

SPOTLIGHT: HIGHLIGHTS OF RECENT CONGRESSIONAL ACTIONS



A FEDERAL FUNDS WATCH FROM LEGISLATIVE BUDGET BOARD STAFF

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On January 17, 2014, the President signed the Consolidated Appropriations Act of 2014, a combination of 12 appropriation bills. Most discretionary programs will receive an increase in spending levels to mitigate the impact of Budget Control Act across-the-board reductions in FY 2013. A description follows of significant federal funding level changes (compared to post-sequestration levels) to the Texas budget due to Congressional actions. Fig. 1 on page 2 lists programs with significant increases or decreases compared to the previous year's funding level.

EDUCATION

K-12. Texas will receive increased federal funding for **Title I-Grants to Local Educational Agencies** (\$1.4 billion), **Special Education Basic State Grants** (\$969.0 million), **21st Century Community Learning Centers** (\$107.0 million), and **Vocational Education Basic State Grants** (\$88.4 million). **Mathematics and Science Partnerships** should receive \$15.2 million, a 6% increase above FY 2013. Congress reduced **Race to the Top's** (RTT) national appropriation from \$520 million to \$250 million and directed all RTT funds to competitive preschool state grants. **Head Start** increased nationally from \$7.6 to \$8.6 billion, 14% above FY 2013. Texas Head Start local providers should receive at least \$568.7 million in FY 2014 (an increase of \$36.9 million above FY 2013).

Higher Education. Congress increased the maximum **Federal Pell Grant** award by \$85 to \$5,730.

HEALTH AND HUMAN SERVICES

Funding for the Children's Health Insurance Program (CHIP) to Texas increased from \$891.5 million in FY 2013 to \$936.1 million in FY 2014 (a 5% increase). Authorization of the Temporary Assistance for Needy Families (TANF) block grant was extended to the end of FY 2014 at the FY 2013 funding level. The Omnibus Bill increases the **Child Care Development Block Grant** national funding level by 7% (a \$19.2 million increase to Texas for FY 2014). The national FY 13 **Title IV-E Adoption Assistance** funding level of \$2.4 billion increases by \$94 million, or 4% in the bill. Texas' FY 2014 allotment for **Adoption Assistance** is estimated to be \$105.6 million.

The **Commodity Assistance Program**, which consists of the **Emergency Food Assistance Program**, the **Commodity**

Emergency Food Assistance Program, and the **Commodity Supplemental Food Program**, receives an additional \$26 million, a 10% increase from its FY 2013 funding level of \$244 million. In FY 2013, Texas received an estimated \$37.0 million from the **Commodity Assistance Program**.

The FY 2014 **Substance Abuse Block Grant (SABG)** award was increased by 6% from FY 2013 levels to support states in expanding coverage for substance abuse treatment services. Texas will receive approximately \$136 million in SABG funding in FY 2014. **Block Grants for Community Mental Health Services** were funded nationally at \$437 million in FY 2013 and increased to \$484 million in FY 2014 (a 11% increase). The **Social Services Block Grant (SSBG)**, a non-exempt, non-defense mandatory program, was reduced due to sequestration. Texas will receive \$130.2 million in SSBG funds in FY 2014 (a 1% reduction from FY 13). The FY 2014 Omnibus Bill provides a 49% increase above FY 2013 funding levels to the **Refugee Assistance Program** (Texas' FY 2013 allocation was \$45.6 million).

TRANSPORTATION

Congress increased appropriations for **Highway Planning and Construction** transportation programs by about 2% in FY 2014 to \$40.3 billion nationally, an increase of \$0.6 billion from FY 2013. Texas will receive approximately \$2.9 billion in FY 2014 for these transportation programs.

HOMELAND SECURITY

The **State Homeland Security Grant Program** was increased by 16% in FY 2014 to \$411 million nationally, an increase of \$57 million from FY 2013. Texas will receive approximately \$21.6 million in FY 2014 (an increase of \$3.0 million above FY 2013). The **Urban Area Security Initiative (UASI)** program was increased by 7% in FY 2014 to \$600 million nationally, an increase of \$41 million from FY 2013. Texas' allocation for the **UASI** program is estimated to be \$41.4 million in FY 2014. The **Hospital Preparedness Program** national funding level was reduced to \$255 million for FY 2014 (a 28.8% reduction). Texas will receive approximately \$17.7 million in FY 2014 (a decrease of \$7.1 million). The **Public Health Emergency Preparedness** program was increased by 5.2% in FY 2014 to \$656 million nationally. Texas will receive approximately \$36.5 million in FY 2014.

OTHER

Justice. The bill reduces the nationwide **State Criminal Alien Assistance Program** (SCAAP) FY 2013 level of \$238 million by \$58 million. The FY 2013 SCAAP award to the Texas Department of Criminal Justice was \$10.3 million. The bill eliminates funding for the Juvenile Accountability Block Grant (JABG); Texas received \$1.2 million in JABG funds in FY 2013.

Labor. The FY 2013 funding level for **Unemployment Insurance (UI) State Administration** of \$3.0 billion decreases to \$2.9 billion, or 4%. Texas is estimated to receive \$135.7 million in **UI Administration** funding in FY 2014 (a loss of \$9.3 million from FY 2013). However, the bill increases funding for **Workforce Investment Act (WIA) – Dislocated Worker, Adult and Youth Training** programs by approximately 5%. In FY 2014, Texas is estimated to receive \$168.6 million in WIA funding.

Housing. Nationally, Congress increased the appropriation for the **Low Income Home Energy Assistance Program** from \$3.3 to \$3.4 billion, or by 5%. For the **HOME Investment Partnership**

Program, Texas is expected to receive an estimated \$25.3 million in FY 2014, \$1.3 million above FY 2013. The state's **Emergency Solutions Grant** is expected to increase from \$6.9 million in FY 2013 to at least \$8.0 million in FY 2014. Texas's **Weatherization Assistance Program** is expected to receive \$5.4 million in FY 2014, \$1.1 million above FY 2013. The **Community Services Block Grant** will increase from \$30.4 to \$32.3 million, a 6% increase above FY 2013.

Natural Resources. The **Clean Water State Revolving Fund** (CWSRF) and **Drinking Water State Revolving Fund** (DWSRF) each received a 5% appropriation increase. Texas is expected to receive \$64.9 million for CWSRF and \$64.1 million for DWSRF in FY 2014.

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The Federal Funds Analysis Team of the Legislative Budget Board conducts research on federal legislation and federal funding issues which impact the state budget.

FIG. 1
ESTIMATED FEDERAL ALLOCATIONS TO TEXAS FOR SELECTED GRANT PROGRAMS
FEDERAL FISCAL YEARS 2012 THROUGH 2014

PROGRAMS	FEDERAL FISCAL YEAR 2012	FEDERAL FISCAL YEAR 2013	FEDERAL FISCAL YEAR 2014	CHANGE FROM FEDERAL FISCAL YEAR 2013 TO 2014
SELECTED EDUCATION				
Title I-Grants to Local Educational Agencies	\$1,386.6	\$1,311.2	\$1,370.7	\$59.5
Special Education Basic State Grants	980.9	926.9	969.0	42.1
21st Century Community Learning Centers	104.4	101.6	107.0	5.4
Vocational Education Basic State Grants	92.2	84.2	88.4	4.2
Mathematics and Science Partnerships	15.2	14.4	15.2	0.8
Total Selected Education	\$2,579.3	\$2,438.3	\$2,550.3	\$112.0
SELECTED HEALTH AND HUMAN SERVICES				
Child Care Development Block Grant	243.0	235.2	254.4	19.2
Substance Abuse Block Grant	135.0	127.8	136.0	8.2
Commodity Assistance Program	36.5	37.0	40.9	3.9
Community Services Block Grant	32.4	30.4	32.3	1.9
Vocational Rehabilitation	238.2	239.3	239.0	(0.3)
Social Services Block Grant	137.7	132.2	130.2	(2.0)
Total Selected Health and Human Services	\$822.7	\$801.9	\$832.8	\$30.9
SELECTED OTHER				
Public Health Emergency Preparedness Program	37.6	34.8	36.6	1.8
State Criminal Alien Assistance Program ¹	10.7	10.3	7.8	(2.5)
Hospital Preparedness Program	26.4	24.8	17.7	(7.1)
Total Selected Other	\$74.7	\$69.9	\$62.1	(\$7.8)

¹ SCAAP awards reimburse previous fiscal year expenses. For the purpose of this table, fiscal year refers to the date of funds receipt rather than the award year.

NOTES: Texas grant amounts listed above represent preliminary estimates. Numbers may not add due to rounding.

SOURCES: Federal Funds Information for States (FFIS), U.S. Department of Education, U.S. Department of Health and Human Services, U.S. Department of Justice, U.S. Department of Homeland Security, and Legislative Budget Board.