

AN ACT

relating to making supplemental appropriations and giving direction and adjustment authority regarding appropriations.

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

SECTION 1. APPROPRIATION REDUCTIONS: PUBLIC FINANCE AUTHORITY. (a) The unencumbered appropriations from the general revenue fund to the Public Finance Authority made by Chapter 1281 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015 (the General Appropriations Act), for use during the state fiscal biennium ending August 31, 2017, for bond debt service payments, including appropriations subject to Rider 2, page I-47, Chapter 1281 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015 (the General Appropriations Act), to the bill pattern of the appropriations to the authority, are reduced by a total aggregate of \$51,566,581.

(b) In addition to the reductions made by Subsection (a) of this section, the unencumbered appropriations from the general revenue fund to the Public Finance Authority made by Chapter 1281 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015 (the General Appropriations Act), for use during the state fiscal biennium ending August 31, 2017, are reduced by \$217,487.

(c) The Public Finance Authority shall identify the strategies and objectives to which the reductions made by Subsections (a) and (b) of this section are to be allocated and the

1 amount of the reduction for each of those strategies and
2 objectives.

3 SECTION 2. APPROPRIATION REDUCTIONS: FACILITIES
4 COMMISSION. (a) The unencumbered appropriations from the general
5 revenue fund to the Facilities Commission made by Chapter 1281
6 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015 (the
7 General Appropriations Act), for use during the state fiscal
8 biennium ending August 31, 2017, for lease payments are reduced by
9 \$13,780,014.

10 (b) In addition to the reductions made by Subsection (a) of
11 this section, the unencumbered appropriations from the general
12 revenue fund to the Facilities Commission made by Chapter 1281
13 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015 (the
14 General Appropriations Act), for use during the state fiscal
15 biennium ending August 31, 2017, are reduced by \$220,000.

16 (c) The Facilities Commission shall identify the strategies
17 and objectives to which the reductions made by Subsections (a) and
18 (b) of this section are to be allocated and the amount of the
19 reduction for each of those strategies and objectives.

20 SECTION 3. APPROPRIATION REDUCTION: DEPARTMENT OF
21 TRANSPORTATION. The unencumbered appropriations from the general
22 revenue fund made by Chapter 1281 (H.B. 1), Acts of the 84th
23 Legislature, Regular Session, 2015 (the General Appropriations
24 Act), to the Department of Transportation for Strategy G.1.1.,
25 General Obligation Bonds, as listed in that Act, for general
26 obligation bond debt service payments for the state fiscal biennium
27 ending August 31, 2017, are reduced by \$14,191,000.

1 SECTION 4. APPROPRIATION REDUCTION: COMMISSION ON
2 ENVIRONMENTAL QUALITY. The unencumbered appropriations from the
3 Texas Emissions Reduction Plan Account No. 5071 made by Chapter
4 1281 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015
5 (the General Appropriations Act), to the Commission on
6 Environmental Quality for use during the state fiscal biennium
7 ending August 31, 2017, are reduced by \$31,000,000. The commission
8 shall identify the strategies and objectives to which the reduction
9 is to be allocated and the amount of the reduction for each of those
10 strategies and objectives.

11 SECTION 5. APPROPRIATION REDUCTION: PUBLIC UTILITY
12 COMMISSION OF TEXAS. The unencumbered appropriations from the
13 System Benefit Account No. 5100 made by Chapter 1281 (H.B. 1), Acts
14 of the 84th Legislature, Regular Session, 2015 (the General
15 Appropriations Act), to the Public Utility Commission of Texas for
16 use during the state fiscal biennium ending August 31, 2017, are
17 reduced by \$1,209,355. The commission shall identify the strategies
18 and objectives to which the reduction is to be allocated and the
19 amount of the reduction for each of those strategies and
20 objectives.

21 SECTION 6. APPROPRIATION REDUCTION: TEXAS EDUCATION
22 AGENCY. The unencumbered appropriations from the general revenue
23 fund made by Chapter 1281 (H.B. 1), Acts of the 84th Legislature,
24 Regular Session, 2015 (the General Appropriations Act), to the
25 Texas Education Agency for use during the state fiscal biennium
26 ending August 31, 2017, are reduced by \$492,589. The agency shall
27 identify the strategies and objectives to which the reduction is to

1 be allocated and the amount of the reduction for each of those
2 strategies and objectives.

3 SECTION 7. HEALTH AND HUMAN SERVICES COMMISSION: MEDICAID
4 SHORTFALL. (a) In addition to amounts previously appropriated for
5 the state fiscal biennium ending August 31, 2017, \$793,586,397 is
6 appropriated from the general revenue fund, and \$1,599,849,506 is
7 appropriated from federal funds, to the Health and Human Services
8 Commission for the state fiscal year ending August 31, 2017, for
9 Medicaid services under Goal B, Medicaid, as listed in Chapter 1281
10 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015 (the
11 General Appropriations Act).

12 (b) The expenditure or emergency transfer of money
13 appropriated under Subsection (a) of this section is subject to the
14 prior written approval of the Legislative Budget Board in
15 accordance with Section 69, Article XVI, Texas Constitution. A
16 request by the Health and Human Services Commission to expend or
17 transfer an amount of that money is considered approved unless the
18 Legislative Budget Board issues a written disapproval not later
19 than the 10th business day after the date on which the staff of the
20 Legislative Budget Board concludes its review of the request and
21 forwards its review to the chair of the House Appropriations
22 Committee, the chair of the Senate Finance Committee, the speaker
23 of the house of representatives, and the lieutenant governor.

24 SECTION 8. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES:
25 ADDITIONAL APPROPRIATIONS. In addition to amounts previously
26 appropriated for the state fiscal biennium ending August 31, 2017,
27 the following amounts are appropriated from the general revenue

1 fund to the Department of Family and Protective Services for the
2 state fiscal year ending August 31, 2017, for the following
3 purposes as listed in Chapter 1281 (H.B. 1), Acts of the 84th
4 Legislature, Regular Session, 2015 (the General Appropriations
5 Act):

6 (1) \$16,279,099 for Strategy B.1.3., TWC Contracted
7 Day Care;

8 (2) \$39,665,526 for Strategy B.1.9., Foster Care
9 Payments; and

10 (3) \$694,681 for Strategy B.1.10., Adoption/PCA
11 Payments.

12 SECTION 9. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES:
13 CERTAIN TRANSFERS. The Department of Family and Protective
14 Services shall transfer \$4,355,118 from Strategy G.1.1.,
15 Agency-Wide Automated Systems, to Strategy B.1.9., Foster Care
16 Payments, as listed in Chapter 1281 (H.B. 1), Acts of the 84th
17 Legislature, Regular Session, 2015 (the General Appropriations
18 Act).

19 SECTION 10. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES:
20 ADDITIONAL APPROPRIATIONS FOR AGENCY CRITICAL NEEDS. In addition
21 to amounts previously appropriated for the state fiscal biennium
22 ending August 31, 2017, the Department of Family and Protective
23 Services is appropriated for the state fiscal year ending August
24 31, 2017, the following amounts from the general revenue fund for
25 the following strategies as listed in Chapter 1281 (H.B. 1), Acts of
26 the 84th Legislature, Regular Session, 2015 (the General
27 Appropriations Act), to address critical needs of the agency with

1 respect to those strategies:

2 (1) \$75,521,204 for Strategy B.1.1., CPS Direct
3 Delivery Staff;

4 (2) \$613,174 for Strategy B.1.2., CPS Program Support;

5 (3) \$21,000,000 for Strategy B.1.9., Foster Care
6 Payments;

7 (4) \$138,854 for Strategy D.1.1., APS Direct Delivery
8 Staff;

9 (5) \$6,703 for Strategy D.1.2., APS Program Support;

10 (6) \$376,259 for Strategy F.1.1., Central
11 Administration;

12 (7) \$33,546 for Strategy F.1.2., Other Support
13 Services;

14 (8) \$3,067,626 for Strategy F.1.4., IT Program
15 Support; and

16 (9) \$940,108 for Strategy G.1.1., Agency-Wide
17 Automated Systems.

18 SECTION 11. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES:
19 CERTAIN TRANSFERS. (a) Notwithstanding any transfer limitation
20 specified in Chapter 1281 (H.B. 1), Acts of the 84th Legislature,
21 Regular Session, 2015 (the General Appropriations Act), the
22 Department of Family and Protective Services shall transfer to the
23 Health and Human Services Commission the following amounts:

24 (1) \$29,247,213 of general revenue funds; and

25 (2) \$72,450,261 of Temporary Assistance for Needy
26 Families (TANF) program federal funds.

27 (b) The Health and Human Services Commission may spend

1 Temporary Assistance for Needy Families (TANF) program federal
2 funds transferred under Subsection (a)(2) of this section during
3 the state fiscal year ending August 31, 2017, only with the prior
4 written approval of the Legislative Budget Board in accordance with
5 Section 69, Article XVI, Texas Constitution.

6 SECTION 12. TEXAS A&M FOREST SERVICE: APPROPRIATION FOR
7 GENERAL COSTS CAUSED BY VARIOUS EMERGENCY WEATHER-RELATED
8 RESPONSES. In addition to amounts previously appropriated for the
9 state fiscal biennium ending August 31, 2017, \$7,450,427 is
10 appropriated from the general revenue fund to the Texas A&M Forest
11 Service for the state fiscal year ending August 31, 2017, for the
12 purpose of paying for, or reimbursing payments made for, costs
13 incurred by the forest service associated with responding to
14 various weather-related emergencies.

15 SECTION 13. DEPARTMENT OF CRIMINAL JUSTICE: CORRECTIONAL
16 MANAGED HEALTH CARE SHORTFALL. In addition to amounts previously
17 appropriated for the state fiscal biennium ending August 31, 2017,
18 \$80,000,000 is appropriated from the general revenue fund to the
19 Department of Criminal Justice for the state fiscal year ending
20 August 31, 2017, for correctional managed health care under
21 Strategy C.1.9., Hospital and Clinical Care, as listed in Chapter
22 1281 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015
23 (the General Appropriations Act).

24 SECTION 14. JUVENILE JUSTICE DEPARTMENT: OPERATIONAL
25 SHORTFALL. In addition to amounts previously appropriated for the
26 state fiscal biennium ending August 31, 2017, \$4,469,257 is
27 appropriated from the general revenue fund to the Juvenile Justice

1 Department for the state fiscal year ending August 31, 2017, for an
2 operational shortfall.

3 SECTION 15. ANIMAL HEALTH COMMISSION: CATTLE FEVER TICKS.

4 In addition to amounts previously appropriated for the state fiscal
5 biennium ending August 31, 2017, \$649,987 is appropriated from the
6 general revenue fund to the Animal Health Commission for the state
7 fiscal year ending August 31, 2017, for preparedness for, response
8 to, and mitigation of cattle fever ticks under Strategy A.1.1.,
9 Field Operations, as listed in Chapter 1281 (H.B. 1), Acts of the
10 84th Legislature, Regular Session, 2015 (the General
11 Appropriations Act).

12 SECTION 16. TEXAS ALCOHOLIC BEVERAGE COMMISSION. (a) The

13 Texas Alcoholic Beverage Commission may not spend money
14 appropriated to the agency by Chapter 1281 (H.B. 1), Acts of the
15 84th Legislature, Regular Session, 2015 (the General
16 Appropriations Act), for use during the state fiscal biennium
17 ending August 31, 2017:

18 (1) for travel outside the state, other than for bona
19 fide and documented law enforcement or investigative activities; or

20 (2) to attend or participate in an event, training,
21 conference, class, or similar activity outside the state.

22 (b) The Texas Alcoholic Beverage Commission and employees
23 of the commission may not accept payments from or spending
24 authority on behalf of any trade, professional, or industry
25 organization for any purpose or in any form, including a travel
26 subsidy, payment of travel or other expenses for conference
27 presenters, prepaid meals, or lodging.

1 SECTION 17. DEPARTMENT OF STATE HEALTH SERVICES: STATE
2 HOSPITALS. In addition to amounts previously appropriated for the
3 state fiscal biennium ending August 31, 2017, \$15,100,000 is
4 appropriated from the general revenue fund to the Department of
5 State Health Services for the state fiscal year ending August 31,
6 2017, for staffing costs, maintenance, and repair at state
7 hospitals.

8 SECTION 18. HEALTH AND HUMAN SERVICES COMMISSION: EARLY
9 CHILDHOOD INTERVENTION PROGRAM. In addition to amounts previously
10 appropriated for the state fiscal biennium ending August 31, 2017,
11 \$4,500,000 is appropriated from the general revenue fund to the
12 Health and Human Services Commission for the state fiscal year
13 ending August 31, 2017, to provide funding for early childhood
14 intervention program providers.

15 SECTION 19. HEALTH AND HUMAN SERVICES COMMISSION:
16 COMPREHENSIVE REHABILITATION SERVICES. In addition to amounts
17 previously appropriated for the state fiscal biennium ending August
18 31, 2017, \$2,400,000 is appropriated from the general revenue fund
19 to the Health and Human Services Commission for the state fiscal
20 year ending August 31, 2017, to provide comprehensive
21 rehabilitation services.

22 SECTION 20. DEPARTMENT OF AGING AND DISABILITY SERVICES:
23 STATE SUPPORTED LIVING CENTERS. In addition to amounts previously
24 appropriated for the state fiscal biennium ending August 31, 2017,
25 \$11,300,000 is appropriated from the general revenue fund to the
26 Department of Aging and Disability Services for the state fiscal
27 year ending August 31, 2017, to provide additional funding for

1 state supported living centers.

2 SECTION 21. DEPARTMENT OF AGING AND DISABILITY SERVICES:
3 MEXIA STATE SUPPORTED LIVING CENTER TORNADO REPAIR. In addition to
4 amounts previously appropriated for the state fiscal biennium
5 ending August 31, 2017, \$2,400,000 is appropriated from the general
6 revenue fund to the Department of Aging and Disability Services for
7 the state fiscal year ending August 31, 2017, to repair tornado
8 damage at the Mexia State Supported Living Center.

9 SECTION 22. KILGORE COLLEGE: HIGHER EDUCATION GROUP
10 INSURANCE CONTRIBUTIONS. In addition to amounts previously
11 appropriated for the state fiscal biennium ending August 31, 2017,
12 \$1,073,998 is appropriated from the general revenue fund to Kilgore
13 College for the state fiscal year ending August 31, 2017, to provide
14 for state contributions for health benefits.

15 SECTION 23. DEPARTMENT OF TRANSPORTATION: ADJUSTMENT TO
16 CAPITAL BUDGET ITEM EXPENDITURES. Notwithstanding Item d, Rider 2,
17 page VII-19, Chapter 1281 (H.B. 1), Acts of the 84th Legislature,
18 Regular Session, 2015 (the General Appropriations Act), to the bill
19 pattern appropriations to the Department of Transportation, the
20 department's maximum capital expenditure for fiscal year 2017 for
21 transportation items is increased by \$3,500,000, for a total amount
22 of \$8,500,000 for that fiscal year. Notwithstanding Item e of that
23 rider, the department's maximum capital expenditure for fiscal year
24 2017 for acquisition of capital equipment and items is
25 correspondingly decreased by \$3,500,000, for a total amount of
26 \$44,400,000 for that fiscal year.

27 SECTION 24. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES:

1 IMPACT PROJECT. Chapter 1281 (H.B. 1), Acts of the 84th
2 Legislature, Regular Session, 2015 (the General Appropriations
3 Act), is amended by adding the following rider at the end of the
4 riders to the appropriations made to the Department of Family and
5 Protective Services in that Act (page II-46):

6 43. IMPACT Project. (a) The Department of Family and
7 Protective Services shall report to the Legislative Budget Board
8 any anticipated cost overruns and project delays for the IMPACT
9 project that, before June 1, 2017, have not been identified and
10 reported.

11 (b) Notwithstanding any other provision of this Act, all
12 cost overruns must be paid from amounts appropriated above out of
13 Appropriated Receipts. The Department of Family and Protective
14 Services may not expend on IMPACT project cost overruns any other
15 appropriations made from another method of financing without prior
16 written approval from the Legislative Budget Board. The department
17 shall request the approval and shall provide any additional
18 information the Legislative Budget Board requests related to the
19 request for approval in a timely manner and in a format specified by
20 the Legislative Budget Board. The request for approval is
21 considered approved unless the Legislative Budget Board issues a
22 written disapproval not later than the 30th business day after the
23 date on which the staff of the Legislative Budget Board concludes
24 its review of the request and forwards its review to the chair of
25 the House Appropriations Committee, the chair of the Senate Finance
26 Committee, the speaker of the house of representatives, and the
27 lieutenant governor.

1 SECTION 25. DEPARTMENT OF PUBLIC SAFETY: DRIVER LICENSE
2 IMPROVEMENT PLAN. In making expenditures of amounts appropriated to
3 the Department of Public Safety for Strategy E.2.1., Driver License
4 Services, and for Strategy E.2.2., Driving and Motor Vehicle
5 Safety, as listed in Chapter 1281 (H.B. 1), Acts of the 84th
6 Legislature, Regular Session, 2015 (the General Appropriations
7 Act), for use during the state fiscal biennium ending August 31,
8 2017, the department shall endeavor to use those amounts in a manner
9 that ensures completion of all outstanding driver license
10 improvement plan projects, including the installation of driver
11 license kiosks, not later than August 31, 2017.

12 SECTION 26. GOVERNOR'S HIRING FREEZE. (a) This section
13 applies only to a state agency, institution of higher education, or
14 other state entity in the executive branch of state government that
15 is under the direction of the governor. This section does not apply
16 to an agency that is under the direction of a statewide elected
17 official other than the governor.

18 (b) Notwithstanding the appropriations made by Chapter 1281
19 (H.B. 1), Acts of the 84th Legislature, Regular Session, 2015 (the
20 General Appropriations Act), for use during the state fiscal
21 biennium ending August 31, 2017, each agency, institution, or other
22 entity to which this section applies is directed to adhere to the
23 memorandum issued to heads of state agencies by Steven Albright,
24 Budget Director for Governor Greg Abbott, on January 31, 2017,
25 regarding the governor's directive that the agencies,
26 institutions, and entities impose an immediate hiring freeze and
27 maintain that hiring freeze through the end of the state fiscal year

1 ending August 31, 2017. At the end of the state fiscal biennium
2 ending on that date, all amounts appropriated to those agencies,
3 institutions, and entities that are unexpended, because of the
4 hiring freeze, lapse, and the comptroller of public accounts shall
5 credit those amounts to the funds and accounts from which the
6 appropriations were made.

7 SECTION 27. EFFECTIVE DATE. This Act takes effect
8 immediately.

President of the Senate

Speaker of the House

I certify that H.B. No. 2 was passed by the House on April 6, 2017, by the following vote: Yeas 141, Nays 6, 0 present, not voting; and that the House concurred in Senate amendments to H.B. No. 2 on May 26, 2017, by the following vote: Yeas 115, Nays 21, 1 present, not voting; passed subject to the provisions of Article III, Section 49a, of the Constitution of the State of Texas.

Chief Clerk of the House

I certify that H.B. No. 2 was passed by the Senate, with amendments, on May 23, 2017, by the following vote: Yeas 31, Nays 0; passed subject to the provisions of Article III, Section 49a, of the Constitution of the State of Texas.

Secretary of the Senate

H.B. No. 2

I certify that the amounts appropriated in the herein H.B. No. 2, Regular Session of the 85th Legislature, are within amounts estimated to be available in the affected fund.

Certified _____

Comptroller of Public Accounts

APPROVED: _____

Date

Governor