# General Land Office and Veterans' Land Board
## Summary of Recommendations - House

Page VI-28
The Honorable George P. Bush, Commissioner
Darren Albrecht, LBB Analyst

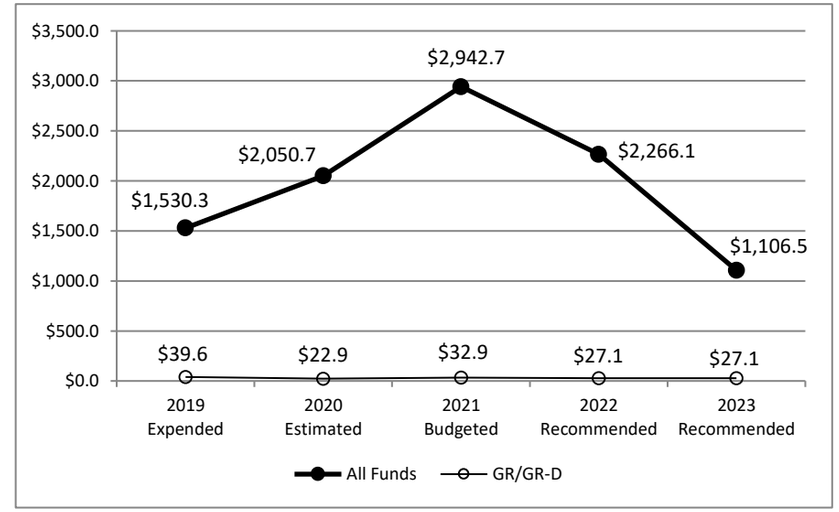
| Method of Financing | 2020-21 Base | 2022-23 Recommended | Biennial Change ($) | Biennial Change (%) |
|---|---|---|---|---|
| General Revenue Funds | $27,127,923 | $24,127,923 | ($3,000,000) | (11.1%) |
| GR Dedicated Funds | $28,747,795 | $30,018,201 | $1,270,406 | 4.4% |
| *Total GR-Related Funds* | *$55,875,718* | *$54,146,124* | *($1,729,594)* | *(3.1%)* |
| Federal Funds | $4,406,131,908 | $3,159,873,852 | ($1,246,258,056) | (28.3%) |
| Other | $531,376,331 | $158,585,589 | ($372,790,742) | (70.2%) |
| **All Funds** | **$4,993,383,957** | **$3,372,605,565** | **($1,620,778,392)** | **(32.5%)** |

| | FY 2021 Budgeted | FY 2023 Recommended | Biennial Change | Percent Change |
|---|---|---|---|---|
| FTEs | 798.0 | 798.0 | 0.0 | 0.0% |

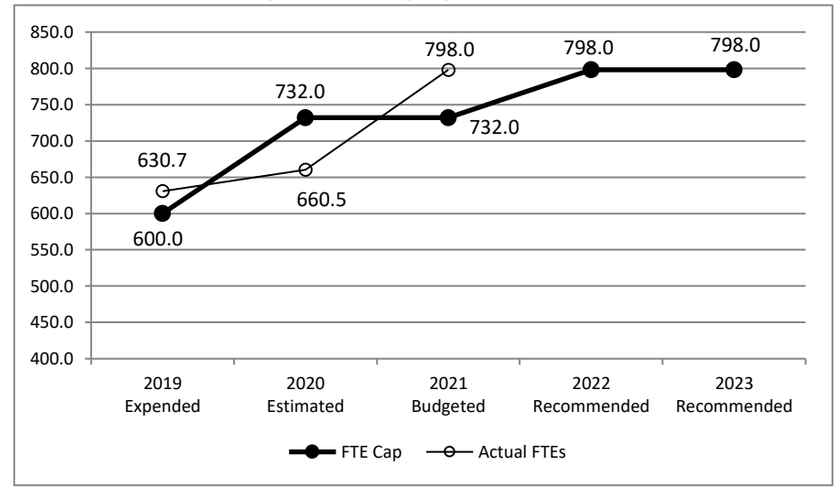
**Agency Budget and Policy Issues and/or Highlights**

- The agency anticipates exceeding its fiscal year 2021 FTE cap by 66.0 due to an anticipated increase in federally funded positions related to disaster recovery. The agency anticipates the additional positions to continue and utilizing federal funds for salaries and related benefit costs in the 2022-23 biennium.

**Historical Funding Levels (Millions)**




**Historical Full-Time-Equivalent Employees (FTEs)**




The bill pattern for this agency (2022-23 Recommended) represents an estimated 52.0% of the agency's estimated total available funds for the 2022-23 biennium.

**General Land Office and Veterans' Land Board**
**Summary of Funding Changes and Recommendations - House**

| | Funding Changes and Recommendations for the 2022-23 Biennium compared to the 2020-21 Base Spending Level (in millions) | General Revenue | GR-Dedicated | Federal Funds | Other Funds | All Funds | Strategy in Appendix A |
|---|---|---|---|---|---|---|---|
| ***SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):*** | | | | | | | |
| A) | Net decrease in Federal Funds primarily due to the following:<br>1) a decrease of $2,024.0 million for short-term housing and community housing projects<br>2) an increase of $781.5 for infrastructure projects<br>3) an increase of $8.8 million in Coastal Management Protection Grants<br>4) a decrease of $12.6 million from FEMA reimbursements for the Galveston Seawall Project | $0.0 | $0.0 | ($1,246.3) | $0.0 | ($1,246.3) | B.1.1, B.1.2, D.1.1, D.1.2 |
| B) | Net decrease in Economic Stabilization Funds for one-time costs including the following:<br>1) $200.0 million to provide matching funds for studies and projects conducted by the U.S. Army Corp of Engineers (see Item 2, Selected Fiscal and Policy Issues - House)<br>2) $24.3 million for the removal of abandoned vessels as a result of Hurricane Harvey (see Item 2, Selected Fiscal and Policy Issues - House)<br>3) $60.0 million carried forward to the 2020-21 biennium for the operation and maintenance of the Alamo complex and to implement the Alamo Master Plan (see Item 3(b), Selected Fiscal and Policy Issues - House) | $0.0 | $0.0 | $0.0 | ($284.3) | ($284.3) | A.3.1, B.1.1, B.2.1, D.1.1 |
| C) | Net decrease in Other Funds for the removal of one-time costs related to Centralized Accounting Payroll/Personnel System (CAPPS) Human Resources implementation and various completed capital budget projects (see Item 2 & 6, Selected Fiscal and Policy Issues - House) | $0.0 | $0.0 | $0.0 | ($6.6) | ($6.6) | A.1.1, A.1.3, A.1.4, A.2.1, A.2.2, B.1.1, C.1.1, C.1.2, C.1.3 |
| D) | Increase in General Revenue-Dedicated Alamo Complex Account No. 5152 due to anticipated increases in revenue collections from the operation of the Alamo in the 2022-23 biennium (see Item 3(a), Selected Fiscal and Policy Issues - House) | $0.0 | $3.3 | $0.0 | $0.0 | $3.3 | A.3.1 |
| E) | Decrease in General Revenue as Earned Federal Funds collected over anticipated amounts for one-time costs related to COVID-19 testing and personal protective equipment for the Veterans' Homes program (see Item 2, Selected Fiscal and Policy Issues - House) | ($3.0) | $0.0 | $0.0 | $0.0 | ($3.0) | B.1.1, B.1.2, D.1.1 |
| F) | Decrease in General Revenue-Dedicated Coastal Protection Account No. 27 for one-time costs for the removal of abandoned vessels as a result of Hurricane Harvey (see Item 2, Selected Fiscal and Policy Issues - House) | $0.0 | ($2.0) | $0.0 | $0.0 | ($2.0) | B.1.1, B.1.2, B.2.1, B.2.2 |

**General Land Office and Veterans' Land Board**
**Summary of Funding Changes and Recommendations - House**

| | Funding Changes and Recommendations for the 2022-23 Biennium compared to the 2020-21 Base Spending Level (in millions) | General Revenue | GR-Dedicated | Federal Funds | Other Funds | All Funds | Strategy in Appendix A |
|---|---|---|---|---|---|---|---|
| G) | Decrease in Appropriated Receipts due to reimbursements from the RESTORE Act, the National Fish and Wildlife Foundation, the Summerlee Foundation, the Natural Resource Damage Assessment, and Alamo Complex rental revenue not anticipated to be received in the 2022-23 biennium. | $0.0 | $0.0 | $0.0 | ($81.9) | ($81.9) | A.1.1, A.1.2, A.1.3, A.2.1, A.3.1, B.1.2 |
| ***OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):*** | | | | | | | |
| H) | None | $0.0 | $0.0 | $0.0 | $0.0 | $0.0 | |
| **TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)** | | **($3.0)** | **$1.3** | **($1,246.3)** | **($372.8)** | **($1,620.8)** | As Listed |
| | *SIGNIFICANT & OTHER Funding Increases* | $0.0 | $3.3 | $0.0 | $0.0 | $3.3 | As Listed |
| | *SIGNIFICANT & OTHER Funding Decreases* | ($3.0) | ($2.0) | ($1,246.3) | ($372.8) | ($1,624.1) | As Listed |

NOTE: Totals may not sum due to rounding.

**General Land Office and Veterans' Land Board**
**Selected Fiscal and Policy Issues - House**

1. **Disaster Recovery** - Recommendations include $3.0 billion in Federal Funds and 247.0 FTEs for disaster recovery related to Hurricane Harvey, a decrease of $1.2 billion from 2020-21 spending levels. In fiscal year 2021, the agency budgeted for an additional 66.0 FTE positions for disaster recovery and plan to maintain funding for the positions and related benefits costs in the 2020-23 biennium. Funding is allocated for the following:

    a) **Housing**: Funding for Hurricane Harvey recovery totals $1.4 billion in All Funds and 201.0 FTEs, a decrease of $2.0 billion, including $1.4 billion in Federal Funds in Community Development Block Grants from the U.S. Department of Housing and Urban Development (HUD) for community housing projects. In fiscal year 2019, the agency was awarded $5.7 billion in Community Development Block Grants for Hurricane Harvey disaster recovery. According to the agency, the remaining funding will be utilized on projects that will be completed by fiscal year 2023 and for administrative costs for administrative closeout.

    b) **Infrastructure**: Funding for Hurricane Harvey recovery totals $1.6 billion in Federal Funds and 46.0 FTEs, an increase of $781.5 million, in Community Development Block Grants from HUD for infrastructure and mitigation projects.

2. **Removal of One-Time Costs** – Recommendations remove $298.8 million in All Funds for the following one-time expenditures:
    - $224.3 million in Economic Stabilization Funds (ESF) provided by the enactment of 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 Corp of Engineers and $24.3 million for the removal of abandoned vessels as a result of Hurricane Harvey;
    - $60.0 million in ESF carried forward to the 2020-21 biennium as allowed by Rider 16, Alamo and Alamo Complex Master Plan and Preservation, Maintenance, and Operations, for the operation and maintenance of the Alamo complex and to implement the Alamo Master Plan (see Item 3, Selected Fiscal and Policy Issues - House);
    - $8.2 million in Other Funds including $4.7 million in Veterans Land Program Administration Fund No. 522, $3.2 in Permanent School Fund No. 44 (PSF), and $0.3 million in Texas Veterans Homes Administration Fund No. 374 for the implementation of Central Accounting Payroll/Personnel (CAPPS) Human Resources (see Item 6, Selected Fiscal and Policy Issues - House);
    - $3.0 million in General Revenue as Earned Federal Funds for COVID-19 testing and personal protective equipment for the Veterans' Homes program;
    - $2.0 million in General Revenue-Dedicated Coastal Protection Account No. 27 provided by the enactment of Senate Bill 500, Eighty-sixth Legislature, 2019, for the removal of abandoned vessels as a result of Hurricane Harvey;
    - $0.9 million in PSF related to Oil & Gas Royalty Reporting System capital budget project (see Item 4, Selected Fiscal and Policy Issues - House); and
    - $0.4 million in PSF related to the Archives & Records Database & Digital File Preservation capital budget project (see Item 4, Selected Fiscal and Policy Issues - House)

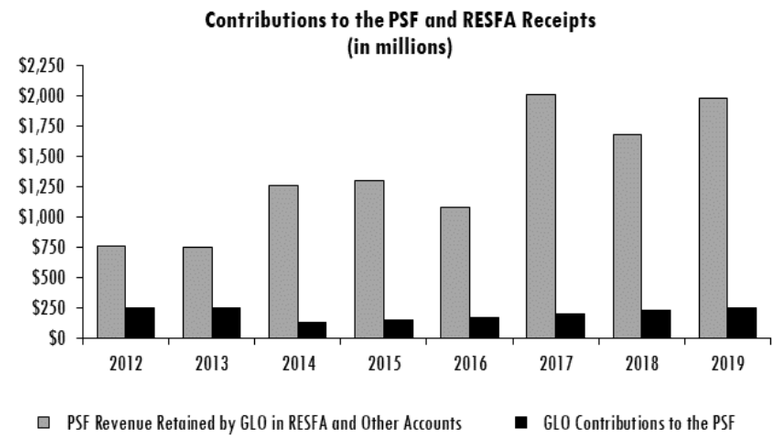
3. **Alamo** – Recommendations provide $10.7 million in All Funds, including $9.0 million in GR-D Alamo Complex Account No. 5152 (GR-D 5152) and $1.7 million from Other Funds including Appropriated Receipts and License Plate Trust Funds, for the operation and continued maintenance of the Alamo. Recommendations do not continue additional funding for the implementation of the Alamo Master Plan in the 2022-23 biennium.

    a) **Operation and Maintenance**: The Eighty-sixth Legislature, 2019, appropriated $18.2 million in All Funds, including $11.6 million in GR-D 5152 and $3.0 in Economic Stabilization Funds carried forward from the 2018-19 biennium for the operation and maintenance of the Alamo as allowed by Rider 16, Alamo and Alamo Complex Master Plan and Preservation, Maintenance, and Operations. The agency estimates revenue collections to GR-D 5152 to decrease by $5.8 million in the 2020-21 biennium due to the closure of the Alamo and the economic shutdown caused by the COVID-19 pandemic. Recommendations provide $10.7 million in All Funds, including $9.0 million in GR-D 5152 and $1.7 million from Other Funds including Appropriated Receipts and License Plate Trust Funds, a decrease of $7.5 million from 2020-21 appropriations, for the operation and continued maintenance of the Alamo. Recommendations do not provide $3.0 million in Economic Stabilization Funding in the 2022-23 biennium (see Modification of Existing Riders 16, Rider Highlights - House). The agency anticipates revenue collections to GR-D 5152 to increase by $3.3 million in the 2022-23 biennium due to the reopening of the Alamo to a limited number of visitors after its closure in fiscal year 2020 due to the COVID-19 pandemic. The Comptroller's Biennial Revenue Estimate includes revenue collections of $1.1 million in fiscal year 2021, $4.2 million in fiscal year 2022, and $4.2 million in fiscal year 2023.

    b) **Master Plan**: The Alamo Master Plan has been under development since 2016, when the Eighty-fourth Legislature, 2015, appropriated $25.0 million for its development. The Eighty-fifth Legislature, 2017, appropriated an additional $75.0 million in ESF for the implementation of the Alamo Master Plan. On October 18, 2018, the San Antonio City Council approved GLO's plans to redevelop the Alamo, which included the approval of a 50-year lease giving GLO control of land and streets owned by the city surrounding the Alamo shrine. Full implementation of the Master Plan is estimated to cost $450.0 million, with $38.0 million committed by San Antonio and $106.0 million by the Texas General Land Office. It will be up to the nonprofit Alamo Endowment to raise the rest of the money for the Alamo museum and other site improvements. The goal for completion is January 2024. As allowed by Rider 16, Alamo and Alamo Complex Master Plan and Preservation, Maintenance, and Operations, the agency carried forward $60.0 million in ESF appropriated in the 2018-19 biennium into the 2020-21 biennium, $3.0 million of which to be utilized for operations and continued maintenance and $56.0 million to implement the Master Plan. The agency did not request additional funds for the Master Plan in the 2022-23 biennium. Recommendations do not provide for the transfer of ESF into the 2022-23 biennium (see Modification of Existing Riders 16, Rider Highlights - House). On October 12, 2020 the Lieutenant Governor called on the State Auditor to provide a financial and programmatic audit of the state dollars that have been allocated for the preservation of the Alamo and the Alamo Complex.

4. **Permanent School Fund (PSF)** – Recommendations include $38.6 million in PSF for the management of state PSF lands and mineral rights properties, a decrease of $5.9 million from 2020-21. The decrease primarily includes the following adjustments:
    - an increase of $0.8 million for increased program operational costs;
    - an increase of $0.5 million for reallocated funding for the Texas Coastal Ocean Observation Network (TCOON) from General Revenue-Dedicated Coastal Protection Account No. 27;
    - an increase of $0.4 million for maintenance and support for the Agency Lease and Asset Management Operations (A.L.A.M.O) system;
    - an increase of $0.1 million for updated indirect costs;
    - a decrease of $3.2 million due to one-time costs related to CAPPS HR implementation (see Item 6, Selected Fiscal and Policy Issues - House);
    - a decrease of $0.9 million due to on-time costs related to Oil & Gas Royalty Reporting System capital budget project;
    - a decrease of $2.0 million related to Surface Damage Account fund projects;
    - a decrease of $0.2 million for vehicle replacements;
    - a decrease of $0.7 million related to the Combined Systems Upgrade capital budget project; and
    - a decrease of $0.4 million due to one-time costs related to the Archives & Records Database & Digital File Preservation capital budget project.

PSF lands total approximately 13.0 million acres including beaches, bays, estuaries, and other submerged lands out to 10.4 miles into the Gulf of Mexico; institutional acreage; grazing lands in West Texas; and timberlands in East Texas. GLO leases drilling rights for oil and gas on these lands which produces revenue and royalties. The agency also evaluates PSF land and acquires or disposes of selected tracts through purchase, sale, or trade. The proceeds from revenue, royalties, and land sales are deposited in the Real Estate Special Fund Account (RESFA) for the acquisition of additional real property interests for the PSF, for limited transfers to the portion of the PSF managed by the State Board of Education (SBOE), or directly to the Available School Fund (ASF) each year.




According to the agency, $55.0 million will be transferred to the corpus of the PSF for equity investment by the SBOE during the 2020-21 biennium.

Section 5(g), Article VII, Texas Constitution authorizes the SBOE, GLO, or any entity that has responsibility for the management of revenues derived from the PSF, in its sole discretion, to transfer revenue from PSF land or properties directly to the ASF in an amount not to exceed $600.0 million each year. GLO transferred $600.0 million to the ASF in fiscal year 2020 and has committed to transferring $300.0 million in fiscal year 2021, $415.0 million in fiscal year 2022, and $460.0 million in fiscal year 2023.

The Permanent School Fund Liquid Account (PSFLA) was created by the enactment of House Bill 4388, Eighty-sixth Legislature, 2019, and is an account within the PSF. Under the provisions of the bill, the School Land Board (SLB) is required to meet once a quarter and release funds from RESFA to the PSFLA that are not being used for a designated purpose under existing law or are required for cash management needs within the 90-day period following the meeting. The SBOE is authorized to invest funds in the PSFLA in only liquid assets and deposit the proceeds into the treasury to the credit of the SBOE for investment in the PSF. In fiscal year 2020, the SLB approved the transfer of $4.0 billion from RESFA to PSFLA.

5. **Capital Budget -** Recommendations continue capital budget authority to allow the agency to increase expenditures without limitation, subject to a cap of 125 percent of each year's aggregate capital budget appropriation. Federal Funds are exempt from the calculation of the aggregate total and the agency is required to provide a 30-day notice to the Legislative Budget Board before implementing any new projects. Recommendations provide authority and total funding of $5.0 million in All Funds for capital budget projects, which include the following:

   a) **Information Resources**: Recommendations include $2.1 million for the acquisition of information resources technologies including PC and laptop replacement and server rotation, a decrease of $2.6 million from 2020-21 spending levels, primarily due to the removal of completed capital budget items.
   b) **Transportation**: Recommendations include $0.3 million in All Funds for the maintenance and replacement of boats and vehicles, primarily maintaining 2020-21 spending levels.
   c) **Equipment**: Recommendations continue $0.2 million for the acquisition of capital equipment related to the management of state assets.
   d) **Data Center Services (DCS)**: Recommendations include $2.4 million for DCS, an increase of $1.7 million over 2020-21 spending levels, for software and cloud service subscriptions acquired through the Department of Information Resources.

e) **Completed Capital Budget Projects:** Recommendations include a decrease of $11.4 million in All Funds for the following completed capital budget projects:
- Coastal Protection Grant System Consolidation - $0.7 million
- Archives & Records Database & Digital File Preservation - $0.4 million
- Mobile Application For Oil Spill - $0.5 million
- Oil & Gas Royalty Reporting System - $0.9 million
- Veterans' Land Board Compliance Database System - $0.7 million
- Centralized Accounting and Payroll/Personnel System HR/Payroll/Timekeeping - $8.2 million (see Item 6, Selected Fiscal and Policy Issues - House)

6. **CAPPS –** Recommendations do not include $8.2 million in All Funds appropriated to the agency as one-time costs by the Eighty-sixth Legislature, 2019, for the implementation of CAPPS HR/Payroll/Timekeeping. The agency has been selected to transition to CAPPS Financials in fiscal year 2023. The agency has not included funding for the transition in the 2022-23 biennium and plan to allocate existing resources within their budget and utilize their capital budget authority to notify the Office of the Governor and the Legislative Budget Board once the final cost is determined.

7. **Estimated Appropriation** – Recommendations do not include the addition of a rider requested by the agency to grant estimated appropriation authority over General Revenue-Dedicated Coastal Public Lands Management Fee Account No. 540 (see Item 1, Items Not Included in Recommendations - House).

8. **Rider Revision, Rider 13, State Energy Marketing Program** – Recommendations do not include a request by the agency to remove certain statutory citations from Rider 13, State Energy Marketing Program; to remove text that requires all receipts from the lease of PSF real property for mineral development be utilized to manage the State Gas Program; and to remove text that the agency only use revenue generated from royalties to purchase power within the State Energy Marketing Program (see Item 3, Items Not Included in Recommendations - House).

9. **Emergency Funding Request for Veterans' Homes** – On September 28, 2020, the agency submitted a request to the Office of the Governor and the Legislative Budget Board for $30.0 million in General Revenue Funds for emergency funding to provide operational stability to eight Texas State Veteran Homes managed by the agency. According to the agency, the private operators of the Veterans' Home have seen a decrease in operational revenue due to increased COVID-19 related expenses and a decrease in census, resulting in fewer federal reimbursements from the Veterans Administration. Operators rely of reimbursements from the Veterans Administration via the agency based on occupancy rate, which they try to maintain at 95 percent. According to the agency, the occupancy rate has declined to 80 percent in some of facilities. On January 11, 2021, the Office of the Governor approved a grant to the Veterans' Land Board of $17.3 million from the Coronavirus Relief Fund to address COVID-19 related costs at the Texas State Veterans' Homes.

## General Land Office and Veterans' Land Board
## Rider Highlights - House

**Modification of Existing Riders**

2. **Capital Budget** – Recommendations include various changes to Capital Budget items in alignment with funding decisions (see Item 5, Selected Fiscal and Policy Issues - House).

8. **Real Property Investment Reporting** – Recommendations remove the requirement that the agency submit a report to the Governor's Office and the Legislative Budget Board on investment activity no later than January 1 of each odd numbered year to align with statutory changes by the enactment of Senate Bill 608, Eighty-sixth Legislature, 2019.

16. **Alamo and Alamo Complex Master Plan and Preservation, Maintenance, and Operations** – Recommendations update the rider amounts appropriated from General Revenue-Dedicated Alamo Complex Account No. 5152 and removes rider amounts appropriated from the Economic Stabilization Fund (ESF) for the operation and continued maintenance of the Alamo complex. Recommendations also remove Section (b), which allowed the agency to carry forward ESF appropriated in the 2018-19 biennium for the Alamo Master Plan into the 2020-21 biennium (see Item 3, Selected Fiscal and Policy Issues - House).

20. **Unexpended Balances of Earned Federal Funds for Disaster Recovery Program** – Recommendations adds administrative costs, emergency housing, human and health safety costs as eligible expenses to be paid with remaining Earned Federal Funds from fiscal year 2022 in fiscal year 2023 prior to receiving federal reimbursement for the operation of the Disaster Recovery Program.

**General Land Office and Veterans' Land Board**
**Items Not Included in Recommendations - House**

| | | 2022-23 Biennial Total | | | | | |
|---|---|---|---|---|---|---|---|
| | | GR & GR-D | All Funds | FTEs | Information Technology Involved? | Contracting Involved? | Estimated Continued Cost 2024-25 |
| **Agency Exceptional Items Not Included (in agency priority order)** | | | | | | | |
| 1) | **Add a New Rider, Estimated Appropriations: Coastal Public Lands Management Fee Account:** Request to add a rider granting estimated appropriation authority over General Revenue-Dedicated Coastal Public Lands Management Fee Account No. 540 which funds the operation of the Coastal Public Land program and the cabin program (see Item 7, Selected Fiscal and Policy Issues - House). | $0 | $0 | 0.0 | No | No | $0 |
| 2) | **Revise Rider 17, Transfer Authority:** Request to revise Rider 17, Transfer Authority, to allow the unlimited transfer of resources between strategies within all of the agency's goals with the exception of Strategy A.3.1, Preserve and Maintain the Alamo Complex, which cannot be used for any other purpose. | $0 | $0 | 0.0 | No | No | $0 |
| 3) | **Revise Rider 13, State Energy Marketing Program:** Request to remove certain statutory citations from Rider 13, State Energy Marketing Program, to remove text that requires all receipts from the lease of PSF real property for mineral development be utilized to manage the State Gas Program, and to remove that only revenue generated from royalties be used to purchase power within the State Energy Marketing Program (see Item 8, Selected Fiscal and Policy Issues - House) | $0 | $0 | 0.0 | No | No | $0 |
| **TOTAL Items Not Included in Recommendations** | | **$0** | **$0** | **$0** | | | **$0** |

**General Land Office and Veterans' Land Board**
**Appendices - House**

**Table of Contents**


| Appendix | Appendix Title | Page |
|---|---|---|
| A | Funding Changes and Recommendations by Strategy | 11 |
| B | Summary of Federal Funds | 18 |
| C | FTE Highlights | 19 |

**General Land Office and Veterans' Land Board**
**Funding Changes and Recommendations by Strategy - House -- ALL FUNDS**

| Strategy/Goal | 2020-21 Base | 2022-23 Recommended | Biennial Change | % Change | Comments |
|---|---|---|---|---|---|
| ENERGY LEASE MANAGEMENT & REV AUDIT A.1.1 | $12,686,079 | $13,420,806 | $734,727 | 5.8% | Recommendations include an All funds increase reflecting the following:<br>a) an increase in Permanent School Fund No. 44 (PSF) of $1.6 million related to a change in allocation of Indirect Administration and Support Costs to rebalance more equitably by agency-wide method of finance;<br>b) an increase in PSF of $0.4 million due to increased program operational costs;<br>c) a decrease in PSF of $0.5 million related to the reallocation of the agency's Combined Systems Upgrade capital budget item from direct administration to indirect administration;<br>d) a decrease in PSF of $0.7 million related to the Combined Systems Upgrade capital budget item;<br>e) a decrease in PSF of $0.2 million related to the Oil & Gas Royalty Reporting capital budget item; and<br>f) an increase in Appropriated Receipts of $0.2 million related to redirecting salaries from Fund 522 |
| ENERGY MARKETING A.1.2 | $1,137,821 | $1,191,962 | $54,141 | 4.8% | Recommendations include an increase in Appropriated Receipts of $54,141 related to program operational costs. |
| DEFENSE AND PROSECUTION A.1.3 | $4,893,862 | $5,236,724 | $342,862 | 7.0% | Recommendations include an All funds increase reflecting the following:<br>a) an increase in PSF of $6,467 related to program operational costs; and<br>b) an increase in Appropriated Receipts of $0.3 million related to program operational costs. |
| COASTAL AND UPLANDS LEASING A.1.4 | $6,376,597 | $6,339,460 | ($37,137) | (0.6%) | Recommendations include an All Funds decrease reflecting the following:<br>a) an increase in PSF of $0.1 million related to a change in allocation of Indirect Administration and Support Costs to rebalance more equitably by agency-wide method of finance and increased program operational costs;<br>b) a decrease in PSF of $0.1 million related to vehicle replacement; and<br>c) an increase in General Revenue-Dedicated Coastal Lands Management Fee Account No. 450 (GR-D 450) of $5,798 related to program operational costs. |

**General Land Office and Veterans' Land Board**
**Funding Changes and Recommendations by Strategy - House -- ALL FUNDS**

| Strategy/Goal | 2020-21 Base | 2022-23 Recommended | Biennial Change | % Change | Comments |
|---|---|---|---|---|---|
| ASSET MANAGEMENT A.2.1 | $25,054,260 | $15,809,625 | ($9,244,635) | (36.9%) | Recommendations include an All Funds decrease reflecting the following:<br>a) a decrease in PSF of $3.9 million related a change in allocation of Indirect Administration and Support Costs to rebalance more equitably by agency-wide method of finance and increased program operational costs;<br>b) a decrease in PSF of $3.2 million in one-time spending related to CAPPS HR implementation in the 2020-21 biennium;<br>c) a decrease in PSF of $2.0 million related to Surface Damage Account fund projects;<br>d) a decrease in PSF of $0.4 million related to the Archives & Records Database & Digital File Preservation capital budget project item;<br>e) an increase in PSF of $0.4 million for maintenance and operational costs for the agency's A.L.A.M.O. system;<br>f) an increase in PSF of $0.3 million related to program operational costs;<br>g) a decrease in PSF of $0.3 million related to the Security Compliance capital budget item.<br>h) a decrease in PSF of $0.1 million related to vehicle replacement; and<br>i) a decrease in Appropriated Receipts of $7,496 related to Summerlee Foundation Grant expenditures. |
| SURVEYING AND APPRAISAL A.2.2 | $1,745,108 | $4,104,774 | $2,359,666 | 135.2% | Recommendations include increases in PSF of $2.3 million related a change in allocation of Indirect Administration and Support Costs to rebalance more equitably by agency-wide method of finance and increased program operational costs and $25,472 due to program operational costs. |

**General Land Office and Veterans' Land Board**
**Funding Changes and Recommendations by Strategy - House -- ALL FUNDS**

| Strategy/Goal | 2020-21 Base | 2022-23 Recommended | Biennial Change | % Change | Comments |
|---|---|---|---|---|---|
| PRESERVE & MAINTAIN ALAMO COMPLEX A.3.1 | $67,620,212 | $10,688,552 | ($56,931,660) | (84.2%) | Recommendations include an All Funds decrease reflecting the following:<br>a) a decrease in Economic Stabilization Funds (ESF) of $60.0 million related to appropriations for the Alamo Operations and Alamo Master Plan carried forward from the 2018-19 biennium into the 2020-21 biennium;<br>d) an increase in GR-D Alamo Complex 5152 of $2.6 million due to increased revenue projections in the 2022-23 biennium;<br>c) an increase in GR-D Alamo Complex 5152 of $0.1 million related a change in allocation of Indirect Administration and Support Costs to rebalance more equitably by agency-wide method of finance and increased program operational costs; and<br>d) a decrease in Appropriated Receipts of $0.2 million related to rental revenues. |
| **Total, Goal A, ENHANCE STATE ASSETS** | **$119,513,939** | **$56,791,903** | **($62,722,036)** | **(52.5%)** | |
| COASTAL MANAGEMENT B.1.1 | $331,817,316 | $121,335,729 | ($210,481,587) | (63.4%) | Recommendations include an All Funds decrease reflecting the following:<br>a) a decrease in ESF of $220.2 million from Senate Bill 500, Eighty-sixth Legislature, 2019, to provide state matching funds to meet federal requirements for studies and projects planned to be conducted in the state by the United States Army Corp of Engineers and for the removal of vessels and repair and replace structures or equipment damaged by Hurricane Harvey;<br>b) an increase in Federal Funds of $8.8 million related to Coastal Management Protection grants;<br>c) an increase in Coastal Protection Account No. 27 (Fund 27) of $0.6 million related to the Tide Gauge program;<br>d) an increase in PSF of $0.5 million reallocated to the Texas Coastal Ocean Observation Network (TCOON) from Fund 27; and<br>e) decreases in General Revenue of $0.1 million related to a change in allocation of Indirect Administration and Support Costs to rebalance more equitably by agency-wide method of finance and increased program operational costs and $13,244 related to the Tex-An bill and copier lease. |

**General Land Office and Veterans' Land Board**
**Funding Changes and Recommendations by Strategy - House -- ALL FUNDS**

| Strategy/Goal | 2020-21 Base | 2022-23 Recommended | Biennial Change | % Change | Comments |
|---|---|---|---|---|---|
| COASTAL EROSION CONTROL PROJECTS B.1.2 | $175,757,360 | $80,496,051 | ($95,261,309) | (54.2%) | Recommendations include an All Funds decrease reflecting the following:<br>a) a decrease in Appropriated Receipts $35.7 million from funds from the Restore Act;<br>b) a decrease in Appropriated Receipts of $33.8 million from funds from the National Fish and Wildlife Foundation;<br>c) a decrease in Federal Funds of $12.6 million from FEMA reimbursements for the Galveston Seawall project that repaired damage sustained during Hurricane Ike;<br>d) a decrease in Appropriated Receipts of $7.7 million from funds from the Coastal Erosion Planning & Response Act;<br>e) a decrease in Appropriated Receipts $5.1 million from funds from the Natural Resource Damage Assessment;<br>f) a decrease in Fund 27 of $0.5 million related to the agency's Coastal Protection Grant System Consolidation capital budget project item in the 2020-21 biennium; and<br>g) an increase in General Revenue of $0.1 million related to a change in allocation of Indirect Administration and Support Costs to rebalance more equitably by agency-wide method of finance and increased program operational costs. |

**General Land Office and Veterans' Land Board**
**Funding Changes and Recommendations by Strategy - House -- ALL FUNDS**

| Strategy/Goal | 2020-21 Base | 2022-23 Recommended | Biennial Change | % Change | Comments |
|---|---|---|---|---|---|
| OIL SPILL RESPONSE B.2.1 | $14,596,469 | $10,665,968 | ($3,930,501) | (26.9%) | Recommendations include an All Funds decrease reflecting the following:<br>a) a decrease in ESF of $2.0 million from Senate Bill 500, Eighty-sixth Legislature, 2019, for the removal of vessels and repair and replace structures or equipment damaged by Hurricane Harvey;<br>b) a decrease in Fund 27 of $2.0 million from Senate Bill 500, Eighty-sixth Legislature, 2019, for the removal of vessels and repair and replace structures or equipment damaged by Hurricane Harvey;<br>c) a decrease in Fund 27 of $0.5 million from the agency's MAFOS capital budget project item in the 2020-21 biennium;<br>d) an increase in Fund 27 of $0.5 million for maintenance and operation for TABS Buoys;<br>d) an increase in Fund 27 of $0.1 million for contracted services for research and development;<br>e) a decrease in Fund 27 of $0.1 million reallocated for Tex-An phone and copier lease;<br>g) a decrease in Fund 27 of $0.1 million related to a change in allocation of Indirect Administration and Support Costs to rebalance more equitably by agency-wide method of finance;<br>h) an increase in Fund 27 of $0.1 million for increased program operational costs; and<br>i) a decrease in Fund 27 of $0.1 million from the agency's Vehicle Replacement capital budget item. |
| OIL SPILL PREVENTION B.2.2 | $9,057,067 | $8,919,374 | ($137,693) | (1.5%) | Recommendations include a decrease in Fund 27 of $0.4 million related to a change in allocation of Indirect Administration and Support Costs to rebalance more equitably by agency-wide method of finance partially offset by an increase of $0.3 million in Fund 27 for increased program operational costs and equipment replacement. |
| **Total, Goal B, PROTECT THE COASTAL ENVIRONMENT** | **$531,228,212** | **$221,417,122** | **($309,811,090)** | **(58.3%)** | |

**General Land Office and Veterans' Land Board**
**Funding Changes and Recommendations by Strategy - House -- ALL FUNDS**

| Strategy/Goal | 2020-21 Base | 2022-23 Recommended | Biennial Change | % Change | Comments |
|---|---|---|---|---|---|
| VETERANS' LOAN PROGRAMS C.1.1 | $36,599,455 | $36,340,891 | ($258,564) | (0.7%) | Recommendations include an All Funds decrease reflecting the following:<br>a) a decrease in Veterans Land Program Administration Fund No. 522 (Fund 522) of $4.7 million for one-time funding for CAPPS HR implementation;<br>b) an increase in Fund 522 of $3.7 million related to a change in allocation of Indirect Administration and Support Costs to rebalance more equitably by agency-wide method of finance;<br>c) an increase in Fund 522 of $0.4 million for marketing of the veterans' loan program; and<br>d) an increase in Fund 522 of $0.4 million for increased program operational costs. |
| VETERANS' HOMES C.1.2 | $8,022,299 | $7,858,254 | ($164,045) | (2.0%) | Recommendations include an All Funds decrease reflecting the following:<br>a) a decrease in Fund 522 of $0.6 million related to the Veterans Land Board Compliance Database System capital budget item;<br>b) an increase in Fund 522 of $0.4 million related to a change in allocation of Indirect Administration and Support Costs to rebalance more equitably by agency-wide method of finance;<br>c) an increase in Fund 522 of $0.2 million for increased program operational costs; and<br>d) an increase in Fund 522 of $50,000 to fund the Vehicle Replacement capital budget project. |
| VETERANS' CEMETERIES C.1.3 | $3,069,479 | $2,813,780 | ($255,699) | (8.3%) | Recommendation include a decrease in Veterans Homes Administration Fund No. 374 of $0.3 million for one-time costs for CAPPS HR implementation. |
| **Total, Goal C, VETERANS' LAND BOARD (VLB)** | **$47,691,233** | **$47,012,925** | **($678,308)** | **(1.4%)** | |

**General Land Office and Veterans' Land Board**
**Funding Changes and Recommendations by Strategy - House -- ALL FUNDS**

| Strategy/Goal | 2020-21 Base | 2022-23 Recommended | Biennial Change | % Change | Comments |
|---|---|---|---|---|---|
| HOUSING PROJECTS & ACTIVITIES D.1.1 | $3,462,996,815 | $1,433,939,045 | ($2,029,057,770) | (58.6%) | Recommendations include an All Funds decrease reflecting the following:<br>a) a decrease in Federal Funds of $2,024.0 million in Community Development Block Grants for disaster recovery and mitigation related to Hurricane Ike, Hurricane Harvey, FEMA IGSA, wildfires, and the floods in 2015 and 2016;<br>b) a decrease in ESF of $2.1 million from Senate Bill 500, Eighty-sixth Legislature, 2019, for the removal of vessels and repair and replace structures or equipment damaged by Hurricane Harvey; and<br>c) a decrease in General Revenue from Earned Federal Fund revenue to fund COVID-19 testing and personal protective equipment for the Veterans' Homes. |
| INFRASTRUCTURE PROJECTS/ACTIVITIES D.1.2 | $831,953,758 | $1,613,444,570 | $781,490,812 | 93.9% | Recommendations include an increase in Federal Funds of $781.0 million in Community Development Block Grants for disaster mitigation anticipated in the 2022-23 biennium. |
| **Total, Goal D, DISASTER RECOVERY** | **$4,294,950,573** | **$3,047,383,615** | **($1,247,566,958)** | **(29.0%)** | |
| **Grand Total, All Strategies** | **$4,993,383,957** | **$3,372,605,565** | **($1,620,778,392)** | **(32.5%)** | |

**General Land Office and Veterans' Land Board**
**Summary of Federal Funds - House**
**(Dollar amounts in Millions)**

| Program | Est 2020 | Bud 2021 | Rec 2022 | Rec 2023 | 2020-21 Base | 2022-23 Rec | 2022-23 Rec % Total | Recommended Over/(Under) Base | % Change from Base |
|---|---|---|---|---|---|---|---|---|---|
| Community Development Block Grants | $1,732.9 | $2,530.3 | $2,086.1 | $956.5 | $4,263.2 | $3,042.6 | **96.3%** | **($1,220.6)** | **(28.6%)** |
| Gulf of Mexico Energy Security Act (GoMESA) | $46.3 | $45.1 | $44.3 | $42.4 | $91.4 | $86.7 | **2.7%** | **($4.8)** | **(5.2%)** |
| Hurricane Harvey Public Assistance Grants | $0.0 | $6.8 | $13.6 | $6.8 | $6.8 | $20.4 | **0.6%** | **$13.6** | **200.0%** |
| All Other Grants[1] | $37.5 | $7.2 | $5.0 | $5.2 | $44.7 | $10.2 | **0.3%** | **($34.5)** | **(77.2%)** |
| **TOTAL:** | **$1,816.7** | **$2,589.4** | **$2,149.0** | **$1,010.9** | **$4,406.1** | **$3,159.9** | **100.0%** | **($1,246.3)** | **(28.3%)** |

[1]All Other Grants includes: Public Assistance Grants and Federal Disaster Assistance to Individuals and Households

## General Land Office and Veterans' Land Board
## FTE Highlights - House

| Full-Time-Equivalent Positions | Expended 2019 | Estimated 2020 | Budgeted 2021 | Recommended 2022 | Recommended 2023 |
|---|---|---|---|---|---|
| Cap | 600.0 | 732.0 | 732.0 | 798.0 | 798.0 |
| Actual/Budgeted | 630.7 | 660.5 | 798.0 | NA | NA |

| Schedule of Exempt Positions (Cap) | | | | | |
|---|---|---|---|---|---|
| Land Commissioner, Group 5 | $140,938 | $140,938 | $140,938 | $140,938 | $140,938 |

Notes:

a) The State Auditor's Office, Executive Compensation at State Agencies (Report 20-706, August 2020), does not indicate market average salaries for elected officials. The salary of the Land Commissioners is a public policy decision that is not tied to the market average for similar positions. The agency is not requesting any changes to it Exempt Position.

b) The agency exceeded the fiscal year 2021 FTE cap by 66.0 due to an anticipated increase in federally funded positions related to disaster recovery. The agency anticipates the additional positions to continue and will utilize federal funds for salaries and related benefit costs in the 2022-23 biennium.

c) State Auditor's Office is the source for the fiscal year 2019 and fiscal year 2020 annual (actual) FTE levels.