



LEGISLATIVE BUDGET BOARD

Summary of House Committee Substitute for Senate Bill 1

2022–23 Biennium

HOUSE

SUBMITTED TO THE HOUSE COMMITTEE ON APPROPRIATIONS

PREPARED BY LEGISLATIVE BUDGET BOARD STAFF

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INTRODUCTION

This summary of the General Appropriations Bill publication provides an overview of the appropriations included in the General Appropriations Bill, otherwise known as the state budget. The version of the General Appropriations Bill that becomes law, after being passed by the Legislature and signed by the Governor, is referred to as the General Appropriations Act (GAA). This enacted legislation is the state's budget for a two-year period (biennium). The Legislative Budget Board staff provides a Summary of the General Appropriations Bill for each version of the bill as the budget deliberations unfold during the legislative session. The summary is not a reconciliation of each change in the General Appropriations Bill, but rather a high-level overview of major changes between the biennia and between iterations of the bill. It is a reference for legislators and other stakeholders as they work through budget deliberations.

The General Appropriations Bill is categorized into articles that cover certain areas of state government. For example, Article I is General Government. Article II covers Health and Human Services, and Article III is Public and Higher Education. Six additional articles cover the other areas of government.

The Legislature uses four methods of finance to appropriate funds to state agencies and public institutions of higher education: General Revenue Funds, General Revenue–Dedicated Funds, Federal Funds, and Other Funds. **All Funds** is the summation of the methods of finance.

- **General Revenue Funds** include the nondedicated portion of the General Revenue Fund, which is the state's primary operating fund. General Revenue Funds also include the Available School Fund, the State Instructional Materials Fund, and the Foundation School Fund.
- **General Revenue–Dedicated Funds** include approximately 200 accounts within the General Revenue Fund that are dedicated for specific purposes by statute or the funds-consolidation process. For example, Account No. 151, Clean Air, is funded primarily through a portion of motor vehicle inspection fees and a portion of air pollution control fees. These revenues are statutorily dedicated to the Texas Commission on Environmental Quality to provide funding for various air quality, monitoring, and permitting programs.
- **Federal Funds** include grants, allocations, payments, or reimbursements received from the federal government by state agencies and institutions. The largest portion of federal funding appropriations is for the Medicaid program in Article II. Other examples of Federal Funds appropriations include the U.S. Social Security Act, the federal Every Student Succeeds Act (Title I), Grants to Local Educational Agencies, National School Lunch Program, Transportation Grants and National Highway System Funding, Special Education Basic State Grants, and the Children's Health Insurance Program.
- **Other Funds** consist of any funds not included in the General Revenue Fund (dedicated or not) or Federal Funds. Examples of Other Funds appropriations include those from the State Highway Fund, the Texas Mobility Fund, the Property Tax Relief Fund, the Economic Stabilization Fund, trust funds, bond proceeds, and Interagency Contracts.

The introduction chapter of the summary provides a high-level overview of the General Appropriations Bill. **Figures 1 to 14** provide the total appropriations for the 2022–23 biennium by each method of finance for each article in the bill compared to the 2020–21 biennium expended/budgeted level of funding. This chapter includes highlights of major funding items, significant policy, or fiscal issues across the state and examples of factors affecting the state budget, including budget drivers such as correctional population or public school daily attendance.

The introduction chapter also provides additional context for understanding the General Appropriations Bill, including trends in state government expenditures, an explanation of constitutional spending limits, insights into the Economic Stabilization Fund (i.e., the Rainy Day Fund), and the Texas Economic Outlook.

Following the introduction chapter are article-specific chapters. Each chapter provides an overview of the total article appropriations by agency or institution, including estimated and budgeted expenditures for the 2020–21 biennium, appropriation levels in the 2022–23 General Appropriations Bill, full-time-equivalent positions for the article, and other significant fiscal issues. Some chapters also include additional detail at the agency level. An agency appears in the summary if it

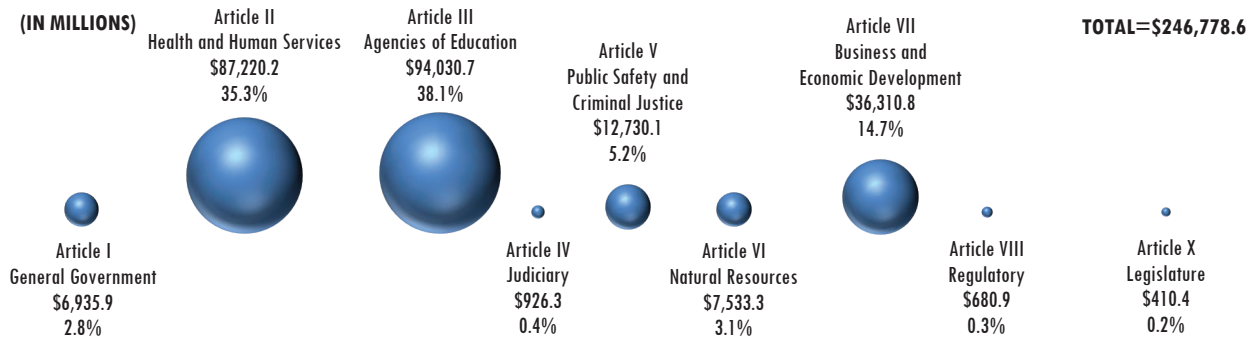
meets certain criteria, including: (1) the agency has one of the 25 largest budgets in the state; or (2) the agency program or function is of significant policy or fiscal import.

In addition, the Eighty-sixth Legislature, 2019, added the Texas Government Code, Section 322.0175, to require the Legislative Budget Board (LBB) to perform a strategic fiscal review (SFR) of each state agency that is subject to the legislative appropriations process and also subject to Sunset Advisory Commission (SAC) review during the current fiscal biennium. Whereas SAC analyzes the continuing public need for a state agency and its functions, the LBB's SFR process analyzes the justification, accountability, and sufficiency of agency funding. Each agency that is subject to the SFR process as initiated by legislative leadership during the Eighty-sixth Legislature, 2019, interim also appears in the summary.

Finally, the summary includes two appendices. **Appendix A** provides a reader's guide to the General Appropriations Bill so that first-time users can better understand how to read the actual bill and make sense of the budget structure, performance measures, and riders. **Appendix B** provides a comparison point between versions of the General Appropriations Bill as the Legislature progresses through the budget deliberations. This comparison enables readers to identify differences among chamber bills, or a specific chamber's changes.

FUNDING BY ARTICLE

FIGURE 1
FUNDING BY ARTICLE, ALL FUNDS



NOTE: Object size is proportional to the percentage of All Funds appropriation for all articles.
SOURCE: Legislative Budget Board.

FIGURE 2
FUNDING BY ARTICLE, ALL FUNDS

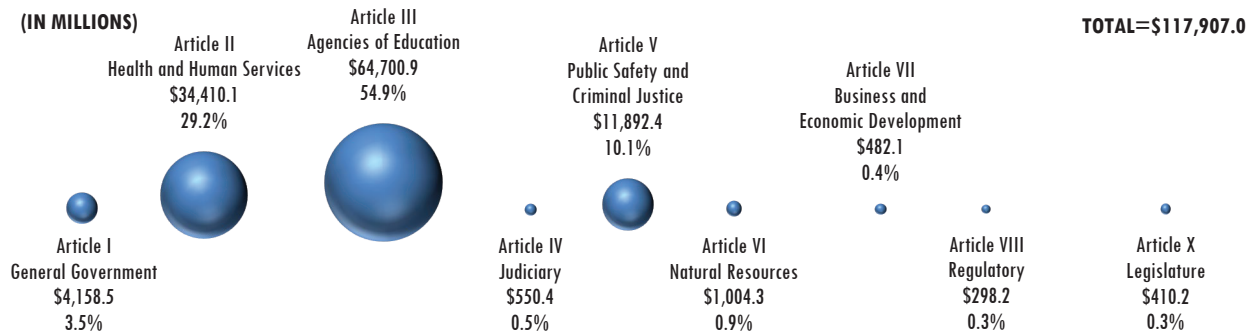
(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
ALL FUNCTIONS				
Article I – General Government	\$7,918.0	\$6,935.9	(\$982.1)	(12.4%)
Article II – Health and Human Services	\$95,695.6	\$87,220.2	(\$8,475.4)	(8.9%)
Article III – Agencies of Education	\$95,308.1	\$94,030.7	(\$1,277.4)	(1.3%)
<i>Public Education</i>	\$69,278.2	\$71,513.1	\$2,235.0	3.2%
<i>Higher Education</i>	\$26,029.9	\$22,517.5	(\$3,512.4)	(13.5%)
Article IV – Judiciary	\$986.5	\$926.3	(\$60.2)	(6.1%)
Article V – Public Safety and Criminal Justice	\$13,172.7	\$12,730.1	(\$442.6)	(3.4%)
Article VI – Natural Resources	\$10,954.9	\$7,533.3	(\$3,421.6)	(31.2%)
Article VII – Business and Economic Development	\$39,647.7	\$36,310.8	(\$3,336.9)	(8.4%)
Article VIII – Regulatory	\$712.8	\$680.9	(\$31.8)	(4.5%)
Article IX – General Provisions	\$0.0	\$0.0	\$0.0	N/A
Article X – Legislature	\$408.2	\$410.4	\$2.2	0.5%
Total, All Articles	\$264,804.4	\$246,778.6	(\$18,025.9)	(6.8%)

NOTES:

- (1) May include anticipated supplemental spending adjustments.
- (2) Excludes Interagency Contracts.
- (3) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

FIGURE 3
FUNDING BY ARTICLE, GENERAL REVENUE FUNDS



NOTE: Object size is proportional to the percentage of General Revenue Funds appropriation for all articles.
SOURCE: Legislative Budget Board.

FIGURE 4
FUNDING BY ARTICLE, GENERAL REVENUE FUNDS

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
ALL FUNCTIONS				
Article I – General Government	\$3,977.4	\$4,158.5	\$181.0	4.6%
Article II – Health and Human Services	\$35,914.4	\$34,410.1	(\$1,504.3)	(4.2%)
Article III – Agencies of Education	\$60,402.8	\$64,700.9	\$4,298.1	7.1%
<i>Public Education</i>	\$44,561.5	\$48,642.4	\$4,080.8	9.2%
<i>Higher Education</i>	\$15,841.3	\$16,058.5	\$217.2	1.4%
Article IV – Judiciary	\$553.8	\$550.4	(\$3.4)	(0.6%)
Article V – Public Safety and Criminal Justice	\$11,869.5	\$11,892.4	\$23.0	0.2%
Article VI – Natural Resources	\$933.1	\$1,004.3	\$71.2	7.6%
Article VII – Business and Economic Development	\$520.9	\$482.1	(\$38.8)	(7.5%)
Article VIII – Regulatory	\$367.8	\$298.2	(\$69.6)	(18.9%)
Article IX – General Provisions	\$0.0	\$0.0	\$0.0	N/A
Article X – Legislature	\$408.1	\$410.2	\$2.1	0.5%
Total, All Articles	\$114,947.8	\$117,907.0	\$2,959.2	2.6%

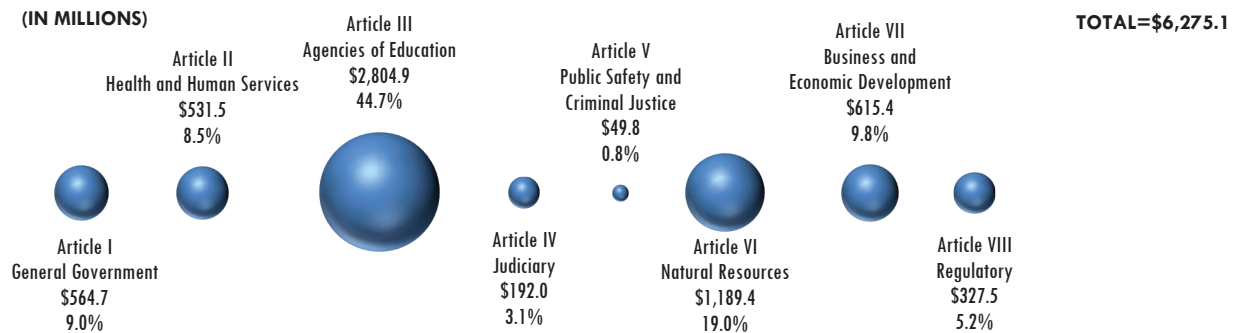
NOTES:

(1) May include anticipated supplemental spending adjustments.

(2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

FIGURE 5
FUNDING BY ARTICLE, GENERAL REVENUE—DEDICATED FUNDS



NOTE: Object size is proportional to the percentage of General Revenue—Dedicated Funds appropriation for all articles.
SOURCE: Legislative Budget Board.

FIGURE 6
FUNDING BY ARTICLE, GENERAL REVENUE—DEDICATED FUNDS

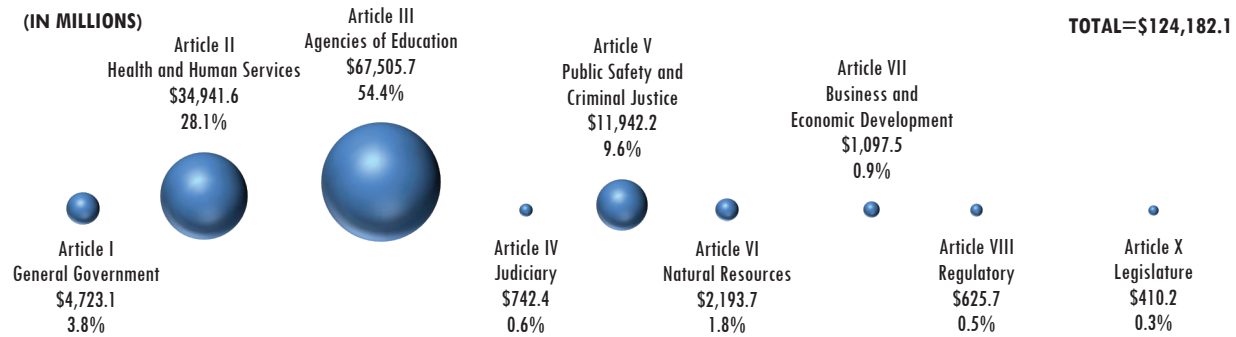
(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
ALL FUNCTIONS				
Article I – General Government	\$803.3	\$564.7	(\$238.6)	(29.7%)
Article II – Health and Human Services	\$540.2	\$531.5	(\$8.7)	(1.6%)
Article III – Agencies of Education	\$2,783.2	\$2,804.9	\$21.7	0.8%
<i>Public Education</i>	\$0.0	\$0.0	\$0.0	N/A
<i>Higher Education</i>	\$2,783.2	\$2,804.9	\$21.7	0.8%
Article IV – Judiciary	\$191.2	\$192.0	\$0.8	0.4%
Article V – Public Safety and Criminal Justice	\$56.4	\$49.8	(\$6.6)	(11.7%)
Article VI – Natural Resources	\$1,291.3	\$1,189.4	(\$101.9)	(7.9%)
Article VII – Business and Economic Development	\$622.8	\$615.4	(\$7.4)	(1.2%)
Article VIII – Regulatory	\$243.9	\$327.5	\$83.5	34.2%
Article IX – General Provisions	\$0.0	\$0.0	\$0.0	N/A
Article X – Legislature	\$0.0	\$0.0	\$0.0	N/A
Total, All Articles	\$6,532.3	\$6,275.1	(\$257.2)	(3.9%)

NOTES:

- (1) May include anticipated supplemental spending adjustments.
- (2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

FIGURE 7
FUNDING BY ARTICLE, GENERAL REVENUE FUNDS AND GENERAL REVENUE–DEDICATED FUNDS



NOTE: Object size is proportional to the percentage of General Revenue Funds and General Revenue–Dedicated Funds appropriation for all articles.

SOURCE: Legislative Budget Board.

FIGURE 8
FUNDING BY ARTICLE, GENERAL REVENUE FUNDS AND GENERAL REVENUE–DEDICATED FUNDS

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
ALL FUNCTIONS				
Article I – General Government	\$4,780.8	\$4,723.1	(\$57.6)	(1.2%)
Article II – Health and Human Services	\$36,454.6	\$34,941.6	(\$1,513.0)	(4.2%)
Article III – Agencies of Education	\$63,186.0	\$67,505.7	\$4,319.8	6.8%
<i>Public Education</i>	\$44,561.5	\$48,642.4	\$4,080.8	9.2%
<i>Higher Education</i>	\$18,624.4	\$18,863.4	\$238.9	1.3%
Article IV – Judiciary	\$745.0	\$742.4	(\$2.6)	(0.3%)
Article V – Public Safety and Criminal Justice	\$11,925.9	\$11,942.2	\$16.4	0.1%
Article VI – Natural Resources	\$2,224.4	\$2,193.7	(\$30.7)	(1.4%)
Article VII – Business and Economic Development	\$1,143.7	\$1,097.5	(\$46.2)	(4.0%)
Article VIII – Regulatory	\$611.8	\$625.7	\$13.9	2.3%
Article IX – General Provisions	\$0.0	\$0.0	\$0.0	N/A
Article X – Legislature	\$408.1	\$410.2	\$2.1	0.5%
Total, All Articles	\$121,480.1	\$124,182.1	\$2,702.0	2.2%

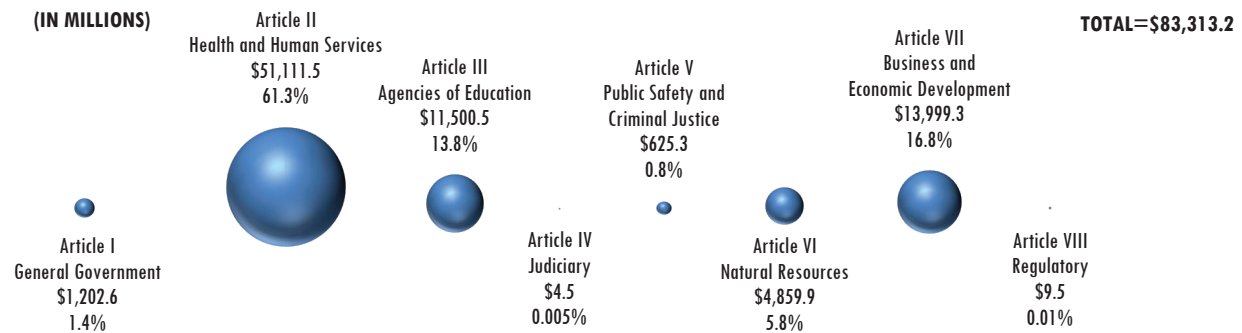
NOTES:

(1) May include anticipated supplemental spending adjustments.

(2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

FIGURE 9
FUNDING BY ARTICLE, FEDERAL FUNDS



NOTE: Object size is proportional to the percentage of Federal Funds appropriation for all articles.

SOURCE: Legislative Budget Board.

FIGURE 10
FUNDING BY ARTICLE, FEDERAL FUNDS

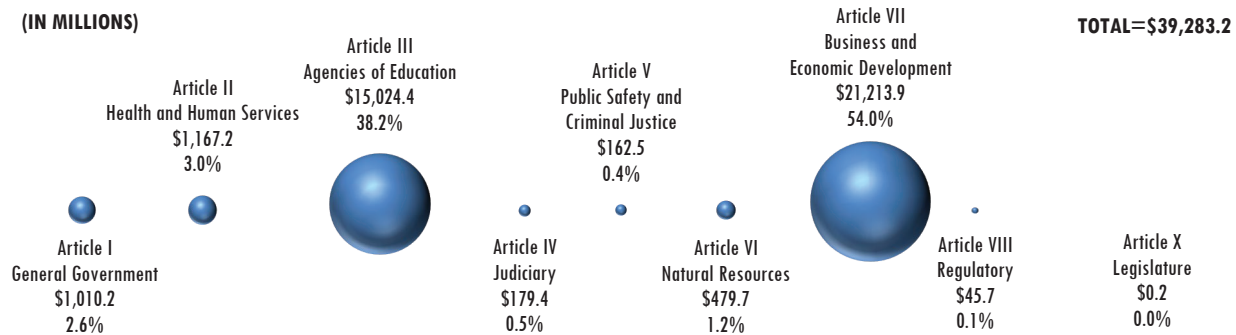
(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
ALL FUNCTIONS				
Article I – General Government	\$1,391.6	\$1,202.6	(\$188.9)	(13.6%)
Article II – Health and Human Services	\$57,502.8	\$51,111.5	(\$6,391.3)	(11.1%)
Article III – Agencies of Education	\$16,366.0	\$11,500.5	(\$4,865.4)	(29.7%)
<i>Public Education</i>	\$12,249.3	\$10,671.2	(\$1,578.1)	(12.9%)
<i>Higher Education</i>	\$4,116.6	\$829.3	(\$3,287.3)	(79.9%)
Article IV – The Judiciary	\$4.4	\$4.5	\$0.2	3.5%
Article V – Public Safety and Criminal Justice	\$981.9	\$625.3	(\$356.6)	(36.3%)
Article VI – Natural Resources	\$6,285.5	\$4,859.9	(\$1,425.6)	(22.7%)
Article VII – Business and Economic Development	\$16,904.6	\$13,999.3	(\$2,905.3)	(17.2%)
Article VIII – Regulatory	\$9.3	\$9.5	\$0.2	2.2%
Article IX – General Provisions	\$0.0	\$0.0	\$0.0	N/A
Article X – The Legislature	\$0.0	\$0.0	\$0.0	N/A
Total, All Articles	\$99,446.0	\$83,313.2	(\$16,132.8)	(16.2%)

NOTES:

(1) May include anticipated supplemental spending adjustments.

(2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

**FIGURE 11
FUNDING BY ARTICLE, OTHER FUNDS**

NOTE: Object size is proportional to the percentage of Other Funds appropriation for all articles.

SOURCE: Legislative Budget Board.

**FIGURE 12
FUNDING BY ARTICLE, OTHER FUNDS**

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
ALL FUNCTIONS				
Article I – General Government	\$1,745.7	\$1,010.2	(\$735.5)	(42.1%)
Article II – Health and Human Services	\$1,738.2	\$1,167.2	(\$571.1)	(32.9%)
Article III – Agencies of Education	\$15,756.2	\$15,024.4	(\$731.8)	(4.6%)
<i>Public Education</i>	\$12,467.3	\$12,199.5	(\$267.7)	(2.1%)
<i>Higher Education</i>	\$3,288.9	\$2,824.8	(\$464.0)	(14.1%)
Article IV – Judiciary	\$237.1	\$179.4	(\$57.7)	(24.3%)
Article V – Public Safety and Criminal Justice	\$264.9	\$162.5	(\$102.4)	(38.7%)
Article VI – Natural Resources	\$2,445.0	\$479.7	(\$1,965.3)	(80.4%)
Article VII – Business and Economic Development	\$21,599.3	\$21,213.9	(\$385.4)	(1.8%)
Article VIII – Regulatory	\$91.7	\$45.7	(\$46.0)	(50.1%)
Article IX – General Provisions	\$0.0	\$0.0	\$0.0	N/A
Article X – Legislature	\$0.1	\$0.2	\$0.1	58.6%
Total, All Articles	\$43,878.3	\$39,283.2	(\$4,595.1)	(10.5%)

NOTES:

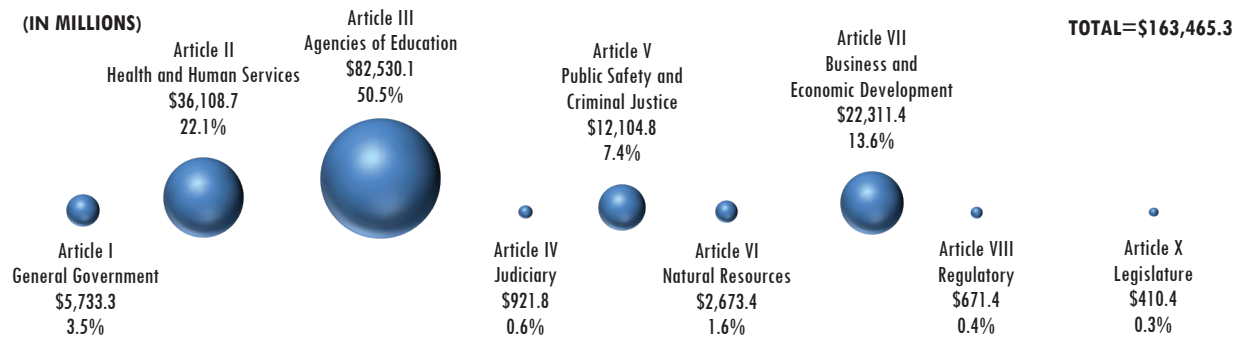
(1) May include anticipated supplemental spending adjustments.

(2) Excludes Interagency Contracts.

(3) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

FIGURE 13
FUNDING BY ARTICLE, GENERAL REVENUE FUNDS, GENERAL REVENUE–DEDICATED FUNDS, AND OTHER FUNDS



NOTE: Object size is proportional to the percentage of General Revenue Funds, General Revenue–Dedicated Funds, and Other Funds appropriation for all articles.

SOURCE: Legislative Budget Board.

FIGURE 14
FUNDING BY ARTICLES, GENERAL REVENUE FUNDS, GENERAL REVENUE–DEDICATED FUNDS, AND OTHER FUNDS

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
ALL FUNCTIONS				
Article I – General Government	\$6,526.4	\$5,733.3	(\$793.2)	(12.2%)
Article II – Health and Human Services	\$38,192.8	\$36,108.7	(\$2,084.1)	(5.5%)
Article III – Agencies of Education	\$78,942.1	\$82,530.1	\$3,588.0	4.5%
<i>Public Education</i>	\$57,028.8	\$60,841.9	\$3,813.1	6.7%
<i>Higher Education</i>	\$21,913.3	\$21,688.2	(\$225.1)	(1.0%)
Article IV – Judiciary	\$982.1	\$921.8	(\$60.3)	(6.1%)
Article V – Public Safety and Criminal Justice	\$12,190.8	\$12,104.8	(\$86.0)	(0.7%)
Article VI – Natural Resources	\$4,669.4	\$2,673.4	(\$1,996.0)	(42.7%)
Article VII – Business and Economic Development	\$22,743.0	\$22,311.4	(\$431.6)	(1.9%)
Article VIII – Regulatory	\$703.5	\$671.4	(\$32.1)	(4.6%)
Article IX – General Provisions	\$0.0	\$0.0	\$0.0	N/A
Article X – Legislature	\$408.2	\$410.4	\$2.2	0.5%
Total, All Articles	\$165,358.4	\$163,465.3	(\$1,893.1)	(1.1%)

NOTES:

- (1) May include anticipated supplemental spending adjustments.
- (2) Excludes Interagency Contracts.
- (3) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

HIGHLIGHTS OF HOUSE COMMITTEE SUBSTITUTE FOR SENATE BILL 1

For the 2022–23 biennium, funding includes the following key budget items:

FOUNDATION SCHOOL PROGRAM

- Funding of \$53.0 billion in All Funds is provided for state aid to school districts and charter schools through the Foundation School Program (FSP). General Revenue Funds appropriations for the FSP total \$41.1 billion, which represents an increase of \$3.8 billion from the 2020–21 biennium.
- Funding for the FSP fully funds current law and includes an estimated \$3.1 billion for student enrollment growth and \$1.0 billion in additional state aid related to property tax compression required by the Texas Education Code.
- Other Funds for the FSP increased by \$325.6 million, attributable to projected increases of a \$432.4 million increase in recapture payments, \$180.4 million from the Property Tax Relief Fund, \$348.9 million from the Tax Reduction and Excellence in Education Fund, and offset by a decrease of \$636.0 million from the Economic Stabilization Fund related to onetime funding provided to address the effects of Hurricane Harvey.

MEDICAID

- Funding for the 2022–23 biennium includes \$69.3 billion in All Funds, including \$25.4 billion in General Revenue Funds and \$0.1 billion in General Revenue–Dedicated Funds, for the Texas Medicaid program. This amount is a decrease of \$5.6 billion in All Funds and a decrease of \$0.9 billion in General Revenue Funds from 2020–21 biennial levels.
- Included in these amounts is \$64.7 billion in All Funds for Medicaid client services, \$1.8 billion in All Funds for programs supported by Medicaid funding, and \$2.9 billion in All Funds for administration of the Medicaid program and other programs supported by Medicaid funding. The net decrease in Medicaid funding is due to a \$5.7 billion All Funds decrease in Medicaid client services and a \$0.1 billion All Funds decrease in administrative funding offset by a \$0.1 billion All Funds increase in other programs supported by Medicaid funding.
- Less favorable federal medical assistance percentages (FMAP) combined with the assumed loss of the 6.2 percentage-point increase to FMAP pursuant to the federal Families First Coronavirus Response Act result in a lower proportion of the program being funded with Federal Funds. The resulting increase in General Revenue Funds demand is offset partially by a reduction in General Revenue Funds demand due to the overall projected reduction in Medicaid client services. Full funding for anticipated increases in cost due to medical inflation, higher utilization, or increased acuity is not included.
- The 2020–21 biennial amounts for Medicaid assume supplemental funding to complete fiscal year 2021 expenditures.

TRANSPORTATION

- Funding provides \$30.0 billion in All Funds for all functions at the Department of Transportation. Funding for the 2022–23 biennium includes \$19.2 billion in Other Funds from all State Highway Fund (SHF) revenue sources, which includes the following amounts: an estimated \$9.5 billion from traditional SHF tax and fee revenue sources; an estimated \$5.1 billion in funding from anticipated state sales tax and motor vehicle sales and rental tax deposits to the SHF (Proposition 7, 2015); an estimated \$4.0 billion in funding from oil and natural gas tax-related transfers to the SHF (Proposition 1, 2014); and \$0.7 billion from SHF regional toll project and concession fee revenue.
- Funding provides \$25.8 billion in All Funds for highway planning and design, right-of-way acquisition, construction, and maintenance and preservation. The All Funds amount includes \$9.3 billion in Federal Funds; \$7.0 billion from traditional SHF revenue sources; \$4.5 billion from Proposition 7, 2015, proceeds and \$4.0 billion from Proposition 1, 2014, proceeds for constructing, maintaining, and acquiring rights-of-way for nontolled public roadways; \$0.7 billion from SHF regional toll project revenues; and \$0.2 billion in Other Funds from the Texas Mobility Fund.
- Funding provides \$2.2 billion in All Funds for debt service payments and other financing costs, including \$1.5 billion in Other Funds from traditional SHF sources (\$792.9 million) and the Texas Mobility Fund (\$755.1 million); \$546.3 million in Other Funds from Proposition 7, 2015, SHF proceeds for General Obligation bond debt service; and \$123.3 million in Federal Funds from Build America Bond interest payment subsidies.

DISASTER RECOVERY, INFRASTRUCTURE RESILIENCY, AND FLOOD INFRASTRUCTURE

- For the 2022–23 biennium, the majority of funding for the response to all types of disasters includes Federal Emergency Management Agency Public Assistance Grants, Community Development Block Grants, Hazard Mitigation Grants, and Flood Mitigation Assistance. All Funds amounts in the House Committee Substitute for Senate Bill 1 include the following amounts:
 - \$3,066.0 million at the General Land Office and Veterans' Land Board for recovery programs related to Hurricanes Harvey and Ike and floods during calendar years 2015 and 2016, including: \$3,043 million in Community Development Block Grants for community housing projects, infrastructure and mitigation projects, and disaster recovery; and \$23.4 million in Public Assistance Grants for restoration activities;
 - \$669.2 million at the Texas Division of Emergency Management for recovery efforts related to Hurricane Harvey and other eligible disaster declarations, including: \$484.2 million in Public Assistance Grants for restoration activities related to Hurricane Harvey; \$24.5 million in Public Assistance Grants for restoration activities related to other eligible disasters that occurred during the 2020–21 biennium; \$136.5 million in Hazard Mitigation Grants to implement hazard reduction strategies in areas affected by Hurricane Harvey; and \$24.0 million in Harvey Resilience Funds provided by the Texas Water Development Board for infrastructure projects;
 - \$217.6 million at the Water Development Board for flood disaster preparation and recovery, including: \$126.3 million from the Texas Infrastructure Resiliency Fund (TIRF) to continue necessary work to prepare and adopt a comprehensive statewide flood plan by the end of fiscal year 2024; \$80.1 million for the National Flood Insurance Program for flood mitigation assistance; \$6.1 million from the TIRF for flood planning purposes independent of statewide flood plan preparation; and \$5.1 million from the Flood Infrastructure Fund for program administrative support; and
 - \$30.0 million in General Revenue Funds at the Trusteed Programs within the Office of the Governor for disaster grants in anticipation of potential disasters during the upcoming biennium.

BEHAVIORAL HEALTH

- Funding includes \$4.2 billion in All Funds (\$3.3 billion in General Revenue Funds and General Revenue–Dedicated Funds) for non-Medicaid/Children's Health Insurance Program (CHIP) behavioral health services. Funding supports programs at 24 agencies across six articles, and includes the following areas: funding for inpatient client services at state hospitals and community hospitals; outpatient services provided through local mental health authorities and local behavioral health authorities; substance abuse prevention, intervention, and treatment services for adults and children; mental healthcare and substance abuse treatment for incarcerated offenders; mental healthcare services for veterans; and other services.
- Medicaid expenditures for behavioral health services, when including projected cost growth that is not funded, are estimated to total \$3.7 billion in All Funds for the 2022–23 biennium. CHIP expenditures, when including projected cost growth that is not funded, are estimated to total \$98.9 million in All Funds. Total behavioral health-related funding, including estimated Medicaid and CHIP expenditures, is estimated to be \$8.0 billion in All Funds for the biennium.

CHILD PROTECTIVE SERVICES

- Funding of \$3.9 billion in All Funds, including \$2.2 billion in General Revenue Funds, is provided for all Child Protective Services (CPS) functions at the Department of Family and Protective Services. This amount is an increase of \$122.1 million in All Funds and \$68.2 million in General Revenue Funds from the 2020–21 biennial base.
- CPS funding includes a total of \$1.9 billion in All Funds, including \$0.9 billion in General Revenue Funds, for client services programs, including foster care, adoption subsidies, permanency care assistance payments, relative caregiver payments, and day care.

- Funding includes \$1.7 billion in All Funds, including \$1.2 billion in General Revenue Funds, for CPS direct delivery staff, including services provided through Community-based Care (CBC). This amount includes increased funding to biennialize CBC expansion that occurred during fiscal year 2020 for Stage II in Regions 3B and 2 and Stage I in Region 1. Funding is not provided for CBC expansion into Stage II in Region 8A or Stage I in Region 8B due to delays in implementation. Funding also is provided for an additional 253.0 caseworkers and related staff in fiscal year 2022 and 312.0 in fiscal year 2023.

HIGHER EDUCATION FORMULA FUNDING

- Higher education formulas are supported by \$6.4 billion in General Revenue Funds and \$1.7 billion in General Revenue–Dedicated Funds. Included in this amount are an increase of \$76.0 million in General Revenue Funds and a decrease of \$9.9 million in General Revenue–Dedicated Funds, which primarily is statutory tuition.
- Formula General Revenue Funds appropriations from the 2020–21 biennium were maintained for the 2022–23 biennium, except for the Lamar State Colleges, which received \$16.6 million in General Revenue Funds to increase the Instruction and Administration formula rate to \$6.92 per contact hour.

TEACHER RETIREMENT AND HEALTH BENEFITS

- Funding of \$5.1 billion in All Funds is provided for the state contribution to retirement benefits of the Teacher Retirement System (TRS), including \$5.0 billion in General Revenue Funds, \$52.4 million in General Revenue–Dedicated Funds, and \$9.4 million in Other Funds from the Teacher Retirement System Pension Trust Fund. Funding represents a state contribution rate of 7.75 percent of employee payroll for fiscal year 2022 and 8.0 percent of payroll for fiscal year 2023, increases from the required 7.5 percent of payroll for each year of the 2020–21 biennium, pursuant to Senate Bill 12, Eighty-sixth Legislature, 2019. Retiree health insurance funding totals \$897.6 million in General Revenue Funds to provide a statutorily required state contribution to TRS-Care of 1.25 percent of public education payroll. Funding is anticipated to be sufficient to maintain current TRS-Care premiums and benefits for the 2022–23 biennium.
- Funding for TRS assumes 3.0 percent annual public and higher education payroll for retirement and 2.0 percent annual payroll growth for TRS-Care. These assumptions are based on historical payroll trend data.

ADULT CORRECTIONS

- Funding of \$6,813.4 million in All Funds, including \$6,645.4 million in General Revenue Funds and General Revenue–Dedicated Funds, is included for the incarceration, probation, and parole of adult offenders in the Texas Department of Criminal Justice, which includes housing, security, classification, food and necessities, healthcare, and treatment services. Funding for Correctional Managed Health Care totals \$1,334.6 million. All Funds decreased by \$85.4 million from the 2020–21 biennium.
- General Revenue Funds increases greater than the introduced bill include \$60.0 million for correctional managed health care and \$1.0 million for reentry services.
- Funding decreased by \$9.0 million from 2020–21 biennial levels to fund basic supervision and parole supervision at the Legislative Budget Board's January 2021 projections.
- Projected felony direct community supervision populations are 149,256 for fiscal year 2022 and 151,948 for fiscal year 2023. Projected incarceration populations are 139,019 for fiscal year 2022 and 138,545 for fiscal year 2023. Projected parole populations are 83,373 for fiscal year 2022 and 84,666 for fiscal year 2023.

BORDER SECURITY

- Funding of \$797.0 million in All Funds is for border security purposes at nine state agencies across multiple articles of government. The majority of this amount, \$692.5 million, would support the activities of the Department of Public Safety (DPS).
- Border security funding maintains support for DPS personnel at full deployment levels and eliminates onetime funding for a tactical training facility in Cameron County. DPS border security programs include the following items: \$671.1

million in biennial baseline border security funding, including an expanded work week for all of DPS' commissioned law enforcement officers, and costs for select Texas Rangers; \$9.3 million for human trafficking and antigang activities; \$7.0 million for Operation Drawbridge camera maintenance; and \$0.5 million for the Texas Transnational Intelligence Center.

- Border security funding also includes \$51.1 million to the Trusteed Programs within the Office of the Governor for grants to local entities and other support, \$29.0 million to the Parks and Wildlife Department for game warden activity in border counties, and funding for investigations, prosecutions, and other border security-related activities across several state agencies.

TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR

- Funding for the Trusteed Programs within the Office of the Governor totals \$1,149.1 million in All Funds for the 2022–23 biennium, a decrease of \$595.7 million, or 34.1 percent, from the 2020–21 biennium.
- Funding of \$148.9 million from the Economic Stabilization Fund, primarily provided for disaster grants, is not continued for the 2022–23 biennium.
- Funding for economic development and jobs creation is included in Strategy C.1.1, Create Jobs and Promote Texas, which includes programs for economic development, tourism, film and music marketing, the Texas Enterprise Fund, military community support, and the Governor's University Research Initiative. Funding in the strategy for various economic development programs totals \$322.0 million in All Funds for the 2022–23 biennium, including the following amounts:
 - \$100.0 million in estimated unexpended balances remaining at the end of fiscal year 2021 in the Texas Enterprise Fund for incentive grants, a decrease of \$77.2 million in General Revenue–Dedicated Funds;
 - \$40.0 million in estimated unexpended balances remaining at the end of fiscal year 2021 in the Governor's University Research Initiative account for recruitment grants, a decrease of \$5.2 million in General Revenue–Dedicated Funds; and
 - \$69.5 million in General Revenue Funds from Hotel Occupancy Tax deposits for tourism promotion, a decrease of \$42.5 million in General Revenue Funds.

STATE EMPLOYEE RETIREMENT, HEALTH BENEFITS, SOCIAL SECURITY, AND FULL-TIME-EQUIVALENT POSITIONS

- Funding of \$1.4 billion in All Funds, including \$975.2 million in General Revenue Funds and General Revenue–Dedicated Funds, is provided for the state contribution to the Employees Retirement System of Texas retirement program. This amount is an increase of \$11.0 million in All Funds, including \$6.3 million in General Revenue Funds and General Revenue–Dedicated Funds, for state employees' retirement benefits, due to assuming 0.5 percent annual payroll growth for fiscal years 2022 and 2023. Funding provides for a 9.5 percent state contribution rate for each fiscal year of the 2022–23 biennium. Funding also continues the additional retirement contribution from all general state agencies of 0.5 percent of the total base wages and salaries for each eligible employee for a total combined state contribution rate of 10.0 percent, the maximum pursuant to the Texas Constitution, Article XVI, Section 67 (b)(3).
- Funding of \$4.0 billion in All Funds, including \$2.9 billion in General Revenue Funds and General Revenue–Dedicated Funds, is provided for the state contribution for group insurance benefits for general state employees, retirees, and their dependents. The funding is an increase of \$125.7 million in All Funds, including \$86.2 million in General Revenue Funds and General Revenue–Dedicated Funds, prompted by assumed active and retired member growth. Funding does not provide a per-member contribution rate increase and instead relies upon the agency spending down the contingency reserve fund, which has achieved historically high fund balances due to savings in health plan contracts.
- Funding of \$144.5 million in General Revenue Funds is provided for health insurance contributions for local community supervision and correction department employees, retirees, and dependents who also participate in the state's Group Benefits Program. The funding provides an increase of \$1.2 million.

- Funding of \$1.9 billion in All Funds, including \$1.5 billion in General Revenue Funds and General Revenue–Dedicated Funds, is provided for the state contribution for Social Security payroll taxes for employees of state agencies and institutions of higher education, an increase of \$48.8 million in All Funds, including \$44.2 million in General Revenue Funds and General Revenue–Dedicated Funds. The funding is sufficient to provide the 6.2 percent Social Security employer contribution and the 1.45 percent Medicare employer contribution.
- Funding provides for 214,382.2 and 214,433.7 full-time-equivalent (FTE) positions for fiscal years 2022 and 2023, respectively. The number of FTE positions for fiscal year 2023 is a decrease of 1,302.1 positions from fiscal year 2021 budgeted levels.

DEBT SERVICE

- Funding for the 2022–23 biennium fully funds debt service and totals \$4.3 billion in All Funds. This amount is an increase of \$18.9 million from the 2020–21 biennium. Funding provides for debt service for General Obligation and revenue debt issued, or expected to be issued, by the Texas Public Finance Authority, the Facilities Commission, the Water Development Board, the Department of Transportation, and the Office of the Governor. Funding also provides for reimbursement of debt service payments for tuition revenue bonds issued by various institutions.

COVID-19 PANDEMIC-RELATED STIMULUS FUNDS

- Following the emergence of a novel coronavirus known as SARS-CoV-2 (COVID-19), a federal public health emergency initially was declared January 31, 2020. Texas received funding from six major spending bills that contributed to the federal response to the COVID-19 pandemic, which were passed from March 6, 2020, to March 11, 2021: the Coronavirus Preparedness and Response Supplemental Appropriations Act; the Families First Coronavirus Response Act; the Coronavirus Aid, Relief, and Economic Security (CARES) Act; the Paycheck Protection Program and Healthcare Enhancement Act; the Coronavirus Response and Relief Supplemental Appropriations Act; and the American Rescue Plan Act. Excluding direct allocations to local entities and non-state agencies, Texas has received federal funding assistance from the first four major spending bills totaling an estimated \$21.1 billion. Major funding includes the following amounts:
 - \$8.0 billion from the Coronavirus Relief Fund, as appropriated in the CARES Act, to be allocated by the Office of the Governor;
 - \$458.1 million from the Provider Relief Fund;
 - \$2.4 billion in direct support to schools serving kindergarten to grade 12 and state-supported institutions of higher education, including \$1.3 billion for the Elementary and Secondary School Emergency Relief Fund (ESSER I), \$828.0 million for state-supported colleges and universities from the Higher Education Emergency Relief Fund (HEER I), and \$307.0 million from the Governor’s Emergency Education Relief Fund (GEER I) for distribution by the Office of the Governor;
 - \$7.5 billion in Federal Emergency Management Agency (FEMA) Public Assistance funds;
 - \$655.0 million for transportation programs, including \$11.8 million for airports, and \$143.2 million for Nonurbanized Formula Grants;
 - \$643.5 million for healthcare and public health activities, including \$522.3 million in testing support, \$24.5 million in COVID-19 vaccine support, and \$96.6 million in other public health and healthcare funding;
 - \$611.1 million for food and nutrition programs, including \$534.7 million in Child Nutrition Program and \$76.4 million in Emergency Food Assistance Program support;
 - \$239.6 million for community development and housing programs, including \$141.8 million for the Community Development Block Grant program, \$97.8 million for Emergency Solutions Grants;

- \$376.3 million for child care and child welfare funding, which includes \$371.6 million in Child Care and Development Block Grant Funds and \$4.7 million in child welfare services; and
- \$62.1 million for aging services, including \$48.6 million for Congregate and Home Delivered Meals and \$13.5 million in Supportive Services funding.
- The two most recently passed bills, the Coronavirus Response and Relief Supplemental Appropriations Act and the American Rescue Plan Act, will include additional funding to Texas for CDC Testing, Higher Education (HEER II and HEER III), Public Education (ESSER II and ESSER III), the Governor's Emergency Education Relief Fund (GEER II), and other areas not yet announced. The Legislative Budget Board staff, in cooperation with other state and federal agencies, will continue to monitor and analyze information and guidance as it becomes available.

2020–21 BIENNIUM SUPPLEMENTAL APPROPRIATIONS BILL

In addition to the appropriations made in the House Committee Substitute for Senate Bill 1 for the 2022–23 biennium, the Committee Substitute for House Bill 2 provides supplemental appropriations and savings for fiscal year 2021 totaling \$6,217.4 million in All Funds and \$7,511.2 million in General Revenue Funds. Appropriations from the Economic Stabilization Fund (ESF) total \$876.3 million.

Of those amounts, an estimated \$3,275.8 million will be available to certify the House Committee Substitute for Senate Bill 1 for the pay-as-you-go limit. Outside of the Committee Substitute for House Bill 2, \$2,460.3 million is estimated to lapse in fiscal year 2020 from the 5 percent budget reductions and the Coronavirus Relief Fund reimbursement for General Revenue Funds salaries paid to public health and public safety employees. The net certification savings of Committee Substitute for House Bill 2 and the 2020 lapses is estimated to total \$5,736.1 million over estimates in the Comptroller of Public Accounts' (CPA) *Biennial Revenue Estimate* (BRE). **Figure 15** shows the bill's appropriations and savings.

FIGURE 15
COMMITTEE SUBSTITUTE FOR HOUSE BILL 2 SUPPLEMENTAL BILL HIGHLIGHTS

(IN MILLIONS)	COMMITTEE SUBSTITUTE FOR HOUSE BILL 2, FISCAL YEAR 2021		2020–21 BIENNIUM IMPACT ON GENERAL REVENUE CERTIFICATION
	ALL FUNDS	GENERAL REVENUE FUNDS	
Foundation School Program	(\$5,473.2)	(\$5,473.2)	(\$1,169.5)
5 Percent Budget Reductions	(\$577.0)	(\$505.5)	(\$793.3)
Coronavirus Relief Fund Reimbursement for General Revenue Funds	(\$1,680.0)	(\$1,680.0)	(\$3,924.0)
General Government	\$71.0	\$0.0	\$0.0
Education	\$69.7	\$6.2	\$6.2
Public Safety and Criminal Justice	\$213.1	\$210.1	\$210.1
Natural Resources	(\$56.7)	\$5.2	\$8.4
Cross Article	\$1,215.6	(\$74.0)	(\$74.0)
Total Cost/(Savings)	(\$6,217.4)	(\$7,511.2)	(\$5,736.1)

NOTE: Totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

Some of the significant appropriations and savings in the Committee Substitute for House Bill 2 include the following:

- \$5,473.2 million savings in General Revenue Funds to the Foundation School Program resulting from updated projections including increased district property values growth, lower-than-anticipated average daily attendance rates, increased non-General Revenue Funds revenues, and federal Coronavirus Aid, Relief, and Economic Security (CARES) Act funding. The CPA already has recognized \$4,303.7 million of this savings in the BRE. Therefore, the net certification savings is \$1,169.5 million;
- \$577.0 million savings in General Revenue Funds and General Revenue–Dedicated Funds from agencies’ 5 percent budget reductions. Combined with \$216.3 million in fiscal year 2020 lapses, certification savings total \$793.3 million;
- \$1,680.0 million savings in General Revenue Funds from Coronavirus Relief Fund reimbursements for salaries of public health and public safety employees. Combined with \$2,244.0 million in fiscal year 2020 lapses, certification savings total \$3,924.0 billion;
- \$74.0 million savings in General Revenue Funds from debt service and lease payments at the Texas Facilities Commission, Texas Public Finance Authority, and the Health and Human Services Commission;
- \$209.7 million in General Revenue Funds appropriated to the Texas Department of Criminal Justice. Of this amount, \$123.7 million is to fill a shortfall in correctional managed healthcare, and \$86.0 million is for agency operations;
- \$5.7 million in General Revenue Funds is appropriated to South Texas College to correct a calculation error in state contributions for health benefits;
- \$5.0 million in General Revenue Funds and General Revenue–Dedicated Funds is appropriated to the Texas Commission on Environmental Quality for litigation expenses related to the Rio Grande Compact;
- \$3.4 million in General Revenue Funds is appropriated to the Department of Agriculture for food bank programs and home-delivered meals;
- \$654.8 million in All Funds is appropriated for information technology (IT), including \$201.5 million from the ESF, \$448.3 million in Other Funds and Federal Funds, and \$5.0 million in General Revenue–Dedicated Funds. Project amounts include \$437.6 million for Legacy System Modernization , \$175.5 million for other IT projects , \$28.4 million for deployment of the Centralized Accounting and Payroll/Personnel System, \$12.5 million for Data Center Services , and \$0.8 million for cybersecurity;
- \$585.0 million is appropriated from the ESF, along with \$29.9 million in Other Funds, and \$2.6 million in Federal Funds, to various agencies for statewide capital needs and health and safety projects, including \$276.5 million to finish construction of replacement campuses at Austin State Hospital and at San Antonio State Hospital;
- \$56.4 million is appropriated from the ESF to Texas A&M Forest Service for natural disaster response;
- \$40.1 million is appropriated from the ESF to the Texas Facilities Commission for Capitol Complex construction and to various agencies for moving expenses;
- \$36.1 million is appropriated from the ESF to the State Preservation Board for Capitol projects;
- \$12.2 million is appropriated from the ESF to various agencies to purchase motor vehicles;
- \$7.2 million is appropriated from the ESF to Lamar University and Lamar State College, Orange, for hurricane and tropical storm recovery; and
- the bill appropriates \$100.4 million from the ESF to be deposited into the Texas Infrastructure Resiliency Fund (TIRF) to support appropriations from that fund in the House Committee Substitute for Senate Bill 1, which continues the implementation of the State Flood Plan adopted by the Eighty-sixth Legislature, 2019. The bill also reduces remaining ESF appropriation authority to the fund from last biennium’s supplemental appropriation bill,

Senate Bill 500, Eighty-sixth Legislature, 2019, by \$172.0 million. Combined, net ESF appropriation authority to the TIRF is reduced by \$71.6 million; however, the State Flood Plan remains fully funded.

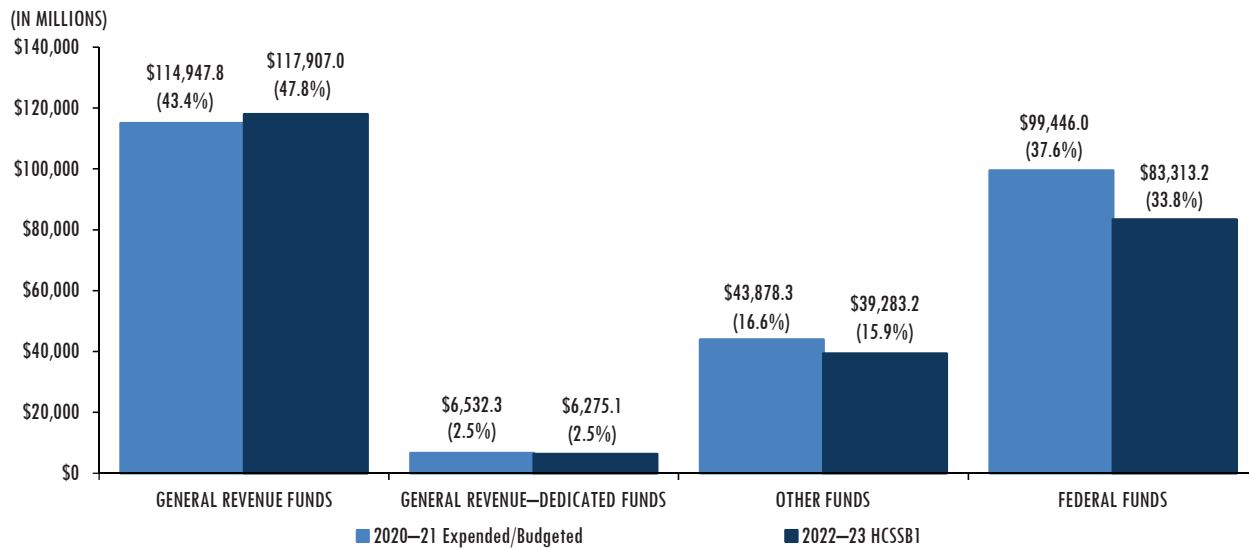
ECONOMIC STABILIZATION FUND

- No appropriations from the Economic Stabilization Fund are included for the 2022–23 biennium. The resulting cash balance of the fund plus the total asset value of investments is estimated to be \$11.6 billion at the end of fiscal year 2023, not including any appropriations considered by the Eighty-seventh Legislature, 2021.

BIENNIAL COMPARISON BY FUND SOURCE

Figure 16 shows a comparison of biennial amounts for each of the four fund sources, or methods of finance, in the state budget. Estimated and budgeted amounts for the 2020–21 biennium refer to agency-estimated expenditures for fiscal year 2020 and agency-budgeted amounts for fiscal year 2021. Amounts for the House Committee Substitute for Senate Bill 1 refer to biennial amounts contained in this summary’s version of the 2022–23 General Appropriations Bill. Percentage amounts represent the percentage of the entire biennial budget represented by that fund source.

FIGURE 16
BIENNIAL COMPARISON BY FUND SOURCE OF 2020–21 ESTIMATED/BUDGETED AND 2022–23 HOUSE COMMITTEE
SUBSTITUTE FOR SENATE BILL 1 (HCSSB1)



NOTES:

(1) Other Funds excludes Interagency Contracts.

(2) Totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

FACTORS AFFECTING THE STATE BUDGET

Significant factors affecting the state budget can be divided into two categories: changes in the population served, and the cost of that service. Population-based budget drivers include Medicaid, the Children's Health Insurance Program (CHIP), children in foster care, public and higher education enrollment, adult and juvenile institutional and probation populations, and retirement system enrollment.

Population change is one element that helps explain the growth in the budget. Cost-related factors can have an equal or greater effect on growth. For example, medical inflation affects not only Medicaid and CHIP, but also inmate healthcare costs and state employee and teacher healthcare costs. Statutory requirements also may affect cost.

Figure 17 shows the population-based indicators that affect a large portion of the state budget.

FIGURE 17
POPULATION-BASED INDICATORS
FISCAL YEARS 2008 TO 2020

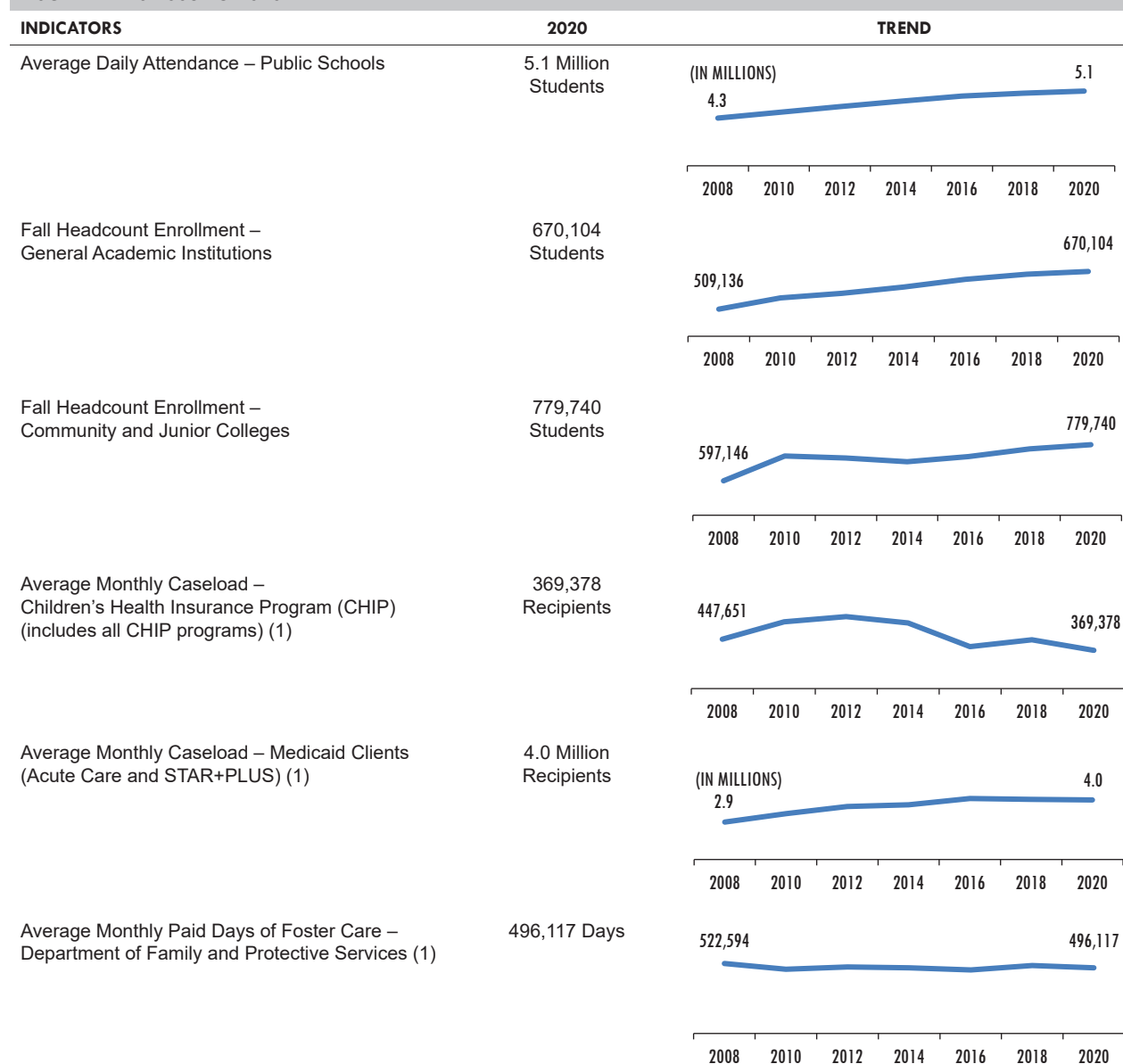


FIGURE 17 (CONTINUED)
POPULATION-BASED INDICATORS
FISCAL YEARS 2008 TO 2020



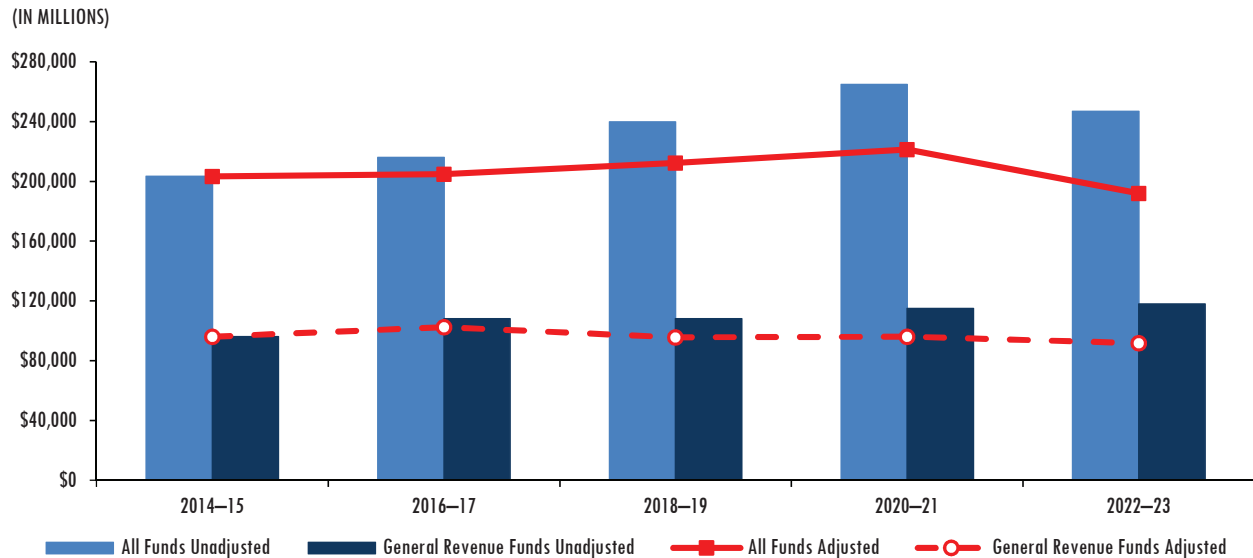
NOTE: (1) Amounts for fiscal year 2020 are estimated.
 SOURCE: Legislative Budget Board.

TRENDS IN STATE GOVERNMENT EXPENDITURES

Figure 18 shows biennial All Funds and General Revenue Funds expenditures/appropriations since the 2014–15 biennium. **Figure 18** also shows current and historical expenditure/appropriation totals adjusted into 2014–15 biennial dollars based on compounded population and inflation growth. All Funds expenditures increased by 21.4 percent from the 2014–15 to 2022–23 biennia, but decreased 5.5 percent after adjusting for population and inflation. General Revenue Funds appropriations increased by 22.7 percent during the same period and decreased by 4.5 percent when adjusted.

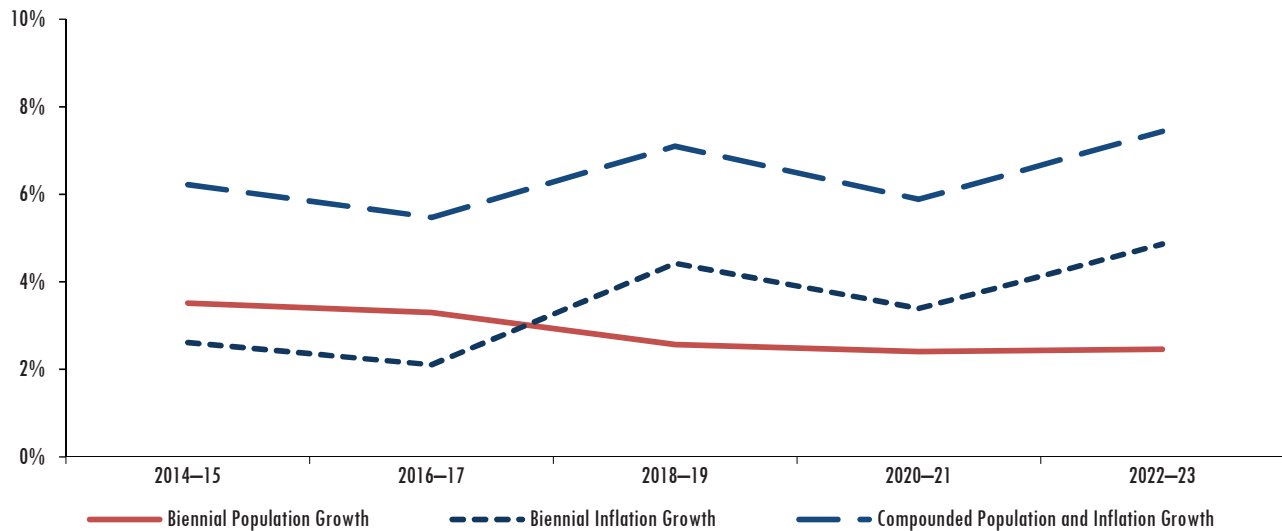
FIGURE 18
TRENDS IN STATE GOVERNMENT EXPENDITURES, 2022–23 BIENNIAL APPROPRIATIONS IN HOUSE COMMITTEE SUBSTITUTE FOR SENATE BILL 1

FISCAL BIENNIUM	ALL FUNDS				GENERAL REVENUE FUNDS			
	UNADJUSTED		ADJUSTED FOR POPULATION AND INFLATION		UNADJUSTED		ADJUSTED FOR POPULATION AND INFLATION	
	AMOUNT	PERCENTAGE CHANGE	AMOUNT	PERCENTAGE CHANGE	AMOUNT	PERCENTAGE CHANGE	AMOUNT	PERCENTAGE CHANGE
2014–15	\$203,300.5	N/A	\$203,300.5	N/A	\$96,072.6	N/A	\$96,072.6	N/A
2016–17	\$215,991.7	6.2%	\$204,781.0	0.7%	\$108,007.3	12.4%	\$102,401.4	6.6%
2018–19	\$239,797.5	11.0%	\$212,274.9	3.7%	\$107,986.3	(0.0%)	\$95,592.3	(6.6%)
2020–21	\$264,804.4	10.4%	\$221,383.0	4.3%	\$114,947.8	6.4%	\$96,099.1	0.5%
2022–23	\$246,778.6	(6.8%)	\$192,023.3	(13.3%)	\$117,907.0	2.6%	\$91,745.7	(4.5%)



SOURCE: Legislative Budget Board.

FIGURE 19
BIENNIAL POPULATION AND INFLATION GROWTH FROM THE 2014–15 TO 2022–23 BIENNIA



SOURCE: Comptroller of Public Accounts.

Tools such as population and inflation compare budget growth; however, they do not tie directly to government budget drivers. For example, the Consumer Price Index (CPI) tracks the increased price of goods and services purchased by a typical family, such as groceries, clothing, housing, and private healthcare. Inflation of goods and services purchased by state government, such as education, public healthcare, and infrastructure, tend to grow faster than the price of goods and services purchased by consumers.

The compounded population and CPI growth shown in **Figure 19** is based on data in the Comptroller of Public Accounts' Fall 2020 State Economic Forecast as published in the 2021 Biennial Revenue Estimate and which included a biennial growth rate of 7.44 percent from the 2020–21 to 2022–23 biennia. Population and inflation growth estimates submitted to the Legislative Budget Board (LBB) in anticipation of the November 2020 LBB board meeting ranged from 6.17 percent to 7.46 percent.

LIMITS ON APPROPRIATIONS

Texas has four constitutional limits on spending: the balanced budget limit, which is commonly referred to as the pay-as-you-go limit; the limit on the rate of growth of appropriations from certain state taxes, commonly referred to as the spending limit; the limit on tax-supported debt; and the limit on welfare spending.

The pay-as-you-go limit and the spending limit both restrict appropriations, but in different ways. The pay-as-you-go limit prohibits the General Revenue Fund budget from exceeding available revenue. The spending limit prohibits appropriations funded with tax revenues not dedicated by the constitution from growing faster than the state's economy. The spending limit does not apply to appropriations funded with nontax revenues or appropriations funded with tax revenues if the constitution requires the tax revenue to be spent for a specific purpose.

Funding from General Revenue Funds in the House Committee Substitute for Senate Bill 1 total \$117.9 billion. This amount is \$0.4 billion less than the pay-as-you-go limit, shown in **Figure 20**, based on the 2021 *Biennial Revenue Estimate* (BRE) from the Comptroller of Public Accounts (CPA), and an estimated \$5.7 billion in 2020–21 biennial savings contingent on the passage of the Committee Substitute to House Bill 2 and anticipated 2020 General Revenue Funds lapses. General Revenue Funds are \$4.7 billion less than the General Revenue Funds capacity in accordance with the spending limit. Final 2020–21 biennial appropriations will affect the 2022–23 biennial spending limit capacity and the pay-as-you-go allowance. The pay-as-you-go limit is the controlling limit because General Revenue spending authority pursuant to the pay-as-you-go limit is the lower of the two limits.

FIGURE 20
REMAINING GENERAL REVENUE FUNDS SPENDING AUTHORITY, 2022–23 BIENNIUM

(IN BILLIONS)	AMOUNT
Pay-as-you-go Limit	\$0.4
Spending Limit	\$4.7

SOURCE: Legislative Budget Board.

ARTICLE III, SECTION 49A, PAY-AS-YOU-GO LIMIT

The Texas Constitution, Article III, Section 49a, sets the so-called pay-as-you-go limit. The constitution requires that bills making appropriations are sent to the CPA for certification that the appropriations are within estimates of available revenue.

CPA identifies the pay-as-you-go limit for General Revenue Funds appropriations as \$112.5 billion in the BRE. This total includes estimated 2022–23 biennial General Revenue Funds revenue collections of \$119.6 billion, less the amount of \$6.1 billion in General Revenue Funds deposits reserved for transfer to the Economic Stabilization Fund, the State Highway Fund, and the Texas Tomorrow Fund. This total also includes the negative beginning General Revenue Fund balance and General Revenue–Dedicated Funds account balances available for certification totaling \$0.9 billion, shown in **Figure 21**. Legislative actions increasing or decreasing revenue collections will change the total amount of revenue available.

By contrast, the amount of revenue available for the Eighty-sixth Legislature, Regular Session, 2019, in accordance with the pay-as-you-go limit identified in the 2019 BRE was \$119.1 billion.

The \$112.5 billion in available revenue applies to 2022–23 biennial General Revenue Funds appropriations and to fiscal year 2021 supplemental General Revenue Funds appropriations. Consequently, any increase in supplemental General Revenue Funds appropriations for fiscal year 2021 will decrease General Revenue Funds spending capacity proportionately for the 2022–23 biennium; a decrease in 2021 will increase 2022–23 General Revenue Funds spending capacity.

FIGURE 21
COMPONENTS OF THE PAY-AS-YOU-GO LIMIT, 2022–23 BIENNIUM

(IN MILLIONS)

TOTAL=\$112,529.6



NOTE: General Revenue Fund portion.
SOURCE: Legislative Budget Board.

ARTICLE VIII, SECTION 22, LIMITATION ON THE GROWTH OF CERTAIN APPROPRIATIONS

The Texas Constitution, Article VIII, Section 22, prohibits appropriations funded with state tax revenues not dedicated by the constitution from growing faster than the estimated rate of growth of the state's economy. Consequently, the revenue source funding appropriations determines if the appropriations are subject to the spending limit. Appropriations funded with tax revenues are subject to the spending limit unless the constitution dedicates the tax revenue for a specific purpose. The spending limit does not apply to appropriations funded with nontax revenues or appropriations funded with tax revenues if the constitution requires the tax revenue to be spent for a specific purpose.

The 2022–23 biennial spending limit equals total 2020–21 biennial appropriations funded with tax revenues not dedicated by the constitution of \$98.6 billion, grown by the adopted growth rate of 7.06 percent. The 2022–23 biennial spending limit is estimated to be \$105.6 billion after adjusting for revenue estimates in the CPA's 2021 Biennial Revenue Estimate and updating the 2020–21 biennial base to include estimated supplemental appropriations. The 2022–23 biennial appropriations subject to the spending limit total \$101.4 billion, \$4.2 billion less than the spending limit, as shown in **Figure 22**.

FIGURE 22
SPENDING LIMIT COMPARED TO THE HOUSE COMMITTEE SUBSTITUTE FOR SENATE BILL 1
2022–23 BIENNIUM

(IN BILLIONS)	AMOUNT
Spending Limit	\$105.6
Appropriations Subject to the Spending Limit	(\$101.4)
Total Less Than the Spending Limit	\$4.2

SOURCE: Legislative Budget Board.

Because revenue deposits to the General Revenue Fund also include revenue not subject to the spending limit, the maximum 2022–23 biennial General Revenue Funds appropriations associated with the \$105.6 billion limit is \$122.6 billion, leaving \$4.7 billion in remaining General Revenue Funds spending capacity less than the spending limit, shown in **Figure 23**.

FIGURE 23
GENERAL REVENUE FUNDS APPROPRIATIONS CAPACITY PURSUANT TO THE SPENDING LIMIT COMPARED TO THE HOUSE COMMITTEE SUBSTITUTE FOR SENATE BILL 1 (HCSSB1), 2022–23 BIENNIUM

(IN BILLIONS)	AMOUNT
Maximum General Revenue Funds Appropriations Pursuant to the Spending Limit	\$122.6
HCSSB1 General Revenue Funds Appropriations	(\$117.9)
Total Less Than the Maximum General Revenue Fund Appropriations	\$4.7

SOURCE: Legislative Budget Board.

ARTICLE III, SECTION 49(J), DEBT LIMIT

The Texas Constitution, Article III, Section 49(j), provides that the Legislature may not authorize additional state debt if in any fiscal year the resulting maximum annual debt service payable from the General Revenue Fund, excluding revenues constitutionally dedicated for purposes other than payment of state debt, exceeds 5.0 percent of the average annual unrestricted General Revenue for the previous three years. To monitor where the state stands in relation to the constitutional debt limit (CDL), the Bond Review Board (BRB) calculates two debt ratios. The first ratio is the debt service on outstanding or issued debt as a percentage of unrestricted General Revenue Funds. At the end of fiscal year 2020, the BRB reported that the issued debt ratio is 1.23 percent. The second debt ratio is the debt service on outstanding debt plus estimated debt service for authorized but unissued bonds. For this ratio, the BRB has reported that the state is at 2.67 percent of unrestricted General Revenue Funds at the end of fiscal year 2020. The latter calculation represents a 29.0 percent increase from the 2.07 percent calculated for outstanding and authorized but unissued debt for fiscal year 2019. The BRB expects the CDL ratio to continue to decrease with the issuance of authorized debt. However, the CDL ratio could be affected by changes to any of the following factors: the three-year average of unrestricted General Revenue Funds, the amount of debt outstanding and unissued debt authorizations, and actual and assumed interest rates.

ARTICLE III, SECTION 51-A, WELFARE SPENDING LIMIT

The Texas Constitution, Article III, Section 51-a, requires that the amount paid out of state funds for assistance grants to or on behalf of needy dependent children and their caretakers shall not exceed 1.0 percent of the state budget in any biennium.

The 2022–23 biennial budget defined in the Texas Human Resources Code, Section 31.053, is \$246.8 billion. Therefore, the welfare spending limit is \$2.5 billion. The biennial amount appropriated in the House Committee Substitute for Senate Bill 1 for the 2022–23 biennium that is subject to the limit on state dollars paid out in Temporary Assistance for Needy Families (cash assistance) grants is \$83.6 million, which is \$2.4 billion less than the 1.0 percent limit.

TEXAS ECONOMIC OUTLOOK

Economic conditions and demographic trends influence the level of state appropriations and the revenue used to support those appropriations. As the economy expands, more revenue is available for appropriation. Some spending demands are lessened by a growing economy, and others are increased. For example, a growing economy can decrease pressure on Medicaid enrollment, but it also increases migration into Texas, which increases the demand for public education and other services. Furthermore, healthcare and higher education inflation rates tend to outpace other types of inflation. This section provides a high-level look at the economic conditions expected to prevail during the upcoming biennia. All economic forecasts are provided by the Comptroller of Public Accounts (CPA).

INDUSTRIAL OUTLOOK

Texas Real Gross State Product (GSP) experienced strong growth during the prior biennium, increasing by 3.9 percent in fiscal year 2018 and 4.4 percent in fiscal year 2019. Due to the COVID-19 pandemic and collapsing global oil prices, GSP is forecast to decrease by 1.0 percent for fiscal year 2020 and 1.3 percent for fiscal year 2021. The Texas economy is expected to return to growth in the upcoming biennium, with projected GSP increases of 3.7 percent for fiscal year 2022 and 4.6 percent for fiscal year 2023.

EMPLOYMENT

The Texas unemployment rate reached an all-time record low of 3.4 percent during summer 2019. Less than one year later, that rate jumped to an all-time record high of 13.5 percent in April 2020 following business reductions associated with the COVID-19 pandemic. The Texas unemployment rate is forecast to decrease steadily to reach 4.6 percent by fiscal year 2023. Similarly, nonfarm payroll jobs in Texas are expected to decrease by 0.2 percent for fiscal year 2021, before returning to growth of 2.2 percent for fiscal year 2022 and 3.3 percent for fiscal year 2023.

PERSONAL INCOME

Although the Texas economy contracted in fiscal year 2020, personal income in the state increased by 5.3 percent to reach \$1.6 trillion, largely due to several federal stimulus bills. Personal income is expected to increase by 4.0 percent for fiscal year 2022 and by 5.6 percent for fiscal year 2023.

Figure 24 shows key economic indicators from fiscal years 2014 to 2023. All forecasted data for fiscal years 2020 to 2023 is from the CPA's 2021 Biennial Revenue Estimate.

FIGURE 24
ECONOMIC-BASED INDICATORS, FISCAL YEARS 2014 TO 2023 (1)

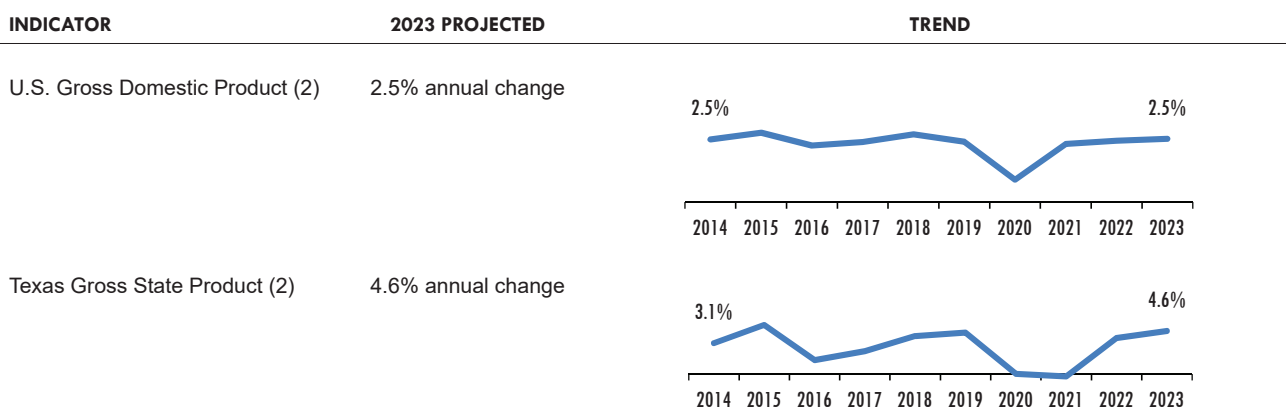


FIGURE 24 (CONTINUED)
ECONOMIC-BASED INDICATORS, FISCAL YEARS 2014 TO 2023 (1)



NOTES:

(1) Trends for fiscal years 2020 to 2023 are based on projections from the Comptroller of Public Accounts' 2021 Biennial Revenue Estimate.

(2) Amounts for the U.S. Gross Domestic Product and the Texas Gross State Product are based on 2012 dollars.

(3) MMBTU=million British Thermal Units.

SOURCES: Legislative Budget Board; Comptroller of Public Accounts.

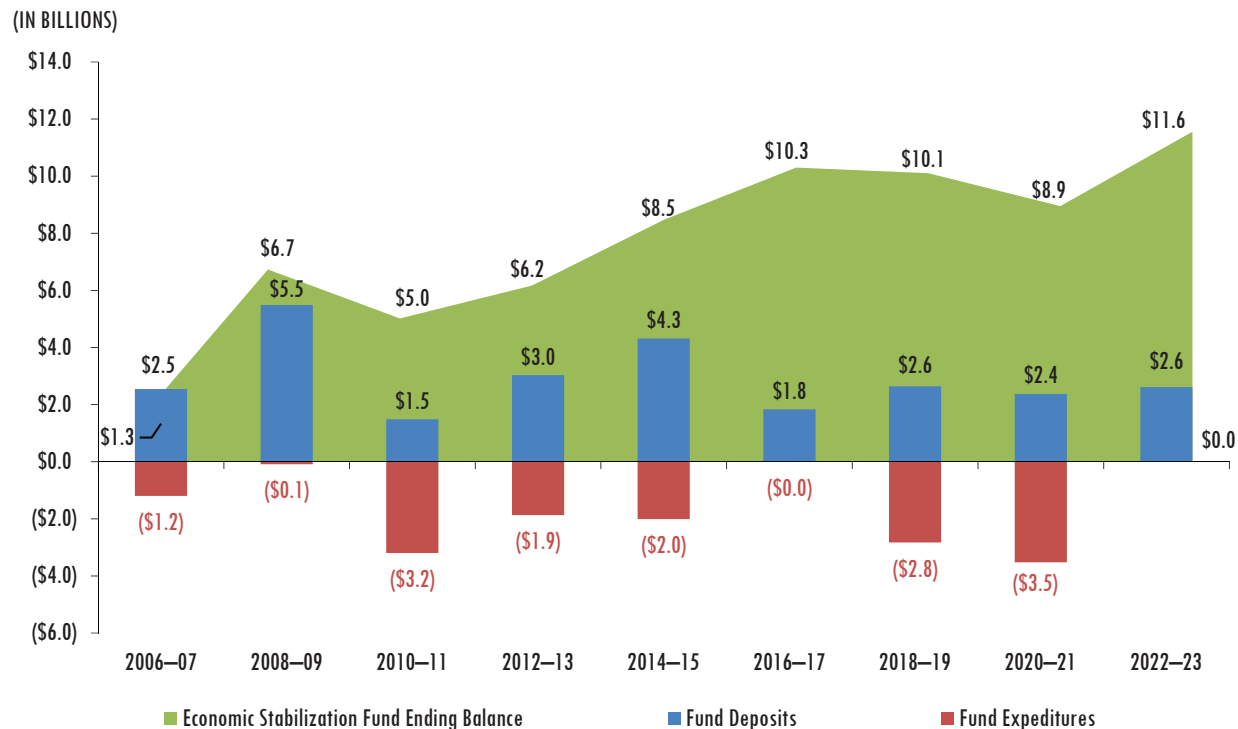
ECONOMIC STABILIZATION FUND

The Texas Constitution Article III, Section 49-g, established the Economic Stabilization Fund (ESF). Appropriations can be made from the fund within certain fiscal conditions with a three-fifths vote of each legislative chamber. Appropriations also can be made for any purpose with a two-thirds vote of each legislative chamber. House Bill 903, Eighty-fourth Legislature, 2015, directed the Comptroller of Public Accounts (CPA) to invest a portion of the cash balance of the ESF in assets outside of the Treasury pool, with the goal of obtaining a higher rate of return. Beginning September 1, 2015, CPA established the Texas Economic Stabilization Investment Fund (TESTIF) to invest a portion of the ESF pursuant to this legislation.

CPA forecasts the 2022–23 biennial ending cash balance of the ESF plus the total asset value of the TESTIF to be \$11.6 billion. The House Committee Substitute for Senate Bill 1 contains no appropriations from the fund.

Figure 25 shows the history of ESF deposits, expenditures, and balances from the 2006–07 to 2022–23 biennia.

FIGURE 25
ECONOMIC STABILIZATION FUND BIENNIAL DEPOSITS, EXPENDITURES, INVESTMENTS AND FUND BALANCE
2006–07 TO 2022–23 BIENNIA

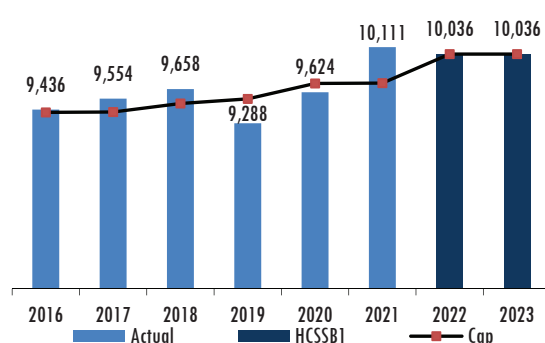
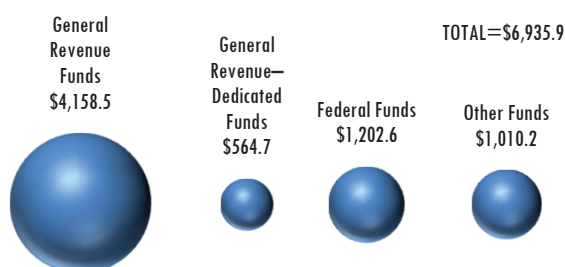


NOTE: Fiscal years 2021 to 2023 are projections based on the Comptroller of Public Accounts' 2021 Biennial Revenue Estimate.
SOURCES: Legislative Budget Board; Comptroller of Public Accounts.

ARTICLE I – GENERAL GOVERNMENT

FIGURE 26
ARTICLE I – GENERAL GOVERNMENT, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$3,977.4	\$4,158.5	\$181.0	4.6%
General Revenue–Dedicated Funds	\$803.3	\$564.7	(\$238.6)	(29.7%)
Federal Funds	\$1,391.6	\$1,202.6	(\$188.9)	(13.6%)
Other Funds	\$1,745.7	\$1,010.2	(\$735.5)	(42.1%)
Total, All Methods of Finance	\$7,918.0	\$6,935.9	(\$982.1)	(12.4%)
ALL FUNDS, 2022–23 BIENNIUM (IN MILLIONS)		FULL-TIME-EQUIVALENT POSITIONS		



NOTES:

- (1) Excludes Interagency Contracts.
- (2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

MAJOR FISCAL AND POLICY ISSUES AFFECTING ARTICLE I

All Funds for the General Government agencies total \$6.9 billion for the 2022–23 biennium, a decrease of \$1.0 billion, or 12.4 percent, from the 2020–21 biennium. General Revenue Funds total \$4.2 billion, an increase of \$0.2 billion, or 4.6 percent.

HIGHLIGHTS

- Funding for the Office of the Attorney General totals \$1.2 billion in All Funds for the 2022–23 biennium, a decrease of \$76.8 million in All Funds, primarily due to a decrease of onetime capital funding for information technology.
- Funding for Fiscal Programs within the Comptroller of Public Accounts totals \$1.5 billion in All Funds for the 2022–23 biennium, an increase of \$305.8 million. The increase is related primarily to agency estimates for certain statutorily required disbursements and changes to funding levels to various programs, including the addition of payment of obligations to the Texas Guaranteed Tuition Plan.
- Funding for the Facilities Commission (TFC) for the 2022–23 biennium totals \$140.9 million in All Funds, representing an All Funds decrease of \$720.0 million from the 2020–21 biennium. This decrease is attributed primarily to the reduction of onetime capital funding for facility construction and rehabilitation.
- Funding for the Trusteed Programs within the Office of the Governor totals \$1.1 billion in All Funds for the 2022–23 biennium, a decrease of \$595.7 million from the 2020–21 biennium. Decreases in All Funds are associated primarily with the elimination of onetime revenues, including \$268.2 million in General Revenue Funds and General Revenue–

Dedicated Funds in unexpended balance authority and reduced agency funding request for multiple programs, and \$148.9 million in Other Funds from the Economic Stabilization Fund used for disaster grants and the bullet-resistant vests program.

- Funding for the Texas Historical Commission (THC) includes \$632,713 in fiscal year 2022 and \$632,712 in fiscal year 2023 for the Texas Holocaust and Genocide Commission (THGC), which is administratively attached to THC. THGC is subject to Strategic Fiscal Review. Funding is contingent on the continuation of the agency.
- Funding for the Department of Information Resources totals \$966.8 million in All Funds, including an increase of \$45.1 in General Revenue Funds for two new cybersecurity projects and an increase of \$20.8 million in Other Funds from Interagency Contracts and Appropriated Receipts for the 2022–23 biennium. The Other Funds increase is due primarily to an estimated increase in consumption of data center services and telecommunication services by customer agencies.

Figure 27 shows the All Funds appropriation for each agency in Article I, and **Figure 28** shows the General Revenue Funds appropriation for each agency. On the subsequent pages in this chapter are more details about funding levels for some of the agencies in Article I.

FIGURE 27
ARTICLE I – GENERAL GOVERNMENT, ALL FUNDS

(IN MILLIONS) FUNCTION	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
Commission on the Arts	\$27.6	\$23.0	(\$4.6)	(16.6%)
Office of the Attorney General	\$1,247.5	\$1,170.7	(\$76.8)	(6.2%)
Bond Review Board	\$1.7	\$1.6	(\$0.1)	(5.8%)
Cancer Prevention and Research Institute of Texas	\$594.6	\$600.1	\$5.5	0.9%
Comptroller of Public Accounts	\$628.3	\$654.5	\$26.2	4.2%
Fiscal Programs within the Comptroller of Public Accounts	\$1,231.0	\$1,536.8	\$305.8	24.8%
Commission on State Emergency Communications	\$151.3	\$128.1	(\$23.2)	(15.3%)
Texas Emergency Services Retirement System	\$3.9	\$3.9	\$0.0	0.5%
Employees Retirement System	\$28.8	\$27.5	(\$1.3)	(4.5%)
Texas Ethics Commission	\$6.8	\$6.9	\$0.2	2.3%
Facilities Commission	\$861.0	\$140.9	(\$720.0)	(83.6%)
Public Finance Authority	\$3.0	\$3.0	(\$0.0)	(0.1%)
Office of the Governor	\$35.2	\$23.6	(\$11.5)	(32.8%)
Trusted Programs within the Office of the Governor	\$1,744.8	\$1,149.1	(\$595.7)	(34.1%)
Historical Commission	\$108.1	\$56.6	(\$51.6)	(47.7%)
Department of Information Resources	\$900.8	\$966.8	\$66.1	7.3%
Library and Archives Commission	\$74.8	\$74.8	\$0.0	0.0%
Pension Review Board	\$2.1	\$2.1	\$0.0	0.0%
Preservation Board	\$30.9	\$19.5	(\$11.4)	(37.0%)
State Office of Risk Management	\$102.5	\$102.5	\$0.0	0.0%
Secretary of State	\$171.3	\$81.5	(\$89.9)	(52.4%)
Veterans Commission	\$115.0	\$115.7	\$0.7	0.6%
Subtotal, General Government	\$8,070.8	\$6,889.2	(\$1,181.6)	(14.6%)
Employee Benefits and Debt Service	\$852.6	\$1,018.1	\$165.4	19.4%
Less Interagency Contracts	\$1,005.4	\$971.4	(\$34.0)	(3.4%)
Total, All Functions	\$7,918.0	\$6,935.9	(\$982.1)	(12.4%)

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

FIGURE 28
ARTICLE I – GENERAL GOVERNMENT, GENERAL REVENUE FUNDS

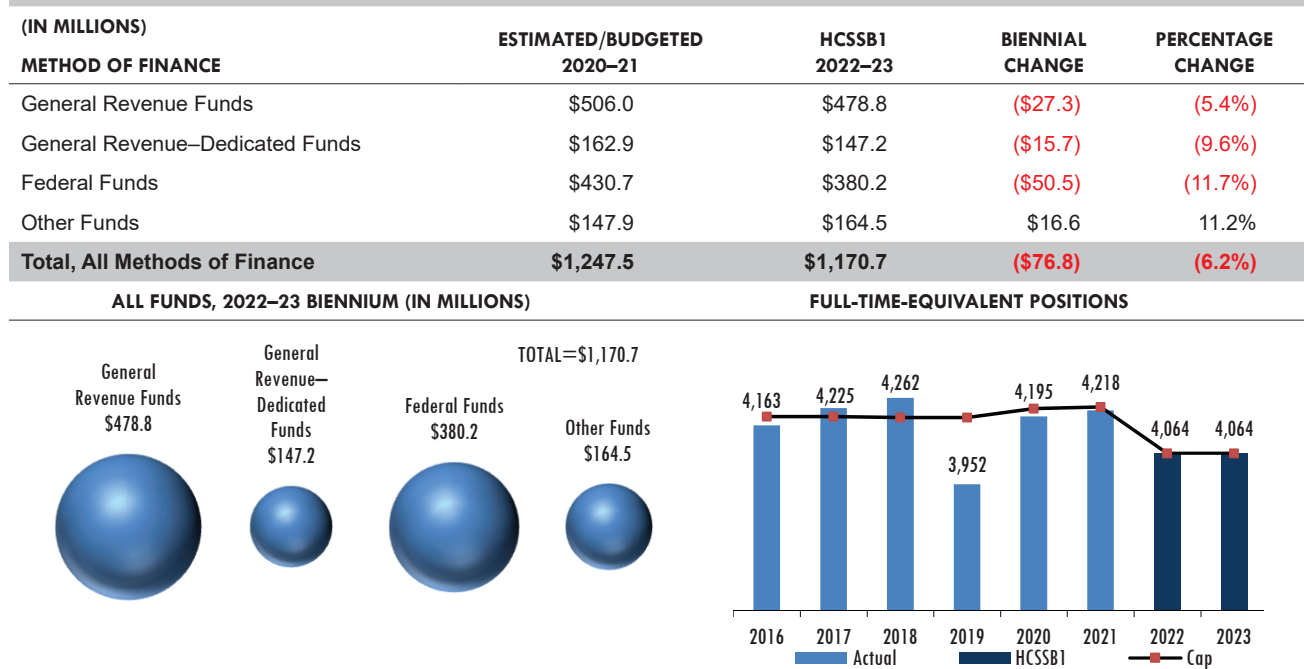
(IN MILLIONS)				
FUNCTION	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
Commission on the Arts	\$24.1	\$20.3	(\$3.8)	(15.7%)
Office of the Attorney General	\$506.0	\$478.8	(\$27.3)	(5.4%)
Bond Review Board	\$1.7	\$1.6	(\$0.1)	(5.8%)
Cancer Prevention and Research Institute of Texas	\$0.0	\$0.0	\$0.0	N/A
Comptroller of Public Accounts	\$613.7	\$646.0	\$32.3	5.3%
Fiscal Programs within the Comptroller of Public Accounts	\$1,135.2	\$1,416.4	\$281.2	24.8%
Commission on State Emergency Communications	\$0.0	\$0.0	\$0.0	N/A
Texas Emergency Services Retirement System	\$1.3	\$1.4	\$0.0	1.5%
Employees Retirement System	\$28.8	\$27.5	(\$1.3)	(4.5%)
Texas Ethics Commission	\$6.8	\$6.9	\$0.2	2.3%
Facilities Commission	\$216.0	\$98.8	(\$117.2)	(54.3%)
Public Finance Authority	\$1.5	\$1.5	\$0.0	0.0%
Office of the Governor	\$35.1	\$23.6	(\$11.5)	(32.8%)
Trusted Programs within the Office of the Governor	\$444.9	\$286.1	(\$158.8)	(35.7%)
Historical Commission	\$56.0	\$49.0	(\$7.0)	(12.5%)
Department of Information Resources	\$10.6	\$55.7	\$45.1	425.6%
Library and Archives Commission	\$33.5	\$33.6	\$0.1	0.2%
Pension Review Board	\$2.1	\$2.1	\$0.0	0.0%
Preservation Board	\$30.8	\$19.4	(\$11.4)	(36.9%)
State Office of Risk Management	\$0.0	\$0.0	\$0.0	N/A
Secretary of State	\$51.3	\$53.3	\$2.0	3.9%
Veterans Commission	\$27.5	\$27.5	\$0.0	0.0%
Subtotal, General Government	\$3,227.0	\$3,249.5	\$22.5	0.7%
Subtotal, Employee Benefits and Debt Service	\$750.5	\$908.9	\$158.5	21.1%
Total, All Functions	\$3,977.4	\$4,158.5	\$181.0	4.6%

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

OFFICE OF THE ATTORNEY GENERAL

FIGURE 29
OFFICE OF THE ATTORNEY GENERAL, BY METHOD OF FINANCE



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the Office of the Attorney General for the 2022–23 biennium totals \$1.2 billion in All Funds, which is a decrease of \$76.8 million in All Funds from the 2020–21 biennium. This decrease is attributed primarily to the decrease of onetime capital funding for information technology (IT) projects.

HIGHLIGHTS

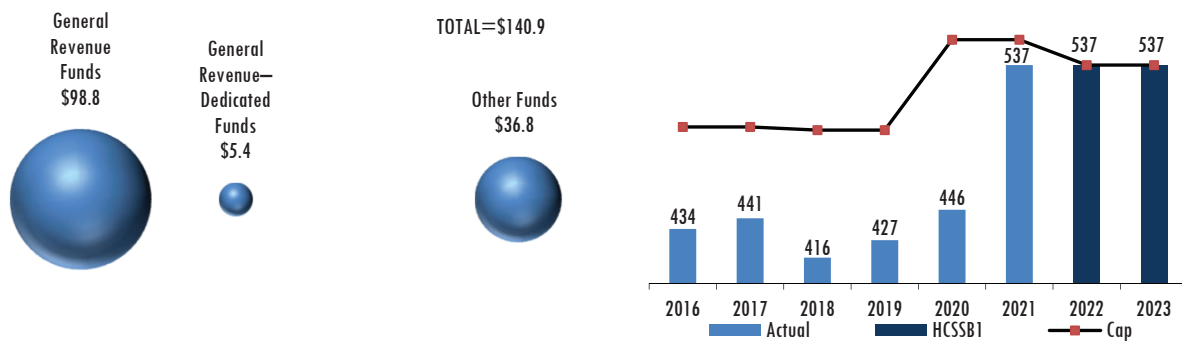
- Funding includes \$75.2 million in All Funds for Victims Assistance Grants, maintaining funding at 2020–21 biennial levels. This amount includes \$41.2 million in Appropriated Receipts, moved from Legal Services and information technology projects, and an increase of \$0.6 million in General Revenue Funds for Victims Assistance Grants. This amount is offset by decreases of \$40.6 million in General Revenue–Dedicated Funds from Account No. 469, Compensation to Victims of Crime (CVC), and \$1.2 million from Account No. 5010, Sexual Assault Program.
- Funding includes \$653.0 million in All Funds for Child Support Enforcement. This amount includes a decrease of \$10.6 million in All Funds, the majority of which is due to the decrease of onetime funding for the Child Support IT Modernization Project.
- Funding includes \$3.1 million in All Funds for the Child Support IT Modernization Project. This amount represents a decrease of \$46.0 million in All Funds related to the removal of onetime capital funding for Phases I and II of the project, which seeks to enhance Texas' main database system for the Child Support Division. The cost of the project is shared with the federal Office of Child Support Enforcement for the match requirement of 34.0 percent of state funding to 66.0 percent of federal grants.
- Funding includes \$205.6 million in All Funds for Legal Services. This amount includes a decrease of \$26.4 million in All Funds from the 2020–21 biennium, primarily due to a reallocation of Appropriated Receipts to Victims Assistance Grants.

- Funding includes \$167.0 million in All Funds for Crime Victims Compensation, which provides victims of violent crime with financial assistance for certain expenses. This amount represents an increase of \$7.1 million in All Funds from the 2020–21 biennium, primarily due to a shifting of General Revenue–Dedicated Funds from CVC from Victims Assistance Grants.

TEXAS FACILITIES COMMISSION

FIGURE 30
TEXAS FACILITIES COMMISSION, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$216.0	\$98.8	(\$117.2)	(54.3%)
General Revenue–Dedicated Funds	\$35.1	\$5.4	(\$29.7)	(84.6%)
Federal Funds	\$0.0	\$0.0	\$0.0	N/A
Other Funds	\$609.8	\$36.8	(\$573.1)	(94.0%)
Total, All Methods of Finance	\$861.0	\$140.9	(\$720.0)	(83.6%)
ALL FUNDS, 2022–23 BIENNIUM (IN MILLIONS)		FULL-TIME-EQUIVALENT POSITIONS		



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the Facilities Commission (TFC) for the 2022–23 biennium totals \$140.9 million in All Funds, representing an All Funds decrease of \$720.0 million from the 2020–21 biennium. This decrease is attributed primarily to the reduction of onetime capital funding for facility construction and rehabilitation.

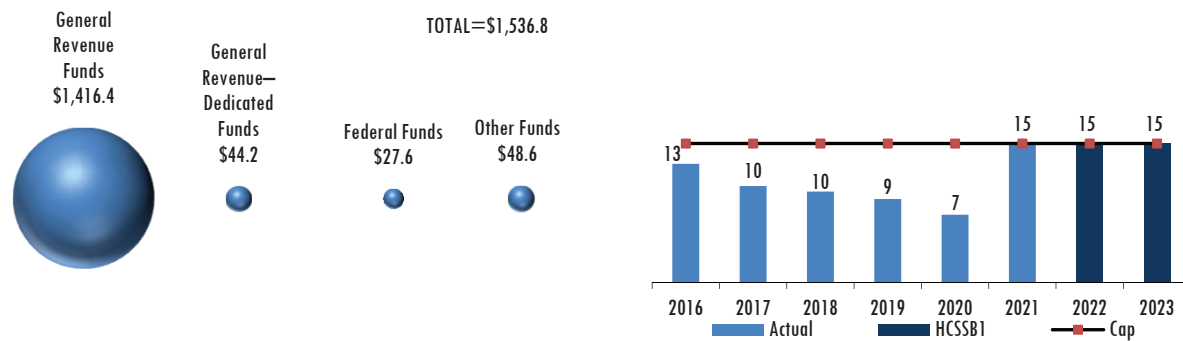
HIGHLIGHTS

- Funding is reduced by \$531.6 million in All Funds due to the removal of revenue bonds and General Revenue Funds related to the construction of Phase 2 of the Capitol Complex and North Austin Complex expansions. Authority is provided to carry forward and expend balances remaining from the 2020–21 biennium to the 2022–23 biennium. This construction is intended to be completed during the 2024–25 biennium.
- Funding for the Deferred Maintenance program at TFC is reduced by \$119.4 million in General Revenue Funds. Authority is provided to carry forward and expend balances remaining from the 2020–21 biennium to the 2022–23 biennium for the program.
- Funding is increased by \$22.4 million in General Revenue Funds in anticipation of higher maintenance and operations costs at existing facilities. In addition, \$2.0 million in General Revenue Funds is provided to TFC due to anticipated increased ventilation costs related to the COVID-19 pandemic.

FISCAL PROGRAMS WITHIN THE COMPTROLLER OF PUBLIC ACCOUNTS

FIGURE 31
FISCAL PROGRAMS WITHIN THE COMPTROLLER OF PUBLIC ACCOUNTS, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED	HCSSB1	BIENNIAL	PERCENTAGE
METHOD OF FINANCE	2020–21	2022–23	CHANGE	CHANGE
General Revenue Funds	\$1,135.2	\$1,416.4	\$281.2	24.8%
General Revenue–Dedicated Funds	\$55.7	\$44.2	(\$11.5)	(20.6%)
Federal Funds	\$20.2	\$27.6	\$7.4	36.5%
Other Funds	\$19.9	\$48.6	\$28.7	144.0%
Total, All Methods of Finance	\$1,231.0	\$1,536.8	\$305.8	24.8%



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for Fiscal Programs within the Comptroller of Public Accounts totals \$1.5 billion in All Funds for the 2022–23 biennium, an increase of \$305.8 million. The increase is related primarily to agency estimates for certain statutorily required disbursements and changes to funding levels to various programs, including the addition of payment of obligations to the Texas Guaranteed Tuition Plan.

HIGHLIGHTS

- Funding includes payment of contract obligations and program expenses of the Texas Guaranteed Tuition Plan for an estimated \$271.2 million in General Revenue Funds. The plan, also known as the Texas Tomorrow Fund, is expected to run out of cash in fiscal year 2022 and is backed by the full faith and credit of the state.
- Funding includes \$483.3 million in General Revenue Funds, an increase of \$24.6 million from the 2020–21 biennium, for mixed beverage taxes reimbursements to counties and incorporated municipalities to maintain statutorily set minimum disbursement levels of 10.7143 percent of the mixed beverage gross receipts and sales taxes based on estimated growth in mixed beverage sales.
- Funding provides \$576.0 million in General Revenue Funds for unclaimed property payments, which includes an increase of \$27.5 million for estimated increases in such claims.
- Funding provides \$26.0 million in General Revenue Funds for payments for miscellaneous and wrongful imprisonment claims based on historical expenditures. This amount represents decreases of \$8.9 million in General Revenue Funds and \$5.4 million in all other funds and accounts.

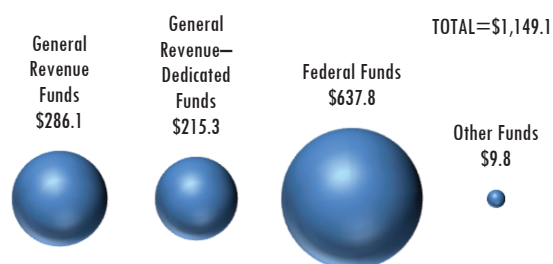
- Funding provides \$34.0 million in Other Funds from the State Highway Fund for distribution to counties for road and bridge construction and maintenance, replacing funding from General Revenue Funds for this purpose.

TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR

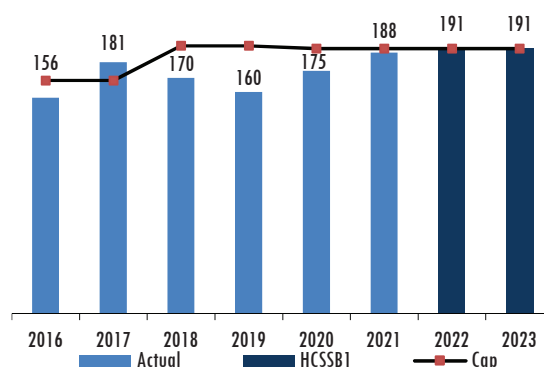
FIGURE 32
TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$444.9	\$286.1	(\$158.8)	(35.7%)
General Revenue–Dedicated Funds	\$377.7	\$215.3	(\$162.4)	(43.0%)
Federal Funds	\$686.4	\$637.8	(\$48.6)	(7.1%)
Other Funds	\$235.8	\$9.8	(\$226.0)	(95.8%)
Total, All Methods of Finance	\$1,744.8	\$1,149.1	(\$595.7)	(34.1%)

ALL FUNDS, 2022–23 BIENNIUM (IN MILLIONS)



FULL-TIME-EQUIVALENT POSITIONS



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the Trusted Programs within the Office of the Governor totals \$1.1 billion in All Funds for the 2022–23 biennium, a decrease of \$595.7 million from the 2020–21 biennium. This decrease is due primarily to the expenditure during the 2020–21 biennium of unexpended balances carried forward from the 2018–19 biennium.

HIGHLIGHTS

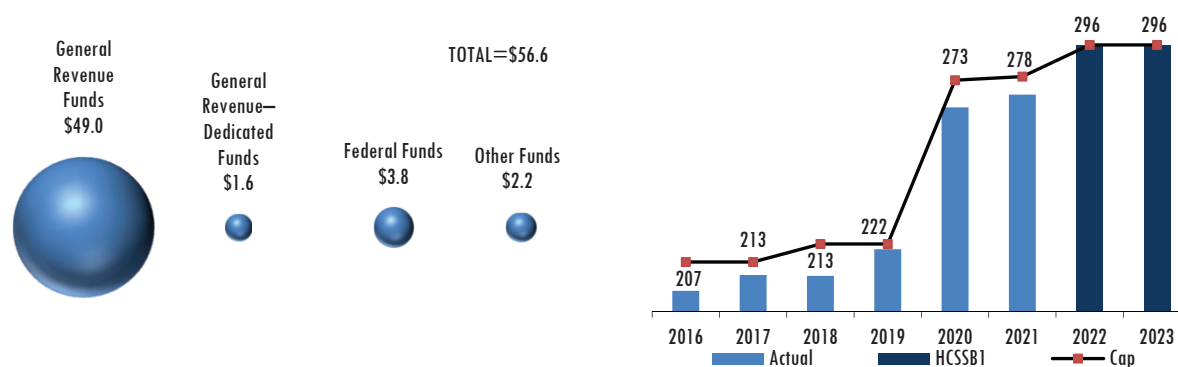
- Significant funding decreases are related to the removal of onetime funding items from the 2020–21 biennium, including the following amounts:
 - a decrease of \$268.2 million in General Revenue Funds and General Revenue–Dedicated Funds related to unexpended balances carried forward from fiscal year 2019 into the 2020–21 biennium and reduced agency funding requests for multiple programs; and
 - a decrease of \$148.9 million in Other Funds from the Economic Stabilization Fund expended for disaster grants and bullet-resistant vests programs.
- Funding includes a decrease of \$48.6 million in Federal Funds related primarily to a decrease in the federal allocation of Crime Victims Assistance and Homeland Security grants.
- Funding includes \$100.0 million in estimated unexpended balances remaining at the end of fiscal year 2021 in the General Revenue–Dedicated Account No. 5107, Texas Enterprise Fund (TEF), for incentive grants. The funding represents a decrease of \$77.2 million from the 2020–21 biennium in the TEF.

- Funding includes \$40.0 million in estimated unexpended balances remaining at the end of fiscal year 2021 in the General Revenue–Dedicated Account No. 5161, Governor’s University Research Initiative, for recruitment grants. The funding represents a decrease of \$5.2 million from the 2020–21 biennial level in the account.
- Funding includes \$69.5 million in Hotel Occupancy Tax Deposits for tourism programs for the 2022–23 biennium, which is a \$42.5 million decrease from the 2020–21 biennium.

TEXAS HISTORICAL COMMISSION

FIGURE 33
TEXAS HISTORICAL COMMISSION, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$56.0	\$49.0	(\$7.0)	(12.5%)
General Revenue–Dedicated Funds	\$1.6	\$1.6	\$0.0	0.0%
Federal Funds	\$12.6	\$3.8	(\$8.8)	(70.0%)
Other Funds	\$37.9	\$2.2	(\$35.7)	(94.3%)
Total, All Methods of Finance	\$108.1	\$56.6	(\$51.6)	(47.7%)
ALL FUNDS, 2022–23 BIENNIUM (IN MILLIONS)		FULL-TIME-EQUIVALENT POSITIONS		



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the Texas Historical Commission (THC) includes \$56.6 million in All Funds, which is a decrease of \$51.6 million from the 2020–21 biennium. This decrease is attributed primarily to the decrease of onetime funding items. The Texas Holocaust and Genocide Commission (THGC), which is administratively attached and receives funding through THC's bill pattern, is subject to Strategic Fiscal Review.

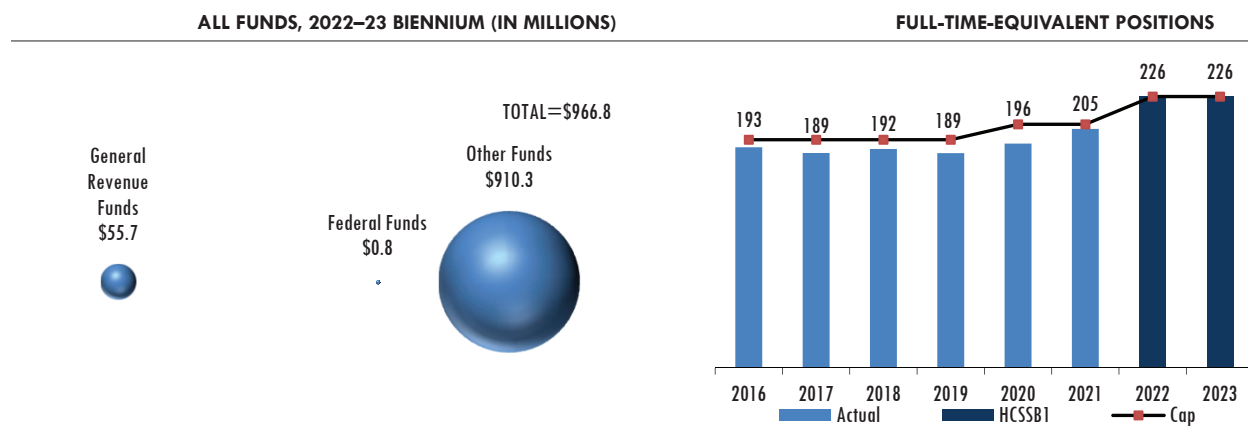
HIGHLIGHTS

- THGC is administratively attached to THC through the agency's bill pattern in Rider 11, Texas Holocaust and Genocide Commission: Funding and Sunset Contingency.
- Funding for THGC includes \$632,713 in fiscal year 2022 and \$632,712 in fiscal year 2023 in General Revenue Funds for programs that promote public awareness of the Holocaust and other genocides and to provide resources for educators and nonprofit organizations. THC also receives \$41,000 in each fiscal year for Strategy B.1.1, Central Administration, for providing administrative support to THGC. Continued funding is contingent on the Sunset Advisory Commission review.
- Unrelated to THGC, funding for THC decreased by \$7.0 million in General Revenue Funds and \$33.5 million in Other Funds from the Economic Stabilization Fund for various onetime funding projects primarily related to renovation and construction projects at historic sites and the Star of the Republic Museum and for Courthouse Preservation grants.

DEPARTMENT OF INFORMATION RESOURCES

FIGURE 34
DEPARTMENT OF INFORMATION RESOURCES, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$10.6	\$55.7	\$45.1	425.6%
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	N/A
Federal Funds	\$0.6	\$0.8	\$0.2	30.1%
Other Funds	\$889.5	\$910.3	\$20.8	2.3%
Total, All Methods of Finance	\$900.8	\$966.8	\$66.1	7.3%



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the Department of Information Resources totals \$966.8 million in All Funds, primarily in Other Funds from Interagency Contracts and Appropriated Receipts, for the 2022–23 biennium, an increase of \$66.1 million. The increase is due primarily to an estimated increase in consumption of data center services and telecommunication services by customer agencies and funding for two new cybersecurity programs.

HIGHLIGHTS

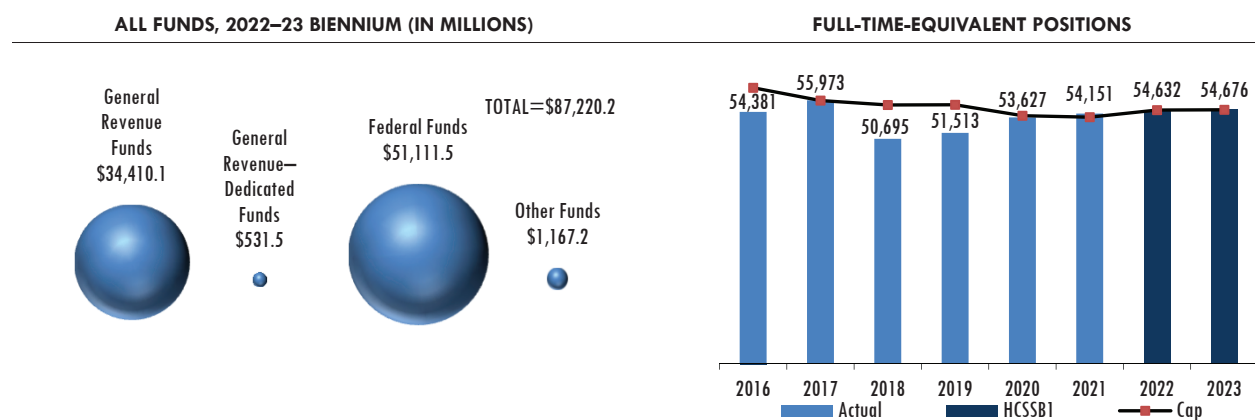
- Funding includes \$845.6 million in Other Funds for payments to service providers of telecommunications and data center services for cost of services for which the agency directly bills customers and for payments to service providers for operation of the Texas.gov website. This amount is an increase of \$17.8 million from 2020–21 biennial funding levels for the following services:
 - Telecommunications, including Capitol Complex Telephone System and Texas Agency Network – funding provides \$183.3 million in Other Funds, including an increase of \$10.3 million for voice, data, wireless, and Internet services. The increase from the 2020–21 biennium is intended to address customer demand and provide increased bandwidth as more customers transition to online services, including mobile services;
 - Data Center Services (DCS) – funding provides \$579.4 million in Other Funds, including an increase of \$6.0 million based on anticipated increased usage of DCS by customer agencies. Costs represent amounts to maintain current service levels and projects initiated during the 2020–21 biennium, including fully supported cloud servers, upgrading data systems, website upgrades, data management, and data governance; and

- Texas.gov – funding provides \$82.9 million in Other Funds in estimated payments to service providers for payment processing, application development, and customer services through the Texas.gov portal. Amounts include an increase of \$1.5 million from the 2020–21 biennium intended to address anticipated procurement activities.
- Funding provides \$77.7 million in All Funds for enhanced information security programs and services, including \$55.7 million in General Revenue Funds. Funding includes an increase of \$45.1 million in General Revenue Funds for two new cybersecurity projects, the Security Operations Center Pilot and Endpoint Detections and Response. Funding also includes an increase of \$2.8 million in All Funds primarily for enhanced network security services, and cybersecurity training, assessments, and penetration testing.

ARTICLE II – HEALTH AND HUMAN SERVICES

FIGURE 35
ARTICLE II – HEALTH AND HUMAN SERVICES, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$35,914.4	\$34,410.1	(\$1,504.3)	(4.2%)
General Revenue–Dedicated Funds	\$540.2	\$531.5	(\$8.7)	(1.6%)
Federal Funds	\$57,502.8	\$51,111.5	(\$6,391.3)	(11.1%)
Other Funds	\$1,738.2	\$1,167.2	(\$571.1)	(32.9%)
Total, All Methods of Finance	\$95,695.6	\$87,220.2	(\$8,475.4)	(8.9%)



NOTES:

- (1) May include anticipated supplemental spending adjustments.
- (2) Excludes Interagency Contracts.
- (3) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

MAJOR FISCAL AND POLICY ISSUES AFFECTING ARTICLE II

All Funds for the Health and Human Services agencies in the bill total \$87.2 billion, a decrease of \$8.5 billion from the 2020–21 biennium. General Revenue Funds and General Revenue–Dedicated Funds total \$34.9 billion, a decrease of \$1.5 billion from the 2020–21 biennium.

Appropriations for Health and Human Services encompass many different programs, but the biennial All Funds decrease is primarily the result of the following areas:

- a decrease of \$1.8 billion in Federal Funds provided for response to the COVID-19 pandemic;
- a decrease of \$6.1 billion in All Funds associated with Medicaid and Children's Health Insurance Program (CHIP) client services, primarily due to decreases in caseload associated with the assumed end of continued eligibility, which was required for states to receive the 6.2 percentage-point increase in the federal medical assistance percentage (FMAP) and related matches pursuant to the federal Families First Coronavirus Response Act (FFCRA); and
- a decrease of \$0.6 billion in Other Funds associated with funds from the Economic Stabilization Fund and bonds appropriated for capital repairs and renovations at state facilities and new construction of state mental health hospitals and other state-funded inpatient mental health facilities during the 2020–21 biennium.

HIGHLIGHTS

- Funding of \$69.3 billion in All Funds, including \$25.4 billion in General Revenue Funds and \$0.1 billion in General Revenue–Dedicated Funds, is provided at the three health and human services agencies for the Texas Medicaid program. This amount is a decrease of \$5.6 billion in All Funds and \$0.9 billion in General Revenue Funds, including the following amounts:
 - \$64.7 billion in All Funds for Medicaid client services, \$1.8 billion in All Funds for programs supported by Medicaid funding, and \$2.9 billion in All Funds for administration of the Medicaid program and other programs supported by Medicaid funding. The net decrease in Medicaid funding is due to a \$5.7 billion decrease in All Funds in Medicaid client services and a \$0.1 billion decrease in All Funds in administrative funding offset by a \$0.1 billion increase in All Funds in other programs supported by Medicaid funding;
 - less favorable FMAPs combined with the assumed loss of the 6.2 percentage-point increase in FMAP pursuant to the federal FFCRA result in a lower proportion of the program being funded with Federal Funds. Full funding for anticipated increases in cost due to medical inflation, higher utilization, or increased acuity is not included; and
 - the 2020–21 biennial amounts for Medicaid assume supplemental funding to complete fiscal year 2021 expenditures.
- Funding for non-Medicaid/CHIP behavioral health services at the three health and human services agencies totals \$3.3 billion in All Funds, including \$2.5 billion in General Revenue Funds and General Revenue–Dedicated Funds, which includes funding for community mental health services; mental health services for veterans; inpatient mental health services at state-owned and community hospitals; and substance abuse prevention, intervention, and treatment services. This amount is a decrease of \$0.5 billion in All Funds primarily due to a decrease in Other Funds associated with funding from the Economic Stabilization Fund and bonds appropriated for onetime construction projects and certain capital repair and renovation projects at state mental health hospitals and other state-funded inpatient mental health facilities.

Figure 36 shows the All Funds funding for each agency in Article II, and **Figure 37** shows the General Revenue Funds funding for each agency. On the subsequent pages in this chapter are more details about funding levels for the agencies in Article II.

FIGURE 36
ARTICLE II – HEALTH AND HUMAN SERVICES, ALL FUNDS

(IN MILLIONS) FUNCTION	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
Department of Family and Protective Services	\$4,374.7	\$4,516.2	\$141.5	3.2%
Department of State Health Services	\$3,634.2	\$1,845.0	(\$1,789.2)	(49.2%)
Health and Human Services Commission	\$86,171.9	\$79,261.6	(\$6,910.3)	(8.0%)
Subtotal, Health and Human Services	\$94,180.8	\$85,622.8	(\$8,558.0)	(9.1%)
Employee Benefits and Debt Service	\$2,213.2	\$2,278.9	\$65.7	3.0%
Less Interagency Contracts	\$698.4	\$681.5	(\$16.9)	(2.4%)
Total, All Functions	\$95,695.6	\$87,220.2	(\$8,475.4)	(8.9%)

NOTES:

(1) May include anticipated supplemental spending adjustments.

(2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

FIGURE 37
ARTICLE II – HEALTH AND HUMAN SERVICES, GENERAL REVENUE FUNDS

(IN MILLIONS)	ESTIMATED/BUDGETED	HCSSB1	BIENNIAL	PERCENTAGE
FUNCTION	2020–21	2022–23	CHANGE	CHANGE
Department of Family and Protective Services	\$2,512.5	\$2,592.3	\$79.8	3.2%
Department of State Health Services	\$618.5	\$485.4	(\$133.1)	(21.5%)
Health and Human Services Commission	\$30,799.8	\$29,792.5	(\$1,007.3)	(3.3%)
Subtotal, Health and Human Services	\$33,930.7	\$32,870.1	(\$1,060.6)	(3.1%)
Employee Benefits and Debt Service	\$1,983.7	\$1,540.0	(\$443.7)	(22.4%)
Total, All Functions	\$35,914.4	\$34,410.1	(\$1,504.3)	(4.2%)

NOTES:

(1) May include anticipated supplemental spending adjustments.

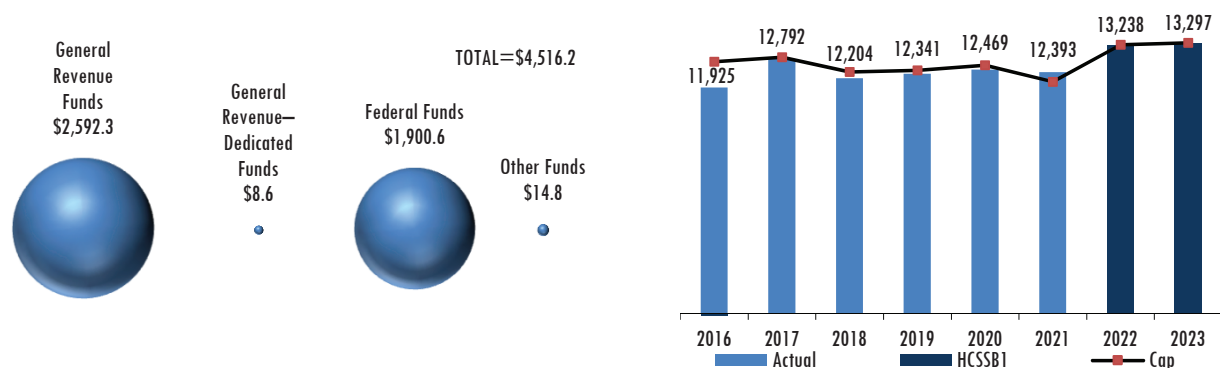
(2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES

FIGURE 38
DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$2,512.5	\$2,592.3	\$79.8	3.2%
General Revenue–Dedicated Funds	\$11.4	\$8.6	(\$2.8)	(24.6%)
Federal Funds	\$1,835.4	\$1,900.6	\$65.3	3.6%
Other Funds	\$15.5	\$14.8	(\$0.7)	(4.7%)
Total, All Methods of Finance	\$4,374.7	\$4,516.2	\$141.5	3.2%



NOTES:

- (1) May include anticipated supplemental spending adjustments.
- (2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding included in the bill for the Department of Family and Protective Services (DFPS) for the 2022–23 biennium totals \$4.5 billion in All Funds, including \$2.6 billion in General Revenue Funds and \$8.6 million in General Revenue–Dedicated Funds. These amounts represent a \$79.8 million, or 3.2 percent, increase in General Revenue Funds and a \$141.5 million, or 3.2 percent, increase in All Funds.

HIGHLIGHTS

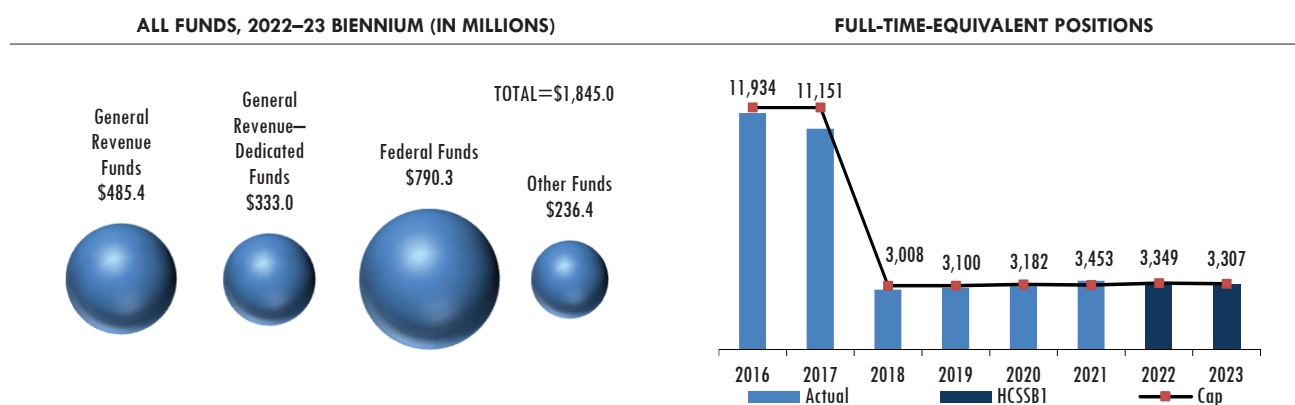
- Funding includes a total of \$1.9 billion in All Funds and \$0.9 billion in General Revenue Funds, an increase of \$67.3 million in All Funds and \$33.3 million in General Revenue Funds from 2020–21 biennial spending levels, for the following client services programs:
 - \$1.1 billion in All Funds, including \$0.5 billion in General Revenue Funds, for Foster Care Payments, including those for Community-based Care (CBC). Funding includes an \$8.3 million increase in All Funds and a \$13.9 million increase in General Revenue Funds from the 2020–21 biennial base. The increase is due primarily to increases of \$4.3 million in General Revenue Funds to provide a full biennium of payments to providers to support 24-hour awake supervision and \$5.5 million in Federal Funds for provider payments for the Qualified Residential Treatment Program (QRTP) pilot. Additionally, an increase of \$11.2 million in General Revenue Funds is offset by an equal decrease in Federal Funds due to less favorable federal medical assistance percentages (FMAP) and the assumed loss of the 6.2 percentage-point increase in FMAP pursuant to the federal Families First Coronavirus Response Act. Funding does not include network support payments for CBC in Region 8B, Stage I, due to delays in implementation;

- \$636.5 million in All Funds, including \$289.7 million in General Revenue Funds, for Adoption Subsidies and Permanency Care Assistance (PCA) Payments. Funding includes a \$28.1 million increase in All Funds (\$25.7 million in General Revenue Funds) from the 2020–21 biennial base due primarily to an increase of \$24.7 million in All Funds (\$12.4 million in General Revenue Funds) for projected caseload growth in both adoption subsidies and PCA. Additionally, changes in the proportion of the program funded with General Revenue Funds are attributed to: (1) an increase of \$18.9 million in General Revenue Funds offset by an equal decrease in Federal Funds due to less favorable FMAPs and the assumed loss of the 6.2 percentage-point increase in FMAP; and (2) an increase of \$7.8 million in Federal Funds offset by an equal decrease in General Revenue Funds due to increased federal Title IV-E eligibility for adoption subsidies;
- \$121.8 million in All Funds, including \$18.5 million in General Revenue Funds, for Texas Workforce Commission (TWC) contracted day care services. Funding includes a \$32.2 million increase in All Funds (a \$5.7 million decrease in General Revenue Funds) from the 2020–21 biennial base due to projected growth in caseload, number of days per child, and average daily cost and to maintain a full biennium of rate increases implemented by TWC in October 2019 and October 2020; and
- \$49.3 million in All Funds, including \$31.9 million in General Revenue Funds, for Relative Caregiver Payments. Funding includes a \$1.3 million decrease in All Funds (\$0.6 million in General Revenue Funds) from the 2020–21 biennial base due to projected decreases in the number of daily and post-permanency payments.
- Funding includes \$1.7 billion in All Funds, including \$1.2 billion in General Revenue Funds, for Child Protective Services (CPS) direct delivery staff, including services provided through CBC. This amount includes increased funding to biennialize CBC expansion that occurred during fiscal year 2020 for Stage II in Regions 3B and 2 and for Stage I in Region 1. Funding is not included for CBC expansion into Stage II in Region 8A or Stage I in Region 8B due to delays in implementation. Funding is also provided for an additional 253.0 caseworkers and related staff in fiscal year 2022 and 312.0 in fiscal year 2023.
- Funding includes reductions totaling \$5.6 million in General Revenue Funds for the 2022–23 biennium. The reduction is associated with the following initiatives identified by the agency: savings for the Statewide Intake Automated Call Distribution System; reduction in mileage reimbursement; reductions in costs for various Prevention and Early Intervention contracts; continued delay of a fingerprint program; savings for the information technology help desk; and savings from conferences and professional development trainings.
- Funding includes \$85.2 million in All Funds, including \$80.0 million in General Revenue Funds, for the 2022–23 biennium to address the foster care litigation. This includes implementing caseload guidelines, additional staff to perform heightened monitoring of residential facilities, investigation staff, staff to perform required documentation of cases, and reimbursing court monitors.
- The federal Family First Prevention Services Act (FFPSA) is intended to be fully implemented by September 2021. In accordance with FFPSA, the federal government will no longer provide Title IV-E matching funds for children placed in foster care congregate settings after two weeks of placement unless the child is placed in a QRTP or licensed residential family-based treatment facility. FFPSA also provides a 50 percent federal match if the state invests additional General Revenue Funds in approved prevention programs. Texas received \$50.3 million in Federal Funds pursuant to the Family First Transition Act (FFTA) to assist in implementation of FFPSA. Funding for the 2022–23 biennium includes \$22.0 million in FFTA Federal Funds for a QRTP pilot and system upgrades, an increase of \$14.3 million from the amount budgeted for those purposes in fiscal year 2021, \$9.0 million to pilot FFPSA prevention services through CPS, \$8.9 million to purchase services for children who are at imminent risk of entering DFPS conservatorship and \$5.2 million to expand services for the Nurse Family Partnership program. Funding included in the bill does not assume increased General Revenue Funds or a loss of Title IV-E Federal Funds for foster care placements, additional funding that may be needed to implement QRTPs, or additional investment in prevention programs to draw additional Title IV-E Federal Funds.

DEPARTMENT OF STATE HEALTH SERVICES

FIGURE 39
DEPARTMENT OF STATE HEALTH SERVICES, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$618.5	\$485.4	(\$133.1)	(21.5%)
General Revenue–Dedicated Funds	\$322.6	\$333.0	\$10.4	3.2%
Federal Funds	\$2,450.8	\$790.3	(\$1,660.5)	(67.8%)
Other Funds	\$242.3	\$236.4	(\$5.9)	(2.5%)
Total, All Methods of Finance	\$3,634.2	\$1,845.0	(\$1,789.2)	(49.2%)



NOTES:

- (1) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
- (2) The full-time-equivalent (FTE) actual positions for fiscal years 2016 to 2018 include FTE positions transferred to the Texas Department of Licensing and Regulation pursuant to Senate Bill 202, Eighty-fourth Legislature, 2015, and to the Health and Human Services Commission pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding included in the bill for the Department of State Health Services (DSHS) for the 2022–23 biennium totals \$1.8 billion in All Funds, including \$0.5 billion in General Revenue Funds and \$0.3 billion in General Revenue–Dedicated Funds. These amounts represent an All Funds decrease of \$1.8 billion, or 49.2 percent, and a decrease in General Revenue Funds of \$133.1 million, or 21.5 percent.

HIGHLIGHTS

- Funding includes \$126.8 million in Federal Funds for COVID-19 pandemic response in the 2022–23 biennium. This amount represents a decrease of \$1.7 billion in Federal Funds and \$50.0 million in General Revenue Funds transferred from the Health and Human Services Commission (HHSC) for COVID-19 pandemic response in the 2020–21 biennium.
- Funding includes \$47.4 million in All Funds, including \$32.1 million in General Revenue Funds and General Revenue–Dedicated Funds, for Data Center Services. This represents an increase of \$19.9 million in All Funds, including \$8.1 million in General Revenue Funds, for ongoing and increased costs following significant upgrades related to the infectious disease surveillance system.
- Funding includes an increase of \$5.4 million in General Revenue Funds to provide a system viability assessment for the information technology platform used for DSHS health registries.

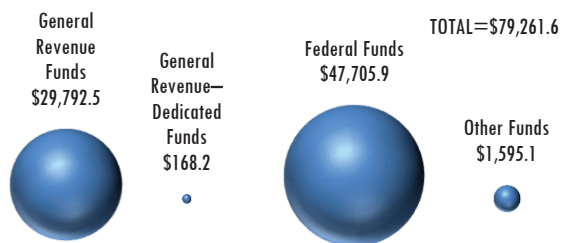
- Funding includes a decrease of \$23.9 million in General Revenue Funds because onetime funding provided in the 2020–21 biennium is not continued. These funds were provided for laboratory repair and renovation; Laboratory Information Management System upgrade; National Electronic Disease Surveillance System upgrade; vehicles; Texas Center for Infectious Disease repair and renovation; laboratory equipment; and onetime laboratory operating costs. Funding levels also represent a decrease of \$29.0 million in funding from the Economic Stabilization Fund (Other Funds) because onetime funding provided in the 2020–21 biennium for an emergency generator for the laboratory and trauma capacity and response infrastructure is not continued.
- Funding includes reductions totaling \$32.9 million in General Revenue Funds and General Revenue–Dedicated Funds for the 2022–23 biennium. The reduction is associated with the following initiatives identified by the agency: \$6.0 million for the Medical Child Abuse Resources and Education System; \$5.0 million used for maintenance of effort for HIV Care Formula Grants; \$4.6 million in administrative support services payments that DSHS makes to HHSC; and \$4.0 million to remove the zoster (shingles) vaccine from the formulary for adult immunization.
- Funding includes changes in method of financing that reduce General Revenue Funds by \$32.0 million and replace those funds with \$9.7 million in General Revenue–Dedicated Funds and \$22.3 million in Other Funds due to projected revenue and account balances. These changes include replacing General Revenue Funds with \$22.3 million from the Public Health Medicaid Reimbursements Account (Other Funds); \$3.4 million from General Revenue–Dedicated Account No. 524, Public Health Services Fee; \$2.3 million from General Revenue–Dedicated Account No. 129, Hospital Licensing; \$2.0 million from General Revenue–Dedicated Account No. 5108, EMS, Trauma Facilities, Trauma Care Systems; and \$2.0 million from other General Revenue–Dedicated accounts.

HEALTH AND HUMAN SERVICES COMMISSION

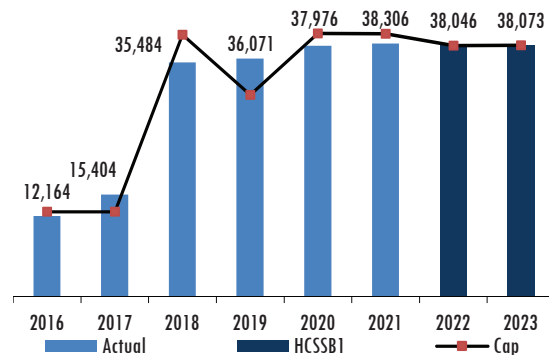
FIGURE 40
HEALTH AND HUMAN SERVICES COMMISSION, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$30,799.8	\$29,792.5	(\$1,007.3)	(3.3%)
General Revenue–Dedicated Funds	\$173.2	\$168.2	(\$5.0)	(2.9%)
Federal Funds	\$53,023.2	\$47,705.9	(\$5,317.3)	(10.0%)
Other Funds	\$2,175.8	\$1,595.1	(\$580.7)	(26.7%)
Total, All Methods of Finance	\$86,171.9	\$79,261.6	(\$6,910.3)	(8.0%)

ALL FUNDS, 2022–23 BIENNIUM (IN MILLIONS)



FULL-TIME-EQUIVALENT POSITIONS



NOTES:

- (1) May include anticipated supplemental spending adjustments.
- (2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
- (3) Beginning in fiscal year 2017, full-time-equivalent (FTE) actual positions and the FTE position cap include positions transferred to the Health and Human Services Commission (HHSC) from the Department of Aging and Disability Services (DADS), the Department of Assistive and Rehabilitative Services (DARS), and the Department of State Health Services, pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015.
- (4) In addition to the FTE positions shown, DADS employed 16,875.0 positions during fiscal year 2016 and 13,203.5 positions during fiscal year 2017. DARS employed 3,037.3 positions during fiscal year 2016. DADS and DARS were abolished by Senate Bill 200, Eighty-fourth Legislature, 2015, and their programs were transferred to other agencies, primarily to HHSC.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding included in the bill for the Health and Human Services Commission (HHSC) for the 2022–23 biennium totals \$79.3 billion in All Funds, which is a decrease of \$6.9 billion in All Funds from the 2020–21 biennium. General Revenue Funds total \$29.8 billion, a decrease of \$1.0 billion from the 2020–21 biennium.

HIGHLIGHTS

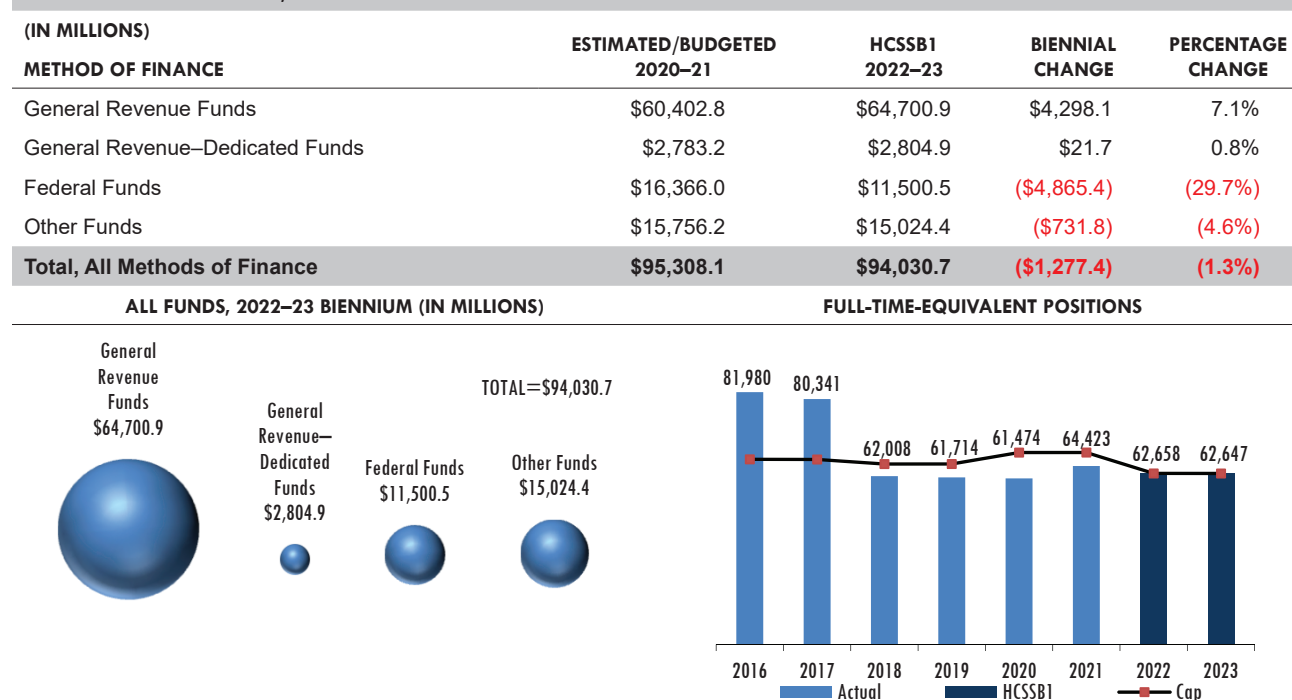
- Funding for Medicaid client services at HHSC for the 2022–23 biennium includes \$64.7 billion in All Funds, including \$23.9 billion in General Revenue Funds and General Revenue–Dedicated Funds. This amount represents a decrease of \$5.7 billion in All Funds, including a decrease of \$1.0 billion in General Revenue Funds, from 2020–21 biennial spending levels. Funding includes an increase of \$112.9 million in All Funds, including \$44.4 million in General Revenue Funds, to remove prior authorization requirements for direct acting antiviral treatment for Hepatitis C Virus and an increase of \$90.1 million in All Funds, including \$35.1 million in General Revenue Funds, to support client service costs associated with transitioning day habilitation services to individualized skills and socialization. Less favorable federal medical assistance percentages (FMAP) combined with the assumed loss of the 6.2 percentage-point increase to FMAP pursuant to the federal Families First Coronavirus Response Act result in a lower proportion of the program being funded with Federal Funds. The resulting increase in General Revenue Funds demand is offset partially

by a decrease in General Revenue Funds demand due to the overall projected reduction in Medicaid client services. Cost growth for the 2022–23 biennium is not included. The 2020–21 biennial spending levels for Medicaid client services assume supplemental funding to complete fiscal year 2021 expenditures.

- Funding for Children’s Health Insurance Program (CHIP) client services for the 2022–23 biennium includes \$1.8 billion in All Funds, including \$0.5 billion in General Revenue Funds, which is a decrease of \$0.4 billion in All Funds, including an increase of \$0.1 billion in General Revenue Funds, from 2020–21 biennial spending levels. The All Funds decrease is related primarily to projected caseload decreases in the 2022–23 biennium and expected lapses in the 2020–21 biennium that are not accounted for. Less favorable enhanced FMAPs (EFMAP) combined with the loss of the 11.5-percentage-point increase to EFMAP pursuant to the federal Helping Ensure Access for Little Ones, Toddlers, and Hopeful Youth by Keeping Insurance Delivery Stable Act and the assumed loss of the 6.2 percentage-point increase to FMAP result in a decrease in the proportion of the program that is federally funded. Cost growth for CHIP during the 2022–23 biennium is not included.
- Funding for non-Medicaid/CHIP behavioral health totals \$3.2 billion in All Funds, including \$2.4 billion in General Revenue Funds and General Revenue–Dedicated Funds. This amount includes funding for inpatient client services at state and community mental health hospitals; outpatient services provided through local mental health authorities and local behavioral health authorities; substance abuse prevention, intervention, and treatment services for adults and children; mental healthcare services for veterans; and various other services. This amount is a decrease of \$0.5 billion in All Funds, primarily due to a decrease in Other Funds associated with funding from the Economic Stabilization Fund and bonds appropriated for onetime construction projects and certain capital repair and renovation projects at state mental health hospitals and other state-funded inpatient mental health facilities. Behavioral health-related expenditures in Medicaid are estimated to be \$3.7 billion in All Funds for the biennium, when including cost growth that is not funded, and behavioral health-related expenditures in CHIP are estimated to be \$98.9 million in All Funds for the biennium, when including cost growth that is not funded. Total behavioral health-related funding at HHSC, including estimated Medicaid and CHIP expenditures, is estimated to be \$7.0 billion in All Funds for the biennium.
- Funding includes Federal Funds increases for several client services programs, including an increase of \$13.0 million for the Family Violence Program and an increase of \$21.9 million for Child Advocacy Centers.
- Funding includes \$31.0 million in General Revenue Funds to respond to the foster care litigation, including: implementing caseload guidelines; performing heightened monitoring of certain residential child care facilities; reimbursing court monitors; necessary technology upgrades to the Childcare Licensing Automated Support System (CLASS); and a new Compliance and Quality Assurance team.
- Funding includes a decrease of \$163.5 million from the Economic Stabilization Fund and bonds (Other Funds) for capital repairs and renovations at the state supported living centers.
- Funding in the bill does not include any Federal Funds for response to the COVID-19 pandemic for the 2022–23 biennium, which represents a decrease of \$100.9 million in Federal Funds.

ARTICLE III – EDUCATION

FIGURE 41
ARTICLE III – EDUCATION, BY METHOD OF FINANCE



NOTES:

- (1) Excludes Interagency Contracts.
- (2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

MAJOR FISCAL AND POLICY ISSUES AFFECTING ARTICLE III

Public Education funding, excluding the Teacher Retirement System, the Optional Retirement Program, and end-of-article benefits, totals \$65.7 billion in All Funds for the 2022–23 biennium, an increase of \$1.9 billion, or 3.1 percent, from the 2020–21 biennium. General Revenue Funds total \$43.1 billion, an increase of \$3.3 billion, or 8.3 percent, from the 2020–21 biennium. Other Funds total \$12.0 billion for the 2022–23 biennium, an increase of \$235.3 million, or 2.0 percent. Federal Funds total \$10.7 billion, a \$1.6 billion, or a 12.9 percent decrease, primarily attributable to the expiration of funding from the Coronavirus Relief Fund.

The majority of Public Education funding consists of state aid for school districts and charter schools through the Foundation School Program (FSP) system. FSP funding is driven by statutory formulas, amounts specified in the General Appropriations Act, and projected enrollment and district property value amounts, including the following areas:

- FSP funding for the 2022–23 biennium includes \$41.2 billion in General Revenue Funds and \$53.0 billion in All Funds. This amount represents a biennial increase of \$3.8 billion, or 10.1 percent, in General Revenue Funds, and an All Funds increase of \$4.1 billion, or 8.4 percent, compared to the 2020–21 biennium;
- appropriations for the FSP fully fund current law, and include an estimated \$3.1 billion for student enrollment growth and \$1.0 billion in additional state aid related to property tax compression required by the Texas Education Code; and
- non-FSP program and administration funding for the 2022–23 biennium includes \$1,902.8 million in General Revenue Funds, a \$471.1 million decrease compared to the 2020–21 biennium. The net decrease is due primarily to a \$312.7

million decrease in funding for instructional materials and technology and a \$158.4 million decrease in funding for special education programs related to the maintenance of state financial support that was included in the agency's 2020–21 biennial base. Non-FSP funding for the 2022–23 biennium includes \$12,641.6 million in All Funds, a decrease of \$2,139.2 million that is attributable primarily to the expiration of \$1,932.4 million in federal funding from the Coronavirus Relief Fund and the elimination of \$97.0 million in Other Funds for a onetime appropriation for school safety infrastructure grants.

Funding for teacher retirement benefits includes \$5.1 billion in All Funds for the state contribution to retirement benefits of the Teacher Retirement System (TRS). Retiree health insurance funding totals \$897.6 million in General Revenue Funds for the statutorily required state contribution to TRS-Care of 1.25 percent of public education payroll.

Funding for Higher Education, excluding end-of-article benefits, totals \$20.8 billion in All Funds for the 2022–23 biennium, a decrease of \$3.6 billion, or 14.8 percent from the 2020–21 biennium. General Revenue Funds and General Revenue–Dedicated Funds total \$17.2 billion, a decrease of \$142.2 million, or 0.8 percent, from the 2020–21 biennium. The majority of Higher Education funding provided from General Revenue Funds and General Revenue–Dedicated Funds consists of formula funding into the general academic institutions, Lamar State Colleges, Texas State Technical Colleges, health-related institutions, and public community and junior colleges, including the following areas:

- higher education formulas, including those for the Lamar State Colleges and the Texas State Technical Colleges, are supported by \$6.4 billion in General Revenue Funds and \$1.7 billion in statutory tuition, including Board Authorized Tuition in General Revenue–Dedicated Funds. Included in this amount are increases of \$76.0 million in General Revenue Funds and a decrease of \$9.9 million in General Revenue–Dedicated Funds, including Board Authorized Tuition. Formula General Revenue Funds appropriations from the 2020–21 biennium were maintained for the 2022–23 biennium, except for the Lamar State Colleges, which received \$16.6 million in General Revenue Funds to increase that system's Instruction and Administration formula rate to \$6.92 per contact hour;
- funding for nonformula support items at all institutions for the 2022–23 biennium totals \$919.5 million in General Revenue Funds, which represents a decrease of \$156.2 million from the 2020–21 biennium;
- funding for the 2020–21 biennium for tuition revenue bond debt service totals \$933.4 million in General Revenue Funds, which is a decrease of \$47.4 million from the 2020–21 biennium; and
- funding at the Texas Higher Education Coordinating Board provides a total of \$150.5 million in All Funds for Graduate Medical Education Expansion. This amount includes \$128.5 million in General Revenue Funds, a decrease of \$6.7 million from 2020–21 biennial appropriated funding levels, and \$22.0 million in distributions from the Permanent Fund Supporting Graduate Medical Education (Other Funds).

Figure 42 shows the All Funds appropriation for each agency in Article III, and **Figure 43** shows the General Revenue Funds appropriation for each agency. On the subsequent pages in this chapter are more details about funding levels for some of the agencies in Article III.

FIGURE 42
ARTICLE III – EDUCATION BY AGENCY OR GROUP, ALL FUNDS

(IN MILLIONS) FUNCTION	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
Public Education				
Texas Education Agency	\$63,683.3	\$65,629.1	\$1,945.8	3.1%
School for the Blind and Visually Impaired	\$50.4	\$48.5	(\$1.8)	(3.6%)
School for the Deaf	\$61.9	\$64.0	\$2.1	3.3%
Subtotal, Public Education	\$63,795.6	\$65,741.6	\$1,946.0	3.1%
Public Higher Education				
General Academic Institutions	\$7,434.3	\$7,413.4	(\$20.9)	(0.3%)
Health-related Institutions	\$3,444.5	\$3,354.6	(\$89.8)	(2.6%)
Texas A&M System Agencies	\$4,781.6	\$1,312.0	(\$3,469.5)	(72.6%)
Texas Higher Education Coordinating Board	\$1,907.5	\$1,908.1	\$0.6	0.0%
Higher Education Funds	\$3,451.5	\$3,381.5	(\$70.0)	(2.0%)
Article III, Special Provisions	\$0.0	\$0.0	\$0.0	N/A
Two-year Institutions				
Public Community/Junior Colleges	\$1,867.7	\$1,864.0	(\$3.7)	(0.2%)
Lamar Lower-level Institutions	\$95.2	\$108.3	\$13.0	13.7%
Texas State Technical Colleges	\$224.6	\$195.6	(\$29.0)	(12.9%)
Subtotal, Two-year Institutions	\$2,187.5	\$2,167.8	(\$19.7)	(0.9%)
Subtotal, Public Higher Education	\$23,206.9	\$19,537.5	(\$3,669.4)	(15.8%)
Teacher Retirement System	\$5,930.5	\$6,270.0	\$339.5	5.7%
Optional Retirement Program	\$361.0	\$371.1	\$10.1	2.8%
Higher Education Employees Group Insurance Contributions	\$1,417.9	\$1,426.2	\$8.3	0.6%
Retirement and Group Insurance	\$97.6	\$100.9	\$3.3	3.4%
Social Security and Benefit Replacement Pay	\$660.6	\$699.6	\$39.0	5.9%
Subtotal, Employee Benefits	\$8,467.6	\$8,867.8	\$400.2	4.7%
Bond Debt Service Payments	\$15.2	\$13.1	(\$2.1)	(13.7%)
Lease Payments	\$0.0	\$0.0	\$0.0	N/A
Subtotal, Debt Service	\$15.2	\$13.1	(\$2.1)	(13.7%)
Less Interagency Contracts	\$177.2	\$129.3	(\$47.8)	(27.0%)
Total, All Functions	\$95,308.1	\$94,030.7	(\$1,277.4)	(1.3%)

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

FIGURE 43
ARTICLE III – EDUCATION BY AGENCY OR GROUP, GENERAL REVENUE FUNDS

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
FUNCTION				
Public Education				
Texas Education Agency	\$39,769.9	\$43,058.2	\$3,288.3	8.3%
School for the Blind and Visually Impaired	\$32.7	\$32.5	(\$0.2)	(0.5%)
School for the Deaf	\$37.4	\$38.6	\$1.2	3.3%
Subtotal, Public Education	\$39,840.0	\$43,129.4	\$3,289.4	8.3%
Public Higher Education				
General Academic Institutions	\$5,173.4	\$5,260.8	\$87.5	1.7%
Health-related Institutions	\$3,052.1	\$3,028.0	(\$24.1)	(0.8%)
Texas A&M System Agencies	\$429.2	\$344.0	(\$85.1)	(19.8%)
Texas Higher Education Coordinating Board	\$1,567.7	\$1,744.9	\$177.2	11.3%
Higher Education Funds	\$816.0	\$816.0	\$0.0	0.0%
Two-year Institutions				
Public Community/Junior Colleges	\$1,867.7	\$1,864.0	(\$3.7)	(0.2%)
Lamar Lower-level Institutions	\$75.3	\$91.1	\$15.8	20.9%
Texas State Technical Colleges	\$215.6	\$183.3	(\$32.3)	(15.0%)
Subtotal, Two-year Institutions	\$2,158.6	\$2,138.4	(\$20.2)	(0.9%)
Subtotal, Higher Education	\$13,197.0	\$13,332.2	\$135.1	1.0%
Teacher Retirement System	\$5,076.3	\$5,914.4	\$838.1	16.5%
Optional Retirement Program	\$256.6	\$259.7	\$3.1	1.2%
Higher Education Employees Group Insurance Contributions	\$1,417.9	\$1,420.7	\$2.8	0.2%
Retirement and Group Insurance	\$71.4	\$72.0	\$0.6	0.8%
Social Security and Benefit Replacement Pay	\$528.4	\$559.4	\$31.1	5.9%
Subtotal, Employee Benefits	\$7,350.6	\$8,226.2	\$875.6	11.9%
Bond Debt Service Payments	\$15.2	\$13.1	(\$2.1)	(13.7%)
Lease Payments	\$0.0	\$0.0	\$0.0	N/A
Subtotal, Debt Service	\$15.2	\$13.1	(\$2.1)	(13.7%)
Total, All Functions	\$60,402.8	\$64,700.9	\$4,298.1	7.1%

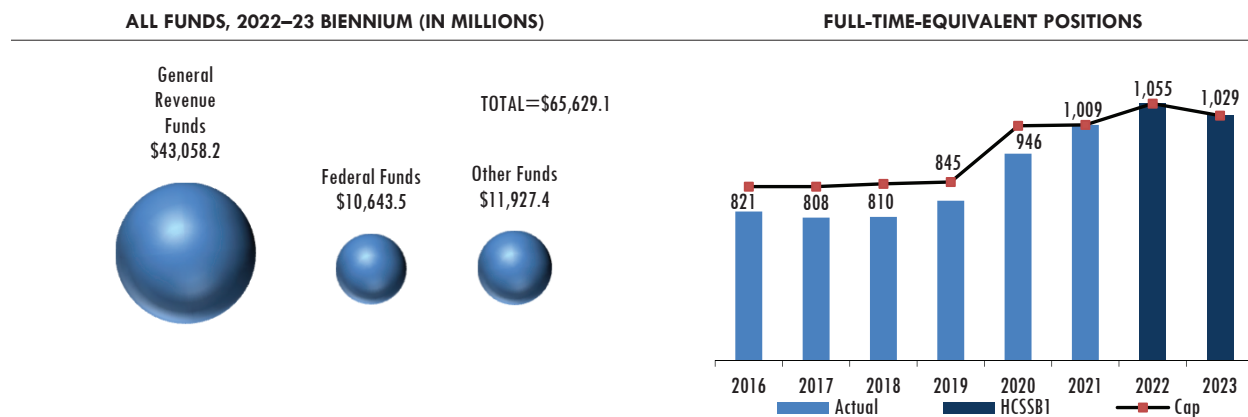
NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

TEXAS EDUCATION AGENCY

FIGURE 44
TEXAS EDUCATION AGENCY, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$39,769.9	\$43,058.2	\$3,288.3	8.3%
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	N/A
Federal Funds	\$12,222.8	\$10,643.5	(\$1,579.3)	(12.9%)
Other Funds	\$11,690.6	\$11,927.4	\$236.8	2.0%
Total, All Methods of Finance	\$63,683.3	\$65,629.1	\$1,945.8	3.1%



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the Texas Education Agency (TEA) for the 2022–23 biennium totals \$65.6 billion in All Funds, a \$1.9 billion, or 3.1 percent, increase compared to the 2020–21 biennium. The increase is attributable primarily to an increase of \$4.1 billion in the Foundation School Program (FSP), partially offset by a \$1.6 billion decrease in Federal Funds, primarily due to the expiration of funding from the Coronavirus Relief Fund, and a net General Revenue Funds decrease of \$471.1 million for non-FSP programs and administration.

HIGHLIGHTS

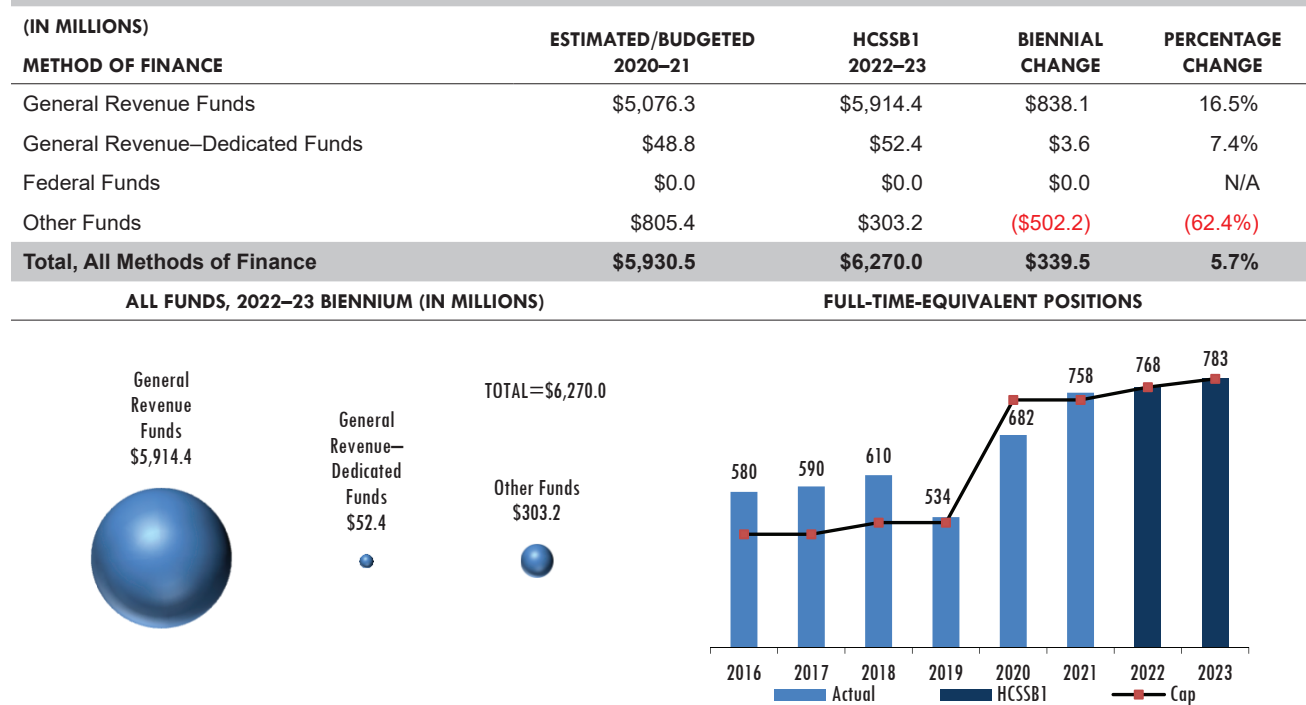
- FSP funding for the 2022–23 biennium includes \$41.2 billion in General Revenue Funds and \$53.0 billion in All Funds. This amount represents an increase of \$3.8 billion, or 10.1 percent, in General Revenue Funds, and an increase of \$4.1 billion, or 8.4 percent, in All Funds compared to the 2020–21 biennium.
- Funding for the FSP fully funds current law, and includes an estimated \$3.1 billion for student enrollment growth and \$1.0 billion in additional state aid related to property tax compression required by the Texas Education Code.
- Other Funds for the FSP are increased by \$325.6 million, attributable to projected increases of \$432.4 million in recapture payments, \$180.4 million from the Property Tax Relief Fund, and \$348.9 million from the Tax Reduction and Excellence in Education Fund, offset by a decrease of \$636.0 million from the Economic Stabilization Fund related to onetime funding provided to address the effects of Hurricane Harvey.
- Instructional materials and technology funding is \$1.0 billion in General Revenue Funds and is based on a distribution rate of 24.4 percent of the Permanent School Fund (PSF) to the Available School Fund. This funding level is a \$56.0 million decrease from 2020–21 biennial appropriations due to the 5.0 percent reduction taken during the 2020–21

biennium, but a \$312.7 million decrease from 2020–21 biennial budgeted amounts, attributable to unexpended balances from fiscal year 2019 carried into the 2020–21 biennium.

- Excluding the funding for instructional materials, funding for non-FSP programs and administration decrease All Funds by \$1.8 billion and General Revenue Funds by \$158.3 million due primarily to the expiration of \$1.9 billion in funding from the Coronavirus Relief Fund and the elimination of onetime funding for the following programs in the 2022–23 House Committee Substitute for Senate Bill 1:
 - \$97.0 million in Other Funds for school safety infrastructure grants; and
 - \$50.5 million in General Revenue Funds for the Special Education Supports Initiative to provide grants for compensatory services to students in accordance with the federal Individuals with Disabilities Education Act (IDEA).
- Funding for TEA administration includes \$159.5 million in General Revenue Funds, representing a \$4.8 million decrease related to the expiration of onetime funding in the 2020–21 biennium and other adjustments.
- The agency's full-time-equivalent (FTE) position cap is increased from 1,008.5 for fiscal year 2021 to 1,054.5 for fiscal year 2022 and 1,028.5 for fiscal year 2023. These increases include 8.0 FTE positions to administer the PSF Liquid Account, an additional 26.0 federally funded positions in fiscal year 2022 to administer programs through the federal Coronavirus Aid, Relief, and Economic Security Act, 4.0 positions for the Teacher Incentive Allotment, 1.0 position for the PSF, 1.0 position for school mental health programs, and 6.0 positions to perform certain information technology functions internally.

TEACHER RETIREMENT SYSTEM OF TEXAS

FIGURE 45
TEACHER RETIREMENT SYSTEM OF TEXAS, BY METHOD OF FINANCE



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the Teacher Retirement System of Texas (TRS) for the 2022–23 biennium totals \$6.3 billion in All Funds. This amount represents an increase of \$339.5 million, or 5.7 percent, from the 2020–21 biennial base. The increase is due primarily to an additional \$553.9 million in All Funds to cover statutorily required increases to the state retirement contribution rate and projected payroll growth for the 2022–23 biennium, partially offset by a decrease of \$236.3 million in onetime General Revenue Funds for TRS-Care for the 2020–21 biennium.

Funding consists of state contributions for public and higher education retirement and retired public education employee healthcare benefits (TRS-Care), based on active member payroll amounts. TRS is subject to Strategic Fiscal Review.

HIGHLIGHTS

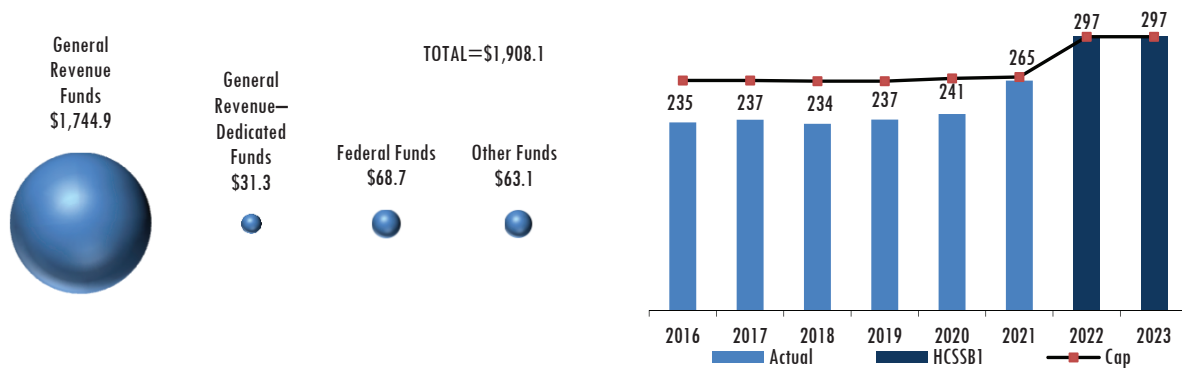
- Funding for retirement benefits includes \$5.0 billion in General Revenue Funds and \$52.4 million in General Revenue–Dedicated Funds. Funding represents a state contribution rate of 7.75 percent of active member payroll for retirement benefits for fiscal year 2022 and 8.0 percent for fiscal year 2023. These contribution rates are increases from the 7.5 percent rate in effect for each year of the 2020–21 biennium, pursuant to Senate Bill 12, Eighty-sixth Legislature, 2019. Funding for public education retirement benefits totals an estimated \$4.5 billion in General Revenue Funds for the 2022–23 biennium, an 11.4 percent increase from the 2020–21 biennial All Funds base. Funding for higher education retirement benefits totals an estimated \$544.2 million in All Funds for the 2022–23 biennium, a 10.2 percent increase from the 2020–21 biennial base. Increased funding for public and higher education retirement is attributed to the increased contribution rates and the growth of covered payroll, projected to be 3.0 percent each year of the 2022–23 biennium for both public and higher education.

- Funding for TRS-Care for the 2022–23 biennium totals \$897.6 million in General Revenue Funds, a decrease of \$196.8 million, or 18.0 percent, from the 2020–21 biennial base. Funding provides statutorily required contributions to TRS-Care equal to 1.25 percent of payroll. The biennial funding decrease is due to onetime additional TRS-Care funding of \$236.3 million in General Revenue Funds in the 2020–21 biennial base, partially offset by an increase of \$39.5 million in General Revenue Funds for payroll growth, projected to be 2.0 percent each year of the 2022–23 biennium.
- Funding for administrative operations, which are supported by the TRS Pension Trust Fund (Other Funds), totals \$293.8 million, a 7.8 percent increase from the 2020–21 biennial base. The increase for administrative operations relates to several initiatives intended to continue meeting customer demand.

TEXAS HIGHER EDUCATION COORDINATING BOARD

FIGURE 46
TEXAS HIGHER EDUCATION COORDINATING BOARD, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$1,567.7	\$1,744.9	\$177.2	11.3%
General Revenue–Dedicated Funds	\$30.0	\$31.3	\$1.3	4.4%
Federal Funds	\$236.7	\$68.7	(\$168.0)	(71.0%)
Other Funds	\$73.1	\$63.1	(\$10.0)	(13.6%)
Total, All Methods of Finance	\$1,907.5	\$1,908.1	\$0.6	0.0%



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the Texas Higher Education Coordinating Board for the 2022–23 biennium totals \$1.9 billion in All Funds, a \$0.6 million, or 0.03 percent, increase compared to 2020–21 biennial funding levels. Funding includes \$1.74 billion in General Revenue Funds, an increase of \$177.2 million, or 11.3 percent, compared to 2020–21 biennial funding levels.

HIGHLIGHTS

- Funding represents a consolidation of several administrative, loan repayment, and medical programs into new strategies.
- Funding for TEXAS Grants totals \$866.6 million, an increase of \$43.0 million in General Revenue Funds from 2020–21 biennial funding levels.
- Funding for Tuition Equalization Grants totals \$178.6 million, an increase of \$8.9 million in General Revenue Funds from 2020–21 biennial funding levels.
- Funding for the Texas Educational Opportunity Grant Program-Public Community Colleges totals \$88.5 million, an increase of \$4.4 million in General Revenue Funds from 2020–21 biennial funding levels.
- Funding for the Texas Educational Opportunity Grant Program-Public State and Technical Colleges totals \$7.5 million, an increase of \$0.4 million in General Revenue Funds from 2020–21 biennial funding levels.
- Funding represents an increase of \$110.0 million in General Revenue Funds for Student Financial Aid. This funding would be allocated among TEXAS Grants, Tuition Equalization Grants, Texas Educational Opportunity Grant Program-Public Community Colleges, and Texas Educational Opportunity Grant Program-Public State and Technical Colleges programs.

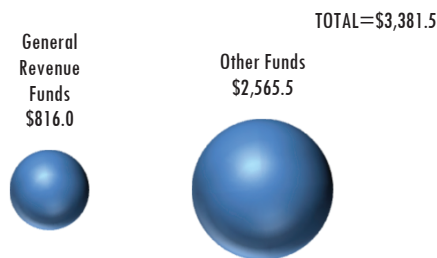
- Funding represents an increase of \$9.5 million in General Revenue Funds due to the transfer of funding for the OnCourse Program from the University of Texas at Austin.
- Funding represents an increase of \$3.0 million for the Upskilling and Reskilling Program to provide grants to institutions of higher education to establish or scale educational and training programs.
- Funding provides \$16.0 million in General Revenue Funds for Baylor College of Medicine Graduate Medical Education, a decrease of \$1.2 million from the 2020–21 biennial funding levels.
- Funding represents a \$1.0 million decrease in General Revenue–Dedicated Funds for the B-On-Time Program. The B-On-Time Program has been phased out, and the remaining funds are used for administration of existing loans.
- Funding represents a decrease of \$175.0 million in federal Governor’s Emergency Education Relief (GEER) funds allocated to the agency in fiscal year 2021.
- Funding represents an increase of \$7.0 million in Federal Funds due to anticipated increases in Perkins funds that will be received by the agency in the 2022–23 biennium.
- Funding represents a \$10.0 million decrease in Other Funds, primarily from aligning funding levels with projected distributions from certain tobacco funds.

HIGHER EDUCATION FUNDS

FIGURE 47
HIGHER EDUCATION FUNDS, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$816.0	\$816.0	\$0.0	0.0%
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	N/A
Federal Funds	\$0.0	\$0.0	\$0.0	N/A
Other Funds	\$2,635.5	\$2,565.5	(\$70.0)	(2.7%)
Total, All Methods of Finance	\$3,451.5	\$3,381.5	(\$70.0)	(2.0%)

ALL FUNDS, 2022–23 BIENNIUM (IN MILLIONS)



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

Funding for the Available University Fund (AUF) for the 2022–23 biennium totals an estimated \$2.5 billion in Other Funds, which is a decrease of \$71.9 million. The decrease in funding is due primarily to a special distribution in fiscal year 2020 that raised the distribution from \$1.2 billion to \$1.4 billion. The Permanent University Fund (PUF) is a state endowment fund that contributes to the support of most institutions and agencies of the University of Texas (UT) and Texas A&M University systems. Annual distributions are made from the PUF to the AUF as approved by the UT System’s Board of Regents in accordance with the Texas Constitution and Board of Regents’ policy. The estimated \$2.5 billion in AUF appropriations for the 2022–23 biennium are based on the Board of Regents’ annual PUF distribution amounts, which are projected to increase from the fiscal year 2021 amount by a rate equal to the Consumer Price Index plus 2.65 percent, not to exceed the constitutional limits on annual PUF distribution.

The Higher Education Fund (HEF) is a General Revenue Fund appropriation dedicated by the Texas Constitution to support certain capital costs at institutions of higher education that are not eligible to receive funding from the AUF. Funding for the HEF for the 2022–23 biennium totals \$787.5 million in General Revenue Funds, which represents no change from the 2020–21 biennium.

Funding for the Support for Military and Veterans Exemptions for the 2022–23 biennium total an estimated \$46.9 million in All Funds, which includes an increase of \$0.7 million in Other Funds from the 2020–21 biennium. The All Funds amount includes \$18.4 million in Other Funds from the Permanent Fund Supporting Military and Veterans Exemptions (MVE) and \$28.5 million in General Revenue Funds. The increase in funding is due to anticipated growth of the MVE projected by the Texas Treasury Safekeeping Trust Company (TTSTC).

Funding for the Available National Research University Fund (ANRUF) for the 2022–23 biennium totals an estimated \$50.5 million in Other Funds, which is an increase of \$1.1 million from the 2020–21 biennium. The increase in funding is due to anticipated growth of the ANRUF projected by the TTSTC.

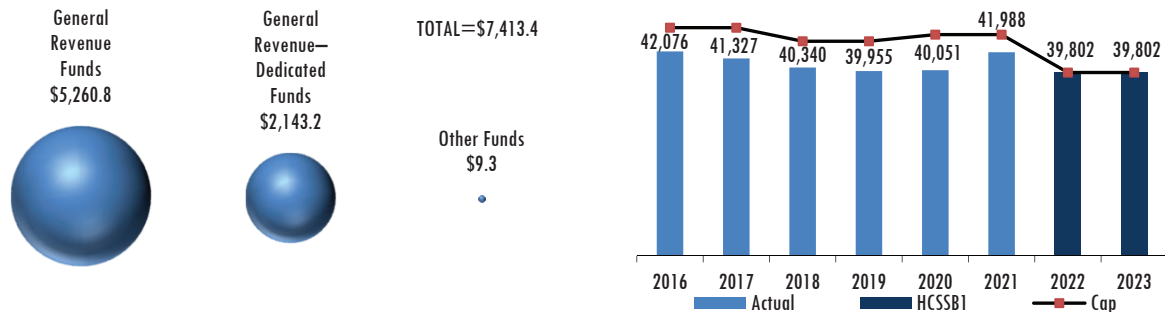
HIGHLIGHTS

- The Texas Constitution requires the Legislature to review the HEF formula allocation every 10 years and may adjust the amount and allocation of the HEF appropriation once every five years. Based on recommendations from a methodology study published by the Texas Higher Education Coordinating Board in fiscal year 2018, the annual HEF appropriation of \$393.8 million was maintained for fiscal years 2020 to 2025. The current allocation amounts for HEF-eligible institutions are specified in the Texas Education Code, Chapter 62, Subchapter B. An adjustment to the allocation amounts for fiscal years 2021 to 2025 would require enactment of legislation to amend current statute.
- The Eighty-third Legislature, Regular Session, 2013, established the MVE to help institutions of higher education offset the waived tuition and fee revenue from the Hazlewood Legacy Program as defined in the Texas Education Code. TTSTC administers the MVE and determines the amount available for annual distribution and appropriation from the fund in accordance with policy adopted by the Comptroller of Public Accounts. For the 2022–23 biennium, TTSTC projects the distribution rate to be 3.5 percent.
- The distribution of ANRUF appropriations and the eligibility requirements are set in the Texas Constitution, Article VII, Section 20, and the Texas Education Code, Subchapter G. Of the total ANRUF appropriations, each eligible institution receives a fiscal year distribution amount equal to the sum of (1) one-seventh of the total available and (2) an equal share of any amount remaining after distributions are calculated, not to exceed one-fourth of the remaining amount.

GENERAL ACADEMIC INSTITUTIONS

FIGURE 48
GENERAL ACADEMIC INSTITUTIONS, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$5,173.4	\$5,260.8	\$87.5	1.7%
General Revenue–Dedicated Funds	\$2,191.7	\$2,143.2	(\$48.5)	(2.2%)
Federal Funds	\$0.0	\$0.0	\$0.0	N/A
Other Funds	\$69.2	\$9.3	(\$59.9)	(86.5%)
Total, All Methods of Finance	\$7,434.3	\$7,413.4	(\$20.9)	(0.3%)
ALL FUNDS, 2022–23 BIENNIUM (IN MILLIONS)		FULL-TIME-EQUIVALENT POSITIONS		



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the general academic institutions and university system offices for the 2022–23 biennium totals \$7.4 billion in All Funds, a \$20.9 million decrease compared to the 2020–21 biennial base. Included in this funding is \$5.3 billion in General Revenue Funds, which is an increase of \$87.5 million, or 1.7 percent, compared to 2020–21 biennial base funding levels. Funding for the Lamar State Colleges and the Texas State Technical Colleges for the 2022–23 biennium totals \$303.8 million in All Funds, a decrease of \$15.9 million from the 2020–21 biennium. Included in this total is \$274.4 million in General Revenue Funds, a decrease of \$16.5 million from the 2020–21 biennium.

HIGHLIGHTS

- Funding provides \$3.6 billion in General Revenue Funds for the Instruction and Operations and the Infrastructure Support formulas, which maintains General Revenue Funds appropriations from the 2020–21 biennium. Formula amounts for the 2022–23 biennium provide an All Funds Instruction and Operations Formula rate of \$53.17 per weighted semester credit hour, a decrease of \$2.68 per weighted semester credit hour compared to the 2020–21 biennial rate. Formula amounts for the Infrastructure Formula provide \$5.36 per predicted square foot, which is a decrease of \$0.10 per predicted square foot compared to the 2020–21 biennial rate.
- Funding for the 2022–23 biennium includes \$147.1 million in General Revenue Funds appropriations to the University of Texas at Austin and Texas A&M University through the Texas Research University Fund (TRUF). Funding for the TRUF maintains the General Revenue Funds amounts from the 2020–21 biennium.
- Funding provides state support for the eight emerging research universities through: (1) \$33.3 million in General Revenue Funds for the Texas Research Incentive Program (TRIP); and (2) \$117.1 million in General Revenue Funds for

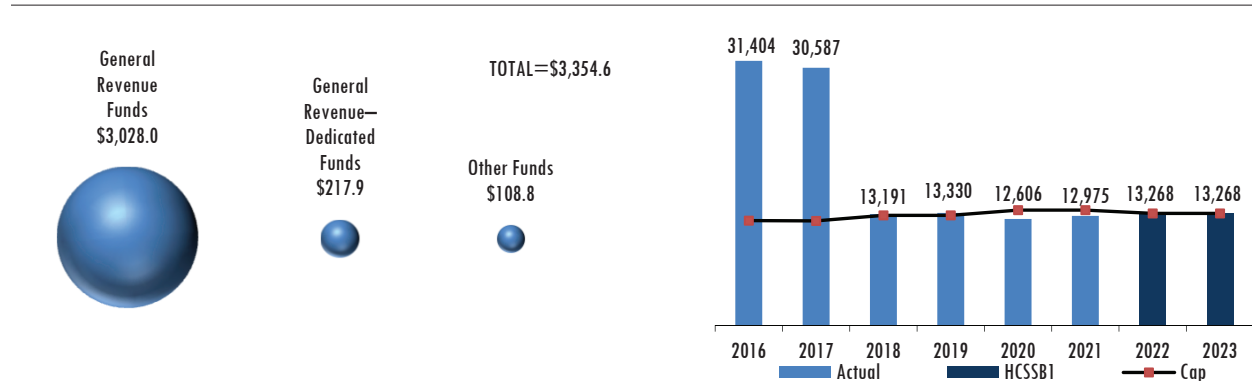
the Core Research Support (CRS) Fund. Appropriations for TRIP are made to the Texas Higher Education Coordinating Board and are awarded to the institutions based on the receipt of private donations. Funding for CRS is appropriated directly to the eight emerging research universities within their respective bill patterns. CRS funding for the 2022–23 biennium maintains the amounts provided for the 2020–21 biennium.

- Funding also provides for \$14.3 million in General Revenue Funds for the Comprehensive Research Fund (CRF) to support research at general academic institutions, excluding the University of Texas at Austin, Texas A&M University, and the eight emerging research universities. CRF funding maintains 2020–21 biennial funding levels.
- Nonformula support item funding totals \$667.2 million, a decrease of \$86.0 million in General Revenue Funds for nonformula support items at general academic institutions and university system offices.
- Funding includes \$660.3 million in General Revenue Funds for tuition revenue bond debt service for previously authorized projects.

HEALTH-RELATED INSTITUTIONS

FIGURE 49
HEALTH-RELATED INSTITUTIONS, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$3,052.1	\$3,028.0	(\$24.1)	(0.8%)
General Revenue–Dedicated Funds	\$222.3	\$217.9	(\$4.5)	(2.0%)
Federal Funds	\$0.0	\$0.0	\$0.0	N/A
Other Funds	\$170.0	\$108.8	(\$61.2)	(36.0%)
Total, All Methods of Finance	\$3,444.5	\$3,354.6	(\$89.8)	(2.6%)



NOTES:

- (1) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
- (2) The actual full-time-equivalent positions for fiscal years 2016 and 2017 include positions funded with patient income.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the health-related institutions (HRI) for the 2022–23 biennium totals \$3.4 billion in All Funds, a decrease of \$89.8 million from the 2020–21 biennium. Of this funding, \$3.0 billion is composed of General Revenue Funds, a decrease of \$26.2 million from the 2020–21 biennium. The decrease in General Revenue Funds is due primarily to the institutional reductions and decreased debt service obligations across the institutions being offset partially by the inclusion of funding for the newly established University of Houston College of Medicine, which is now fully operational. Nonformula General Revenue Funds appropriated as startup funding for this new medical school were included in the General Academic Institution funding totals for the 2020–21 biennium.

HIGHLIGHTS

- Funding for the health-related institutions includes appropriations to 14 institutions. Included in these appropriations is funding for the University of Texas at Austin Dell Medical School through the University of Texas at Austin's bill pattern and for the University of Houston College of Medicine through a new bill pattern. Appropriations to Baylor College of Medicine are made in the bill pattern for the Higher Education Coordinating Board but are included in formula amounts, which are discussed in the following sections.
- Formula funding provides \$2.4 billion in General Revenue Funds for the 10 HRI formulas that were funded in the 2020–21 biennium: the Instruction and Operations (I&O) Support formula; Infrastructure Support formula; Research Enhancement formula; Graduate Medical Education formula; three operations-based, mission-specific formulas (the University of Texas M.D. Anderson's Cancer Center Operations formula, the University of Texas Health Science Center at Tyler's Chest Disease formula, and the University of Texas Medical Branch at Galveston Health System Operations

formula); and three Performance Based Research Operations formulas at the University of Texas Southwestern Medical Center, the University of Texas Health Science Center at Houston, and the University of Texas Health Science Center at San Antonio. In addition to this legacy formula funding is the establishment of four new mission-specific formulas for the Texas A&M University Health Science Center, the University of North Texas Health Science Center at Fort Worth, the Texas Tech University Health Sciences Center, and the Texas Tech University Health Sciences Center at El Paso. With the addition of these new formulas, formula funding is increased by \$75.3 million in General Revenue Funds from the 2020–21 biennium. These new formula General Revenue Funds amounts were reallocated from other nonformula support funding appropriated in the 2020–21 biennium.

- Funding for the I&O Support formula maintains 2020–21 biennial funding levels of \$1.2 billion in General Revenue Funds. The I&O formula includes \$40.0 million in General Revenue Funds for a small class supplement. The supplement provides additional funding for instructional programs with enrollments of fewer than 200 students at remote locations and for instructional programs at the University of Texas Health Science Center at Tyler’s main campus. Funding for the Infrastructure formula maintains 2020–21 biennial funding levels of \$258.8 million in General Revenue Funds.
- Funding at the Higher Education Coordinating Board maintains 2020–21 biennial funding levels of \$73.0 million in General Revenue Funds for Baylor College of Medicine Undergraduate Medical Education.
- Funding for the Research Enhancement formula maintains 2020–21 biennial funding levels of \$84.5 million in General Revenue Funds.
- Funding for the Graduate Medical Education formula maintains 2020–21 biennial funding levels of \$98.5 million in General Revenue Funds appropriated to health-related institutions and Baylor College of Medicine.
- Funding maintains 2020–21 biennial funding levels of \$280.8 million in General Revenue Funds for the Cancer Center Operations formula for the University of Texas M.D. Anderson Cancer Center. Funding maintains 2020–21 biennial funding levels of \$62.2 million in General Revenue Funds for the Chest Disease Center Operations formula for the University of Texas Health Science Center at Tyler. Funding for the Health System Operations formula for the University of Texas Medical Branch at Galveston totals \$307.4 million in General Revenue Funds, an increase of \$.7 million due to the transfer of nonformula support funding for the Cancer Stop Clinic in McAllen from the University of Texas Rio Grande Valley School of Medicine.
- Funding maintains 2020–21 biennial funding levels of \$114.8 million in General Revenue Funds for the Performance Based Research Operations formula for the University of Texas Southwestern Medical Center. Funding maintains 2020–21 biennial funding levels of \$25.5 million in General Revenue Funds for the Performance Based Research Operations formula for the University of Texas Health Science Center at Houston. Funding maintains 2020–21 biennial funding levels of \$25.4 million in General Revenue Funds for the Performance Based Research Operations formula for the University of Texas Health Science Center at San Antonio.
- Three new Performance Based Research Operations formulas are established for the following HRIs: the Texas A&M University Health Science Center, the Texas Tech University Health Sciences Center, and the University of North Texas Health Science Center at Fort Worth. The Texas A&M University Health Science Center formula was established with \$24.5 million in General Revenue Funds for the 2022–23 biennium by reallocating partial nonformula support funding for the Irma Rangel College of Pharmacy and College Station, Temple, and Round Rock Medical program. The Texas Tech University Health Sciences Center formula was established with \$3.2 million in General Revenue Funds for the 2020–23 biennium by reallocating nonformula support funding for the Cancer Research program. The University of North Texas Health Science Center formula was established with \$20.2 million in General Revenue Funds for the 2022–23 biennium by reallocating nonformula support funding from the DNA Laboratory program, the Texas Missing Persons and Human Identification Program, the Forensic Genetic Research and Education program, and the Rape Kit Testing program.

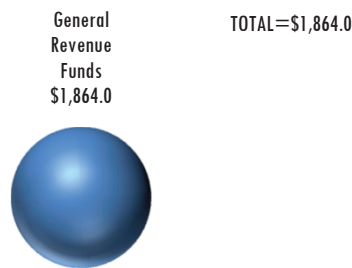
- A new Performance Based Border Health Operations formula is established for the Texas Tech University Health Sciences Center at El Paso with \$27.5 million in General Revenue Funds for the 2022–23 biennium by reallocating nonformula support funding for the Paul L. Foster School of Medicine program.
- Funding for nonformula support items totals \$252.3 million, a decrease of \$70.2 million from 2020–21 biennial General Revenue Funds base funding due to reallocating funding to the four new mission-specific formulas, the transfer of \$0.7 million for the Cancer Stop Clinic in McAllen from the University of Texas Rio Grande Valley School of Medicine to the University of Texas Medical Branch at Galveston, and the 5.0 percent reductions across the HRLs.
- Funding provides \$280.4 million in General Revenue Funds for tuition revenue bond debt service, a decrease of \$31.8 million from the 2020–21 biennium. The decrease is due to incremental decreases in tuition revenue bond debt service obligations and a \$20.0 million decrease in debt service funding for the Texas Tech University Health Sciences Center due to fulfillment of debt service obligations at the physician assistant facility.

PUBLIC COMMUNITY AND JUNIOR COLLEGES

FIGURE 50
PUBLIC COMMUNITY AND JUNIOR COLLEGES, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED	HCSSB1	BIENNIAL	PERCENTAGE
METHOD OF FINANCE	2020–21	2022–23	CHANGE	CHANGE
General Revenue Funds	\$1,867.7	\$1,864.0	(\$3.7)	(0.2%)
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	N/A
Federal Funds	\$0.0	\$0.0	\$0.0	N/A
Other Funds	\$0.0	\$0.0	\$0.0	N/A
Total, All Methods of Finance	\$1,867.7	\$1,864.0	(\$3.7)	(0.2%)

ALL FUNDS, 2022–23 BIENNium (IN MILLIONS)



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

Funding for public community and junior colleges for the 2022–23 biennium totals \$1.86 billion in General Revenue Funds, a decrease of \$3.7 million from 2020–21 biennial levels.

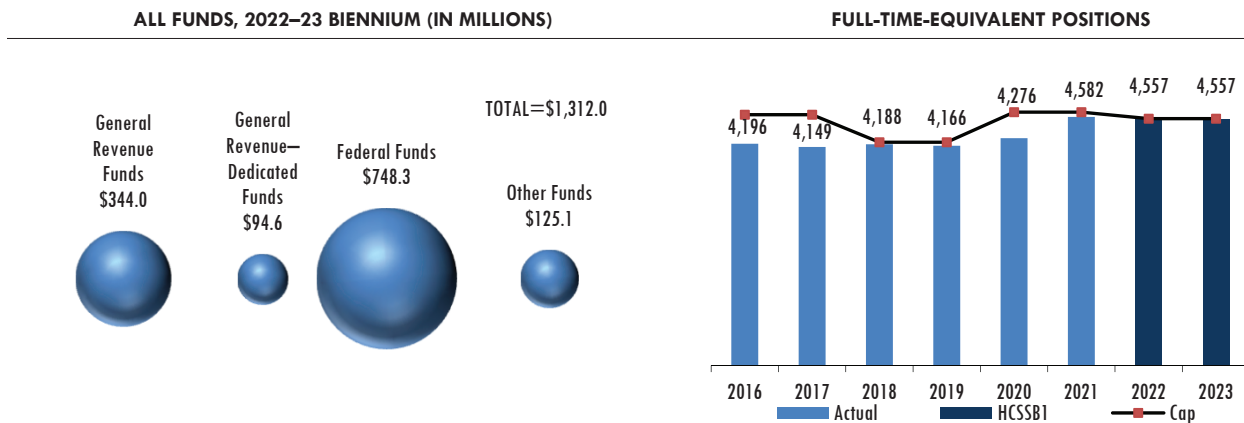
HIGHLIGHTS

- Formula funding totals \$1.83 billion for the 2022–23 biennium, a decrease of \$1.9 million from the 2020–21 biennium due to the elimination of hold-harmless funds to prevent an institution's formula funding from decreasing by more than 5.0 percent from the previous biennium. Formula funding amounts maintain core operations funding at \$1.4 million for each community college district, increase the contact hour rate from \$2.72 to \$2.89, and reduce the success point rate from of \$202.5 to \$198.7.
- Funding for nonformula support items totals \$30.7 million in General Revenue Funds for the 2022–23 biennium, a decrease of \$1.8 million from the 2020–21 biennium.
- Funding maintains bachelor of applied technology programs at \$3.2 million.
- The Success Point Formula has been revised to increase the weights for the number of transfers to a general academic institution and degrees awarded in science, technology, engineering, and mathematics and health-related fields, which are designated as critical fields in the formula, and reduce the weight for the number of degrees awarded in all other fields, which are designated as noncritical fields in the formula.
- No information regarding full-time-equivalent positions is included because these positions are not appropriated for public community and junior colleges.

TEXAS A&M UNIVERSITY SYSTEM AGENCIES

FIGURE 51
TEXAS A&M UNIVERSITY SYSTEM AGENCIES, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$429.2	\$344.0	(\$85.1)	(19.8%)
General Revenue–Dedicated Funds	\$51.1	\$94.6	\$43.5	85.2%
Federal Funds	\$3,870.7	\$748.3	(\$3,122.5)	(80.7%)
Other Funds	\$430.5	\$125.1	(\$305.4)	(70.9%)
Total, All Methods of Finance	\$4,781.6	\$1,312.0	(\$3,469.5)	(72.6%)



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the Texas A&M University System (TAMU) agencies for the 2022–23 biennium totals \$1.3 billion in All Funds, a decrease of \$3.5 billion from the 2020–21 biennium. Of this funding, \$438.6 million is composed of General Revenue Funds and General Revenue–Dedicated Funds, a decrease of \$41.6 million from the 2020–21 biennium.

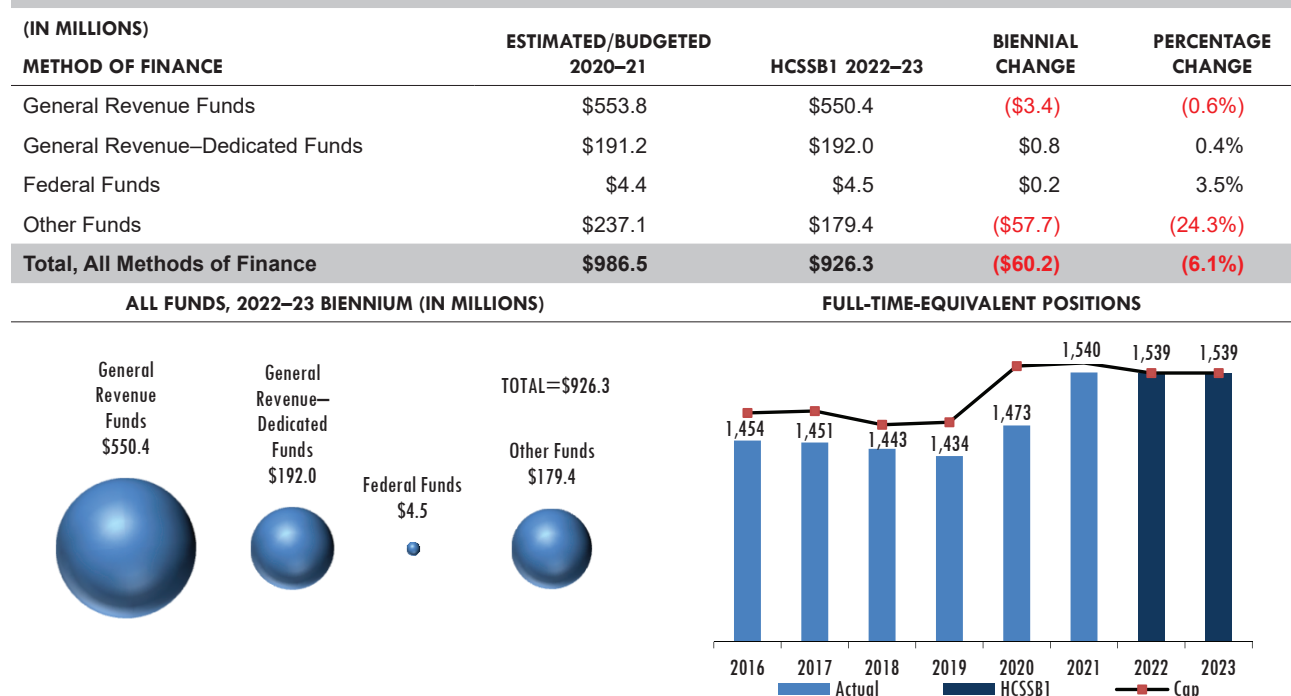
HIGHLIGHTS

- The TAMU agencies are state agencies that are part of the Texas A&M University System and have a broad statewide mission encompassing research, teaching, and public service. TAMU System agencies include the following agencies: Texas A&M AgriLife Research (TAR), Texas A&M AgriLife Extension Service (TAES), Texas A&M Engineering Experiment Station (TEES), Texas A&M Engineering Extension Service (TEEX), Texas A&M Transportation Institute (TTI), Texas A&M Forest Service (TFS), and the Texas Division of Emergency Management (TDEM).
- The decrease across All Funds represents the removal of Federal Funds, Appropriated Receipts, and Indirect Cost Recovery from the bill patterns of TEES, TEEX, and TTI. Additionally, fee revenue-related methods of finance are removed from the Texas A&M Veterinary Medical Diagnostic Laboratory's bill pattern. In total, these method-of-finance removals reduce total appropriations across the agencies by \$490.7 million.
- TAR conducts research in agricultural, nutritional, environmental, and life sciences. This function includes research on livestock, plants, crops, and processing techniques to ensure that Texas' agriculture system is competitive. TAR has continued to expand its research portfolio relating to human nutrition with an emphasis on the role of nutrition in Texans' health outcomes.

- TAES provides educational and training programs through a network of county extension agents across the state. The agency's program areas include health and safety, agriculture and natural resources, and leadership development. TAES spearheads the state's feral hog abatement programming.
- TEES conducts research, provides continuing education, and develops technology to assist industry and the engineering workforce. TEES performs engineering and technology research on water, energy, manufacturing, and the environment across the state.
- Funding for TEES includes \$2.5 million for its collaboration with the U.S. Department of Defense Army Futures Command, restoring the state's contribution to the partnership among the State of Texas, the TAMU System, and Army Futures Command. Funding also includes a total of \$0.9 million per fiscal year for the agency's NASA Programs, an increase of \$80,000 per year. Additionally, the bill adds \$80,000 per year in new funding for Capstone Design Projects at TEES.
- TEEX provides workforce training programs and technical assistance for first responders to enhance public safety and security (e.g., fire protection, law enforcement, water and wastewater, public works, environmental quality, etc.). TEEX also provides emergency response, search, and rescue operations statewide through the Texas A&M Task Force 1 and 2 units.
- TTI identifies and solves transportation problems through research and testing. TTI also develops and implements technologies for transportation needs and works closely with the Texas Department of Transportation.
- TFS provides wildfire prevention, detection, and suppression service and administers the statewide Texas Wildfire Protection Plan. TFS also assists during all-hazard emergencies such as flooding, ice storms, tornados, and hurricanes. TFS is involved in reforestation efforts and urban forestry programs and conducts applied research on forest insects and diseases.
- Funding for TFS includes a technical change from representing funds appropriated from taxes collected pursuant to the Texas Insurance Code from General Revenue Funds to General Revenue–Dedicated Funds. This change resulted in a \$43.1 million increase in General Revenue–Dedicated Funds and a corresponding decrease to General Revenue Funds. Funding for TFS also includes a \$2.0 million change from the General Revenue–Dedicated Account No. 36, Texas Department of Insurance Operating Fund, to General Revenue–Dedicated Account No. 5064, Volunteer Fire Department Assistance. These funds are used for Texas Intrastate Fire Mutual Aid System grants.
- TDEM coordinates the efforts of other state agencies in disaster response, coordinates emergency planning, provides an array of specialized training for emergency responders and local officials, and administers disaster recovery and hazard mitigation programs in the state.
- Funding for the seven engineering and agricultural agencies includes \$34.8 million for infrastructure support inside Brazos County, a \$0.1 million decrease in General Revenue Funds from the 2020–21 biennium. This funding aligns with the general academic institutions' Infrastructure Formula rate.

ARTICLE IV – JUDICIARY

FIGURE 52
ARTICLE IV – JUDICIARY, BY METHOD OF FINANCE



NOTES:

- (1) Excludes Interagency Contracts.
- (2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

MAJOR FISCAL AND POLICY ISSUES AFFECTING ARTICLE IV

All Funds for the Judiciary agencies total \$926.3 million for the 2022–23 biennium, which is a decrease of \$60.2 million, or 6.1 percent, from the 2020–21 biennium. General Revenue Funds total \$550.4 million, which is a decrease of \$3.4 million, or 0.6 percent from the 2020–21 biennium. General Revenue–Dedicated Funds total \$192.0 million, which is an increase of \$0.8 million, or 0.4 percent from the 2020–21 biennium. The General Revenue Funds decrease is due primarily to onetime funding reductions at the Office of Court Administration for the Uniform Case Management System.

Funding for the Judiciary supports administration of the Texas court system. This function includes the operations of 16 appellate courts and 73 children's courts, district judge salaries and county-level judge salary supplements, the judicial retirement system, prosecutor salaries and payments, judicial branch service agencies, indigent defense, basic civil legal services, juror pay, and judicial education.

HIGHLIGHTS

- Funding provides an estimated \$251.4 million in All Funds, an increase of \$4.7 million, for judicial salaries and \$0.3 million for the state prosecuting attorney's salary. The increase includes \$4.3 million for district judge salaries, \$0.2 million for appellate court judge and justice salaries, and \$0.2 million for county-level judge salary supplements. Funding reallocates appellate court judge and justice and state prosecuting attorney salaries to the Judiciary Section, Comptroller's Department. House Bill 2384, Eighty-sixth Legislature, 2019, adjusted the compensation structure for certain judges and prosecutors by establishing compensation tiers based on years of service. State salary and salary supplements for these positions remain connected to a district judge's base salary of \$140,000 as set in the General

Appropriations Act. Judges with four years to eight years of service receive compensation at 110.0 percent of a district judge's base salary, or \$154,000, and 120.0 percent of a district judge's base salary, or \$168,000, for eight years or more of service. The estimated appropriation authority provides the flexibility to adjust funding levels to meet unanticipated changes in compensation obligations resulting from tenure changes and elections or appointment of individuals with years of service credits differing from the previous position holder.

- Funding provides \$94.9 million, which is \$0.5 million greater than 2020–21 biennial appropriated levels in All Funds for the Texas Indigent Defense Commission (TIDC) to assist counties in establishing, developing, and maintaining cost-effective indigent defense services. This funding also continues Innocence Project funding at 2020–21 biennial levels totaling \$1.2 million through six universities. In addition, TIDC would be required to fund a pilot project for the early identification and specialized representation of indigent defendants with mental illness in three geographically diverse counties.
- Funding includes an estimated \$78.1 million in All Funds, a net decrease of \$55.7 million from 2020–21 biennial levels, for the Supreme Court of Texas to provide basic civil legal services to eligible recipients. This funding continues General Revenue–Dedicated Funds amounts at 2020–21 biennial spending levels and increases General Revenue Funds by \$4.0 million greater than the 2020–21 biennial spending level. The net decrease includes a \$49.1 million decrease in Other Funds from the Judicial Fund No. 573 due to onetime civil penalties awarded to the state during the 2020–21 biennium that no longer are available and a \$10.6 million reduction in court cost, penalty, and fee revenue collections to the Judicial Fund as a result of the COVID-19 pandemic.
- Funding includes \$49.7 million in General Revenue–Dedicated Funds from Account No. 5157, Statewide Electronic Filing System, a decrease in \$10.8 million, to fulfill Statewide Electronic Filing System vendor contract payments, support the operation and maintenance of the statewide electronic filing system, and fund statewide judicial technology projects identified by the Office of Court Administration (OCA). Funding decreases are due to anticipated reductions in revenue from Judicial Fees and Court Costs.
- Funding includes \$30.6 million in All Funds for Child Protection Courts and Child Support Courts within the OCA. This amount includes \$13.1 million for 30 Child Protection Courts and \$17.5 million for 43 Child Support Courts and includes a \$0.3 million increase in General Revenue Funds to provide additional travel funding to enable associate judges and court coordinators to conduct in-person hearings at Child Courts. This increase is offset by an equal reduction in General Revenue Funds for onetime lump-sum annual leave payouts during the 2020–21 biennium. According to the agency, the Children's Courts transitioned to fully remote hearings in March 2020 as a result of the COVID-19 pandemic and have done so with only a small decrease in capacity.
- Funding continues 2020–21 biennial spending levels with an estimated \$31.8 million in General Revenue–Dedicated Funds for the Court of Criminal Appeals' Judicial Education grant program to provide legal education and technical assistance judges, court staff, prosecuting attorneys and their staff, and criminal defense attorneys that regularly represent indigent defendants in criminal matters, and provides innocence training to law enforcement officers, law students, and other participants.
- Funding includes a decrease of \$11.0 million in General Revenue Funds for the OCA for onetime expenses including \$10.6 million for the Uniform Case Management System, \$0.3 million related to a Parent Child Relationship Reporting System pursuant to Senate Bill 560, Eighty-sixth Legislature, 2019, and \$0.1 million related to the Texas Commission on Judicial Selection pursuant to House Bill 3040, Eighty-sixth Legislature, 2019.

Figure 53 shows the All Funds appropriation for each agency in Article IV, and **Figure 54** shows the General Revenue Funds appropriation for each agency.

FIGURE 53
ARTICLE IV – JUDICIARY, ALL FUNDS

(IN MILLIONS)				
FUNCTION	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
Supreme Court of Texas	\$154.8	\$95.2	(\$59.6)	(38.5%)
Court of Criminal Appeals	\$40.1	\$42.9	\$2.8	7.0%
First Court of Appeals District, Houston	\$9.5	\$6.6	(\$2.9)	(30.8%)
Second Court of Appeals District, Fort Worth	\$7.6	\$5.1	(\$2.5)	(32.7%)
Third Court of Appeals District, Austin	\$6.3	\$4.3	(\$2.1)	(32.7%)
Fourth Court of Appeals District, San Antonio	\$7.6	\$5.1	(\$2.5)	(32.7%)
Fifth Court of Appeals District, Dallas	\$13.4	\$9.0	(\$4.4)	(33.0%)
Sixth Court of Appeals District, Texarkana	\$3.5	\$2.4	(\$1.1)	(31.7%)
Seventh Court of Appeals District, Amarillo	\$4.3	\$2.9	(\$1.4)	(33.5%)
Eighth Court of Appeals District, El Paso	\$3.4	\$2.4	(\$1.0)	(29.3%)
Ninth Court of Appeals District, Beaumont	\$4.4	\$2.9	(\$1.5)	(34.4%)
Tenth Court of Appeals District, Waco	\$3.6	\$2.4	(\$1.2)	(33.2%)
Eleventh Court of Appeals District, Eastland	\$3.4	\$2.4	(\$1.0)	(29.7%)
Twelfth Court of Appeals District, Tyler	\$3.5	\$2.4	(\$1.1)	(32.3%)
Thirteenth Court of Appeals District, Corpus Christi-Edinburg	\$6.4	\$4.2	(\$2.2)	(34.0%)
Fourteenth Court of Appeals District, Houston	\$10.0	\$6.9	(\$3.1)	(31.2%)
Office of Court Administration, Texas Judicial Council	\$215.6	\$198.8	(\$16.8)	(7.8%)
Office of Capital Writs	\$3.5	\$3.7	\$0.2	5.3%
Office of the State Prosecuting Attorney	\$0.9	\$0.6	(\$0.3)	(32.5%)
State Law Library	\$2.1	\$2.1	(\$0.0)	(0.4%)
State Commission on Judicial Conduct	\$2.4	\$2.4	\$0.0	0.0%
Judiciary Section, Comptroller's Department	\$349.4	\$389.8	\$40.4	11.6%
Subtotal, Judiciary	\$855.8	\$794.3	(\$61.5)	(7.2%)
Employee Benefits and Debt Service	\$153.3	\$154.6	\$1.3	0.9%
Less Interagency Contracts	\$22.6	\$22.6	\$0.0	0.0%
Total, All Functions	\$986.5	\$926.3	(\$60.2)	(6.1%)

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

FIGURE 54
ARTICLE IV – JUDICIARY, GENERAL REVENUE FUNDS

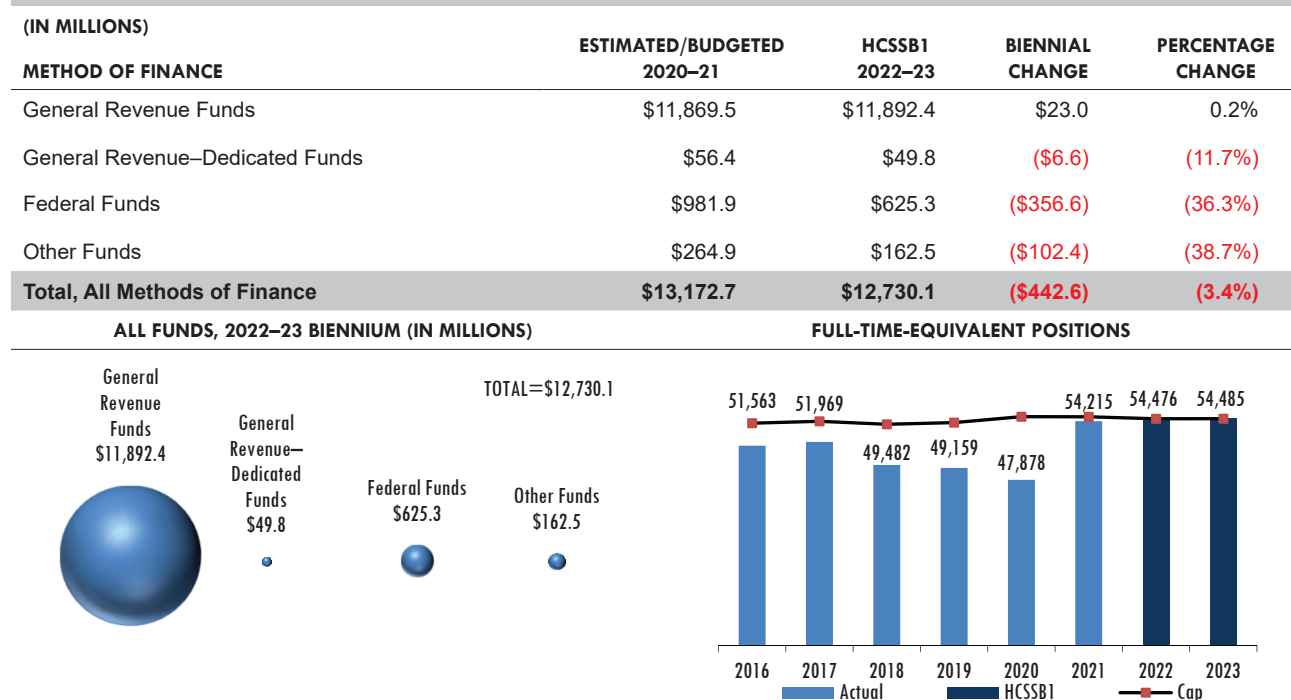
(IN MILLIONS)	ESTIMATED/BUDGETED	HCSSB1	BIENNIAL	PERCENTAGE
FUNCTION	2020–21	2022–23	CHANGE	CHANGE
Supreme Court of Texas	\$39.7	\$40.8	\$1.0	2.6%
Court of Criminal Appeals	\$14.0	\$11.1	(\$2.9)	(20.9%)
First Court of Appeals District, Houston	\$8.9	\$6.5	(\$2.4)	(26.8%)
Second Court of Appeals District, Fort Worth	\$7.0	\$5.0	(\$2.0)	(29.1%)
Third Court of Appeals District, Austin	\$5.9	\$4.2	(\$1.7)	(29.1%)
Fourth Court of Appeals District, San Antonio	\$7.0	\$5.0	(\$2.0)	(29.1%)
Fifth Court of Appeals District, Dallas	\$12.4	\$8.8	(\$3.6)	(29.3%)
Sixth Court of Appeals District, Texarkana	\$3.3	\$2.4	(\$0.9)	(27.9%)
Seventh Court of Appeals District, Amarillo	\$4.1	\$2.9	(\$1.2)	(29.5%)
Eighth Court of Appeals District, El Paso	\$3.2	\$2.4	(\$0.8)	(25.3%)
Ninth Court of Appeals District, Beaumont	\$4.2	\$2.9	(\$1.3)	(30.7%)
Tenth Court of Appeals District, Waco	\$3.4	\$2.4	(\$1.0)	(29.7%)
Eleventh Court of Appeals District, Eastland	\$3.2	\$2.4	(\$0.8)	(25.8%)
Twelfth Court of Appeals District, Tyler	\$3.3	\$2.4	(\$0.9)	(28.5%)
Thirteenth Court of Appeals District, Corpus Christi-Edinburg	\$5.9	\$4.1	(\$1.8)	(30.5%)
Fourteenth Court of Appeals District, Houston	\$9.0	\$6.5	(\$2.5)	(27.8%)
Office of Court Administration, Texas Judicial Council	\$51.2	\$40.2	(\$11.0)	(21.5%)
Office of Capital Writs	\$0.0	\$0.0	\$0.0	N/A
Office of the State Prosecuting Attorney	\$0.9	\$0.6	(\$0.3)	(33.8%)
State Law Library	\$2.1	\$2.1	\$0.0	0.0%
State Commission on Judicial Conduct	\$2.4	\$2.4	\$0.0	0.0%
Judiciary Section, Comptroller's Department	\$223.2	\$254.7	\$31.6	14.1%
Subtotal, Judiciary	\$414.2	\$409.5	(\$4.8)	(1.1%)
Employee Benefits and Debt Service	\$139.6	\$140.9	\$1.3	1.0%
Total, All Functions	\$553.8	\$550.4	(\$3.4)	(0.6%)

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

ARTICLE V – PUBLIC SAFETY AND CRIMINAL JUSTICE

FIGURE 55
ARTICLE V – PUBLIC SAFETY AND CRIMINAL JUSTICE, BY METHOD OF FINANCE



NOTES:

- (1) Excludes Interagency Contracts.
- (2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

MAJOR FISCAL AND POLICY ISSUES AFFECTING ARTICLE V

Funding for Public Safety and Criminal Justice agencies for the 2022–23 biennium totals \$12.7 billion, which is a decrease of \$442.6 million, or 3.4 percent, from the 2020–21 biennial expenditure levels. All Funds decreases are primarily the result of Federal Funds provided for Hurricane Harvey assistance and General Revenue Funds for onetime capital budget projects to be completed in the 2020–21 biennium.

General Revenue Funds and General Revenue–Dedicated Funds for the 2022–23 biennium total \$11.9 billion, which is a \$16.4 million decrease, or 0.1 percent, from the 2020–21 biennium. Decreases at several agencies were due to the removal of onetime funding.

HIGHLIGHTS

- The commissions on Fire Protection, Jail Standards, and Law Enforcement are subject to Strategic Fiscal Review.
- Funding for the Department of Public Safety (DPS) totals \$2.7 billion in All Funds, which represents an All Funds decrease of \$362.1 million, or 11.8 percent, attributable primarily in the following areas:
 - General Revenue Funds total \$2.1 billion, which is a decrease of \$28.4 million due to the elimination of onetime funding for capital projects, partially offset by increases of \$1.0 million to replace legacy and end-of-life systems, including 3.0 full-time-equivalent (FTE) positions, and \$6.1 million to administer an additional trooper recruit school in the 2022–23 biennium;

- funding for border security at DPS totals \$692.5 million in All Funds, \$452.9 million of which is in the agency's bill pattern for Secure the Texas Border. An additional \$239.6 million for border security operations and activities is provided to other agency functions. This amount is a \$0.8 million decrease from the 2020–21 biennium; and
- funding includes \$433.9 million in Federal Funds, a decrease of \$332.7 million, or 43.4 percent, as the result of funds provided for Hurricane Harvey assistance and projected reimbursements for costs related to the COVID-19 pandemic.
- Funding for the Texas Department of Criminal Justice for the 2022–23 biennium totals \$6.8 billion in All Funds, which includes an All Funds decrease of \$85.4 million or 1.2 percent. Funding decreases due to correctional unit closures and the removal of onetime items were partially offset by increases for correctional managed healthcare and aligning parole supervision and basic supervision funding levels with January 2021 population projections.
- Funding for the Texas Juvenile Justice Department for the 2022–23 biennium totals \$636.5 million in All Funds, which is an All Funds decrease of \$2.8 million, or 0.4 percent. The All Funds decrease is primarily attributable to the removal of onetime funding which is offset by increases for prevention and intervention, commitment diversion, and 31.5 FTE positions for basic state services.
- Funding for the Texas Military Department for the 2022–23 biennium totals \$212.0 million in All Funds, which represents an All Funds decrease of \$22.4 million, or 9.6 percent. The All Funds decrease is due primarily to the removal of \$19.4 million from the Economic Stabilization Fund in disaster grants from the Office of the Governor for equipping the National Guard with gear during the civil disturbance mission. Other changes were due to the 5.0 percent General Revenue Funds reductions and federal funding adjustments for a family support initiative and onetime efforts.
- Funding for the Texas Alcoholic Beverage Commission for the 2022–23 biennium totals \$97.0 million in All Funds, which includes an All Funds decrease of \$10.8 million, or 10.0 percent. The All Funds decrease is primarily attributable to the removal of onetime funding for information technology projects including the Licensing and Tax Technology Replacement (\$7.4 million) and Public Safety Technology Replacement (\$2.2 million). Funding includes an additional \$0.2 million in General Revenue and 1.0 FTE position to support the agency's Centralized Accounting and Payroll Processing System upgrades and system testing.

Figure 56 shows the All Funds funding amounts for each agency in Article V, and **Figure 57** shows the General Revenue Funds amounts for each agency. On the subsequent pages in this chapter are more details about funding levels for some of the agencies in Article V.

FIGURE 56
ARTICLE V – PUBLIC SAFETY AND CRIMINAL JUSTICE BY AGENCY, ALL FUNDS

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
FUNCTION				
Alcoholic Beverage Commission	\$107.8	\$97.0	(\$10.8)	(10.0%)
Department of Criminal Justice	\$6,898.8	\$6,813.4	(\$85.4)	(1.2%)
Commission on Fire Protection	\$3.8	\$3.8	(\$0.0)	(1.2%)
Commission on Jail Standards	\$3.0	\$2.9	(\$0.1)	(3.4%)
Juvenile Justice Department	\$639.3	\$636.5	(\$2.8)	(0.4%)
Commission on Law Enforcement	\$8.3	\$8.4	\$0.2	2.0%
Texas Military Department	\$234.4	\$212.0	(\$22.4)	(9.6%)
Department of Public Safety	\$3,065.0	\$2,702.9	(\$362.1)	(11.8%)
Subtotal, Public Safety and Criminal Justice	\$10,960.4	\$10,477.0	(\$483.4)	(4.4%)
Employee Benefits and Debt Service	\$2,389.0	\$2,418.8	\$29.7	1.2%
Less Interagency Contracts	\$176.7	\$165.6	(\$11.1)	(6.3%)
Total, All Functions	\$13,172.7	\$12,730.1	(\$442.6)	(3.4%)

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

FIGURE 57
ARTICLE V – PUBLIC SAFETY AND CRIMINAL JUSTICE BY AGENCY, GENERAL REVENUE FUNDS

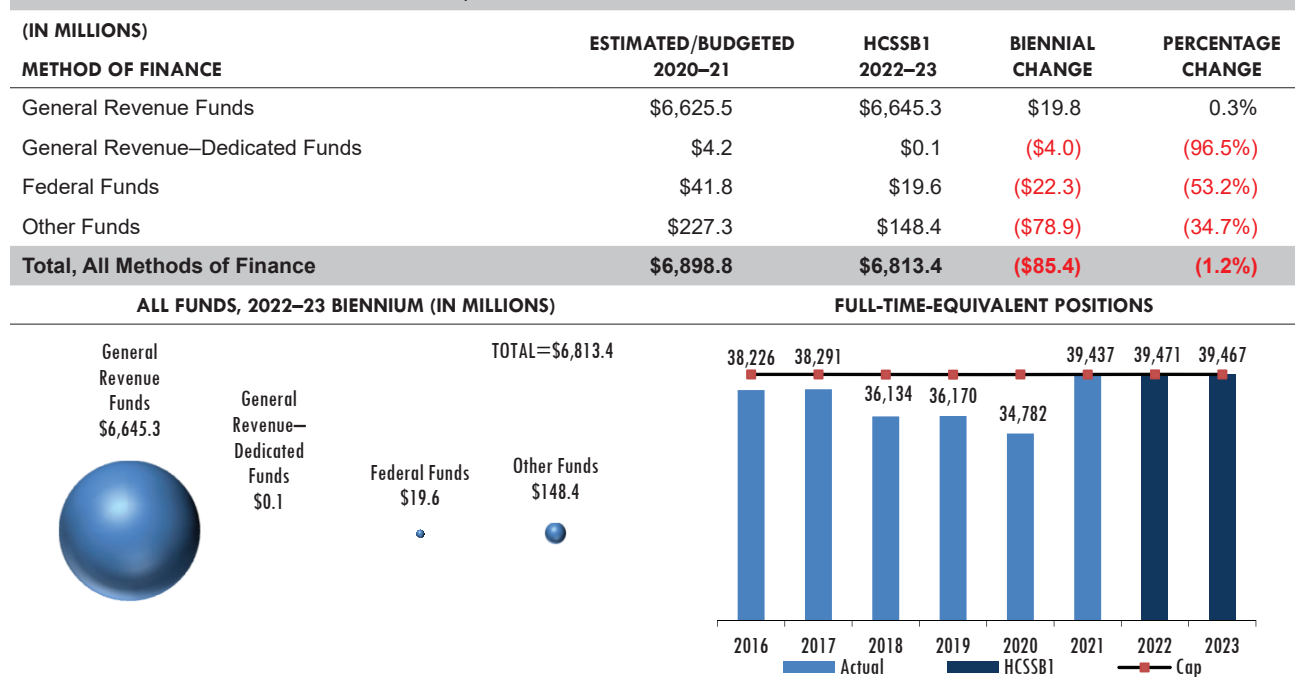
(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
FUNCTION				
Alcoholic Beverage Commission	\$106.1	\$96.2	(\$9.9)	(9.3%)
Department of Criminal Justice	\$6,625.5	\$6,645.3	\$19.8	0.3%
Commission on Fire Protection	\$3.6	\$3.6	\$0.0	0.0%
Commission on Jail Standards	\$2.9	\$2.9	\$0.0	0.0%
Juvenile Justice Department	\$591.4	\$596.9	\$5.5	0.9%
Commission on Law Enforcement	\$0.3	\$2.0	\$1.7	628.5%
Texas Military Department	\$53.7	\$50.7	(\$3.1)	(5.7%)
Department of Public Safety	\$2,126.3	\$2,105.0	(\$21.3)	(1.0%)
Subtotal, Public Safety and Criminal Justice	\$9,509.8	\$9,502.5	(\$7.3)	(0.1%)
Employee Benefits and Debt Service	\$2,359.6	\$2,389.9	\$30.3	1.3%
Total, All Functions	\$11,869.5	\$11,892.4	\$23.0	0.2%

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

TEXAS DEPARTMENT OF CRIMINAL JUSTICE

FIGURE 58
TEXAS DEPARTMENT OF CRIMINAL JUSTICE, BY METHOD OF FINANCE



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

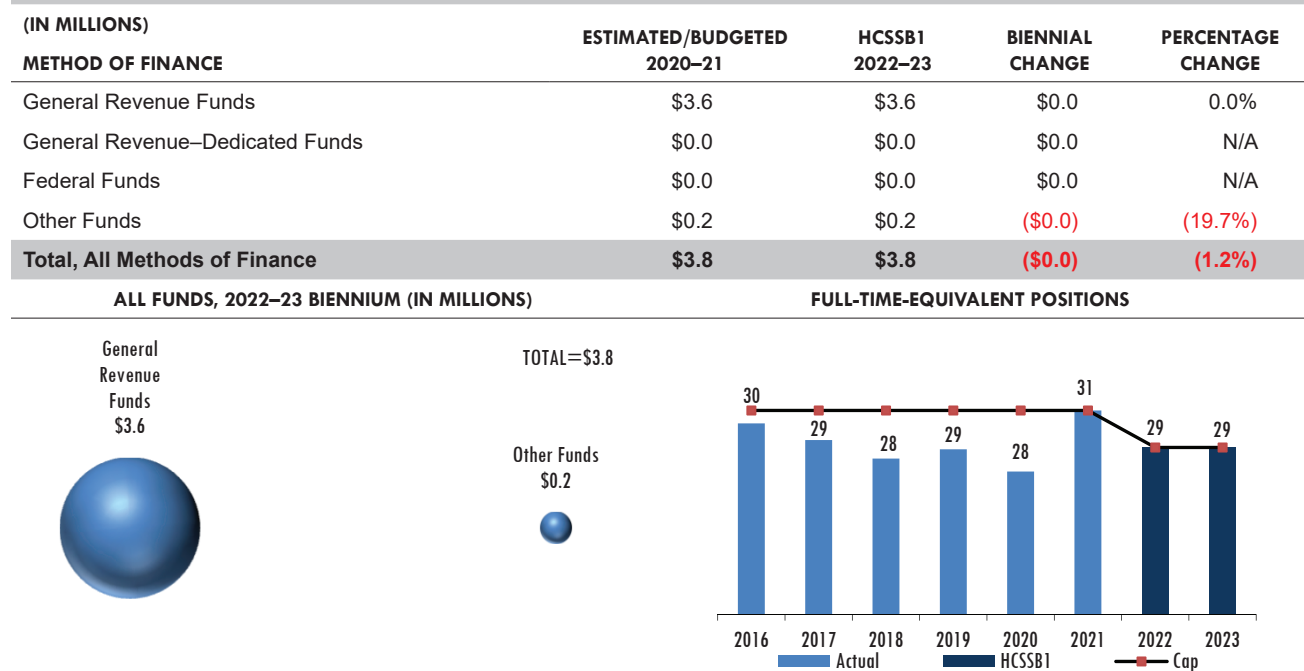
Funding for the Texas Department of Criminal Justice (TDCJ) for the 2022–23 biennium totals \$6,813.4 million in All Funds, which represents an All Funds decrease of \$85.4 million or 1.2 percent from the 2020–21 biennium. Funding for the Board of Pardons and Paroles (BPP) is included within the appropriations for TDCJ.

HIGHLIGHTS

- Funding includes \$5.7 billion in All Funds for the incarceration and treatment of adult inmates in state correctional institutions, which represents an \$83.0 million All Funds decrease from the 2020–21 biennium.
- Significant General Revenue Funds increases from the introduced bill include \$60.0 million for correctional managed health care and \$1.0 million for reentry services.
- Funding includes \$488.8 million in All Funds for the supervision of adult offenders on community supervision or probation. Funding for basic supervision decreased \$6.6 million to align with Legislative Budget Board (LBB) January 2021 projected levels.
- Funding includes \$426.1 million in All Funds for BPP, parole processing, parole supervision, and residential facilities, which is equal overall to the previous biennium. Within this amount is a \$2.4 million decrease to fund parole supervision at LBB January 2021 projections and fiscal year 2021 cost per day for the 2022–23 biennium.
- Projected felony direct community supervision populations are 149,256 and 151,948 for fiscal years 2022 and 2023, respectively. Projected incarceration populations are 139,019 and 138,545 for fiscal years 2022 and 2023, respectively. Projected parole populations are 83,373 and 84,666 for fiscal years 2022 and 2023, respectively.

COMMISSION ON FIRE PROTECTION

FIGURE 59
COMMISSION ON FIRE PROTECTION, BY METHOD OF FINANCE



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the Texas Commission on Fire Protection (TCFP) for the 2022–23 biennium totals \$3.8 million in All Funds, which represents an All Funds decrease of 1.2 percent. TCFP is subject to Strategic Fiscal Review.

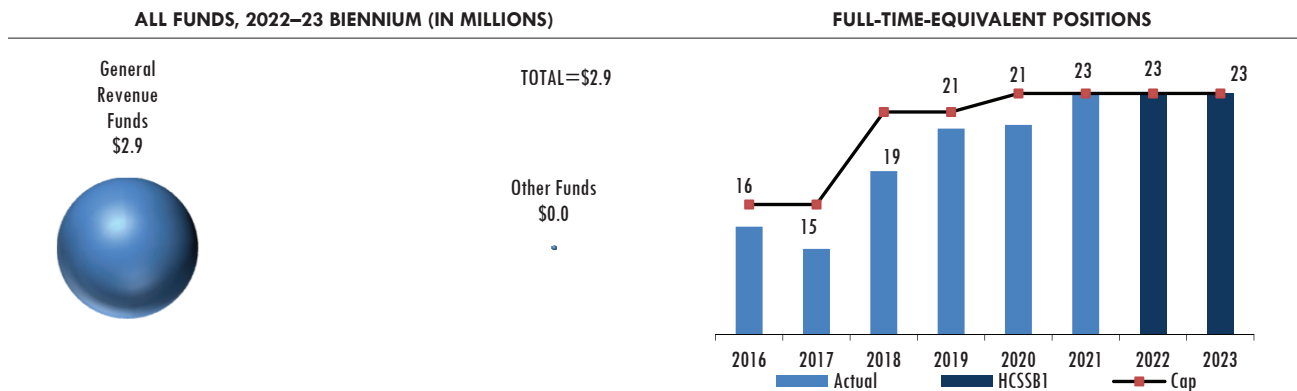
HIGHLIGHTS

- Funding includes \$3.6 million in General Revenue Funds, maintaining the 2020–21 biennial levels.
- The Other Funds decrease is attributable primarily to an anticipated decrease of approximately \$40,000 in Appropriated Receipts during the biennium.

COMMISSION ON JAIL STANDARDS

FIGURE 60
COMMISSION ON JAIL STANDARDS, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$2.9	\$2.9	\$0.0	0.0%
General Revenue–Dedicated Funds	\$0.1	\$0.0	(\$0.1)	(100.0%)
Federal Funds	\$0.0	\$0.0	\$0.0	N/A
Other Funds	\$0.0	\$0.0	\$0.0	0.0%
Total, All Methods of Finance	\$3.0	\$2.9	(\$0.1)	(3.4%)



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the Texas Commission on Jail Standards (TCJS) for the 2022–23 biennium totals \$2.9 million in All Funds, which represents an All Funds decrease of \$0.1 million, or 3.4 percent. TCJS is subject to Strategic Fiscal Review.

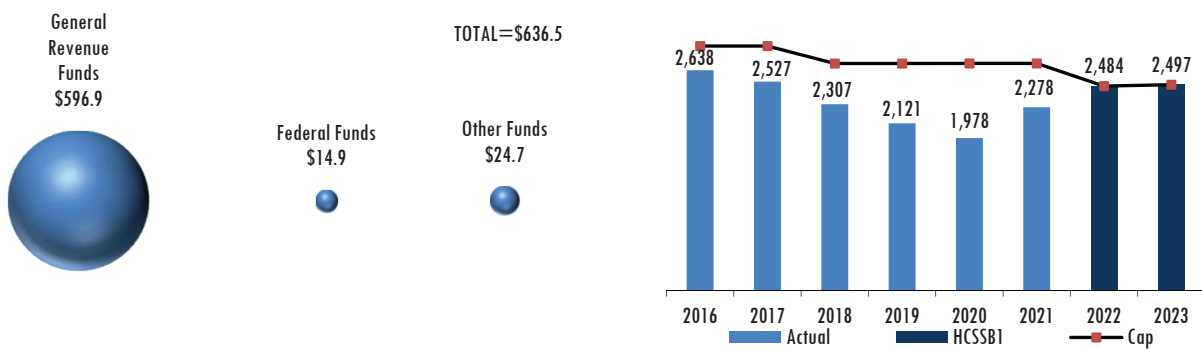
HIGHLIGHTS

- Funding includes \$2.9 million in General Revenue Funds, maintaining the 2020–21 biennial levels.
- The All Funds decrease is attributable to a reduction of \$0.1 million in General Revenue–Dedicated Funds due to the conclusion of the Prisoner Safety program.

TEXAS JUVENILE JUSTICE DEPARTMENT

FIGURE 61
TEXAS JUVENILE JUSTICE DEPARTMENT, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$591.4	\$596.9	\$5.5	0.9%
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	N/A
Federal Funds	\$15.8	\$14.9	(\$0.9)	(5.8%)
Other Funds	\$32.1	\$24.7	(\$7.4)	(22.9%)
Total, All Methods of Finance	\$639.3	\$636.5	(\$2.8)	(0.4%)
ALL FUNDS, 2022–23 BIENNIUM (IN MILLIONS)		FULL-TIME-EQUIVALENT POSITIONS		



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the Texas Juvenile Justice Department (TJJD) for the 2022–23 biennium totals \$636.5 million in All Funds, which represents an All Funds decrease of \$2.8 million, or 0.4 percent. Included in the All Funds decrease is a General Revenue Funds increase of \$5.5 million, offset by an estimated Federal Funds decrease of \$0.9 million and an Other Funds decrease of \$7.4 million. The All Funds decrease is attributable primarily to decreases in onetime funding for deferred maintenance (\$5.0 million), body-worn cameras (\$1.6 million), and overhead cameras (\$7.4 million), and a decrease in Federal Funds due to the anticipated discontinuation of funds from Crime Victim Assistance and some other small fluctuations in federal grant programs (\$0.9 million).

HIGHLIGHTS

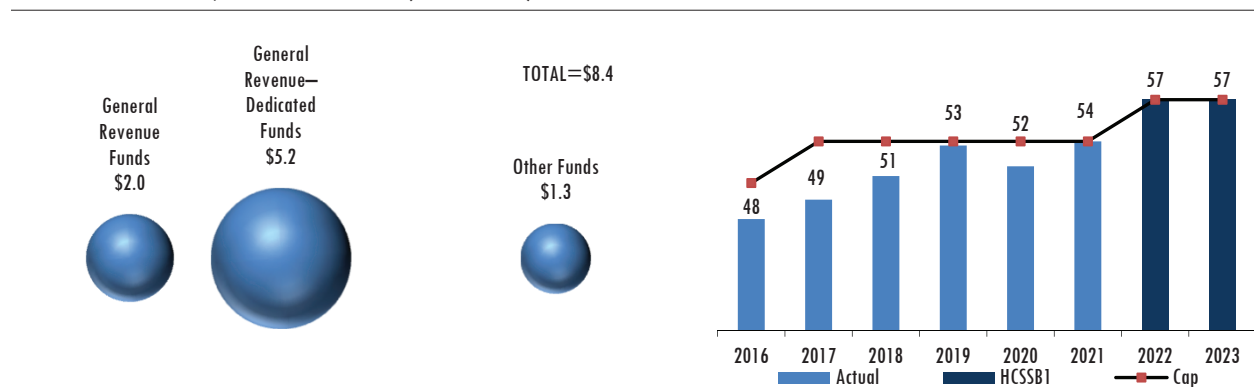
- Projections for juvenile populations for the 2022–23 biennium include the following:
 - projected state residential populations are 1,009 and 1,120 for fiscal years 2022 and 2023, respectively. This population includes juveniles housed in state secure facilities at a cost per day (CPD) of \$171.46 and \$174.26 for fiscal years 2022 and 2023, respectively; halfway houses at a CPD of \$215.96 and \$216.31 for fiscal years 2022 and 2023, respectively; and contracted residential placements at a CPD of \$173.69 and \$173.70 for fiscal years 2022 and 2023, respectively;
 - projected juvenile probation supervision populations are 17,897 and 18,629 for fiscal years 2022 and 2023, respectively. This population includes juveniles supervised on adjudicated probation, deferred prosecution, and conditional release at a CPD of \$5.08 and \$5.05 for fiscal years 2022 and 2023, respectively; and
 - projected parole supervision populations are 283 and 315 for fiscal years 2022 and 2023, respectively, at a CPD of \$17.95 and \$18.23 for fiscal years 2022 and 2023, respectively.

- Funding includes a decrease of \$14.1 million from the previous biennium due to the elimination of the following onetime items:
 - \$5.0 million in General Revenue Funds for deferred maintenance projects;
 - \$1.6 million in General Revenue Funds for the purchase of body-worn cameras; and
 - \$7.5 million from the Economic Stabilization Fund for the purchase of overhead cameras.
- Funding restores a portion of the agency's 5.0 percent General Revenue Funds reduction for the 2020–21 biennium to continue prevention and intervention programs and services (\$3.0 million) and commitment diversion services with juvenile probation departments (\$0.7 million).
- Funding also includes an increase of \$2.6 million in General Revenue Funds and 31.5 full-time-equivalent positions to provide and maintain basic state services, including supervision.

COMMISSION ON LAW ENFORCEMENT

FIGURE 62
COMMISSION ON LAW ENFORCEMENT, BY METHOD OF FINANCE

(IN MILLIONS)				
METHOD OF FINANCE	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
General Revenue Funds	\$0.3	\$2.0	\$1.7	628.5%
General Revenue–Dedicated Funds	\$6.2	\$5.2	(\$1.0)	(16.5%)
Federal Funds	\$0.0	\$0.0	\$0.0	N/A
Other Funds	\$1.8	\$1.3	(\$0.5)	(29.6%)
Total, All Methods of Finance	\$8.3	\$8.4	\$0.2	2.0%



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the Texas Commission on Law Enforcement (TCOLE) for the 2022–23 biennium totals \$8.4 million in All Funds, which represents an All Funds increase of \$0.2 million, or 2.0 percent. TCOLE is subject to Strategic Fiscal Review.

HIGHLIGHTS

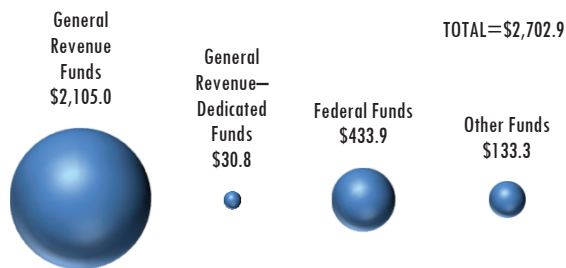
- Funding in General Revenue Funds and General Revenue–Dedicated Funds totals \$7.2 million and includes:
 - an additional \$0.7 million to fund 3.0 new full-time-equivalent positions for the curriculum staff to oversee law enforcement training, and funding to reimburse volunteer curriculum committee participants for travel and per diem expenses; and
 - \$50,000 to offset projected rent increases for the upcoming biennium.
- The Other Funds decrease is attributable primarily to a reduction of \$0.5 million in Interagency Contracts with the Office of the Governor for onetime grants provided during the 2020–21 biennium.

DEPARTMENT OF PUBLIC SAFETY

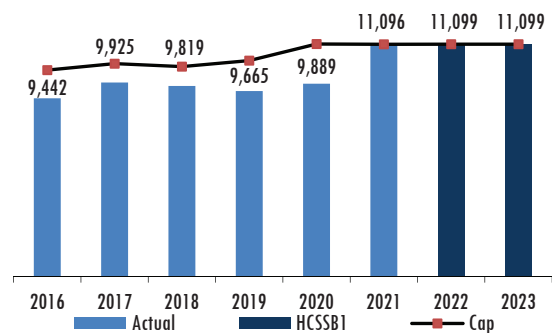
FIGURE 63
DEPARTMENT OF PUBLIC SAFETY, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$2,126.3	\$2,105.0	(\$21.3)	(1.0%)
General Revenue–Dedicated Funds	\$31.8	\$30.8	(\$1.0)	(3.3%)
Federal Funds	\$766.6	\$433.9	(\$332.7)	(43.4%)
Other Funds	\$140.3	\$133.3	(\$7.0)	(5.0%)
Total, All Methods of Finance	\$3,065.0	\$2,702.9	(\$362.1)	(11.8%)

ALL FUNDS, 2022–23 BIENNIUM (IN MILLIONS)



FULL-TIME-EQUIVALENT POSITIONS



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the Department of Public Safety for the 2022–23 biennium totals \$2.7 billion in All Funds, which represents an All Funds decrease of \$362.1 million, or 11.8 percent. Funding includes \$2.1 billion in General Revenue Funds, a decrease of \$21.3 million, or 1.0 percent, compared to 2020–21 biennial funding levels.

HIGHLIGHTS

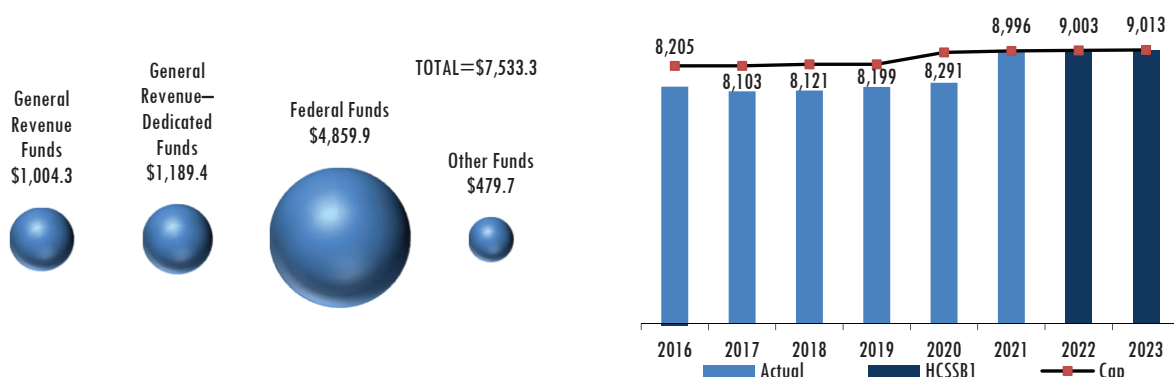
- For the Border Security program area, \$452.9 million in All Funds is appropriated in the agency's bill pattern for Secure the Texas Border. This base funding includes \$436.7 million in General Revenue Funds and \$16.2 million in Interagency Contracts for the 2022–23 biennium. An additional \$239.6 million is in other agency functions, primarily for trooper salaries and overtime. This amount is a \$0.8 million decrease from the 2020–21 biennial expenditure levels, as the result of the elimination of onetime funding for the construction of a tactical training facility. The total DPS border security funding of \$692.5 million, across all goals and program areas, is allocated for the following items:
 - \$671.1 million in baseline border funding;
 - \$2.2 million for the University of North Texas Missing Persons Database;
 - \$1.3 million to fund the Border Auto Theft Information Center;
 - \$7.0 million for camera maintenance and other equipment primarily related to Operation Drawbridge;
 - \$9.3 million to fund human trafficking and antigang activities, included in the statewide Human Trafficking and Antigang task forces;
 - \$0.5 million to fund 4.0 full-time-equivalent (FTE) positions for the Texas Transnational Intelligence Center;

- \$0.7 million to fund training for local law enforcement agencies on transitioning crime reporting methodology to the National Incident Based Reporting System;
- \$0.4 million for maintenance and operational costs for the Peñitas Law Enforcement Center; and
- \$26,400 for maintenance and operational costs for a Tactical Training Facility in Cameron County.
- Funding includes \$2.1 billion in General Revenue Funds, a decrease of \$28.4 million, due to the elimination of the following onetime funding:
 - \$12.8 million for the construction of new driver license offices in Angleton and Denton;
 - \$7.5 million for a public safety grant to the City of Houston for a helicopter with hoisting capability;
 - \$3.6 million for the construction of law enforcement centers in Eagle Pass and Brazoria County;
 - \$0.7 million for the construction of a Tactical Training Facility in Cameron County;
 - \$1.6 million to remodel the Garland crime lab to construct more workstations;
 - \$1.0 million for the Driver License Program Study; and
 - \$1.2 million for the automated external defibrillator pilot program and the statewide Safe Gun Storage campaign.
- Funding also includes increased General Revenue Funds above the introduced bill to administer one additional trooper recruit school in the 2022–23 biennium (\$6.1 million) and to replace legacy and end-of-life systems (\$1.0 million and 3.0 FTE positions).
- The remainder of the All Funds decrease is attributable primarily to an estimated Federal Funds decrease of \$332.7 million (primarily Hurricane Harvey Public Assistance Grants and projected reimbursements for costs related to the COVID-19 pandemic), a decrease of \$14.9 million in Other Funds (General Obligation Bond Proceeds and Interagency Contracts), and a decrease of \$4.4 million from Interagency Contracts with the Office of the Governor for onetime grants that address emerging topics. Offsetting Other Funds increases include \$11.7 million in estimated Appropriated Receipts and \$0.6 million in Interagency Contracts for the 2022–23 biennium.
- Funding includes \$90.2 million in General Revenue Funds to acquire 1,500 new and replacement vehicles during the 2022–23 biennium, maintaining the 2020–21 biennial level.

ARTICLE VI – NATURAL RESOURCES

FIGURE 64
ARTICLE VI – NATURAL RESOURCES, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$933.1	\$1,004.3	\$71.2	7.6%
General Revenue–Dedicated Funds	\$1,291.3	\$1,189.4	(\$101.9)	(7.9%)
Federal Funds	\$6,285.5	\$4,859.9	(\$1,425.6)	(22.7%)
Other Funds	\$2,445.0	\$479.7	(\$1,965.3)	(80.4%)
Total, All Methods of Finance	\$10,954.9	\$7,533.3	(\$3,421.6)	(31.2%)
ALL FUNDS, 2022–23 BIENNIUM (IN MILLIONS)		FULL-TIME-EQUIVALENT POSITIONS		



NOTES:

- (1) Excludes Interagency Contracts.
- (2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

MAJOR FISCAL AND POLICY ISSUES AFFECTING ARTICLE VI

All Funds for the Natural Resources agencies total \$7.5 billion for the 2022–23 biennium, which is a decrease of \$3.4 billion, or 31.2 percent, from the 2020–21 biennium. General Revenue Funds and General Revenue–Dedicated Funds total \$2.2 billion, which is a decrease of \$30.7 million, or 1.4 percent from the 2020–21 biennium. Federal Funds and Other Funds total \$5.4 billion, which is a decrease of \$3.4 billion, or 38.7 percent from the 2020–21 biennium. The Department of Agriculture, the Animal Health Commission, and the Parks and Wildlife Department are subject to Strategic Fiscal Review.

HIGHLIGHTS

- Funding for the General Land Office and Veteran's Land Board provides the following amounts:
 - \$3.0 billion in Federal Funds for disaster recovery related to Hurricane Harvey including \$1.4 billion for short-term and community housing projects and \$1.6 billion for infrastructure and mitigation projects. This amount includes an additional \$781.5 million for the infrastructure and mitigation projects from 2020–21 biennial amounts;
 - \$221.4 million in All Funds for coastal projects, including \$63.5 million in Appropriated Receipts for coastal erosion projects from the National Fish and Wildlife Foundation, the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act, and the Natural Resource Damage Assessment Trustee program, and \$86.7 million in Federal Funds from the Gulf of Mexico Energy Security Act for large-scale coastal construction projects;

- \$10.7 million in All Funds for preserving, maintaining, and operating the Alamo facilities within the Alamo Complex, a decrease of \$56.9 million, primarily due to the removal of \$60.0 million in Other Funds from the Economic Stabilization Fund (ESF) for the Alamo Master Plan encumbered during the 2020–21 biennium; and
- a decrease of \$224.4 million in Others Funds from the ESF provided for the 2020–21 biennium pursuant to Senate Bill 500, Eighty-sixth Legislature, 2019, including \$200.0 million to provide matching funds for studies and projects conducted by the U.S. Army Corps of Engineers and \$24.4 million for the removal of abandoned vessels as a result of Hurricane Harvey.
- Funding for the Water Development Board includes a decrease of \$1.3 billion in Other Funds due to decreases in the Texas Infrastructure Resiliency Fund (\$565.2 million) and the Flood Infrastructure Fund (\$777.9 million) related to 2020–21 biennial funding pursuant to Senate Bill 500 for the implementation of Senate Bill 7 and Senate Bill 8, Eighty-sixth Legislature, 2019.
- Funding for the Parks and Wildlife Department provides the following amounts:
 - \$316.9 million from General Revenue Funds from Sporting Goods Sales Tax transfers, which is an increase of \$100.6 million from the 2020–21 biennium;
 - \$134.6 million in Federal Funds, which is a decrease of \$139.8 million, or 50.9 percent from the 2020–21 biennium. The decrease is related to the agency's expenditure of federal grant allotments during the 2020–21 biennium from previous years and does not represent a decrease in Federal Funds that are available to the agency. The agency receives funding from various federal sources for wildlife and fisheries conservation and management, developing outdoor recreation opportunities, law enforcement, and outreach and education efforts; and
 - \$115.3 million in All Funds for deferred maintenance and capital construction projects, which is a decrease of \$2.8 million from the 2020–21 biennium due to decreased needs reported by the agency.
- Funding for the Soil and Water Conservation Board includes a decrease of \$150.0 million in Other Funds from the ESF due to a onetime appropriation for dam infrastructure projects pursuant to Senate Bill 500.
- Funding for the Commission on Environmental Quality (TCEQ) includes the following amounts:
 - \$1.4 million in General Revenue–Dedicated Funds from Account No. 5071, Texas Emissions Reduction Plan (TERP), which is a \$129.1 million decrease from 2020–21 biennial spending levels due primarily to enactment of House Bill 3745, Eighty-sixth Legislature, 2019, that directed the following actions: (1) established the TERP Fund as a trust fund held outside of the Treasury and administered by TCEQ that would consist of TERP revenues; (2) extended TERP program fees and surcharges and State Highway Fund transfers for the TERP program to the end of the biennium in which Texas attains national ambient air quality standards for ground-level ozone; and (3) authorized TCEQ to use funding in the Trust Fund to pay for TERP program grants and operations without legislative appropriation. Funding provides for TERP program operations at the beginning of the 2022–23 biennium due to the Trust Fund beginning each biennium with a zero balance. TCEQ is required to reimburse the TERP General Revenue–Dedicated account using collected Trust Fund revenues during the biennium;
 - an additional \$9.2 million in General Revenue–Dedicated Funds for Water Quality and Monitoring functions which includes: \$7.1 million to implement the Environmental Protection Agency's Federal Lead & Copper Rule revision which adds new regulatory requirements for approximately 5,500 public water systems and requires TCEQ to sample drinking water outlets at approximately 25,000 schools and childcare facilities; \$1.6 million for increased lab costs for the 15 regional water authorities that partner with TCEQ to process and analyze water quality samples, to maintain current programs, add additional water quality parameters to samples, and to increase monitoring and conduct water quality special studies; and \$0.4 million for the Clean Rivers program to fully implement House Bill 2771, Eighty-sixth Legislature, 2019, requirements concerning the regulation of certain types of produced water and gas plant effluent; and

- an additional \$4.0 million in General Revenue–Dedicated Funds for Air Quality and Monitoring functions which include: \$2.0 million to maintain 10 new air monitors added in the 2020–21 biennium in response to local air quality concerns in Houston along the Houston Ship Channel, central Texas near aggregate mining sites, and in response to increased oil and gas activity in the Permian Basin; \$1.3 million for additional inspections of aggregate production sites; \$0.4 million for optical gas imaging cameras; and \$0.3 million to upgrade three existing vehicles with mobile survey equipment in coastal areas.
- Funding continues \$5.0 million in General Revenue Funds for litigation expenses for the Rio Grande Compact Commission associated with Texas’ continuing lawsuit against New Mexico for the equitable distribution of water from the Rio Grande River under a compact agreed to by both states in 1938.
- Funding for the Department of Agriculture includes the following:
 - \$1.2 billion in All Funds for the Child and Adult Nutrition programs, a decrease of \$32.5 million, including a decrease of \$36.0 million in Federal Funds resulting from a reduction of \$201.4 million from the Coronavirus Relief Fund being offset partially by a net increase of \$165.4 million in various Federal Funds and an additional \$3.5 million in General Revenue Funds;
 - \$29.9 million in General Revenue Funds for the Texans Feeding Texans Programs, which includes \$19.7 million for the Home Delivered Meals program and \$10.2 million for the Surplus Agricultural Products Grant Program to maintain funding for these programs at the 2020–21 biennial appropriated level;
 - \$9.7 million in General Revenue Funds for the Boll Weevil Eradication Program to maintain funding for this program at the 2020–21 biennial appropriated level; and
 - a decrease of \$11.2 million from the Coronavirus Relief Fund for the support of rural hospitals in addressing pandemic-related costs during the 2020–21 biennium.
- Funding for the Railroad Commission of Texas includes the following amounts:
 - \$135.9 million in General Revenue–Dedicated Account No. 5155, Oil and Gas Regulation and Cleanup (Account No. 5155), a decrease of \$9.5 million from 2020–21 biennial spending levels, partially offset by an increase of \$9.3 million in General Revenue Funds used as a method of finance swap to align Account No. 5155 with the Comptroller’s Biennial Revenue Estimate (BRE). The agency anticipates a decrease in revenues primarily from oil and gas surcharge fees and well drill permit fees for the 2022–23 biennium;
 - a decrease of \$30.1 million in Other Funds from the ESF budgeted for the 2020–21 biennium by the Eighty-fifth Legislature, Regular Session, 2017, as a onetime appropriation for oil and gas on-shore well plugging and remediation; and
 - \$25.0 million in General Revenue Funds per fiscal year in contingency for cash flow purposes in the event that revenue collections to Account No. 5155 are less than 90.0 percent of the amounts appropriated to the agency in the General Appropriations Act.

Figure 65 shows the All Funds funding for each agency in Article VI, and **Figures 66** and **67** show the funding for each agency in General Revenue Funds and General Revenue–Dedicated Funds, respectively. On the subsequent pages in this chapter are more details about funding levels for selected agencies in Article VI.

FIGURE 65
ARTICLE VI – NATURAL RESOURCES BY AGENCY, ALL FUNDS

(IN MILLIONS)	ESTIMATED/BUDGETED	HCSSB1	BIENNIAL	PERCENTAGE
METHOD OF FINANCE	2020–21	2022–23	CHANGE	CHANGE
Department of Agriculture	\$1,436.5	\$1,395.1	(\$41.4)	(2.9%)
Animal Health Commission	\$31.9	\$29.9	(\$2.0)	(6.1%)
Commission on Environmental Quality	\$760.8	\$644.9	(\$115.9)	(15.2%)
General Land Office and Veterans' Land Board	\$4,993.4	\$3,372.6	(\$1,620.8)	(32.5%)
Low-level Radioactive Waste Disposal Compact Commission	\$0.8	\$0.8	\$0.0	0.0%
Parks and Wildlife Department	\$939.3	\$822.0	(\$117.3)	(12.5%)
Railroad Commission	\$299.7	\$269.4	(\$30.3)	(10.1%)
Soil and Water Conservation Board	\$222.2	\$72.0	(\$150.2)	(67.6%)
Water Development Board	\$1,843.1	\$492.2	(\$1,350.9)	(73.3%)
Subtotal, Natural Resources	\$10,527.7	\$7,098.9	(\$3,428.7)	(32.6%)
Employee Benefits and Debt Service	\$448.4	\$455.2	\$6.7	1.5%
Less Interagency Contracts	\$21.2	\$20.8	(\$0.4)	(1.9%)
Total, All Functions	\$10,954.9	\$7,533.3	(\$3,421.6)	(31.2%)

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

FIGURE 66
ARTICLE VI – NATURAL RESOURCES BY AGENCY, GENERAL REVENUE FUNDS

(IN MILLIONS)	ESTIMATED/BUDGETED	HCSSB1	BIENNIAL	PERCENTAGE
METHOD OF FINANCE	2020–21	2022–23	CHANGE	CHANGE
Department of Agriculture	\$98.5	\$102.4	\$3.8	3.9%
Animal Health Commission	\$26.2	\$26.4	\$0.2	0.6%
Commission on Environmental Quality	\$42.3	\$36.3	(\$6.0)	(14.1%)
General Land Office and Veterans' Land Board	\$27.1	\$24.1	(\$3.0)	(11.1%)
Low-level Radioactive Waste Disposal Compact Commission	\$0.0	\$0.0	\$0.0	N/A
Parks and Wildlife Department	\$290.6	\$371.9	\$81.3	28.0%
Railroad Commission	\$107.8	\$117.1	\$9.3	8.6%
Soil and Water Conservation Board	\$41.4	\$41.4	\$0.0	0.0%
Water Development Board	\$131.3	\$119.5	(\$11.7)	(8.9%)
Subtotal, Natural Resources	\$765.3	\$839.2	\$73.9	9.7%
Employee Benefits and Debt Service	\$167.8	\$165.1	(\$2.7)	(1.6%)
Total, All Functions	\$933.1	\$1,004.3	\$71.2	7.6%

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

FIGURE 67
ARTICLE VI – NATURAL RESOURCES BY AGENCY, GENERAL REVENUE–DEDICATED FUNDS

(IN MILLIONS)				
METHOD OF FINANCE	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
Department of Agriculture	\$2.4	\$4.1	\$1.7	72.6%
Animal Health Commission	\$0.0	\$0.0	\$0.0	N/A
Commission on Environmental Quality	\$615.6	\$510.0	(\$105.6)	(17.2%)
General Land Office and Veterans' Land Board	\$28.7	\$30.0	\$1.3	4.4%
Low-level Radioactive Waste Disposal Compact Commission	\$0.8	\$0.8	\$0.0	0.0%
Parks and Wildlife Department	\$298.6	\$302.8	\$4.2	1.4%
Railroad Commission	\$145.3	\$135.9	(\$9.5)	(6.5%)
Soil and Water Conservation Board	\$0.0	\$0.0	\$0.0	N/A
Water Development Board	\$0.0	\$0.0	\$0.0	N/A
Subtotal, Natural Resources	\$1,091.4	\$983.6	(\$107.8)	(9.9%)
Employee Benefits and Debt Service	\$199.9	\$205.8	\$5.9	3.0%
Total, All Functions	\$1,291.3	\$1,189.4	(\$101.9)	(7.9%)

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

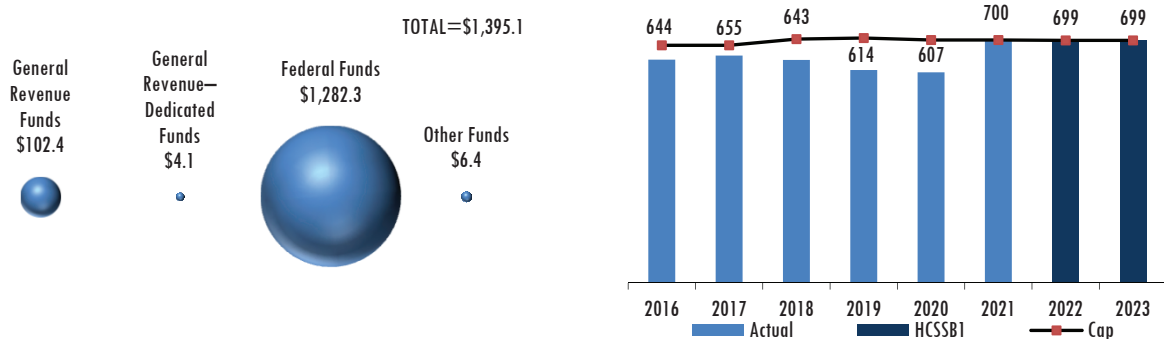
DEPARTMENT OF AGRICULTURE

FIGURE 68
DEPARTMENT OF AGRICULTURE, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$98.5	\$102.4	\$3.8	3.9%
General Revenue–Dedicated Funds	\$2.4	\$4.1	\$1.7	72.6%
Federal Funds	\$1,327.8	\$1,282.3	(\$45.5)	(3.4%)
Other Funds	\$7.8	\$6.4	(\$1.4)	(18.3%)
Total, All Methods of Finance	\$1,436.5	\$1,395.1	(\$41.4)	(2.9%)

ALL FUNDS, 2022–23 BIENNium (IN MILLIONS)

FULL-TIME-EQUIVALENT POSITIONS



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the Department of Agriculture for the 2022–23 biennium totals \$1.4 billion in All Funds, which is a decrease of \$41.4 million, or 2.9 percent, from the 2020–21 biennium. General Revenue Funds and General Revenue–Dedicated Funds total \$106.5 million, an increase of \$5.5 million, or 5.2 percent. This increase is primarily due to General Revenue Funds increases of \$4.3 million for the Texans Feeding Texans Home Delivered Meals and Surplus Agricultural Incentive Grant programs and \$1.0 million for the Boll Weevil Eradication Program to maintain funding for these programs at the 2020–21 biennial appropriated level. Federal Funds and Other Funds total \$1.3 billion, a decrease of \$46.9 million, or 3.5 percent. This decrease is due primarily to \$212.5 million in onetime Federal Funds provided through the Coronavirus Relief Fund during the 2020–21 biennium for pandemic-related aid that is not continued, which is offset by an increase of \$167.0 million in various other Federal Funds. The Department of Agriculture is subject to Strategic Fiscal Review.

HIGHLIGHTS

- Funding provides \$1.2 billion in All Funds for the Child and Adult Nutrition programs, a decrease of \$32.5 million. This amount includes a decrease of \$36.0 million in Federal Funds resulting from a reduction of \$201.4 million from the Coronavirus Relief Fund being offset partially by a net increase of \$165.4 million in various Federal Funds and an additional \$3.5 million in General Revenue Funds.
- Funding provides \$153.8 million in Federal Funds from various other sources, a decrease of \$9.5 million that is attributable primarily to onetime grants that are not anticipated to continue.
- Funding provides \$34.5 million in General Revenue Funds and General Revenue–Dedicated Funds, contingent on the agency generating sufficient revenue to cover the direct and indirect costs for its 12 cost-recovery programs. Other direct and indirect costs total \$8.1 million for the 2022–23 biennium. This amount includes an increase of \$1.3 million in

General Revenue–Dedicated Funds from Account No. 5178, State Hemp Program, from grower license applications and associated fees.

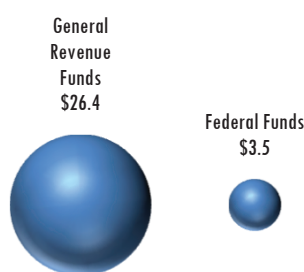
- Funding provides \$29.9 million in General Revenue Funds for the Texans Feeding Texans Programs. This amount includes \$19.7 million for the Home Delivered Meals program, an increase of \$1.5 million, and \$10.2 million for the Surplus Agricultural Products Grant Program, an increase of \$2.0 million, to maintain funding for these programs at the 2020–21 biennial appropriated level.
- Funding provides \$3.0 million in General Revenue–Dedicated Funds from Account No. 5047, Permanent Fund for Rural Health Facility Capital Improvement, an increase of \$0.6 million due to funding anticipated to return to historical levels for the 2022–23 biennium following a onetime revenue decrease during fiscal year 2020.
- Funding provides a decrease of \$11.2 million in Federal Funds provided through the Coronavirus Relief Fund for the support of rural hospitals to address pandemic-related costs during the 2020–21 biennium.
- Funding provides an increase of \$1.0 million in General Revenue Funds for the Boll Weevil Eradication Program funding to maintain funding for this program at the 2020–21 biennial appropriated level.

TEXAS ANIMAL HEALTH COMMISSION

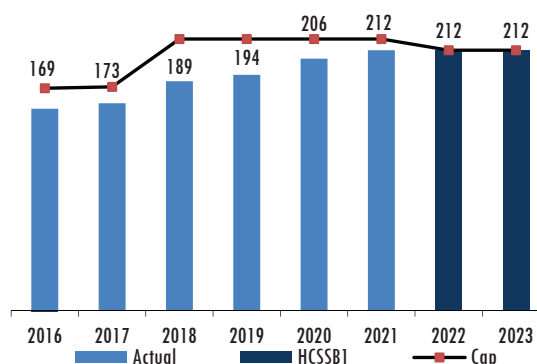
FIGURE 69
TEXAS ANIMAL HEALTH COMMISSION, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$26.2	\$26.4	\$0.2	0.6%
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	N/A
Federal Funds	\$5.6	\$3.5	(\$2.1)	(37.2%)
Other Funds	\$0.0	\$0.0	(\$0.0)	(100.0%)
Total, All Methods of Finance	\$31.9	\$29.9	(\$2.0)	(6.1%)

ALL FUNDS, 2022–23 BIENNIUM (IN MILLIONS)



FULL-TIME-EQUIVALENT POSITIONS



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the Texas Animal Health Commission for the 2022–23 biennium totals \$29.9 million in All Funds, a decrease of \$2.0 million, or 6.1 percent, from the 2020–21 biennium. General Revenue Funds total \$26.4 million and maintain 2020–21 biennial spending levels. Federal Funds total \$3.5 million, a decrease of \$2.1 million, or 37.2 percent, due to various federal grants being discontinued for the 2022–23 biennium. The Texas Animal Health Commission is subject to Strategic Fiscal Review.

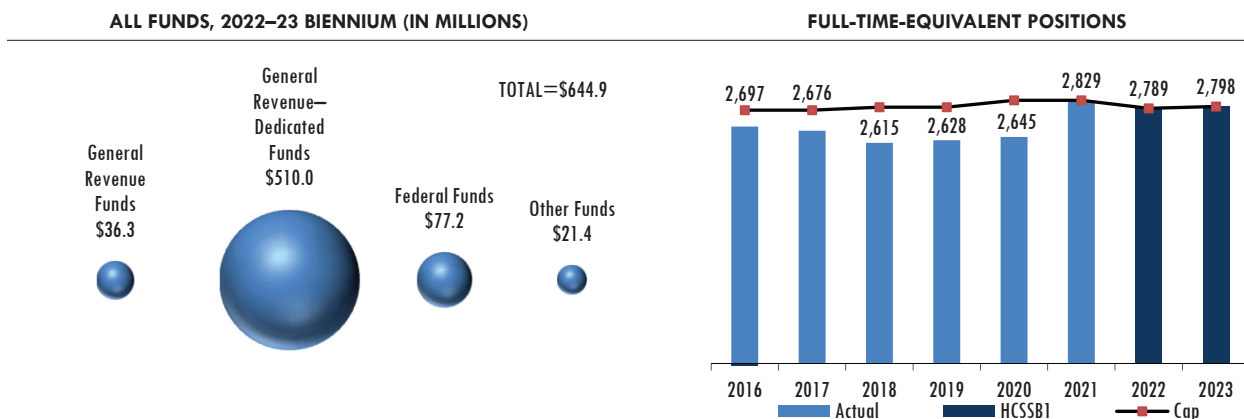
HIGHLIGHTS

- Funding includes \$8.0 million in All Funds for the agency's continued cattle fever tick control and eradication activities, primarily maintaining funding at 2020–21 biennial levels.
- Funding includes \$1.2 million in All Funds for diagnostic and epidemiological support services, including the State-Federal Laboratory in Austin, a decrease of \$0.8 million, or 41.2 percent from 2020–21 biennial levels. These services include sample collection and testing for certain animal diseases affecting the livestock industry. The number of sample testing performed decreased from 962,588 in fiscal year 2019 to 63,360 in fiscal year 2020, primarily due to the cancellation of a federal cooperative agreement between the agency and the U.S. Department of Agriculture for brucellosis testing of cattle at two large slaughter plants in Texas.
- Funding includes \$0.3 million in All Funds for Chronic Wasting Disease surveillance and inspections of farmed deer and other cervids, primarily maintaining funding at 2020–21 biennial funding levels.
- Funding includes \$0.2 million in General Revenue Funds for fiscal year 2023 for anticipated lease increases and facility improvements for the agency's Rockdale region office.
- Funding includes a decrease of \$2.1 million in Federal Funds due to various federal grants available in the 2020–21 biennium being discontinued for the 2022–23 biennium.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

FIGURE 70
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$42.3	\$36.3	(\$6.0)	(14.1%)
General Revenue–Dedicated Funds	\$615.6	\$510.0	(\$105.6)	(17.2%)
Federal Funds	\$76.5	\$77.2	\$0.6	0.8%
Other Funds	\$26.4	\$21.4	(\$4.9)	(18.7%)
Total, All Methods of Finance	\$760.8	\$644.9	(\$115.9)	(15.2%)



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the Texas Commission on Environmental Quality (TCEQ) for the 2022–23 biennium totals \$644.9 million in All Funds, which is a decrease of \$115.9 million, or 15.2 percent, from the 2020–21 biennium. General Revenue Funds and General Revenue–Dedicated Funds total \$546.3 million, a decrease of \$111.6 million, or 16.7 percent, primarily due to decreases from General Revenue–Dedicated Account No. 5071, Texas Emissions Reduction Plan (TERP), pursuant to House Bill 3745, Eighty-sixth Legislature, 2019.

HIGHLIGHTS

- Funding provides \$1.4 million in General Revenue–Dedicated Funds from the TERP account. This amount is a \$129.1 million decrease from 2020–21 biennial levels due primarily to enactment of House Bill 3745, Eighty-sixth Legislature, 2019, which directed the following actions:
 - established the TERP Fund as a trust fund held outside of the Treasury and administered by TCEQ that would consist of TERP revenues;
 - extended TERP program fees and surcharges and State Highway Fund transfers for the TERP program to the end of the biennium in which Texas attains national ambient air quality standards for ground-level ozone; and
 - authorized TCEQ to use funding in the Trust Fund to pay for TERP program grants and operations without legislative appropriation.
- Funding provides for TERP program operations at the beginning of the 2022–23 biennium due to the trust fund being statutorily required to begin each biennium with a zero balance. TCEQ is required to reimburse the TERP General

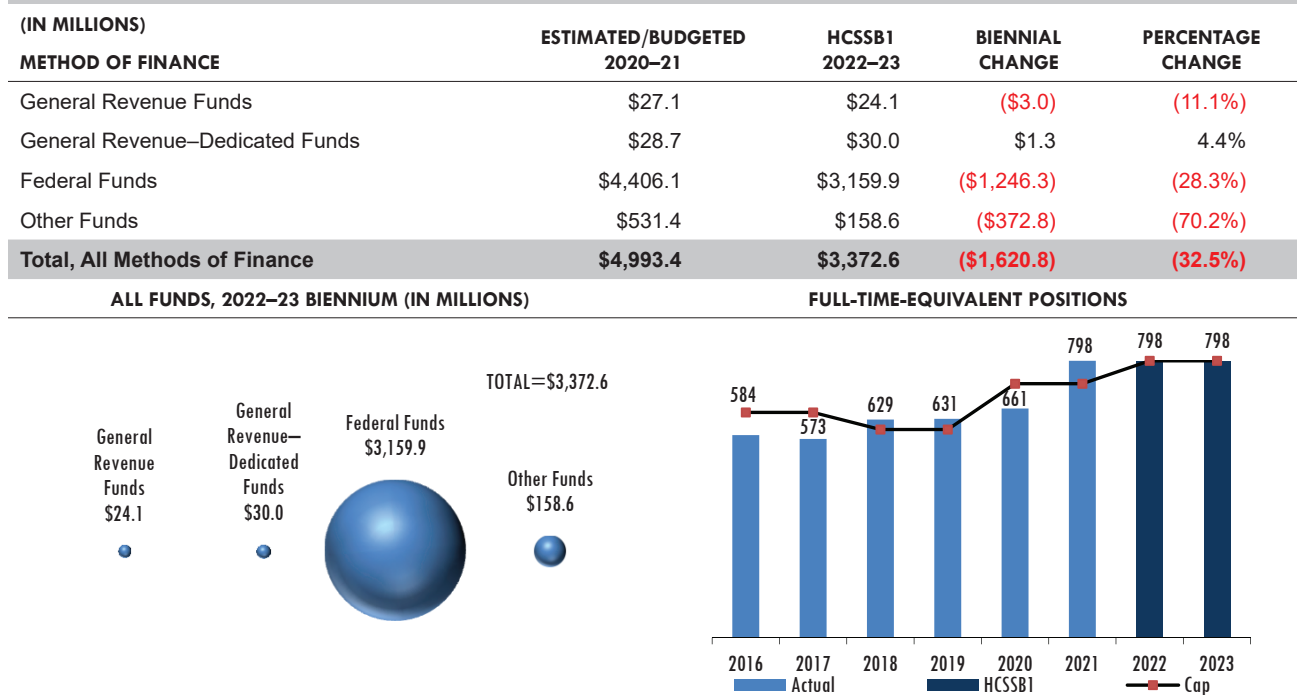
Revenue–Dedicated account using trust fund revenues in an amount that equals whatever was expended for this purpose for the biennium.

- Funding provides a net increase of \$21.3 million in General Revenue–Dedicated Funds across various programs primarily due to the following:
 - a decrease of \$6.2 million for onetime costs associated with implementing previously enacted legislation (\$3.2 million), vehicles (\$1.6 million), equipment purchases (\$1.1 million), and Municipal Solid Waste program expansion costs implemented in the 2020–21 biennium (\$0.2 million);
 - an increase of \$5.8 million for targeted salary increases for investigators, enforcement coordinators, engineers, permit specialists and attorneys to improve staff retention through offering comparable starting salaries with other governmental entities; and
 - an additional \$4.0 million for Air Quality and Monitoring functions, which include operation and maintenance of air monitoring sites (\$2.0 million), aggregate production operations (\$1.3 million), optical gas imaging cameras (\$0.4 million), and mobile monitoring equipment (\$0.3 million).
- Funding provides an additional \$9.2 million for Water Quality and Monitoring functions, which includes the following amounts:
 - \$7.1 million to implement the U.S. Environmental Protection Agency’s Federal Lead and Copper Rule revision, which adds new regulatory requirements for approximately 5,500 public water systems and requires TCEQ to sample drinking water outlets at approximately 25,000 schools and childcare facilities;
 - \$1.6 million for increased lab costs for the 15 regional water authorities that partner with TCEQ in the Clean Rivers program to process and analyze water quality samples, to maintain current programs, add additional water quality parameters to samples, and to increase monitoring and conduct water quality special studies; and
 - \$0.4 million to fully implement House Bill 2771, Eighty-sixth Legislature, 2019, requirements concerning the regulation of certain types of produced water and gas plant effluent.
- Funding provides an additional \$4.6 million for information technology, operations, and safety-related purposes that includes existing information technology applications and legacy systems (\$1.5 million), the Air and Water Monitoring Data Management System (\$1.3 million), emergency response activities (\$1.0 million), and safety improvements for the Houston regional office (\$0.9 million).
- Funding provides a net \$3.3 million increase for Centralized Accounting and Personnel/Payroll System (CAPPS) implementation, which includes a decrease of \$1.4 million for onetime funding to support implementation during the 2020–21 biennium offset by an increase of \$4.7 million to support maintenance of the CAPPS Human Resource module and implementation of the CAPPS Financials module during the 2022–23 biennium.
- Funding provides an increase of \$0.9 million to provide for restoration of the 5.0 percent reduction in the 2020–21 biennium across several programs for travel, training, and fuel.
- Funding provides a decrease of \$4.0 million in General Revenue Funds associated with onetime funding for Supercritical CO₂ research by the University of Houston.
- Funding continues \$5.0 million in General Revenue Funds for litigation expenses for the Rio Grande Compact Commission associated with Texas’ continuing lawsuit against New Mexico for the equitable distribution of water from the Rio Grande River under a Compact agreed to by both states in 1938.
- Funding provides \$24.7 million in All Funds to align Data Center Services funding with recommendations by the Department of Information Resources, a \$0.9 million increase in All Funds that includes both a decrease of \$2.0 million in General Revenue Funds and an increase of \$1.1 million in General Revenue–Dedicated Funds.

- Funding provides \$1.1 million in Other Funds from Appropriated Receipts, a \$5.5 million decrease, primarily due to anticipated decreases in the amount of recovered costs from Superfund cleanups and disasters.

GENERAL LAND OFFICE

FIGURE 71
GENERAL LAND OFFICE, BY METHOD OF FINANCE



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the General Land Office for the 2022–23 biennium totals \$3.4 billion in All Funds, which is a decrease of \$1.6 billion, or 32.5 percent, from the 2020–21 biennium. General Revenue Funds and General Revenue–Dedicated Funds total \$54.1 million, a decrease of \$1.7 million, or 3.1 percent. Federal Funds and Other Funds total \$3.3 billion, a decrease of \$1.6 billion, or 32.8 percent, primarily due to an anticipated decrease in Federal Funds provided for housing following the landfall of Hurricane Harvey.

HIGHLIGHTS

- Funding includes \$1.4 billion in All Funds for housing projects related to disaster recovery, which is a decrease of \$2.0 billion, or 58.6 percent, from 2020–21 biennial spending levels. Funding includes \$1.4 billion in Federal Funds through Community Development Block Grants from the U.S. Department of Housing and Urban Development for community housing projects. Funding does not include \$2.1 million in Other Funds from the Economic Stabilization Fund (ESF), pursuant to Senate Bill 500, Eighty-sixth Legislature, 2019, for the removal of abandoned vessels as a result of Hurricane Harvey.
- Funding includes \$1.6 billion in Federal Funds for infrastructure and mitigation projects related to disaster recovery, which is an increase of \$781.5 million, or 93.9 percent, from 2020–21 biennial spending levels.
- Funding includes \$10.7 million in All Funds for the Alamo Complex, a decrease of \$56.9 million, or 84.2 percent, primarily due to the removal of \$60.0 million in Other Funds from the ESF for the Alamo Master Plan.
- Funding includes \$221.4 million in All Funds, a decrease of \$309.8 million, or 58.3 percent, to protect and maintain the Texas coastline. The decrease is due primarily to the removal of \$222.3 in Other Funds from the ESF pursuant to Senate

Bill 500, Eighty-sixth Legislature, 2019, to provide matching funds for studies and projects conducted by the U.S. Army Corps of Engineers and for the removal of abandoned vessels as a result of Hurricane Harvey.

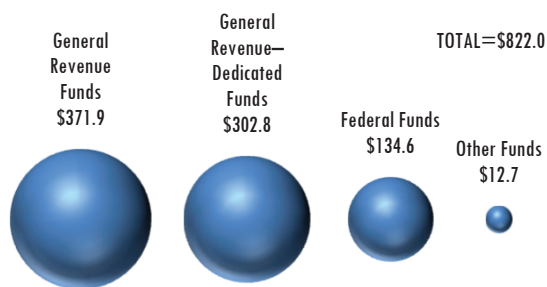
- Funding includes \$72.9 million in Appropriated Receipts, a decrease of \$81.9 million, or 52.9 percent, primarily due to anticipated reductions in reimbursements from the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act, the National Fish and Wildlife Foundation, the Summerlee Foundation, the Natural Resources Damage Assessment, and Alamo Complex rental revenue for the 2022–23 biennium.
- Funding includes \$38.6 million from the Permanent School Fund, a decrease of \$5.9 million, or 13.2 percent, from 2020–21 biennial spending levels, primarily due to the removal of onetime costs related to implementation of the state’s Centralized Accounting and Payroll/Personnel System and various capital budget projects.

PARKS AND WILDLIFE DEPARTMENT

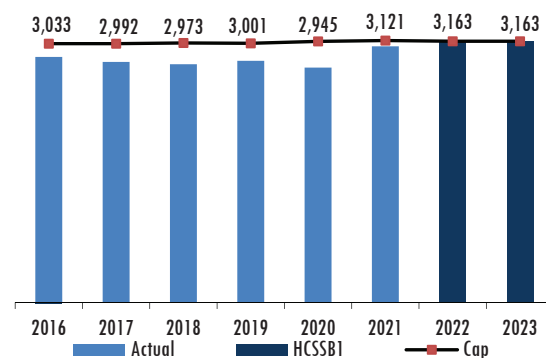
FIGURE 72
PARKS AND WILDLIFE DEPARTMENT, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$290.6	\$371.9	\$81.3	28.0%
General Revenue–Dedicated Funds	\$298.6	\$302.8	\$4.2	1.4%
Federal Funds	\$274.4	\$134.6	(\$139.8)	(50.9%)
Other Funds	\$75.7	\$12.7	(\$63.0)	(83.3%)
Total, All Methods of Finance	\$939.3	\$822.0	(\$117.3)	(12.5%)

ALL FUNDS, 2022–23 BIENNIUM (IN MILLIONS)



FULL-TIME-EQUIVALENT POSITIONS



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the Parks and Wildlife Department (TPWD) for the 2022–23 biennium totals \$822.0 million in All Funds. This amount is a decrease of \$117.3 million, or 12.5 percent, from the 2020–21 biennium. General Revenue Funds and General Revenue–Dedicated Funds total \$674.7 million, an increase of \$85.5 million, or 14.5 percent, primarily due to anticipated increases in Sporting Goods Sales Tax (SGST). Federal Funds and Other Funds totals \$147.3 million, a decrease of \$202.8 million, or 57.9 percent, primarily due to decreases in Federal Funds based on the agency's methodology of requesting only confirmed amounts, Appropriated Receipts due to anticipated reductions in donations and project reimbursements, Other Funds from the Economic Stabilization Fund due to onetime funded projects, and debt service payments ending. TPWD is subject to Strategic Fiscal Review.

HIGHLIGHTS

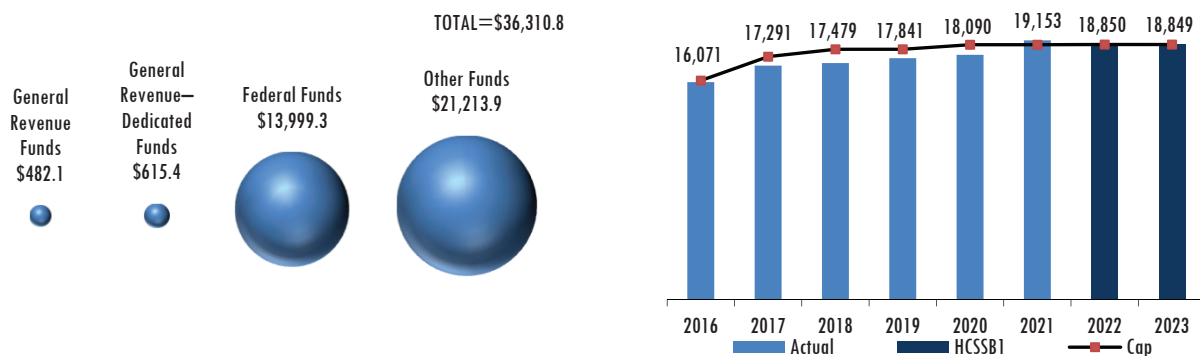
- Funding includes \$316.9 million in General Revenue Funds from SGST transfers, which is an increase of \$100.6 million from the 2020–21 biennium. In addition to the amounts in the agency's bill pattern, \$77.6 million from SGST is utilized for payroll-related benefits and debt service payments.
- SGST direct appropriations to the agency are transferred to the following General Revenue–Dedicated Funds accounts:
 - Account No. 64, State Parks – \$205.8 million, an increase of \$69.5 million, for state parks operations and minor repairs;
 - Account No. 467, Texas Recreation and Parks – \$23.6 million, an increase of \$14.0 million, for grants to counties and municipalities with populations of less than 500,000 for local parks and other outdoor recreation opportunities;

- Account No. 5150, Large County and Municipality Recreation and Parks – \$9.7 million, an increase of \$7.5 million, for grants to counties and municipalities with populations of 500,000 or more for local parks and other outdoor recreation opportunities; and
- Account No. 5004, Parks and Wildlife Conservation and Capital – \$77.8 million, an increase of \$9.6 million, for developing and improving land and facilities.
- Funding includes \$115.3 million in All Funds for deferred maintenance and capital construction. This amount is a decrease of \$2.8 million from the 2020–21 biennium, and is attributable to decreased needs reported by the agency.
- Funding includes \$213.9 million in All Funds, which is an increase of \$24.0 million, or 12.6 percent, from the 2020–21 biennial spending level, for state park operations, minor repairs, and support. These funds are used to operate 89 state parks, historic sites, and natural areas anticipated to be open to the public during the 2022–23 biennium. The increase is due primarily to estimated increases in SGST and will be expended primarily on state park operations due to anticipated increases in visitation.
- Funding includes \$175.5 million in All Funds for wildlife and fisheries conservation and management operations, which is a decrease of \$77.5 million from 2020–21 biennial spending levels, primarily due to decreases in Federal Funds of \$62.9 million and decreases in Appropriated Receipts of \$18.2 million. Of this amount, \$79.0 million is from General Revenue Funds and General Revenue–Dedicated Funds, and \$96.5 million is from Federal Funds and Other Funds.
- Funding includes \$134.6 million in Federal Funds, which is a decrease of \$139.8 million, or 50.9 percent from the 2020–21 biennium. The decrease is related to the agency’s expenditure of federal grant allotments during the 2020–21 biennium from previous years and does not represent a decrease in Federal Funds that are available to the agency. TPWD receives funding from various federal sources for wildlife and fisheries conservation and management, developing outdoor recreation opportunities, law enforcement, and outreach and education efforts.
- Funding includes \$12.7 million in Other Funds, a decrease of \$63.0 million, or 83.3 percent, from the 2020–21 biennium. This amount includes an agency-estimated \$10.8 million in donations and project reimbursements, a decrease of \$44.1 million, or 80.3 percent, which are not expected to continue for the 2022–23 biennium at previous levels. Funding also includes a decrease of \$13.4 million in Other Funds from the Economic Stabilization Fund for onetime projects including repairs related to Hurricane Harvey (\$7.9 million), the Wyler Aerial Tramway (\$5.0 million), and the Battleship Texas (\$0.5 million) and a decrease of \$5.0 million General Obligation Bond Proceeds due to the ending of debt service payments.

ARTICLE VII – BUSINESS AND ECONOMIC DEVELOPMENT

FIGURE 73
ARTICLE VII – BUSINESS AND ECONOMIC DEVELOPMENT, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$520.9	\$482.1	(\$38.8)	(7.5%)
General Revenue–Dedicated Funds	\$622.8	\$615.4	(\$7.4)	(1.2%)
Federal Funds	\$16,904.6	\$13,999.3	(\$2,905.3)	(17.2%)
Other Funds	\$21,599.3	\$21,213.9	(\$385.4)	(1.8%)
Total, All Methods of Finance	\$39,647.7	\$36,310.8	(\$3,336.9)	(8.4%)
ALL FUNDS, 2022–23 BIENNIUM (IN MILLIONS)		FULL-TIME-EQUIVALENT POSITIONS		



NOTES:

- (1) Excludes Interagency Contracts.
- (2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

MAJOR FISCAL AND POLICY ISSUES AFFECTING ARTICLE VII

All Funds for the Business and Economic Development agencies total \$36.3 billion for the 2022–23 biennium, a decrease of \$3.3 billion, or 8.4 percent, from the 2020–21 biennium. General Revenue Funds total \$482.1 million, a decrease of \$38.8 million, or 7.5 percent, from the 2020–21 biennium.

HIGHLIGHTS

- Funding for the Texas Department of Transportation (TxDOT) totals \$30.0 billion in All Funds for the 2022–23 biennium, a decrease of \$2.8 billion from the 2020–21 biennium. The All Funds decrease includes a decrease of \$2.4 billion in Federal Funds due primarily to the agency's estimated decrease in federal reimbursements for eligible highway planning and construction expenditures compared to the 2020–21 biennium. Other Funds total \$20.2 billion, a net decrease of \$388.4 million. Funding from Other Funds includes an estimated \$19.2 billion from available State Highway Fund (SHF) revenue sources, a net increase of \$199.0 million, including: an estimated \$9.5 billion from traditional SHF revenue sources, an increase of \$60.0 million; an estimated \$5.1 billion from anticipated state sales tax and motor vehicle sales and rental tax deposits to the SHF (Proposition 7, 2015), a decrease of \$675.2 million; an estimated \$4.0 billion from oil and natural gas tax-related deposits to the SHF (Proposition 1, 2014), an increase of \$395.9 million; and \$0.7 billion from SHF regional toll project and concession fee revenues, an increase of \$418.2 million. This increase in SHF funding is offset by a decrease of \$587.4 million in Other Funds, including \$326.0 million in Revenue Bond Proceeds for the TxDOT Austin Campus Consolidation project, \$130.0 million in onetime funding from the Economic Stabilization Fund, \$122.0 million from the Texas Mobility Fund, and \$9.4 million from other sources. See the TxDOT section for additional details.

- Funding for the Department of Motor Vehicles includes a decrease in All Funds of \$22.1 million, including a net decrease of \$4.3 million in General Revenue Funds and \$17.6 million in Other Funds, due primarily to reductions from onetime funding items and capital budget projects. The overall decrease includes \$19.2 million in All Funds, including \$9.9 million in General Revenue Funds, from unexpended balances carried forward from the 2018–19 biennium for the completion of information technology projects and deferred maintenance of buildings and facilities, that will not continue in the 2022–23 biennium. Decreases are offset partially by an increase of \$5.6 million in General Revenue Funds for the Motor Vehicle Crime Prevention Authority.
- Funding for the Texas Department of Housing and Community Affairs includes a net decrease of \$39.1 million in Federal Funds, due primarily to a large, onetime federal allocation of Low-Income Home Energy Assistance provided in the federal Coronavirus Aid, Relief, and Economic Security Act’s Coronavirus Relief Fund, expended primarily in fiscal year 2021.
- Funding for the Texas Workforce Commission includes a net decrease in All Funds of \$559.1 million primarily due to the reduction of onetime Federal Funds awards from the Coronavirus Relief Fund to be expended in the 2020–21 biennium. See the Texas Workforce Commission section for additional details.
- Funding for the Texas Lottery Commission includes a net All Funds decrease of \$15.7 million, which includes an increase of \$17.8 million for Retailer Commissions, an amount that is based on total projected sales, and an increase of \$1.4 million for changes in agency product contracting and administration costs. These increases are offset by a decrease of \$25.9 million for the lottery operator contract due to a decrease in the state’s projected contractual obligation; a decrease of \$3.8 million in Bingo Prize Fee collection appropriations due to legislative change that redirects the distribution of prize fees; and a decrease of \$5.2 million in expenses associated with leasing and operation changes for the relocation to the George H.W. Bush Building.

Figure 74 shows the All Funds appropriation for each agency in Article VII, and **Figure 75** shows the General Revenue Funds appropriation for each agency. On the subsequent pages in this chapter are more details about funding levels for some of the agencies in Article VII.

FIGURE 74
ARTICLE VII – BUSINESS AND ECONOMIC DEVELOPMENT, ALL FUNDS

(IN MILLIONS)	ESTIMATED/BUDGETED	HCSSB1	BIENNIAL	PERCENTAGE
FUNCTION	2020–21	2022–23	CHANGE	CHANGE
Department of Housing and Community Affairs	\$842.4	\$801.6	(\$40.7)	(4.8%)
Texas Lottery Commission	\$556.8	\$541.0	(\$15.7)	(2.8%)
Department of Motor Vehicles	\$328.9	\$306.8	(\$22.1)	(6.7%)
Department of Transportation	\$32,812.4	\$30,009.1	(\$2,803.3)	(8.5%)
Texas Workforce Commission	\$4,342.2	\$3,783.1	(\$559.1)	(12.9%)
Reimbursements to the Unemployment Compensation Benefit Account	\$55.1	\$64.8	\$9.7	17.7%
Subtotal, Business and Economic Development	\$38,937.7	\$35,506.4	(\$3,431.3)	(8.8%)
Retirement and Group Insurance	\$806.7	\$833.0	\$26.4	3.3%
Social Security and Benefits Replacement Pay	\$166.1	\$167.3	\$1.3	0.8%
Bond Debt Service Payments	\$21.3	\$20.3	(\$1.1)	(5.1%)
Lease Payments	\$0.0	\$0.0	\$0.0	N/A
Subtotal, Employee Benefits and Debt Service	\$994.1	\$1,020.6	\$26.6	2.7%
Less Interagency Contracts	\$284.0	\$216.3	(\$67.8)	(23.9%)
Total, All Functions	\$39,647.7	\$36,310.8	(\$3,336.9)	(8.4%)

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

FIGURE 75
ARTICLE VII – BUSINESS AND ECONOMIC DEVELOPMENT, GENERAL REVENUE FUNDS

(IN MILLIONS)	ESTIMATED/BUDGETED	HCSSB1	BIENNIAL	PERCENTAGE
FUNCTION	2020–21	2022–23	CHANGE	CHANGE
Department of Housing and Community Affairs	\$26.0	\$26.0	\$0.0	0.0%
Texas Lottery Commission	\$8.9	\$4.8	(\$4.1)	(45.6%)
Department of Motor Vehicles	\$34.2	\$30.0	(\$4.3)	(12.5%)
Department of Transportation	\$18.6	\$2.4	(\$16.2)	(87.0%)
Texas Workforce Commission	\$390.4	\$370.4	(\$20.0)	(5.1%)
Reimbursements to the Unemployment Compensation Benefit Account	\$0.0	\$0.0	\$0.0	N/A
Subtotal, Business and Economic Development	\$478.1	\$433.6	(\$44.6)	(9.3%)
Retirement and Group Insurance	\$17.3	\$23.0	\$5.7	32.9%
Social Security and Benefit Replacement Pay	\$4.1	\$5.2	\$1.1	26.6%
Bond Debt Service Payments	\$21.3	\$20.3	(\$1.1)	(5.1%)
Lease Payments	\$0.0	\$0.0	\$0.0	N/A
Subtotal, Employee Benefits and Debt Service	\$42.8	\$48.5	\$5.7	13.4%
Total, All Functions	\$520.9	\$482.1	(\$38.8)	(7.5%)

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCE: Legislative Budget Board.

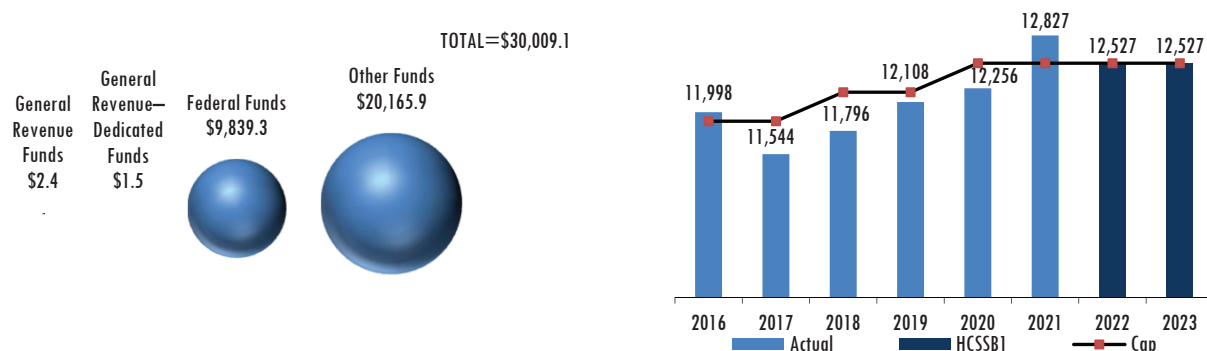
TEXAS DEPARTMENT OF TRANSPORTATION

FIGURE 76
TEXAS DEPARTMENT OF TRANSPORTATION, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$18.6	\$2.4	(\$16.2)	(87.0%)
General Revenue–Dedicated Funds	\$0.0	\$1.5	\$1.5	N/A
Federal Funds	\$12,239.5	\$9,839.3	(\$2,400.2)	(19.6%)
Other Funds	\$20,554.3	\$20,165.9	(\$388.4)	(1.9%)
Total, All Methods of Finance	\$32,812.4	\$30,009.1	(\$2,803.3)	(8.5%)

ALL FUNDS, 2022–23 BIENNIUM (IN MILLIONS)

FULL-TIME-EQUIVALENT POSITIONS



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the Texas Department of Transportation (TxDOT) for the 2022–23 biennium totals \$30.0 billion in All Funds, a decrease of \$2.8 billion from the 2020–21 biennium. General Revenue Funds total \$2.4 million, a decrease of \$16.2 million due to decreases of \$14.7 million from onetime funding items and \$1.5 million to be replaced with an equal amount of General Revenue–Dedicated Funds in the 2022–23 biennium. Federal Funds total \$9.8 billion, a decrease of \$2.4 billion due primarily to the agency's estimated decrease of \$2.3 billion in federal reimbursements for eligible highway planning and construction expenditures compared to the 2020–21 biennium and a decrease of \$159.6 million in onetime funding from the Coronavirus Relief Fund. Other Funds include an estimated \$19.2 billion from all State Highway Fund (SHF) revenue sources, including: an estimated \$9.5 billion from traditional SHF transportation tax and fee revenue sources, an estimated \$5.1 billion from state sales tax and motor vehicle sales and rental tax deposits to the SHF (Proposition 7, 2015), an estimated \$4.0 billion from oil and natural gas tax-related deposits to the SHF (Proposition 1, 2014), and \$0.7 billion from SHF regional toll project and concession fee revenues.

HIGHLIGHTS

- Funding includes a decrease of \$16.2 million in General Revenue Funds from the 2020–21 biennium due primarily to a reduction of onetime funding for improvements to the McKinney National Airport (\$14.2 million) and development of border inspection facilities on the state-owned South Orient Railroad (\$0.5 million). Funding also includes a decrease of \$1.5 million in General Revenue Funds from Insurance Companies Maintenance Tax and Insurance Department Fees to be replaced with \$1.5 million in General Revenue–Dedicated Funds from Account No. 36, Texas Department of Insurance Operating Fund, in the 2022–23 biennium for ongoing maintenance of the state's Crash Records Information System.
- Funding includes a decrease of \$2.3 billion in Federal Funds based on the agency's estimate of federal reimbursements for expenditures on eligible highway planning and construction projects.

- Funding includes a decrease of \$159.6 million Federal Funds from onetime funding from the Coronavirus Relief Fund that will be expended during the 2020–21 biennium, including additional grant funding of \$143.2 million for rural public transportation and \$11.5 million for general aviation airports, and \$4.9 million in agency-estimated reimbursements for COVID-19 pandemic response expenditures.
- Funding includes \$20.2 billion in Other Funds for a net decrease of \$388.4 million from the 2020–21 biennium and includes the following amounts:
 - \$9.5 billion from the SHF from traditional transportation tax and fee revenue sources, an increase of \$60.0 million;
 - \$5.1 billion from state sales tax and motor vehicle sales and rental tax deposits to the SHF (Proposition 7, 2015), a decrease of \$675.2 million, including \$4.5 billion for development and delivery of nontolled roadway projects and \$0.5 billion for debt service payments on Highway Improvement General Obligation bonds (Proposition 12, 2007);
 - \$4.0 billion from oil and natural gas tax-related deposits to the SHF (Proposition 1, 2014) for nontolled roadway projects, an increase of \$396.0 million, including \$1.6 billion from Proposition 1 balances from previous fiscal years and \$2.4 billion from estimated Proposition 1 deposits to the SHF for the 2022–23 biennium;
 - \$0.7 billion from regional toll project and concession fee revenues held in the SHF (an increase of \$418.2 million); and
 - \$0.9 billion from the Texas Mobility Fund (TMF) (a decrease of \$122.0 million) for bond debt service payments and transportation project development and delivery.
- Funding includes \$25.8 billion in All Funds for highway planning and design, right-of-way acquisition, construction, and maintenance and preservation, a net decrease of approximately \$2.3 billion from the 2020–21 biennium, including the following biennial amounts and changes by method of finance:
 - \$9.3 billion in Federal Funds, a decrease of \$2.3 billion;
 - \$7.0 billion from SHF traditional transportation tax and fee revenue sources, a decrease of \$0.2 billion;
 - \$4.5 billion from state sales tax and motor vehicle sales and rental tax deposits to the SHF (Proposition 7, 2015), a decrease of \$0.6 billion;
 - \$4.0 billion from oil and natural gas tax-related deposits to the SHF (Proposition 1, 2014), an increase of \$0.4 billion;
 - \$0.7 billion from the SHF from regional toll project proceeds, an increase of \$0.4 billion; and
 - \$0.2 billion from the TMF, a decrease of \$0.1 billion.
- Funding includes \$2.2 billion in All Funds for debt service payments and other financing costs associated with the agency's borrowing programs, which is a decrease of \$82.9 million from the 2020–21 biennium. Funding for debt service payments includes \$792.9 million from traditional SHF sources for SHF Revenue Bonds, \$755.1 million from the TMF for TMF Bonds; \$546.3 million from SHF, Proposition 7, 2015, proceeds for Proposition 12 General Obligation bonds; and \$123.3 million in Federal Funds from Build America Bonds interest payment subsidies.
- Funding includes an estimated appropriation of \$300.0 million in SHF for deposit to the Texas Emissions Reduction Plan (TERP) Fund, a trust fund to be established outside the Treasury, pursuant to House Bill 3745, Eighty-sixth Legislature, 2019. TxDOT currently is required by statute to remit to the Comptroller of Public Accounts an amount of SHF money equal to the amount of vehicle title fee revenue deposited to the TMF for deposit to the General Revenue–Dedicated Account No. 5071, TERP. This deposit to TERP currently is implemented as a cash transfer between funds inside the Treasury, and no appropriation of funds currently is required. Beginning in fiscal year 2022, the legislation will dedicate to the TERP Fund revenue sources previously dedicated to General Revenue–Dedicated Account No. 5071, and an appropriation, estimated to be \$150.0 million each fiscal year of the 2022–23 biennium, will be required to implement the transfer of SHF money to the TERP Fund outside the Treasury.

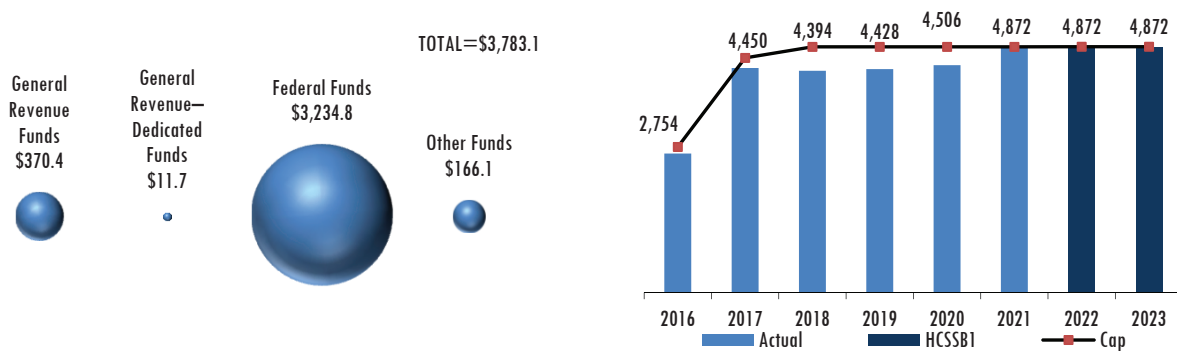
- The funding of \$9.5 billion from traditional SHF transportation tax and fee revenue sources is out of an estimated total available amount of \$10.2 billion for the 2022–23 biennium. In addition to amounts in the TxDOT bill pattern, \$696.0 million is provided for payroll-related employee benefits, and \$34.0 million is provided in Article I, General Government, Fiscal Programs within the Comptroller of Public Accounts, to replace General Revenue Funds for distribution to counties for road and bridge construction and maintenance in the 2022–23 biennium.

TEXAS WORKFORCE COMMISSION

FIGURE 77
TEXAS WORKFORCE COMMISSION, BY METHOD OF FINANCE

(IN MILLIONS)

METHOD OF FINANCE	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
General Revenue Funds	\$390.4	\$370.4	(\$20.0)	(5.1%)
General Revenue–Dedicated Funds	\$13.3	\$11.7	(\$1.5)	(11.6%)
Federal Funds	\$3,698.9	\$3,234.8	(\$464.1)	(12.5%)
Other Funds	\$239.6	\$166.1	(\$73.5)	(30.7%)
Total, All Methods of Finance	\$4,342.2	\$3,783.1	(\$559.1)	(12.9%)
ALL FUNDS, 2022–23 BIENNIUM (IN MILLIONS)		FULL-TIME-EQUIVALENT POSITIONS		



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the Texas Workforce Commission (TWC) for the 2022–23 biennium totals \$3.8 billion in All Funds, which is a decrease of \$559.1 million from the 2020–21 biennium. The decrease is related primarily to a onetime Federal Funds award from the Coronavirus Relief Fund that will be expended during the 2020–21 biennium.

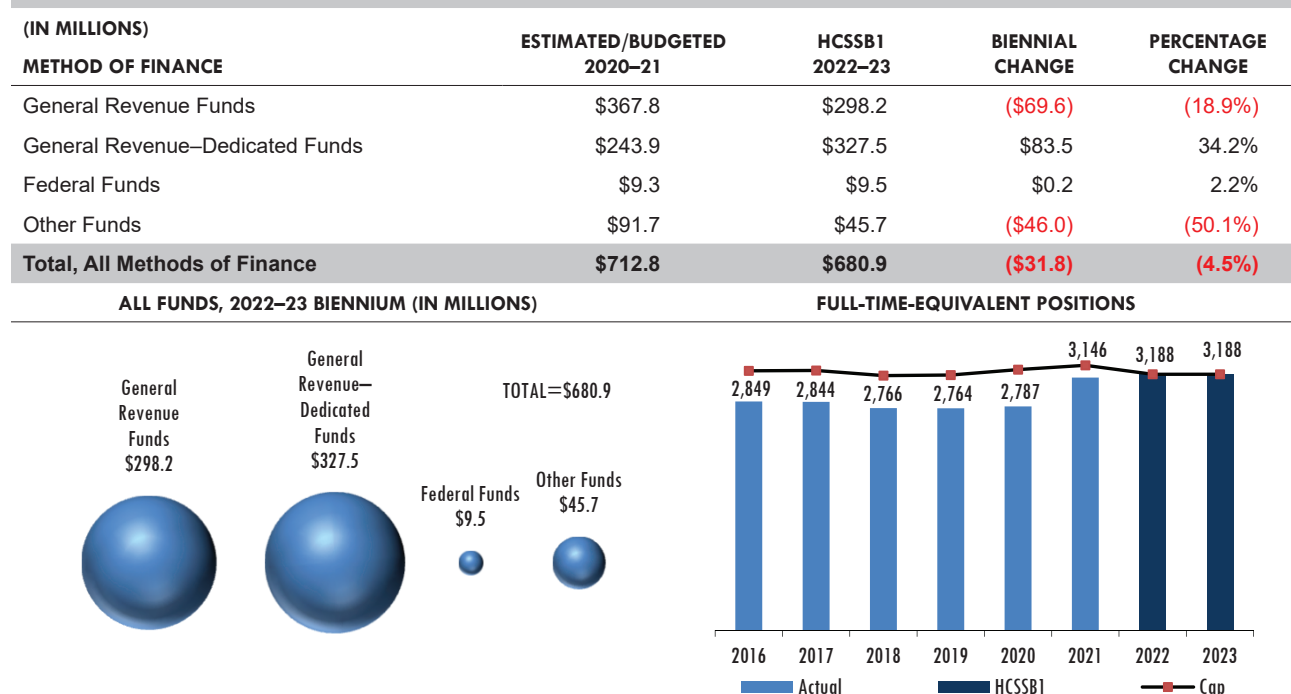
HIGHLIGHTS

- Funding includes a decrease of \$499.6 million in Federal Funds due to the onetime award from the Coronavirus Relief Fund that will be expended during the 2020–21 biennium.
- Funding includes a decrease of \$19.4 million in General Revenue Funds and \$0.7 million in General Revenue–Dedicated Funds for the agency's 5.0 percent reduction in the 2022–23 biennium. Affected programs include: Employment and Community Based Organizations Program, Adult Education and Family Literacy Workforce Diploma Program Pilot Project, Business Enterprises of Texas, Fund 0165 Special Administration Funding, Vocational Rehabilitation Match, Jobs and Education for Texans Grants, and Skills Development Funds Grants.
- Funding includes a net increase of \$29.0 million, primarily in Federal Funds, related to increases for capital budget projects related to new systems for Vocational Rehabilitation, Child Care, Work Opportunity Tax Credit, and the Foreign Labor Application; a TWC Internet redesign project; and a project that will enhance the agency's customer communication capabilities to enable communication via text messages.
- Funding includes a decrease of \$75.8 million in Interagency Contracts to align this funds transfer with projections for childcare costs at the Department of Family and Protective Services.

- Additional funding changes include a decrease of \$0.7 million in General Revenue Funds to remove onetime funding for the Eligible Training Provider and Career Schools capital budget project, a decrease of \$0.8 million in General Revenue–Dedicated Funds due to a onetime amount for COVID-19 disaster-related Income Assistance Payments that are not anticipated to continue, and an increase of \$9.0 million in All Funds for reallocations to ensure compliance with the federally approved cost-allocation plan and other adjustments.

ARTICLE VIII – REGULATORY

FIGURE 78
ARTICLE VIII – REGULATORY, BY METHOD OF FINANCE



NOTES:

- (1) Excludes Interagency Contracts.
- (2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

MAJOR FISCAL AND POLICY ISSUES AFFECTING ARTICLE VIII

All Funds for the Regulatory agencies total \$680.9 million for the 2022–23 biennium, a decrease of \$31.8 million, or 4.5 percent from the 2020–21 biennium. The reduction in funding is related primarily to the expiration of the Health Insurance Risk Pool at the Texas Department of Insurance. Pursuant to the Texas Insurance Code, Chapter 1510, the Health Insurance Risk Pool expires August 31, 2021. The Regulatory agencies regulate various industries, including health-related occupations, non-health-related occupations, securities, and pari-mutuel racing, and the appropriations and indirect costs for the majority of these regulatory agencies are supported by fees generated from the industries and occupations they regulate.

HIGHLIGHTS

- The Department of Licensing and Regulation, Racing Commission, and Board of Veterinary Medical Examiners are subject to a Strategic Fiscal Review by the Legislative Budget Board.
- Funding for the Department of Insurance includes a net All Funds decrease of \$49.5 million for the 2022–23 biennium. This amount includes a decrease of \$41.1 million in Other Funds due to the expiration of the temporary Health Insurance Risk Pool. Senate Bill 2087, Eighty-fifth Legislature, Regular Session, 2017, established the pool to assist Texas residents in accessing quality healthcare contingent upon federal law, regulation, or executive action. Senate Bill 1940, Eighty-sixth Legislature, 2019, extended the expiration date until August 31, 2021. Funding also includes a decrease of \$6.9 million in Appropriated Receipts primarily for the Three-Share Premium Assistance Program, and \$1.6 million in General Revenue–Dedicated Funds to meet the mandated General Revenue Funds limit. Funding for the Department

of Insurance also includes a method-of-finance change between biennia, replacing General Revenue Funds from Account No. 8042, Insurance Companies Maintenance Tax and Insurance Department Fees, with General Revenue–Dedicated Funds from Account No. 036, Texas Department of Insurance Operating Fund.

- Funding for the Behavioral Health Executive Council includes an increase of \$4.7 million in All Funds, including \$2.9 million in General Revenue Funds and \$1.8 million in Appropriated Receipts. This increase is due to including two full years of funding for agency operations, less startup costs, compared to the 2020–21 biennial appropriations, which funded the new agency’s startup costs and operations for one year.
- Funding for the Health Professions Council includes an increase of \$0.7 million in Other Funds from Interagency Contracts for an increase to base costs from growth in licensee population due to the establishment of the Behavioral Health Executive Council and an upgrade to the Shared Regulatory Database.
- Funding for the Texas Department of Licensing and Regulation includes a decrease of \$2.5 million in General Revenue Funds and \$0.1 million in General Revenue–Dedicated Funds for onetime expenses incurred during the 2020–21 biennium for the implementation of: (1) the first phase of development of a new licensing system, (2) startup costs of a new anti-trafficking unit, and (3) legislation from the Eighty-sixth Legislature, 2019.
- Funding for the Board of Pharmacy includes an increase of \$5.0 million in General Revenue Funds to continue to provide enhanced features within the Prescription Monitoring Program that were funded pursuant to Senate Bill 500, Eighty-sixth Legislature, 2019.
- Funding for the Public Utility Commission includes an increase of \$5.1 million in All Funds, including \$4.8 million in General Revenue Funds and \$0.3 million in General Revenue–Dedicated Funds to permit the restoration of seven vacant positions and to add 16.0 full-time-equivalent positions to provide enhanced oversight of the Electric Reliability Council of Texas (ERCOT) and increased external communications in response to the February 2021 winter storm event.
- Funding for the Article VIII agencies relocating into the George H.W. Bush Building in fiscal year 2022 is not included in the General Appropriations Act. Certain agency requests related to the move were recommended for the supplemental appropriations bill, House Bill 2.

Figure 79 shows the All Funds appropriation for each agency in Article VIII, and **Figure 80** shows the General Revenue Funds appropriation for each agency. On the subsequent pages in this chapter are more details about funding levels for the Texas Department of Licensing and Regulation, Racing Commission, and Board of Veterinary Medical Examiners.

FIGURE 79
ARTICLE VIII – REGULATORY, ALL FUNDS

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
FUNCTION				
State Office of Administrative Hearings	\$23.2	\$22.7	(\$0.5)	(2.3%)
Texas Behavioral Health Executive Council	\$4.6	\$9.3	\$4.7	101.3%
Board of Chiropractic Examiners	\$1.7	\$1.7	\$0.0	2.0%
Texas State Board of Dental Examiners	\$8.9	\$9.0	\$0.1	1.0%
Funeral Service Commission	\$1.6	\$1.7	\$0.0	2.0%
Board of Professional Geoscientists	\$1.1	\$1.2	\$0.0	2.1%
Health Professions Council	\$2.3	\$2.9	\$0.7	29.6%
Office of Injured Employee Counsel	\$17.3	\$17.4	\$0.2	0.9%
Department of Insurance	\$281.2	\$231.7	(\$49.5)	(17.6%)
Office of Public Insurance Counsel	\$1.9	\$2.0	\$0.1	3.2%
Board of Professional Land Surveying (2)	\$0.3	\$0.0	(\$0.3)	(100.0%)
Department of Licensing and Regulation	\$85.9	\$84.3	(\$1.6)	(1.9%)
Texas Medical Board	\$28.0	\$28.4	\$0.3	1.1%
Texas Board of Nursing	\$26.2	\$26.2	\$0.0	0.0%
Optometry Board	\$1.0	\$1.0	\$0.0	3.1%
Board of Pharmacy	\$20.2	\$25.3	\$5.1	25.4%
Executive Council of Physical Therapy and Occupational Therapy Examiners	\$2.7	\$2.8	\$0.0	0.6%
Board of Plumbing Examiners	\$5.5	\$5.5	(\$0.0)	(0.0%)
Board of Examiners of Psychologists (3)	\$1.0	\$0.0	(\$1.0)	(100.0%)
Texas Racing Commission	\$13.0	\$13.3	\$0.3	2.2%
Texas State Securities Board	\$14.8	\$14.8	(\$0.0)	(0.0%)
Public Utility Commission	\$33.1	\$38.2	\$5.1	15.3%
Office of Public Utility Counsel	\$4.1	\$4.9	\$0.8	20.0%
Board of Veterinary Medical Examiners	\$2.7	\$2.7	\$0.0	0.0%
Subtotal, Regulatory	\$582.4	\$546.9	(\$35.5)	(6.1%)
Retirement and Group Insurance	\$116.4	\$119.7	\$3.4	2.9%
Social Security and Benefits Replacement Pay	\$26.4	\$26.5	\$0.1	0.5%
Lease Payments	\$0.0	\$0.0	(\$0.0)	(100.0%)
Subtotal, Employee Benefits and Debt Service	\$142.8	\$146.3	\$3.5	2.4%
Less Interagency Contracts	\$12.4	\$12.2	(\$0.2)	(1.5%)
Total, All Functions	\$712.8	\$680.9	(\$31.8)	(4.5%)

NOTES:

- (1) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
- (2) House Bill 1523, Eighty-sixth Legislature, 2019, transferred the regulation of land surveyors to the newly established Board of Professional Engineers and Land Surveyors, a self-directed, semi-independent state agency outside of the state Treasury, and abolished the Board of Professional Land Surveying.
- (3) House Bill 1501, Eighty-sixth Legislature, 2019, transferred the regulation of psychologists to the newly established Behavioral Health Executive Council and abolished the Board of Examiners of Psychologists.

SOURCE: Legislative Budget Board.

FIGURE 80
ARTICLE VIII – REGULATORY, GENERAL REVENUE FUNDS

(IN MILLIONS)	ESTIMATED/BUDGETED	HCSSB1	BIENNIAL	PERCENTAGE
FUNCTION	2020–21	2022–23	CHANGE	CHANGE
State Office of Administrative Hearings	\$13.6	\$13.8	\$0.3	1.8%
Texas Behavioral Health Executive Council	\$4.6	\$7.5	\$2.9	63.5%
Board of Chiropractic Examiners	\$1.6	\$1.6	\$0.0	0.0%
Texas State Board of Dental Examiners	\$8.3	\$8.5	\$0.1	1.7%
Funeral Service Commission	\$1.5	\$1.5	\$0.0	2.3%
Board of Professional Geoscientists	\$1.1	\$1.2	\$0.0	2.1%
Health Professions Council	\$0.0	\$0.0	\$0.0	N/A
Office of Injured Employee Counsel	\$0.0	\$0.0	\$0.0	N/A
Department of Insurance (2)	\$82.2	\$0.5	(\$81.7)	(99.4%)
Office of Public Insurance Counsel	\$1.6	\$1.6	\$0.1	3.4%
Board of Professional Land Surveying (3)	\$0.3	\$0.0	(\$0.3)	(100.0%)
Department of Licensing and Regulation	\$72.5	\$70.2	(\$2.3)	(3.2%)
Texas Medical Board	\$21.6	\$21.9	\$0.3	1.4%
Texas Board of Nursing	\$18.2	\$18.2	\$0.0	0.0%
Optometry Board	\$0.9	\$0.9	\$0.0	5.2%
Board of Pharmacy	\$18.2	\$23.3	\$5.1	28.3%
Executive Council of Physical Therapy and Occupational Therapy Examiners	\$2.6	\$2.6	\$0.0	0.0%
Board of Plumbing Examiners	\$5.5	\$5.5	\$0.0	0.0%
Board of Examiners of Psychologists (4)	\$0.9	\$0.0	(\$0.9)	(100.0%)
Texas Racing Commission	\$0.0	\$0.0	\$0.0	N/A
Texas State Securities Board	\$14.8	\$14.8	\$0.0	0.0%
Public Utility Commission	\$26.3	\$31.0	\$4.7	18.1%
Office of Public Utility Counsel	\$3.1	\$3.9	\$0.8	24.5%
Board of Veterinary Medical Examiners	\$2.6	\$2.6	\$0.0	0.0%
Subtotal, Regulatory	\$301.8	\$231.0	(\$70.8)	(23.5%)
Retirement and Group Insurance	\$52.2	\$53.3	\$1.1	2.1%
Social Security and Benefits Replacement Pay	\$13.8	\$13.9	\$0.1	0.6%
Lease Payments	\$0.0	\$0.0	(\$0.0)	(100.0%)
Subtotal, Employee Benefits and Debt Service	\$66.0	\$67.2	\$1.2	1.8%
Total, All Functions	\$367.8	\$298.2	(\$69.6)	(18.9%)

NOTES:

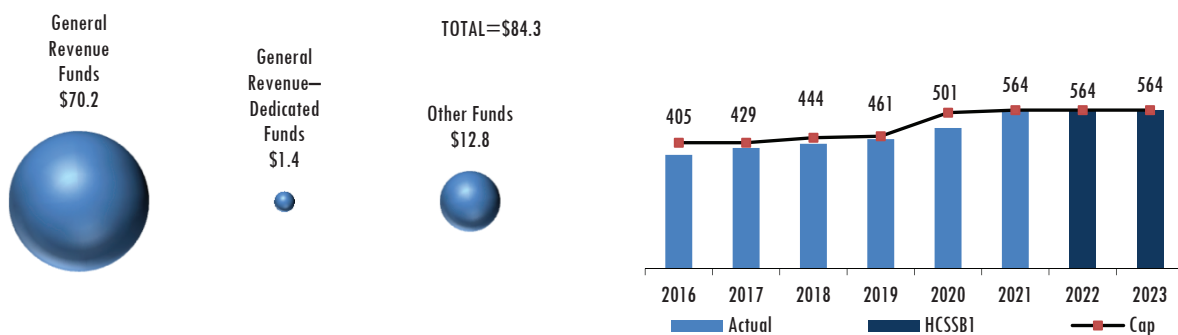
- (1) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.
- (2) Texas Department of Insurance funding includes a method-of-finance change that decreased General Revenue Funds by \$81.7 million and increased General Revenue–Dedicated Funds by the same amount.
- (3) House Bill 1523, Eighty-sixth Legislature, 2019, transferred the regulation of land surveyors to the newly established Board of Professional Engineers and Land Surveyors, a self-directed, semi-independent state agency outside of the state Treasury, and abolished the Board of Professional Land Surveying.
- (4) House Bill 1501, Eighty-sixth Legislature, 2019, transferred the regulation of psychologists to the newly established Behavioral Health Executive Council and abolished the Board of Examiners of Psychologists.

SOURCE: Legislative Budget Board.

TEXAS DEPARTMENT OF LICENSING AND REGULATION

FIGURE 81
TEXAS DEPARTMENT OF LICENSING AND REGULATION, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED	HCSSB1	BIENNIAL	PERCENTAGE
METHOD OF FINANCE	2020–21	2022–23	CHANGE	CHANGE
General Revenue Funds	\$72.5	\$70.2	(\$2.3)	(3.2%)
General Revenue–Dedicated Funds	\$0.7	\$1.4	\$0.7	90.1%
Federal Funds	\$0.0	\$0.0	\$0.0	N/A
Other Funds	\$12.7	\$12.8	\$0.1	0.7%
Total, All Methods of Finance	\$85.9	\$84.3	(\$1.6)	(1.9%)
ALL FUNDS, 2022–23 BIENNium (IN MILLIONS)		FULL-TIME-EQUIVALENT POSITIONS		



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the Texas Department of Licensing and Regulation (TDLR) for the 2022–23 biennium totals \$84.3 million in All Funds, including \$70.2 million in General Revenue Funds. The Department of Licensing and Regulation is subject to Strategic Fiscal Review (SFR).

HIGHLIGHTS

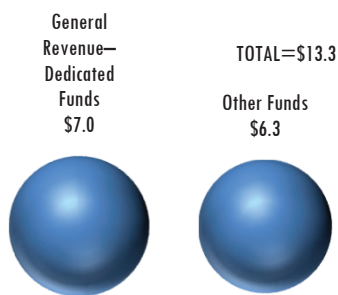
- The SFR process analyzed agency funding and performance from fiscal years 2014 to 2021. During fiscal year 2014, TDLR regulated 25 licensing programs with approximately 630,000 licensees. Since then, each Legislature has changed the programs that TDLR regulates through deregulation, transfers from other agencies, or the establishment of new regulatory programs. These statutory changes have resulted in corresponding changes to the agency's appropriations. The Eighty-sixth Legislature, 2019, transferred two programs to TDLR from other state agencies. With these additions, TDLR now regulates 40 licensure programs, made up of 238 different license types, and will have an estimated 1.2 million licensees by the end of fiscal year 2021.
- Included among funding changes are a decrease of \$2.5 million in General Revenue Funds and \$0.1 million in General Revenue–Dedicated Funds for onetime expenses incurred during the 2020–21 biennium for the implementation of: (1) the first phase of development of a new licensing system, (2) startup costs of a new anti-trafficking unit, and (3) legislation from the Eighty-sixth Legislature, 2019.
- The Eighty-sixth Legislature, General Appropriations Act, 2020–21 Biennium, Article VIII, Section 2, Appropriations Limited to Revenue Collections, requires TDLR to generate sufficient fees, fines, and miscellaneous revenues from the industries it regulates to cover the agency's appropriations and other direct and indirect costs. The agency estimates generating \$117.0 million in revenue from fees, taxes, and administrative penalties for the 2022–23 biennium.

TEXAS RACING COMMISSION

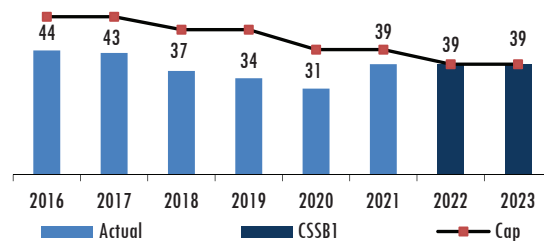
FIGURE 82
TEXAS RACING COMMISSION, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$0.0	\$0.0	\$0.0	N/A
General Revenue–Dedicated Funds	\$6.7	\$7.0	\$0.3	4.2%
Federal Funds	\$0.0	\$0.0	\$0.0	N/A
Other Funds	\$6.3	\$6.3	\$0.0	0.0%
Total, All Methods of Finance	\$13.0	\$13.3	\$0.3	2.2%

ALL FUNDS, 2022–23 BIENNIUM (IN MILLIONS)



FULL-TIME-EQUIVALENT POSITIONS



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the Texas Racing Commission for the 2022–23 biennium totals \$13.3 million in All Funds, including \$7.0 million in General Revenue–Dedicated Funds. The Texas Racing Commission is subject to Strategic Fiscal Review.

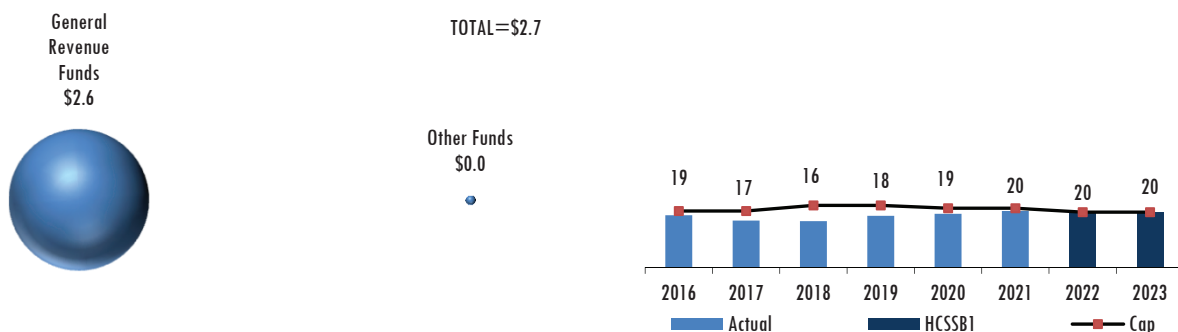
HIGHLIGHTS

- Funding includes an increase of \$0.3 million in General Revenue–Dedicated Funds to restore funding for salaries and wages for 2.0 full-time-equivalent positions, a deputy executive director and a director of administration, that the agency held unfilled to achieve required General Revenue Funds-related budget reductions in the 2020–21 biennium.
- The agency's funding includes General Revenue–Dedicated Funds from Account No. 597, Texas Racing Commission (Account No. 597), which consists of horse and greyhound racetrack license fees, racing and wagering occupational license fees, and taxes on horse and greyhound simulcast wagering pools. Account No. 597 is the primary source of appropriations for the agency's operations.
- Funding includes an estimated \$6.3 million in Other Funds for the 2022–23 biennium from the Texas-bred Incentive Fund, which consists of wagering revenue set aside by law for the Texas Bred Incentive Program for distribution of monetary awards to breeders and owners of horses and greyhounds bred in Texas.
- The agency's enabling statute and the General Appropriations Act require the agency to generate sufficient license fees, fines, and miscellaneous revenues to cover the agency's appropriations and other direct and indirect costs. The agency estimates collecting \$15.0 million in revenue from fees, taxes, and other revenue for the 2022–23 biennium, including \$8.7 million in General Revenue–Dedicated Account No. 597 and \$6.3 million in the Texas-bred Incentive Fund.

STATE BOARD OF VETERINARY MEDICAL EXAMINERS

FIGURE 83
STATE BOARD OF VETERINARY MEDICAL EXAMINERS, BY METHOD OF FINANCE

(IN MILLIONS)	ESTIMATED/BUDGETED 2020–21	HCSSB1 2022–23	BIENNIAL CHANGE	PERCENTAGE CHANGE
METHOD OF FINANCE				
General Revenue Funds	\$2.6	\$2.6	\$0.0	0.0%
General Revenue–Dedicated Funds	\$0.0	\$0.0	\$0.0	N/A
Federal Funds	\$0.0	\$0.0	\$0.0	N/A
Other Funds	\$0.0	\$0.0	\$0.0	0.0%
Total, All Methods of Finance	\$2.7	\$2.7	\$0.0	0.0%
ALL FUNDS, 2022–23 BIENNIUM (IN MILLIONS)		FULL-TIME-EQUIVALENT POSITIONS		



NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, totals may not sum due to rounding.

SOURCES: Legislative Budget Board; State Auditor's Office.

Funding for the State Board of Veterinary Medical Examiners for the 2022–23 biennium totals \$2.7 million in All Funds, including \$2.6 million in General Revenue Funds. The State Board of Veterinary Medical Examiners is subject to Strategic Fiscal Review.

HIGHLIGHTS

- Funding for the 2022–23 biennium is maintained at the 2020–21 biennial estimated and budgeted level, which includes agency-identified budget reductions of \$0.1 million in General Revenue Funds for the 2020–21 biennium resulting from an unfilled legal assistant position (1.0 full-time-equivalent (FTE) position) and a reduction of an administrative assistant position (0.4 FTE position).
- The agency is responsible for licensing and regulation of veterinarians, licensed veterinary technicians (LVT), and equine dental providers (EDP). As of the end of fiscal year 2020, the agency reported 12,223 total licensees, including 10,026 veterinarians, 2,136 LVTs, and 61 EDPs.
- The agency's enabling statute and the General Appropriations Act require the agency to generate sufficient license fees, fines, and miscellaneous revenues to cover the agency's appropriations and other direct and indirect costs. The agency estimates collecting \$4.2 million in revenue from fees and administrative penalties for the 2022–23 biennium.

READER'S GUIDE TO GENERAL APPROPRIATIONS BILLS

This guide explains certain key elements of a General Appropriations Bill. The version of the General Appropriations Bill that becomes law is referred to as the General Appropriations Act (GAA). The GAA is the state's budget for a two-year period referred to as a biennium.

General Appropriations Bills are categorized by articles that cover a certain area of government. For example, Article I applies to areas of General Government, Article II covers Health and Human Services, and Article III applies to Public and Higher Education. Six additional articles cover other areas of government. Article IX, General Provisions, contains additional limitations, authority, and requirements applicable to other articles.

Articles contain agency bill patterns that all follow a similar format. Article-specific summary information is included at the end of each article.

The following sample shows a bill pattern for the Office of Attorney General.

A **Agency names** are followed by their bill patterns, which consist of items of appropriations and riders.

B **Methods of Finance (MOF)** describe different fund types in an agency's appropriations. The four MOF categories are General Revenue Funds (GR), General Revenue-Dedicated Funds (GR-D), Federal Funds, and Other Funds. Each of these four may contain subcategories.

C The **Number of Full-Time-Equivalents** shows the maximum number of full-time-equivalent (FTE) positions, or FTE cap, for the agency.

D The **Schedule of Exempt Positions** indicates annual salary caps for certain agency executives.

E Agency **Items of Appropriation** consist of goals with multiple strategies. Each strategy has its own appropriation.

F The left footer shows the version of the appropriations bill. This is the House Committee on Appropriations version.

G The center footer shows the article number followed by its page number. This is the third page of Article I, General Government.

A OFFICE OF THE ATTORNEY GENERAL		
	For the Years Ending	
	August 31, 2022	August 31, 2023
B Method of Financing: <u>General Revenue Fund</u> General Revenue Fund Child Support Retained Collection Account Attorney General Debt Collection Receipts	\$ 118,312,639	\$ 117,144,891
	113,358,547	113,358,547
	8,300,000	8,300,000
	Subtotal, General Revenue Fund	\$ 239,971,186 \$ 238,803,438
<u>General Revenue Fund - Dedicated</u> Texas Department of Insurance Operating Fund Account No. 036 Compensation to Victims of Crime Account No. 469 Compensation to Victims of Crime Auxiliary Account No. 494 AG Law Enforcement Account No. 5006 Sexual Assault Program Account No. 5010	\$ 3,411,343	\$ 3,411,343
	59,922,690	59,922,690
	161,349	161,349
	507,781	507,780
	9,379,158	9,829,453
	Subtotal, General Revenue Fund - Dedicated	\$ 73,382,321 \$ 73,832,615
Federal Funds	\$ 189,732,484	\$ 190,469,785
<u>Other Funds</u> Interagency Contracts - Criminal Justice Grants Appropriated Receipts Interagency Contracts License Plate Trust Fund Account No. 0802, estimated	\$ 1,447,567	\$ 1,447,567
	41,884,715	41,783,110
	38,928,211	38,928,211
	31,000	31,000
	Subtotal, Other Funds	\$ 82,291,493 \$ 82,189,888
Total, Method of Financing	<u>\$ 585,377,484</u>	<u>\$ 585,295,726</u>
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
C Number of Full-Time-Equivalents (FTE):	4,063.5	4,063.5
D Schedule of Exempt Positions: Attorney General, Group 6	\$153,750	\$153,750
E Items of Appropriation: A. Goal: PROVIDE LEGAL SERVICES Provide General Legal Services to the State and Authorized Entities. A.1.1. Strategy: LEGAL SERVICES Provide Legal Counsel/Litigation/Alternative Dispute Resolution Svcs. B. Goal: ENFORCE CHILD SUPPORT LAW Enforce State/Federal Child Support Laws. B.1.1. Strategy: CHILD SUPPORT ENFORCEMENT Establish Paternity/Obligations, Enforce Orders and Distribute Monies B.1.2. Strategy: STATE DISBURSEMENT UNIT Total, Goal B: ENFORCE CHILD SUPPORT LAW C. Goal: CRIME VICTIMS' SERVICES Review/Process Applications for Compensation to Crime Victims. C.1.1. Strategy: CRIME VICTIMS' COMPENSATION Review Claims, Determine Eligibility/State Liability, Pay Correctly.	\$ 102,905,815	\$ 102,738,065
	\$ 326,543,287	\$ 326,543,288
	13,283,404	13,283,407
	\$ 339,826,691	\$ 339,826,695
	\$ 83,134,103	\$ 83,871,403
F A813-Hse-1-A	G I-3	April 5, 2021

H **Grand Total** amounts are the sum of all individual agency strategy appropriations. Note that Grand Total amounts exactly match the Total, Method of Financing line (previous page) and the Total, Object-of-Expense Informational Listing (below).

I **Object-of-Expense (OOE) Informational Listing** categorizes the use of the agency's appropriation made above. It is not a separate appropriation.

J Entries for **Employee Benefits** and **Debt Service** are not specific agency appropriations, but rather an estimate of the amounts needed for this agency that are appropriated elsewhere.

K Performance Measure Targets instruct agencies on specific desired results within their strategies. Targets include four types of measures: outcome; output; efficiency; and explanatory/input. The Performance Measure Targets section is also the beginning of the Rider Section of an agency bill pattern. Riders inform agencies on their use of items of appropriations. They may authorize, direct, or limit the use of items of appropriation.

OFFICE OF THE ATTORNEY GENERAL
(Continued)

C.1.2. Strategy: VICTIMS ASSISTANCE 37,951,313 37,300,003
Provide Grants & Contracts for Victims
Svcs/Sexual Asslt Victims.

Total, Goal C: CRIME VICTIMS' SERVICES \$ 121,085,416 \$ 121,171,406

D. Goal: REFER MEDICAID CRIMES
Investigate/Refer for Prosecution Fraud/Misconduct Involving
Medicaid.

D.1.1. Strategy: MEDICAID INVESTIGATION \$ 19,181,783 \$ 19,181,783
Conduct Investigation Supporting Prosecution of
Alleged Medicaid Crime.

E. Goal: GENERAL ADMINISTRATION
Administration for OAG.

E.1.1. Strategy: AGENCY IT PROJECTS \$ 1,570,482 \$ 1,570,480
Administer Information Technology Projects
across the Agency.

F. Goal: ADMINISTRATIVE SUPPORT FOR SORM
Provide Administrative Support for the State Office of Risk
Management.

F.1.1. Strategy: ADMINISTRATIVE SUPPORT FOR SORM \$ 807,297 \$ 807,297
Provide Administrative Support to the State
Office of Risk Management.

H **Grand Total, OFFICE OF THE ATTORNEY GENERAL** \$ 585,377,484 \$ 585,295,726

I **Object-of-Expense Informational Listing:**

Salaries and Wages	\$ 262,299,853	\$ 262,299,853
Other Personnel Costs	8,245,572	8,242,927
Professional Fees and Services	59,249,691	59,232,410
Fuels and Lubricants	424,161	424,161
Consumable Supplies	1,653,162	1,653,162
Utilities	3,006,888	3,006,888
Travel	5,089,360	5,089,360
Rent - Building	23,698,641	23,698,641
Rent - Machine and Other	1,252,701	1,252,701
Other Operating Expense	167,522,855	167,040,333
Grants	52,107,004	52,455,694
Capital Expenditures	827,596	899,596

Total, Object-of-Expense Informational Listing \$ 585,377,484 \$ 585,295,726

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

J **Employee Benefits**

Retirement	\$ 23,543,952	\$ 23,661,672
Group Insurance	49,789,082	50,461,494
Social Security	18,529,356	18,622,003
Benefits Replacement	209,950	173,838

Subtotal, Employee Benefits \$ 92,072,340 \$ 92,919,007

J **Debt Service**

Lease Payments	\$ 123,441	\$ 0
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Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act \$ 92,195,781 \$ 92,919,007

K **1. Performance Measure Targets.** The following is a listing of the key performance target levels for the Office of the Attorney General. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Office of the Attorney General. In order to achieve the objectives and service standards established by this Act, the Office of the Attorney General shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

L For agencies that have a **Capital Budget rider**, it will appear as the second rider. Capital Budgets do not make additional appropriations, but rather direct the use of items of appropriation made above for specific uses. Capital Budgets direct the agency purchase or lease of vehicles, information resources, real property, or certain road construction or building repair.

M The **Method of Financing (Capital Budget)** section directs agencies in the use of MOFs for Capital Budget expenses.

OFFICE OF THE ATTORNEY GENERAL
(Continued)

	2022	2023
A. Goal: PROVIDE LEGAL SERVICES		
Outcome (Results/Impact):		
Delinquent State Revenue Collected	50,000,000	50,000,000
A.1.1. Strategy: LEGAL SERVICES		
Output (Volume):		
Legal Hours Billed to Litigation and Legal Counsel	1,118,357	1,122,885
Efficiencies:		
Average Cost Per Legal Hour	108.07	106.73
B. Goal: ENFORCE CHILD SUPPORT LAW		
Outcome (Results/Impact):		
Percent of Title IV-D Cases That Have Court Orders for Child Support	86%	86%
Percent of All Current Child Support Amounts Due That Are Collected	66%	66%
Percent of Title IV-D Cases with Arrears Due in Which Any Amount Is Paid Toward Arrears	66%	66%
Percent of Paternity Establishments for Out of Wedlock Births	96%	96%
B.1.1. Strategy: CHILD SUPPORT ENFORCEMENT		
Output (Volume):		
Amount of Title IV-D Child Support Collected (in Millions)	4,450	4,450
Efficiencies:		
Ratio of Total Dollars Collected Per Dollar Spent	13.42	13.44
B.1.2. Strategy: STATE DISBURSEMENT UNIT		
Output (Volume):		
Number of Payment Receipts Processed by the SDU Vendor	22,657,319	22,657,319
C. Goal: CRIME VICTIMS' SERVICES		
Outcome (Results/Impact):		
Amount of Crime Victims' Compensation Awarded	73,730,000	74,467,300
C.1.1. Strategy: CRIME VICTIMS' COMPENSATION		
Efficiencies:		
Average Number of Days to Analyze a Claim and Make an Award	42	42
D. Goal: REFER MEDICAID CRIMES		
D.1.1. Strategy: MEDICAID INVESTIGATION		
Output (Volume):		
Number of Investigations Concluded	375	500

L 2. **Capital Budget.** Funds appropriated above may be expended for capital budget items listed below. The amounts identified for each item may be adjusted or expended on other capital expenditures, subject to the aggregate dollar restrictions on capital budget expenditures provided in the General Provisions of this Act.

	2022	2023
a. Acquisition of Information Resource Technologies		
(1) Child Support Hardware/Software Enhancements	\$ 100,000	\$ 100,000
(2) Crime Victims Management System - Enhancements and Support	350,000	350,000
Total, Acquisition of Information Resource Technologies	\$ 450,000	\$ 450,000
b. Transportation Items		
(1) Child Support Motor Vehicles	\$ 48,000	\$ 120,000
c. Data Center Consolidation		
(1) Data Center Consolidation	\$ 42,670,032	\$ 42,455,386
d. Centralized Accounting and Payroll/Personnel System (CAPPS)		
(1) Converted PeopleSoft Licenses	\$ 62,345	\$ 62,345
Total, Capital Budget	\$ 43,230,377	\$ 43,087,731
Method of Financing (Capital Budget):		
General Revenue Fund	\$ 16,361,843	\$ 16,084,682

A302-Hse-1-A

I-5

April 5, 2021

N Additional riders follow an agency's Performance Measure Targets (Rider 1) and Capital Budget (Rider 2). Riders may provide general direction on the use of agency appropriation or may provide direction relating to a specific strategy.

OFFICE OF THE ATTORNEY GENERAL
(Continued)

GR Dedicated - Compensation to Victims of Crime Account No. 469	\$ 118,509	\$ 112,887
Federal Funds	\$ 25,422,749	\$ 25,470,268
Other Funds		
Appropriated Receipts	\$ 1,193,388	\$ 1,292,358
Interagency Contracts	133,888	127,536
Subtotal, Other Funds	\$ 1,327,276	\$ 1,419,894
Total, Method of Financing	\$ 43,230,377	\$ 43,087,731

N

3. Cost Allocation, Reporting Requirement. The Office of the Attorney General is directed to continue an accounting and billing system by which the costs of legal services provided to each agency may be determined. This cost information shall be provided to the Legislative Budget Board and the Governor within 60 days after the close of the fiscal year.

4. Child Support Collections.

- a. The Office of the Attorney General shall deposit Child Support Retained Collections in a special account in the Comptroller's Office. The account shall be called the Child Support Retained Collection Account. Child Support Retained Collections shall include the state share of funds collected by the Office of the Attorney General which were previously paid by the State as Aid to Families with Dependent Children (AFDC) or Temporary Assistance for Needy Families (TANF) or foster care payments, all child support enforcement incentive payments received from the federal government, and all revenues specifically established by statute on a fee or service-provided basis and pertaining to the Child Support Enforcement Program.
- b. Amounts earned as interest on, and allocated by the Comptroller of Public Accounts to, the Child Support Trust Fund No. 994, in excess of \$808,289 in fiscal year 2022 and \$808,289 in fiscal year 2023, shall be transferred monthly by the Comptroller of Public Accounts to such funds from the General Revenue Fund, and all amounts so transferred are appropriated to the Office of the Attorney General for use during the 2022-23 biennium, in addition to the amounts otherwise appropriated herein. Amounts transferred pursuant to this provision shall be shown as a separate, individual entry in the Method of Finance in all standard reports regularly utilizing a method of finance, which are submitted, to the Governor's Office or the Legislative Budget Board.
- c. The Office of the Attorney General, in cooperation with the Comptroller of Public Accounts, shall develop and maintain such cost centers and/or sub accounts within the Child Support Trust Fund No. 994 and/or the Child Support Retained Collection Account as may be determined necessary or appropriate to separately account for, and allocate the interest earned on, the various sources for receipts deposited to, and types of expenditures made from such funds. The Comptroller of Public Accounts shall separately allocate interest earned by the State to each such cost center and/or subaccount, or to such groupings thereof as may be designated by the Office of the Attorney General for purposes of reporting interest earned to the federal government.
- d. The Comptroller of Public Accounts is directed to transfer and carry forward all the balances of funds in the Child Support Trust Fund No. 994 and the Child Support Retained Collection Account as of August 31, 2021, as such, funds are to be available for use in fiscal year 2022. Any balances in the Child Support Trust Fund No. 994 and the Child Support Retained Collection Account on hand as of August 31, 2022, shall be carried forward in such funds as funding sources for the appropriation for fiscal year 2023.
- e. In addition to the amounts otherwise appropriated for Strategy B.1.1, Child Support Enforcement, all funds received from the federal government as reimbursement for the costs and fees paid to counties, district or county clerks, sheriffs or constables pursuant to the provisions of Chapter 231 of the Texas Family Code are appropriated to the Office of the Attorney General for use during the 2022-23 biennium.

5. Reporting Requirement. The Office of the Attorney General is directed to develop and maintain separate accounting information and records on receipts and distribution of funds from the Child Support Trust Fund No. 994 and the Child Support Retained Collection Account. Such

GENERAL APPROPRIATIONS BILL COMPARISONS

FIGURE B-1 ALL FUNDS												
(IN MILLIONS)												
FUNCTION	ESTIMATED/ BUDGETED 2020-21 (1)	HOUSE BILL 1, AS INTRODUCED 2022-23	COMPARISON OF HB1 AS INTRODUCED TO ESTIMATED/BUDGETED			HOUSE COMMITTEE SUBSTITUTE FOR SENATE BILL 1 2022-23	COMPARISON OF HCCSB1 TO ESTIMATED/ BUDGETED			COMPARISON OF HCCSB1 TO HB1 AS INTRODUCED		
			\$ CHANGE	% CHANGE			\$ CHANGE	% CHANGE		\$ CHANGE	% CHANGE	
Article I – General Government	\$7,918.0	\$6,878.5	(\$1,039.5)	(13.1%)		\$6,935.9	(\$982.1)	(12.4%)		\$57.4	0.8%	
Article II – Health and Human Services	\$95,695.6	\$91,910.8	(\$3,784.8)	(4.0%)		\$87,220.2	(\$8,475.4)	(8.9%)		(\$4,690.6)	(5.1%)	
Article III – Agencies of Education	\$95,308.1	\$93,974.8	(\$1,333.3)	(1.4%)		\$94,030.7	(\$1,277.4)	(1.3%)		\$55.9	0.1%	
Public Education	\$69,278.2	\$71,152.2	\$1,874.0	2.7%		\$71,513.1	\$2,235.0	3.2%		\$361.0	0.5%	
Higher Education	\$26,029.9	\$22,822.6	(\$3,207.3)	(12.3%)		\$22,517.5	(\$3,512.4)	(13.5%)		(\$305.0)	(1.3%)	
Article IV – Judiciary	\$986.5	\$909.8	(\$76.7)	(7.8%)		\$926.3	(\$60.2)	(6.1%)		\$16.5	1.8%	
Article V – Public Safety and Criminal Justice	\$13,172.7	\$12,647.2	(\$525.6)	(4.0%)		\$12,730.1	(\$442.6)	(3.4%)		\$82.9	0.7%	
Article VI – Natural Resources	\$10,954.9	\$7,430.8	(\$3,524.1)	(32.2%)		\$7,533.3	(\$3,421.6)	(31.2%)		\$102.5	1.4%	
Article VII – Business and Economic Development	\$39,647.7	\$36,651.5	(\$2,996.2)	(7.6%)		\$36,310.8	(\$3,336.9)	(8.4%)		(\$340.7)	(0.9%)	
Article VIII – Regulatory	\$712.8	\$664.3	(\$48.5)	(6.8%)		\$680.9	(\$31.8)	(4.5%)		\$16.7	2.5%	
Article IX – General Provisions	\$0.0	\$0.0	\$0.0	N/A		\$0.0	\$0.0	N/A		\$0.0	N/A	
Article X – Legislature	\$408.2	\$410.4	\$2.2	0.5%		\$410.4	\$2.2	0.5%		\$0.0	0.0%	
Total, All Functions	\$264,804.4	\$251,477.9	(\$13,326.5)	(5.0%)		\$246,778.6	(\$18,025.9)	(6.8%)		(\$4,699.4)	(1.9%)	
NOTES:												
(1) May include anticipated supplemental spending adjustments.												
(2) Excludes Interagency Contracts.												
SOURCE: Legislative Budget Board.												

NOTES:

- (1) May include anticipated supplemental spending adjustments.
 (2) Excludes Interagency Contracts.
 SOURCE: Legislative Budget Board.

FIGURE B–2
GENERAL REVENUE FUNDS

(IN MILLIONS)

FUNCTION	ESTIMATED/ BUDGETED 2020–21 (1)	HOUSE BILL 1, AS INTRODUCED 2022–23	COMPARISON OF HB1 AS INTRODUCED TO ESTIMATED/BUDGETED		HOUSE COMMITTEE SUBSTITUTE FOR SENATE BILL 1 2022–23	COMPARISON OF HCSSB1 TO ESTIMATED/ BUDGETED		COMPARISON OF HCSSB1 TO HB1 AS INTRODUCED	
			\$	%		\$	%	\$	%
			CHANGE	CHANGE		CHANGE	CHANGE	CHANGE	CHANGE
Article I – General Government	\$3,977.4	\$4,110.1	\$132.7	3.3%	\$4,158.5	\$181.0	4.6%	\$48.4	1.2%
Article II – Health and Human Services	\$35,914.4	\$36,668.3	\$753.9	2.1%	\$34,410.1	(\$1,504.3)	(4.2%)	(\$2,258.3)	(6.2%)
Article III – Agencies of Education	\$60,402.8	\$64,530.7	\$4,127.9	6.8%	\$64,700.9	\$4,298.1	7.1%	\$170.2	0.3%
Public Education	\$44,561.5	\$48,640.2	\$4,078.7	9.2%	\$48,642.4	\$4,080.8	9.2%	\$2.2	0.0%
Higher Education	\$15,841.3	\$15,890.5	\$49.2	0.3%	\$16,058.5	\$217.2	1.4%	\$168.0	1.1%
Article IV – Judiciary	\$553.8	\$545.5	(\$8.4)	(1.5%)	\$550.4	(\$3.4)	(0.6%)	\$5.0	0.9%
Article V – Public Safety and Criminal Justice	\$11,869.5	\$11,807.2	(\$62.3)	(0.5%)	\$11,892.4	\$23.0	0.2%	\$85.3	0.7%
Article VI – Natural Resources	\$933.1	\$916.9	(\$16.2)	(1.7%)	\$1,004.3	\$71.2	7.6%	\$87.4	9.5%
Article VII – Business and Economic Development	\$520.9	\$477.8	(\$43.1)	(8.3%)	\$482.1	(\$38.8)	(7.5%)	\$4.3	0.9%
Article VIII – Regulatory	\$367.8	\$287.3	(\$80.5)	(21.9%)	\$298.2	(\$69.6)	(18.9%)	\$10.9	3.8%
Article IX – General Provisions	\$0.0	\$0.0	\$0.0	N/A	\$0.0	\$0.0	N/A	\$0.0	N/A
Article X – Legislature	\$408.1	\$410.2	\$2.1	0.5%	\$410.2	\$2.1	0.5%	\$0.0	0.0%
Total, All Functions	\$114,947.8	\$119,753.9	\$4,806.1	4.2%	\$117,907.0	\$2,959.2	2.6%	(\$1,847.0)	(1.5%)

NOTE: (1) May include anticipated supplemental spending adjustments.

SOURCE: Legislative Budget Board.

FIGURE B-3
GENERAL REVENUE-DEDICATED FUNDS

(IN MILLIONS)

FUNCTION	ESTIMATED/ BUDGETED 2020-21 (1)	HOUSE BILL 1, AS INTRODUCED 2022-23	COMPARISON OF HB1 AS INTRODUCED TO ESTIMATED/BUDGETED		HOUSE COMMITTEE SUBSTITUTE FOR SENATE BILL 1 2022-23	COMPARISON OF HCSSB1 TO ESTIMATED/ BUDGETED		COMPARISON OF HCSSB1 TO HB1 AS INTRODUCED	
			\$	%		\$	%	\$	%
Article I – General Government	\$803.3	\$567.3	(\$236.1)	(29.4%)	\$564.7	(\$238.6)	(29.7%)	(\$2.6)	(0.5%)
Article II – Health and Human Services	\$540.2	\$576.3	\$36.1	6.7%	\$531.5	(\$8.7)	(1.6%)	(\$44.8)	(7.8%)
Article III – Agencies of Education	\$2,783.2	\$2,799.7	\$16.5	0.6%	\$2,804.9	\$21.7	0.8%	\$5.2	0.2%
<i>Public Education</i>	\$0.0	\$0.0	\$0.0	N/A	\$0.0	\$0.0	N/A	\$0.0	N/A
<i>Higher Education</i>	\$2,783.2	\$2,799.7	\$16.5	0.6%	\$2,804.9	\$21.7	0.8%	\$5.2	0.2%
Article IV – Judiciary	\$191.2	\$180.4	(\$10.8)	(5.6%)	\$192.0	\$0.8	0.4%	\$11.6	6.4%
Article V – Public Safety and Criminal Justice	\$56.4	\$52.1	(\$4.3)	(7.6%)	\$49.8	(\$6.6)	(11.7%)	(\$2.3)	(4.5%)
Article VI – Natural Resources	\$1,291.3	\$1,195.0	(\$96.3)	(7.5%)	\$1,189.4	(\$101.9)	(7.9%)	(\$5.6)	(0.5%)
Article VII – Business and Economic Development	\$622.8	\$615.4	(\$7.4)	(1.2%)	\$615.4	(\$7.4)	(1.2%)	\$0.0	0.0%
Article VIII – Regulatory	\$243.9	\$321.7	\$77.8	31.9%	\$327.5	\$83.5	34.2%	\$5.8	1.8%
Article IX – General Provisions	\$0.0	\$0.0	\$0.0	N/A	\$0.0	\$0.0	N/A	\$0.0	N/A
Article X – Legislature	\$0.0	\$0.0	\$0.0	N/A	\$0.0	\$0.0	N/A	\$0.0	N/A
Total, All Functions	\$6,532.3	\$6,307.9	(\$224.4)	(3.4%)	\$6,275.1	(\$257.2)	(3.9%)	(\$32.8)	(0.5%)

NOTE: (1) May include anticipated supplemental spending adjustments.

SOURCE: Legislative Budget Board.

**FIGURE B-4
GENERAL REVENUE FUNDS AND GENERAL REVENUE-DEDICATED FUNDS**

(IN MILLIONS)

FUNCTION	ESTIMATED/ BUDGETED 2020-21 (1)	HOUSE BILL 1, AS INTRODUCED 2022-23	COMPARISON OF HB1 AS INTRODUCED TO ESTIMATED/BUDGETED		HOUSE COMMITTEE SUBSTITUTE FOR SENATE BILL 1 2022-23	COMPARISON OF HCSSB1 TO ESTIMATED/ BUDGETED		COMPARISON OF HCSSB1 TO HB1 AS INTRODUCED	
			\$	%		\$	%	\$	%
			CHANGE	CHANGE		CHANGE	CHANGE	CHANGE	CHANGE
Article I – General Government	\$4,780.8	\$4,677.4	(\$103.4)	(2.2%)	\$4,723.1	(\$57.6)	(1.2%)	\$45.8	1.0%
Article II – Health and Human Services	\$36,454.6	\$37,244.6	\$790.1	2.2%	\$34,941.6	(\$1,513.0)	(4.2%)	(\$2,303.0)	(6.2%)
Article III – Agencies of Education	\$63,186.0	\$67,330.3	\$4,144.4	6.6%	\$67,505.7	\$4,319.8	6.8%	\$175.4	0.3%
<i>Public Education</i>	\$44,561.5	\$48,640.2	\$4,078.7	9.2%	\$48,642.4	\$4,080.8	9.2%	\$2.2	0.0%
<i>Higher Education</i>	\$18,624.5	\$18,690.1	\$65.6	0.4%	\$18,863.4	\$238.9	1.3%	\$173.2	0.9%
Article IV – Judiciary	\$745.0	\$725.8	(\$19.1)	(2.6%)	\$742.4	(\$2.6)	(0.3%)	\$16.5	2.3%
Article V – Public Safety and Criminal Justice	\$11,925.9	\$11,859.3	(\$66.6)	(0.6%)	\$11,942.2	\$16.4	0.1%	\$82.9	0.7%
Article VI – Natural Resources	\$2,224.4	\$2,111.9	(\$112.4)	(5.1%)	\$2,193.7	(\$30.7)	(1.4%)	\$81.7	3.9%
Article VII – Business and Economic Development	\$1,143.7	\$1,093.2	(\$50.5)	(4.4%)	\$1,097.5	(\$46.2)	(4.0%)	\$4.3	0.4%
Article VIII – Regulatory	\$611.8	\$609.0	(\$2.7)	(0.4%)	\$625.7	\$13.9	2.3%	\$16.7	2.7%
Article IX – General Provisions	\$0.0	\$0.0	\$0.0	N/A	\$0.0	\$0.0	N/A	\$0.0	N/A
Article X – Legislature	\$408.1	\$410.2	\$2.1	0.5%	\$410.2	\$2.1	0.5%	\$0.0	0.0%
Total, All Functions	\$121,480.1	\$126,061.8	\$4,581.8	3.8%	\$124,182.1	\$2,702.0	2.2%	(\$1,879.8)	(1.5%)

NOTE: (1) May include anticipated supplemental spending adjustments.

SOURCE: Legislative Budget Board.

**FIGURE B–5
FEDERAL FUNDS**

(IN MILLIONS)

FUNCTION	ESTIMATED/ BUDGETED 2020–21 (1)	HOUSE BILL 1, AS INTRODUCED 2022–23	COMPARISON OF HB1 AS INTRODUCED TO ESTIMATED/BUDGETED		HOUSE COMMITTEE SUBSTITUTE FOR SENATE BILL 1 2022–23	COMPARISON OF HCSSB1 TO ESTIMATED/ BUDGETED		COMPARISON OF HCSSB1 TO HB1 AS INTRODUCED	
			\$	%		\$	%	\$	%
			CHANGE	CHANGE		CHANGE	CHANGE	CHANGE	CHANGE
Article I – General Government	\$1,391.6	\$1,197.3	(\$194.3)	(14.0%)	\$1,202.6	(\$188.9)	(13.6%)	\$5.4	0.4%
Article II – Health and Human Services	\$57,502.8	\$53,484.7	(\$4,018.1)	(7.0%)	\$51,111.5	(\$6,391.3)	(11.1%)	(\$2,373.3)	(4.4%)
Article III – Agencies of Education	\$16,366.0	\$11,352.6	(\$5,013.4)	(30.6%)	\$11,500.5	(\$4,865.4)	(29.7%)	\$147.9	1.3%
<i>Public Education</i>	\$12,249.3	\$10,317.3	(\$1,932.1)	(15.8%)	\$10,671.2	(\$1,578.1)	(12.9%)	\$353.9	3.4%
<i>Higher Education</i>	\$4,116.7	\$1,035.3	(\$3,081.4)	(74.9%)	\$829.3	(\$3,287.3)	(79.9%)	(\$206.0)	(19.9%)
Article IV – Judiciary	\$4.4	\$4.5	\$0.2	3.5%	\$4.5	\$0.2	3.5%	\$0.0	0.0%
Article V – Public Safety and Criminal Justice	\$981.9	\$625.3	(\$356.6)	(36.3%)	\$625.3	(\$356.6)	(36.3%)	\$0.0	0.0%
Article VI – Natural Resources	\$6,285.5	\$4,859.9	(\$1,425.6)	(22.7%)	\$4,859.9	(\$1,425.6)	(22.7%)	\$0.0	0.0%
Article VII – Business and Economic Development	\$16,904.6	\$13,999.3	(\$2,905.3)	(17.2%)	\$13,999.3	(\$2,905.3)	(17.2%)	\$0.0	0.0%
Article VIII – Regulatory	\$9.3	\$9.5	\$0.2	2.2%	\$9.5	\$0.2	2.2%	\$0.0	0.0%
Article IX – General Provisions	\$0.0	\$0.0	\$0.0	N/A	\$0.0	\$0.0	N/A	\$0.0	N/A
Article X – Legislature	\$0.0	\$0.0	\$0.0	N/A	\$0.0	\$0.0	N/A	\$0.0	N/A
Total, All Functions	\$99,446.0	\$85,533.2	(\$13,912.8)	(14.0%)	\$83,313.2	(\$16,132.8)	(16.2%)	(\$2,220.0)	(2.6%)

NOTE: (1) May include anticipated supplemental spending adjustments.

SOURCE: Legislative Budget Board.

FIGURE B–6
OTHER FUNDS

(IN MILLIONS)

FUNCTION	ESTIMATED/ BUDGETED 2020–21 (1)	HOUSE BILL 1, AS INTRODUCED 2022–23	COMPARISON OF HB1 AS INTRODUCED TO ESTIMATED/BUDGETED		HOUSE COMMITTEE SUBSTITUTE FOR SENATE BILL 1 2022–23	COMPARISON OF HCSSB1 TO ESTIMATED/ BUDGETED		COMPARISON OF HCSSB1 TO HB1 AS INTRODUCED	
			\$	%		\$	%	\$	%
			CHANGE	CHANGE		CHANGE	CHANGE	CHANGE	CHANGE
Article I – General Government	\$1,745.7	\$1,003.9	(\$741.8)	(42.5%)	\$1,010.2	(\$735.5)	(42.1%)	\$6.3	0.6%
Article II – Health and Human Services	\$1,738.2	\$1,181.4	(\$556.8)	(32.0%)	\$1,167.2	(\$571.1)	(32.9%)	(\$14.3)	(1.2%)
Article III – Agencies of Education	\$15,756.2	\$15,291.9	(\$464.3)	(2.9%)	\$15,024.4	(\$731.8)	(4.6%)	(\$267.5)	(1.7%)
<i>Public Education</i>	\$12,467.3	\$12,194.7	(\$272.6)	(2.2%)	\$12,199.5	(\$267.7)	(2.1%)	\$4.9	0.0%
<i>Higher Education</i>	\$3,288.9	\$3,097.2	(\$191.7)	(5.8%)	\$2,824.8	(\$464.0)	(14.1%)	(\$272.3)	(8.8%)
Article IV – Judiciary	\$237.1	\$179.4	(\$57.7)	(24.3%)	\$179.4	(\$57.7)	(24.3%)	\$0.0	0.0%
Article V – Public Safety and Criminal Justice	\$264.9	\$162.5	(\$102.4)	(38.7%)	\$162.5	(\$102.4)	(38.7%)	\$0.0	0.0%
Article VI – Natural Resources	\$2,445.0	\$458.9	(\$1,986.1)	(81.2%)	\$479.7	(\$1,965.3)	(80.4%)	\$20.8	4.5%
Article VII – Business and Economic Development	\$21,599.3	\$21,558.9	(\$40.4)	(0.2%)	\$21,213.9	(\$385.4)	(1.8%)	(\$345.0)	(1.6%)
Article VIII – Regulatory	\$91.7	\$45.7	(\$46.0)	(50.1%)	\$45.7	(\$46.0)	(50.1%)	\$0.0	0.0%
Article IX – General Provisions	\$0.0	\$0.0	\$0.0	N/A	\$0.0	\$0.0	N/A	\$0.0	N/A
Article X – Legislature	\$0.1	\$0.2	\$0.1	58.6%	\$0.2	\$0.1	58.6%	\$0.0	0.0%
Total, All Functions	\$43,878.3	\$39,882.9	(\$3,995.4)	(9.1%)	\$39,283.2	(\$4,595.1)	(10.5%)	(\$599.6)	(1.5%)

NOTES:

- (1) May include anticipated supplemental spending adjustments.
 (2) Excludes Interagency Contracts.

SOURCE: Legislative Budget Board.

FIGURE B–7
GENERAL REVENUE FUNDS, GENERAL REVENUE–DEDICATED FUNDS, AND OTHER FUNDS
 (IN MILLIONS)

FUNCTION	ESTIMATED/ BUDGETED 2020–21 (1)	HOUSE BILL 1, AS INTRODUCED 2022–23	COMPARISON OF HB1 AS INTRODUCED TO ESTIMATED/BUDGETED		HOUSE COMMITTEE SUBSTITUTE FOR SENATE BILL 1 2022–23	COMPARISON OF HCSSB1 TO ESTIMATED/ BUDGETED		COMPARISON OF HCSSB1 TO HB1 AS INTRODUCED	
			\$	%		\$	%	\$	%
			CHANGE	CHANGE		CHANGE	CHANGE	CHANGE	CHANGE
Article I – General Government	\$6,526.4	\$5,681.2	(\$845.2)	(13.0%)	\$5,733.3	(\$793.2)	(12.2%)	\$52.1	0.9%
Article II – Health and Human Services	\$38,192.8	\$38,426.1	\$233.3	0.6%	\$36,108.7	(\$2,084.1)	(5.5%)	(\$2,317.3)	(6.0%)
Article III – Agencies of Education	\$78,942.1	\$82,622.2	\$3,680.1	4.7%	\$82,530.1	\$3,588.0	4.5%	(\$92.1)	(0.1%)
<i>Public Education</i>	\$57,028.8	\$60,834.9	\$3,806.1	6.7%	\$60,841.9	\$3,813.1	6.7%	\$7.0	0.0%
<i>Higher Education</i>	\$21,913.4	\$21,787.4	(\$126.0)	(0.6%)	\$21,688.2	(\$225.1)	(1.0%)	(\$99.1)	(0.5%)
Article IV – Judiciary	\$982.1	\$905.3	(\$76.8)	(7.8%)	\$921.8	(\$60.3)	(6.1%)	\$16.5	1.8%
Article V – Public Safety and Criminal Justice	\$12,190.8	\$12,021.8	(\$169.0)	(1.4%)	\$12,104.8	(\$86.0)	(0.7%)	\$82.9	0.7%
Article VI – Natural Resources	\$4,669.4	\$2,570.9	(\$2,098.5)	(44.9%)	\$2,673.4	(\$1,996.0)	(42.7%)	\$102.5	4.0%
Article VII – Business and Economic Development	\$22,743.0	\$22,652.1	(\$90.9)	(0.4%)	\$22,311.4	(\$431.6)	(1.9%)	(\$340.7)	(1.5%)
Article VIII – Regulatory	\$703.5	\$654.8	(\$48.7)	(6.9%)	\$671.4	(\$32.1)	(4.6%)	\$16.7	2.5%
Article IX – General Provisions	\$0.0	\$0.0	\$0.0	N/A	\$0.0	\$0.0	N/A	\$0.0	N/A
Article X – Legislature	\$408.2	\$410.4	\$2.2	0.5%	\$410.4	\$2.2	0.5%	\$0.0	0.0%
Total, All Functions	\$165,358.4	\$165,944.7	\$586.3	0.4%	\$163,465.3	(\$1,893.1)	(1.1%)	(\$2,479.4)	(1.5%)

NOTES:

(1) May include anticipated supplemental spending adjustments.

(2) Excludes Interagency Contracts.

SOURCE: Legislative Budget Board.

