

Issue Docket

Conference Committee on House Bill 1

2016-17 General Appropriations Bill

ArticleVII - Business and Economic Development

**ARTICLE VII - BUSINESS AND ECONOMIC DEVELOPMENT
ISSUE DOCKET**

Conference Committee on General Appropriations Bill

Agency/Item	<u>House</u>		<u>Senate</u>		Biennial Difference	Explanation
	2016	2017	2016	2017		
<u>332 DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS</u>						
		VII-1		VII-1		
Schedule of Exempt Positions	\$ 168,778	\$ 168,778	\$ 142,431	\$ 142,431		House provides \$26,347 in additional authority for the Executive Director salary.
See also Article XI	See also Article XI, House page XI-21					

Agency/Item	House		Senate		Biennial Difference	Explanation
	2016	2017	2016	2017		
<u>362 TEXAS LOTTERY COMMISSION</u>		VII-7		VII-7		
Technical Adjustments						Senate Bill inadvertently reallocates \$2,756,330 in fiscal year 2016 and \$2,798,120 in fiscal year 2017 in General Revenue-Dedicated Funds from Strategy A.1.11, Retailer Bonus to Strategy A.1.12, Retailer Commissions.
A.1.1, Lottery Operations	\$ 6,510,822	\$ 6,514,037	\$ 7,234,247	\$ 7,237,819	\$ 1,447,207	House decreases General Revenue-Dedicated Funds by \$723,425 in fiscal year 2016 and \$723,782 in fiscal year 2017 for lottery operations.
A.1.5, Central Administration	\$ 11,884,561	\$ 11,884,236	\$ 13,205,068	\$ 13,204,707	\$ 2,640,978	House decreases General Revenue-Dedicated Funds by \$1,320,507 in fiscal year 2016 and \$1,320,471 in fiscal year 2017 for central administration.
A.1.11, Retailer Bonus	\$ 4,200,000	\$ 4,200,000	\$ 6,956,330	\$ 6,998,120	\$ 5,554,450	See Technical Adjustments.
A.1.12, Retailer Commissions	\$ 22,006,330	\$ 22,048,120	\$ 19,250,000	\$ 19,250,000	\$ 5,554,450	See Technical Adjustments.

Agency/Item	<u>House</u>		<u>Senate</u>		Biennial Difference	Explanation
	2016	2017	2016	2017		
B.1.1, Bingo Licensing	\$ 792,233	\$ 792,233	\$ 942,233	\$ 792,233	\$ 150,000	Senate provides Unexpended Balance and Capital Budget Authority between biennia for the Automated Charitable Bingo System Redesign project (see Rider #15 below).
Unexpended Balances Between Biennia and Capital Authority: Automated Charitable Bingo System.			VII-11, Rider #15 Rider Packet, page VII-1			Senate adopts rider that provides Unexpended Balance and Capital Budget Authority between biennia for the Automated Charitable Bingo System Redesign project, not to exceed \$150,000.
See also Article XI	See also Article XI, House page XI-21					

Agency/Item	House		Senate		Biennial Difference	Explanation
	2016	2017	2016	2017		
<u>608 DEPARTMENT OF MOTOR VEHICLES</u>						
		VII-11		VII-11		
Number of Full-Time-Equivalents (FTEs)	763.0	766.0	770.0	770.0		House provides 3.0 FTEs in 2017 for headquarters relocation. Senate provides 5.0 FTEs for motor carrier enforcement and 2.0 FTEs for vehicle registration and titling field service representatives. See also Article XI, House page 21.
Schedule of Exempt Positions	\$ 187,442	\$ 187,442	\$ 180,285	\$ 180,285		House provides \$7,157 in additional authority for the Executive Director salary.
A.1.1, Titles, Registrations, and Plates	\$ 72,852,898	\$ 73,344,138	\$ 74,140,620	\$ 73,720,459	\$ 1,664,043	Senate provides \$240,507 in General Revenue Funds and 2.0 FTEs for vehicle registration and titling field service representatives and \$1,423,536 in General Revenue Funds for relocation of two regional service centers.

Agency/Item	<u>House</u>		<u>Senate</u>		Biennial Difference	Explanation
	2016	2017	2016	2017		
A.1.4, Technology Enhancements & Automation	\$ 26,016,149	\$ 2,583,993	\$ 23,809,963	\$ 2,583,993	\$ 2,206,186	House provides \$7,353,955 in General Revenue Funds for the Application Migration & Server Infrastructure Transformation (AMSIT) project. Senate provides \$5,147,769 in General Revenue Funds for the AMSIT project.
B.1.1, Enforcement	\$ 5,370,265	\$ 5,370,265	\$ 5,695,136	\$ 5,656,011	\$ 610,617	Senate provides \$610,617 in General Revenue Funds and 5.0 FTEs for motor carrier enforcement.
C.1.2, Information Resources	\$ 21,582,948	\$ 21,661,296	\$ 23,579,214	\$ 22,135,425	\$ 2,470,395	Senate provides \$2,470,395 in General Revenue Funds for data center services costs.

Agency/Item	<u>House</u>		<u>Senate</u>		Biennial Difference	Explanation
	2016	2017	2016	2017		
C.1.3, Other Support Services	\$ 2,319,336	\$ 14,216,334	\$ 3,725,479	\$ 2,375,506	\$ 10,434,685	House provides \$11,896,998 in General Revenue Funds and 3.0 FTEs in 2017 for headquarters relocation to leased facilities. (See Also Rider Packet, page VII-2)
						Senate provides \$1,462,313 in General Revenue Funds for purchase of new and replacement vehicles; and
						Senate provides \$57,995,000 in Revenue Bond Proceeds to the Texas Facilities Commission (Article I) for the acquisition and relocation of headquarters to state-owned facilities.
Department of Motor Vehicles Austin Headquarters	VII-14, Rider #7 Rider Packet, page VII-2					House adds a rider directing the use of General Revenue Funds for the purposes of acquiring and maintaining new leased facilities for the department headquarters. (See Also Strategy 3.1.3, Other Support Services)
See also Article XI	See also Article XI, House page XI-21		See also Article XI, Senate page XI-10			

Agency/Item	<u>House</u>		<u>Senate</u>		Biennial Difference	Explanation
	2016	2017	2016	2017		
<u>601 DEPARTMENT OF TRANSPORTATION</u>		VII-15		VII-15		
Cross-Strategy Issue #1 - State Highway Fund No. 006 - Proposition 1, 2014	House specifies the use of funds for the following purposes: • 45% (\$1,086.1 million) for urban mobility projects; • 25% (\$603.4 million) for regional connectivity; • 20% (\$482.7 million) for statewide maintenance and preservation; • 10% (\$241.4 million) for energy sector safety and maintenance		Senate strategy allocation reflects the following project funding allocation: • 60% (\$1,448.2 million) for mobility and connectivity • 20% (\$482.7 million) for statewide maintenance • 20% (\$482.7 million) for energy sector safety and maintenance			House allocates funding to Strategy I.1.1, Proposition 1, 2014. (See Also Rider Packet, page VII-8) Senate allocates funding to the strategies as follows: • \$144,820,020 in A.1.2, Contracted Planning and Design; • \$217,230,030 in A.1.3, Right-of-way Acquisition; • \$434,460,060 in B.1.2, New Construction Contracts; • \$1,617,156,890 in C.1.2, New Maintenance Contracts

Agency/Item	<u>House</u>		<u>Senate</u>		Biennial Difference	Explanation
	2016	2017	2016	2017		
Cross-Strategy Issue #2 - General Revenue Funds: Contingency for Additional Funding	\$ 500,000,000	\$ 1,000,000,000	\$ -	\$ -	\$ 1,500,000,000	House provides \$1.5 billion in General Revenue (\$0.5 billion in FY16 and \$1.0 billion in FY17) contingent on enactment of legislation relating to increasing transparency in TxDOT operations and functions. Funding is allocated to the strategies as follows: <ul style="list-style-type: none"> • \$63,000,000 in A.1.2, Contracted Planning and Design; • \$84,000,000 in A.1.3, Right-of-way Acquisition; • \$325,080,000 in B.1.2, New Construction Contracts; • \$1,027,920,000 in C.1.2, New Maintenance Contracts (See also Rider Packet, page VII-9.)
Appropriations Made in Riders	\$ -	\$ -	\$ 1,186,000,000	\$ -	\$ 1,186,000,000	Senate provides funding contingent upon enactment of legislation making a one-time allocation of motor vehicle sales tax to the State Highway Fund. (See Also Rider Packet, page VII-8.)

Agency/Item	<u>House</u>		<u>Senate</u>		Biennial Difference	Explanation
	2016	2017	2016	2017		
Cross-Strategy Issue #3 - Capital Budget Authority and Funding: Modernize Portfolio and Project Management (MPPM).						House provides capital budget authority and appropriates proceeds from the sale of agency real property to finance the project. (See Also Rider Packet, page VII-10.) Senate provides capital budget authority and funding for the project by reallocating \$30,520,353 to Strategy A.1.1, from Strategies A.1.2, A.1.3, B.1.2, and C.1.2.
A.1.1, Plan, Design, and Manage Transportation Projects	\$ 397,424,035	\$ 394,825,111	\$ 412,051,590	\$ 410,717,909	\$ 30,520,353	See Cross-Strategy Issue #3 above.
A.1.2, Contracted Planning and Design	\$ 496,567,500	\$ 501,865,720	\$ 547,666,287	\$ 530,755,732	\$ 79,988,799	See Cross-Strategy Issues above.
A.1.3, Right-of-way Acquisition	\$ 493,413,462	\$ 445,962,982	\$ 573,561,642	\$ 496,298,000	\$ 130,483,198	See Cross-Strategy Issues above.
B.1.2, New Construction Contracts	\$ 523,454,666	\$ 741,691,241	\$ 637,691,026	\$ 743,941,277	\$ 116,486,396	Senate provides \$12,600,000 in General Revenue Funds for port capital improvement projects. (See Also Rider Packet, page VII-11.) See Cross-Strategy Issues above.

Agency/Item	<u>House</u>		<u>Senate</u>		Biennial Difference	Explanation
	2016	2017	2016	2017		
B.1.4, Aviation Services	\$ 84,002,961	\$ 84,312,961	\$ 87,002,961	\$ 84,312,961	\$ 3,000,000	Senate provides \$3,000,000 in General Revenue Funds to assist in hangar expansion for airport facilities used by the Department of Public Safety for first responders and aircraft staging and storage. (See Also Rider Packet, page VII-13.)
C.1.2, New Maintenance Contracts	\$ 1,457,155,207	\$ 2,668,811,377	\$ 1,919,618,325	\$ 2,775,136,513	\$ 568,788,254	See Cross-Strategy Issues above.
C.1.3, Contracted Routine Maintenance	\$ 650,783,131	\$ 656,806,961	\$ 671,901,131	\$ 678,151,961	\$ 42,463,000	Senate provides General Revenue for a veterans toll discount (\$5,063,000) and truck toll discount (\$37,400,000) on certain TxDOT toll projects. (See Also Rider Packet, page VII-14.)
E.1.2, Contract Rail Planning and Design	\$ 11,855,533	\$ 12,405,533	\$ 14,500,533	\$ 15,050,533	\$ 5,290,000	Senate provides \$5,290,000 to provide operational funding for the Lone Star Rail District. (See Also Rider Packet, page VII-9.)
I.1.1, Proposition 1, 2014	\$ 1,216,274,000	\$ 1,197,393,000	\$ -	\$ -	\$ 2,413,667,000	See Cross-Strategy Issue #1 above.

Agency/Item	<u>House</u>		<u>Senate</u>		Biennial Difference	Explanation
	2016	2017	2016	2017		
Reporting Requirements	VII-21, Rider #14 Rider Packet, page VII-3		VII-21, Rider #14 Rider Packet, page VII-3			Senate includes requirement in subsection (d) to notify members of any proposed passenger rail or toll project within their districts regardless of whether or not the project involves state or federal funds.
Contingency for Legislation Making a One-time Allocation of a Portion of Motor Vehicle Sales Tax Revenue to the State Highway Fund			VII-29, Rider #43 Rider Packet, page VII-8			See Appropriations Made in Riders above.
Proposition 1 Appropriations	VII-29, Rider #44 Rider Packet, page VII-8					See Cross-Strategy Issue #1 above.
Lone Star Rail District			VII-29, Rider #45 Rider Packet, page VII-9			Senate specifies the use of General Revenue Funds to provide operational funding for the Lone Star Rail District. (See Also Strategy E.1.2, Contract Rail Planning and Design.)
Contingency for Additional Funding	VII-30, Rider #45 Rider Packet, page VII-9					See Cross-Strategy Issue #2 above.

Agency/Item	<u>House</u>		<u>Senate</u>		Biennial Difference	Explanation
	2016	2017	2016	2017		
Appropriation and Capital Budget Authority: Receipts from Sale of Real Property	VII-30, Rider #46 Rider Packet, page VII-10					House provides capital budget authority for selected capital budget items to be funded only from appropriations of proceeds from the sale of TxDOT real property.
Limitation on Expenditures for Design-Build Contracts			VII-29, Rider #46 Rider Packet, page VII-11			Senate provides a limitation on the use of appropriated funds to enter into design-build contracts.
Port Capital Improvements			VII-29, Rider #47 Rider Packet, page VII-11			Senate specifies the use of General Revenue and Texas Mobility Funds for port capital improvement projects.
Grants to Certain Peace Officer Organizations	VII-31, Rider #47 Rider Packet, page VII-12					House prohibits the use of appropriations to make grants or other distributions to certain peace officer organizations.
Report on the Elimination of Toll Roads	VII-31, Rider #48 Rider Packet, page VII-12					House requires a study and report on the feasibility of eliminating toll roads and the elimination of toll road debt.
Limitation on Expenditures for High-speed Rail			VII-30, Rider #48 Rider Packet, page VII-13			Senate provides a limitation on the use of appropriated funds for construction of high-speed rail.

Agency/Item	<u>House</u>		<u>Senate</u>		Biennial Difference	Explanation
	2016	2017	2016	2017		
Texas Border Infrastructure			VII-30, Rider #49 Rider Packet, page VII-13			Senate requires consideration of factors when distributing discretionary funds to TxDOT districts located on the Texas-Mexico border.
Allocation for Emergency and First Responder Airport Facilities			VII-30, Rider #50 Rider Packet, page VII-13			Senate specifies the use of General Revenue to assist in hangar expansion for airport facilities used by the Department of Public Safety for first responders and aircraft staging and storage. (See Also Strategy B.1.4, Aviation Services.)
Toll Discount Programs			VII-30, Rider #51 Rider Packet, page VII-14			Senate specifies the use of General Revenue to provide toll discounts for veterans and large trucks on certain TxDOT toll facilities. (See Also Strategy C.1.3, Contracted Routine Maintenance.)
See also Article XI						
	See also Article XI, House page XI-21		See also Article XI, Senate page XI-10 and XI-13			

Agency/Item	<u>House</u>		<u>Senate</u>		Biennial Difference	Explanation
	2016	2017	2016	2017		
<u>320 TEXAS WORKFORCE COMMISSION</u> Cross-Agency Issue - Program transfer from the Department of Assistive and Rehabilitative Services		VII-31		VII-30		Senate transfers funding and staff for the Vocational Rehabilitation, Business Enterprises of Texas, and Disability Determination Services programs from the Department of Assistive and Rehabilitative Services (DARS) to the Texas Workforce Commission. This transfer includes the following: a. Vocational Rehabilitation Program: \$575,590,599 in All Funds and 1,577.9 FTEs (See Also Strategy D.1.1, Vocational Rehabilitation & D.2.2, Program Support - Other); b. Business Enterprises of Texas Program: \$5,735,634 in All Funds and 18.0 FTEs (See Also Strategy D.1.2, Business Enterprises of Texas & D.1.3, Business Enterprises of Texas Trust Fund); c. Disability Determination Services Program: \$234,403,712 in All Funds and 875.4 FTEs (See Also Strategy E.1.1, Disability Determination Services);

Agency/Item	<u>House</u>		<u>Senate</u>		Biennial Difference	Explanation
	2016	2017	2016	2017		
Number of Full-Time-Equivalents (FTEs)	2,883.2	2,786.8	5,550.1	5,453.7		<p>d. Related Central Administration: \$42,257,829 in All Funds and 196.1 FTEs (See Also Strategy D.2.1, Program Support – Vocational Rehabilitation); and</p> <p>e. All riders including provisions for these three programs.</p> <p>House provides 0.5 FTEs for the agency's apprenticeship program.</p> <p>Senate adds 2,667.4 FTEs for program transfer from DARS (See Cross-Agency Issue above)</p> <p>See also Article XI, House page 22</p>
Schedule of Exempt Positions	\$ 187,998	\$ 187,998	\$ 165,919	\$ 165,919		House provides \$22,079 in additional authority for the Executive Director salary. Additional appropriations made for this purpose described below.
A.1.8, Apprenticeship	\$ 4,455,936	\$ 4,455,724	\$ 2,955,936	\$ 2,955,724	\$ 3,000,000	House provides \$3,000,000 in General Revenue Funds and 0.5 FTEs for the agency's Apprenticeship program.
A.1.9, Adult Education And Family Literacy	\$ 72,382,870	\$ 72,868,943	\$ 70,382,870	\$ 70,868,943	\$ 4,000,000	House provides \$4,000,000 in General Revenue Funds for the Accelerate Texas program.

Agency/Item	<u>House</u>		<u>Senate</u>		Biennial Difference	Explanation
	2016	2017	2016	2017		
A.2.1, Skills Development	\$ 29,239,645	\$ 29,352,069	\$ 24,239,645	\$ 24,352,069	\$ 10,000,000	House provides \$10,000,000 in General Revenue Funds for grants to public junior and technical colleges for career and technical education programs. (See Also Rider Packet, page VII-15)
C.1.1, Central Administration	\$ 12,029,516	\$ 11,896,307	\$ 12,023,996	\$ 11,890,787	\$ 11,040	House provides \$11,040 in General Revenue Funds for the Executive Director salary.
D.1.1, Vocational Rehabilitation	\$ -	\$ -	\$ 271,285,924	\$ 271,213,733	\$ 542,499,657	Cross-Agency Issue - see above
D.1.2, Business Enterprises Of Texas (BET)	\$ -	\$ -	\$ 2,463,605	\$ 2,463,605	\$ 4,927,210	Cross-Agency Issue - see above
D.1.3, Business Enterprises Of Texas Trust Fund	\$ -	\$ -	\$ 404,212	\$ 404,212	\$ 808,424	Cross-Agency Issue - see above
D.2.1, Program Support - Vocational Rehabilitation	\$ -	\$ -	\$ 21,141,225	\$ 21,116,604	\$ 42,257,829	Cross-Agency Issue - see above
D.2.2, Program Support - Other	\$ -	\$ -	\$ 16,583,471	\$ 16,507,471	\$ 33,090,942	Cross-Agency Issue - see above
E.1.1, Disability Determination Services (DDS)	\$ -	\$ -	\$ 117,201,856	\$ 117,201,856	\$ 234,403,712	Cross-Agency Issue - see above

Agency/Item	<u>House</u>		<u>Senate</u>		Biennial Difference	Explanation
	2016	2017	2016	2017		
Workforce Employment and Training Activities		VII-40, Rider #33 Rider Packet, page VII-15		VII-41, Rider #33 Rider Packet, page VII-15		House adds a provision to transfer \$450,000 of appropriated funds to the Texas Veterans Commission to continue funding employment programs for veterans.
Additional Skills Development Funding		VII-41, Rider #34 Rider Packet, page VII-15				House adds provisions for the \$10,000,000 in General Revenue appropriated for grants to public junior and technical colleges for career and technical education programs. (See Also Strategy A.2.1, Skills Development)
Sunset Contingency		VII-41, Rider #35 Rider Packet, page VII-15		VII-41, Rider #34 Rider Packet, page VII-15		Senate notes that the Sunset report was delivered to the Eighty-fourth Legislature and that the legislature may by law continue the Texas Workforce Commission for up to 12 years, if such a law is passed before the sunset date for the Texas Workforce Commission.
Reimbursement of Advisory Committee Members				VII-41, Rider #35 Rider Packet, page VII-16		Senate adds rider for program transfer from DARS. (See Cross-Agency Issue above)
Notification of Federal Funds Distribution				VII-41, Rider #36 Rider Packet, page VII-16		Senate adds rider for program transfer from DARS. (See Cross-Agency Issue above)

Agency/Item	<u>House</u>		<u>Senate</u>		Biennial Difference	Explanation
	2016	2017	2016	2017		
Adult Education and Family Literacy Workforce Diploma Program Pilot Project	VII-41, Rider #36 Rider Packet, page VII-17		VII-43, Rider #47 Rider Packet, page VII-17			Senate adds language regarding the workforce diploma program pilot project.
Vocational Rehabilitation Reporting Requirements			VII-41, Rider #37 Rider Packet, page VII-17			Senate adds rider for program transfer from DARS. (See Cross-Agency Issue above)
Vocational Rehabilitation Maintenance of Effort (MOE) and Matching Funds Reporting Requirement			VII-42, Rider #38 Rider Packet, page VII-18			Senate adds rider for program transfer from DARS. (See Cross-Agency Issue above)
Appropriation: GR-Dedicated Business Enterprise Program Trust Fund Account No. 5043			VII-42, Rider #39 Rider Packet, page VII-18			Senate adds rider for program transfer from DARS. (See Cross-Agency Issue above)
Appropriation: Subrogation Receipts			VII-42, Rider #40 Rider Packet, page VII-19			Senate adds rider for program transfer from DARS. (See Cross-Agency Issue above)
Performance Reporting for the Business Enterprises of Texas Program			VII-42, Rider #41 Rider Packet, page VII-19			Senate adds rider for program transfer from DARS. (See Cross-Agency Issue above)
Blind Endowment Trust Fund Reporting			VII-43, Rider #42 Rider Packet, page VII-20			Senate adds rider for program transfer from DARS. (See Cross-Agency Issue above)

Agency/Item	<u>House</u>		<u>Senate</u>		Biennial Difference	Explanation
	2016	2017	2016	2017		
Language Interpreter Services			VII-43, Rider #43 Rider Packet, page VII-20			Senate adds rider for program transfer from DARS. (See Cross-Agency Issue above)
Department of Assistive and Rehabilitative Services Partnership			VII-43, Rider #44 Rider Packet, page VII-21			Senate adds rider for program transfer from DARS. (See Cross-Agency Issue above)
Contingency for the Department of Assistive and Rehabilitative Services Program Transfer			VII-43, Rider #45 Rider Packet, page VII-21			Senate adds contingency provision for the program transfer from DARS. (See Cross-Agency Issue above)
Rapid Response Workforce Development Services			VII-43, Rider #46 Rider Packet, page VII-22			Senate add rider to expand use of Skills Development appropriations to provide grants to public junior colleges and public technical colleges to develop customized training programs.
See also Article XI	See also Article XI, House page XI-22		See also Article XI, Senate page XI-10			

Agency/Item	<u>House</u>		<u>Senate</u>		Biennial Difference	Explanation
	2016	2017	2016	2017		
<u>32A REIMBURSEMENTS TO THE UNEMPLOYMENT COMPENSATION BENEFIT ACCOUNT</u>						
No Issues	VII-41		VII-44			