 is one half of an equity adjustment followed by a 5 percent increase. The increase in 2015 is similar and results in an equity adjustment followed by a 10 percent increase when compared to 2013 salary levels. Here an equity adjustment is a reallocation of positions with four or more years of experience within Schedule C to provide greater equity between pay and responsibility.

(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.

Sec. 17.08. Technical Adjustments for Data Center Services.

(a) Amounts appropriated elsewhere in this Act in affected state agency bill patterns for the 2014-15 biennium for the purpose of making payments for data center services provided by the Department of Information Resources are hereby reduced as follows:

Agency Name	General Revenue	General Revenue-Dedicated	Federal Funds	Other Funds	Biennium Total
Article I					
Facilities Commission	(\$139,183)	(\$17,876)	\$0	(\$78,233)	(\$235,292)
Department of Information Resources	\$0	\$0	\$0	(\$839,053)	(\$839,053)
Library and Archives Commission	(\$16,206)	\$0	\$0	\$0	(\$16,206)
Secretary of State	(\$468,213)	\$0	\$0	\$0	(\$468,213)
Article II					
and Rehabilitative Service	(\$837,315)	\$0	(\$2,066,920)	(\$9,235)	(\$2,913,470)
Article V					
Department of Criminal Justice	(\$4,159,692)	\$0	\$0	\$0	(\$4,159,692)
Article VI					
Department of Agriculture	(\$80,923)	\$0	\$0	\$0	(\$80,923)
Parks and Wildlife Department	(\$1,921,292)	(\$484,090)	\$0	\$0	(\$2,405,382)
Water Development Board	(\$4,427)	\$0	\$0	\$0	(\$4,427)
Article VII					
Department of Motor Vehicles	\$0	\$0	\$0	(\$4,475,730)	(\$4,475,730)
Department of Transportation	\$0	\$0	\$0	(\$7,903,591)	(\$7,903,591)
Article VIII					
Health Professions Council	\$0	\$0	\$0	(\$3,786)	(\$3,786)
Commission	(\$54,189)	\$0	\$0	\$0	(\$54,189)
Subtotal, Reductions related to Data Center Services	(\$7,681,440)	(\$501,966)	(\$2,066,920)	(\$13,309,628)	(\$23,559,954)

(b) Amounts appropriated elsewhere in this Act in affected state agency bill patterns for the 2014-15 biennium for the purpose of making payments for data center services provided by the Department of Information Resources are hereby increased as follows:

Agency Name	General Revenue	General Revenue-Dedicated	Federal Funds	Other Funds	Biennium Total
Article I					
Office of the Attorney General	\$1,519,444	\$17,763	\$2,231,091	\$89,646	\$3,857,944
Veterans Commission	\$25,548	\$0	\$0	\$0	\$25,548
Article II					
Department of Aging and Disability Services	\$280,823	\$0	\$402,475	\$0	\$683,298
Department of Family and Protective Services	\$710,996	\$0	\$224,314	\$0	\$935,310

Department of State Health Services	\$545,163	\$0	\$84,708	\$0	\$629,871
Health and Human Services Commission	\$550,338	\$0	\$602,375	\$363,264	\$1,515,977
Article III					
Texas Education Higher Education Coordinating Board	\$3,316,721	\$0	\$1,997,231	\$778,865	\$6,092,817
	\$379,312	\$0	\$0	\$260,932	\$640,244
Article V					
Alcohol Beverage Commission	\$758,460	\$0	\$0	\$0	\$758,460
Juvenile Justice Department	\$207,205	\$0	\$0	\$0	\$207,205
Article VI					
Commission on Environmental Quality	\$241,990	\$519,037	\$0	\$0	\$761,027
Railroad Commission	\$85,734	\$310,991	\$0	\$4,729	\$401,454
Article VII					
Texas Workforce Commission	\$2,253	\$2,257	\$710,459	\$0	\$714,969
Article VIII					
Department of Insurance	\$23,080	\$25,861	\$0	\$0	\$48,941
Fr[sty,rmy pg z;ovrmdomh smf Trhi;syopm	\$4,133	\$0	\$0	\$0	\$4,133
Subtotal, Increase related to Data Center Services	\$8,651,200	\$875,909	\$6,252,653	\$1,497,436	\$17,277,198

Sec. 17.12. Additional Appropriation for Employee Benefits.

In recognition of increases in the number of Full-Time Equivalent employees authorized by this Act, additional amounts are hereby appropriated for employee benefits. For the biennium beginning September 1, 2013, the following amounts are appropriated: to the Comptroller of Public Accounts for the payment of employer paid Social Security contributions; \$8,113,407 in General Revenue Funds, \$520,200 in General Revenue- Dedicated Funds, and \$1,845,562 in Federal Funds; to the Employees Retirement System for retirement contributions; \$7,954,320 in General Revenue Funds, \$510,000 in General Revenue-Dedicated Funds, and \$1,809,375 in Federal Funds; and to the Employees Retirement System for group insurance contributions; \$23,468,182 in General Revenue Funds, \$1,504,058 in General Revenue-Dedicated Funds, and \$5,349,690 in Federal Funds.

Sec. 17.13. Additional Payroll Contribution for Retirement Contribution.

- (a) Contingent on the passage of Senate Bill 1459, or similar legislation relating to contributions to, benefits from, and programs administered by the Employees Retirement System of Texas, and notwithstanding any other provision of this Act, out of appropriations made elsewhere in this Act to state agencies for the state fiscal biennium beginning September 1, 2013, each agency shall contribute, in an amount equal to 0.5 percent of the total base wages and salaries for each eligible employee of a state agency during the state fiscal biennium beginning September 1, 2013 to the Employees Retirement System's Retirement Program.
- (b) State agencies shall contribute pursuant to this section to the Employees Retirement System to increase the state contribution for retirement by the value of the 0.5 percent contribution, estimated to be \$55,500,000 for state agencies for the 2014-15 biennium.
- (c) The calculation of base salary for purposes of the reductions made under this section excludes longevity pay, hazardous duty pay, benefit replacement pay, overtime pay, and other payments that are not part of the base salary of the employee.
- (d) Transfers made under this section shall be consistent with provisions requiring salaries and benefits to be proportional to the source of funds.
- (e) The Comptroller of Public Accounts shall promulgate rules and regulations as necessary to administer this section.

Sec. 17.14. Eligible Expenses in the Medicaid Program.

In addition to amounts appropriated elsewhere in this Act for fiscal years 2014 and 2015 by the Eighty-third Legislature, Regular Session, the amount of \$160,000,000 in fiscal year 2014 and \$140,000,000 in fiscal year 2015 is appropriated out of General Revenue Dedicated account number 5111, Trauma Facility and EMS Account, to the Department of State Health Services, for the purpose of entering into an interagency contract with the Health and Human Services Commission to provide for eligible expenses in the Medicaid program.

Appropriations elsewhere in this Act to the Health and Human Services Commission in Goal B, Medicaid, are reduced in the amount of \$160,000,000 in fiscal year 2014 and \$140,000,000 in fiscal year 2015 in General Revenue Funds.

Sec. 17.15. State Agency Internal Accounting Systems.

(a) It is the intent of the Legislature that by using funds appropriated by this Act the comptroller by

(1) require state agencies to modify, delay, or stop the implementation of individual accounting and payroll systems, including individual enterprise resource planning systems, so that those systems are compatible with the uniform statewide accounting system; and

(2) adopt standards for implementation and modification of state agency enterprise resource planning systems.

(b) It is the intent of the Legislature that by using funds appropriated by this Act the comptroller may require a state agency to:

(1) replace its internal enterprise resource planning system or accounting and payroll system with project components to provide uniformity in internal accounting and other enterprise resource planning system functions; and

(2) modify its internal enterprise resource planning system or accounting and payroll system to provide uniformity in internal accounting and other enterprise resource planning system functions.

(c) It is the intent of the Legislature that the expenditure of state funds appropriated by this Act for the establishment, modification, or maintenance of an individual enterprise resource planning system or accounting or payroll system must be in accordance with any rules regarding the development, implementation, or use of the uniform statewide accounting system.

(d) It is the intent of the Legislature that notwithstanding any other provision of this Act or other law, this section and any rules implementing this section apply only in relation to a state agency as defined by Section 2054.003, Government Code.

Sec. 17.16. Department of Public Safety Method of Finance Swap.

In order to reduce reliance on State Highway Fund No. 006 at the Texas Department of Public Safety, and notwithstanding appropriations made elsewhere in this Act, the Department of Public Safety is appropriated \$65,250,000 in fiscal year 2014 and \$200,000,000 in fiscal year 2015 out of the General Revenue Fund for the purpose of replacing an equal amount of State Highway Fund No. 006 in each fiscal year. The Department of Public Safety State Highway Fund No. 006 appropriation made elsewhere in this Act is reduced by an equal amount.

The \$65,250,000 in fiscal year 2014 and the \$200,000,000 in fiscal year 2015 in State Highway Fund No. 006 that is made available as a result of this action is hereby appropriated to the Texas Department of Transportation.

Sec. 17. 17. Contingency Appropriation: Credits against the Cost of Recapture.

In addition to amounts appropriated to the Texas Education Agency in Article III of this Act and contingent on the receipt of payments owed for fiscal year 2013 by a district described below under a payment agreement authorized by the commissioner of education and related to requirements to reduce property wealth pursuant to the provisions of Texas Education Code, Chapter 41, in addition to amounts appropriated above, the amount of \$758,578 in fiscal year 2014 and \$758,582 in fiscal year 2015 is appropriated out of Foundation School Fund No. 193 (General Revenue Funds) to the Texas Education Agency, Strategy A.1.1., FSP - Equalized Operations, and the commissioner of education shall use these funds as a credit against the cost of purchasing attendance credits for a district required to reduce its property wealth pursuant to the provisions of Texas Education Code, Chapter 41, for which the cost of attendance credits necessary to achieve the equalized wealth level under Chapter 41, Education Code, for the 2009-10 school year was determined based on Section 41.093(a)(2), Education Code, and in which the adopted maintenance and operations tax rate for the 2009 tax year was less than \$0.30. No credit against the cost of purchasing attendance credits shall be made to an eligible district unless payments owed for fiscal year 2013 under a payment agreement authorized by the commissioner of education are made in full.

Sec. 17. 18. Spaceport Contingency.

In addition to amounts appropriated elsewhere in this Act, contingent on certification by the Texas Economic Development and Tourism Office at the Office of the Governor to the Legislative Budget Board that SpaceX has committed to locating its facilities at a spaceport in this state, the Trusteed Programs within the Office of the Governor is appropriated in Strategy A.1.9, Economic Development and Tourism, \$10,000,000 in General Revenue Funds for fiscal year 2014 to be transferred to the Spaceport Trust Fund held outside the State treasury.

Sec. 18.01. Bureau of Economic Geology.

Contingent upon certification by the Comptroller of Public Accounts that increased activity by the Bureau of Economic Geology will generate at least \$1,000,000 for the biennium in additional revenue to the General Revenue Fund, \$500,000 from General Revenue in each year of the biennium is appropriated to the University of Texas at Austin in Strategy C.2.3 Bureau of Economic Geology in addition to the amounts above. 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.

Sec. 18.02. UTMB Hospital Operations.

In addition to amounts appropriated elsewhere in this act to The University of Texas Medical Branch at Galveston, there is hereby appropriated to The University of Texas Medical Branch in Galveston \$5,000,000 each fiscal year out of General Revenue in Strategy D.1.1, Medical Branch Hospitals, to support the institution's hospital operations.

Sec. 18.59. Appropriation for ACE for Health and Brighter Bites Programs.

In addition to appropriations made elsewhere in this Act to the Texas Department of Agriculture, there is hereby appropriated \$1,200,000 in General Revenue for the 2014-15 biennium to be allocated as follows:

1. \$300,000 in fiscal year 2014 and \$300,000 in fiscal year 2015 for an Access, Continuity and Education with Fruits and Vegetables for our Youth, or ACE for Health, pilot
2. \$300,000 in fiscal year 2014 and \$300,000 in fiscal year 2015 for the Brighter Bites pilot