



## LEGISLATIVE BUDGET BOARD

# **SUMMARY OF SENATE BILL 1, AS INTRODUCED**

*Budget Recommendations for the 2018-19 Biennium*

PRESENTED TO SENATE FINANCE COMMITTEE

URSULA PARKS, DIRECTOR

JANUARY 2017

# The Big Picture

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Method of Finance	2016-17 Adjusted Base	2018-19 Senate Bill 1	Biennial \$ Change	Percent Change
<b>General Revenue</b>	<b>\$106,848.7</b>	<b>\$103,602.3</b>	<b>(\$3,246.3)</b>	<b>(3.0%)</b>
GR-Dedicated	\$8,036.0	\$6,893.3	(\$1,142.7)	(14.2%)
Federal Funds	\$70,605.7	\$71,006.4	\$400.7	0.6%
Other Funds	\$28,177.7	\$31,869.6	\$3,691.8	13.1%
<b>All Funds</b>	<b>\$213,668.2</b>	<b>\$213,371.6</b>	<b>(\$296.5)</b>	<b>(0.1%)</b>

# Major Funding Items

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## **Foundation School Program**

- Fully funded at current law; reflects a reduced GR need of \$1.5 billion

## **Medicaid**

- Maintained at 2016-17 appropriated level

## **Child Protective Services**

- Increased by \$332 million to maintain resources provided in FY2017 to address critical needs (\$293 million) and improve agency performance in caseload per caseworker and retention

## **Behavioral Health**

- Includes \$3.4 billion (not including Medicaid or CHIP) across 16 agencies, including \$96 million to address current and projected waitlists

## **Border Security**

- Maintained at \$800 million; \$143 million for 250 new troopers, equipment, and a surge contingency

## **Higher Education**

- Special items funding of \$320 million reflects a decrease of \$800 million

## **Transportation**

- Includes nearly \$5 billion in funding from state sales tax deposits due to Proposition 7

## **1.5% Across-the-board GR Reduction**

- An additional Article IX GR reduction of \$1,058 million; exempts the FSP

# Constitutional Limitations

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There is remaining capacity under both the Article III, Section 49a Pay-as-you-go Limit and the Article VIII, Section 22 Spending Limit.

<b>Remaining General Revenue Spending Authority (in billions)</b>	
<b>Pay-as-you-go Limit</b>	<b>\$1.3</b>
<b>Spending Limit</b>	<b>\$12.0</b>

# Budget Format

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**Five agencies are presented with appropriations based on programs rather than based on strategies:**

- Department of Family and Protective Services
- Texas Education Agency
- Higher Education Coordinating Board
- Texas Forest Service
- Texas Department of Agriculture

The program appropriations for these agencies are grouped by program area. Associated riders have been modified to support this structure.

Program-based information for all state agencies, institutions of higher education and the courts is produced in a new publication, *Legislative Budget Estimates-Program*.

# LBB Staff and Publications

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## LBB Staff:

- Support committee deliberations
- Provide budget and program analysis
- Assist the committee with state fiscal analysis

## LBB Publications, all available at [www.lbb.state.tx.us](http://www.lbb.state.tx.us):

Appropriations bill as introduced	Criminal justice reports
Summary of LBE	Issue Briefs
Legislative Budget Estimates – Strategy	Interactive Graphics
Legislative Budget Estimates – Program	2016-17 Fiscal Size-up
State Budget by Program	Primers and other published reports



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Legislative Budget Board

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