

Section 1

Trusteed Programs Within the Office of the Governor
Summary of Recommendations - Senate

Page: I-60
The Honorable Greg Abbott, Governor

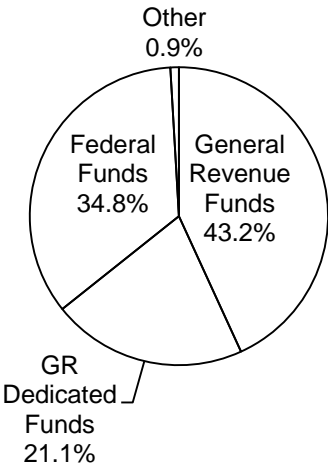
Lara Bell, LBB Analyst

Method of Financing	2014-15 Base	2016-17 Recommended	Biennial Change	% Change
General Revenue Funds	\$352,611,621	\$154,589,283	(\$198,022,338)	(56.2%)
GR Dedicated Funds	\$343,327,447	\$75,727,745	(\$267,599,702)	(77.9%)
Total GR-Related Funds	\$695,939,068	\$230,317,028	(\$465,622,040)	(66.9%)
Federal Funds	\$124,600,000	\$124,600,000	\$0	0.0%
Other	\$57,442,673	\$3,294,000	(\$54,148,673)	(94.3%)
All Funds	\$877,981,741	\$358,211,028	(\$519,770,713)	(59.2%)

	FY 2015 Budgeted	FY 2017 Recommended	Biennial Change	% Change
FTEs	157.3	157.3	0.0	0.0%

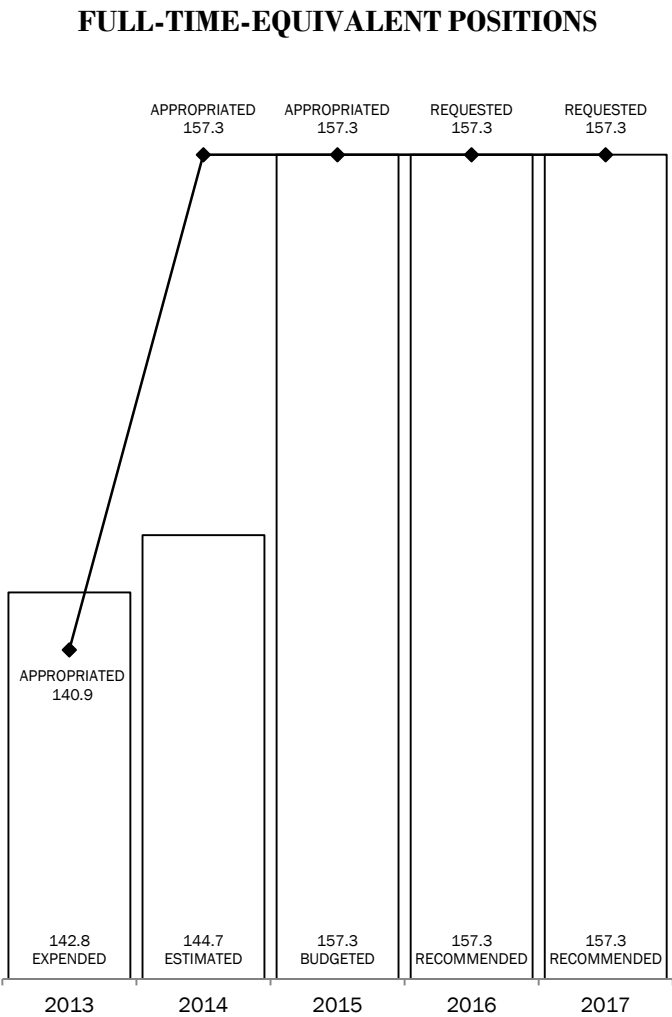
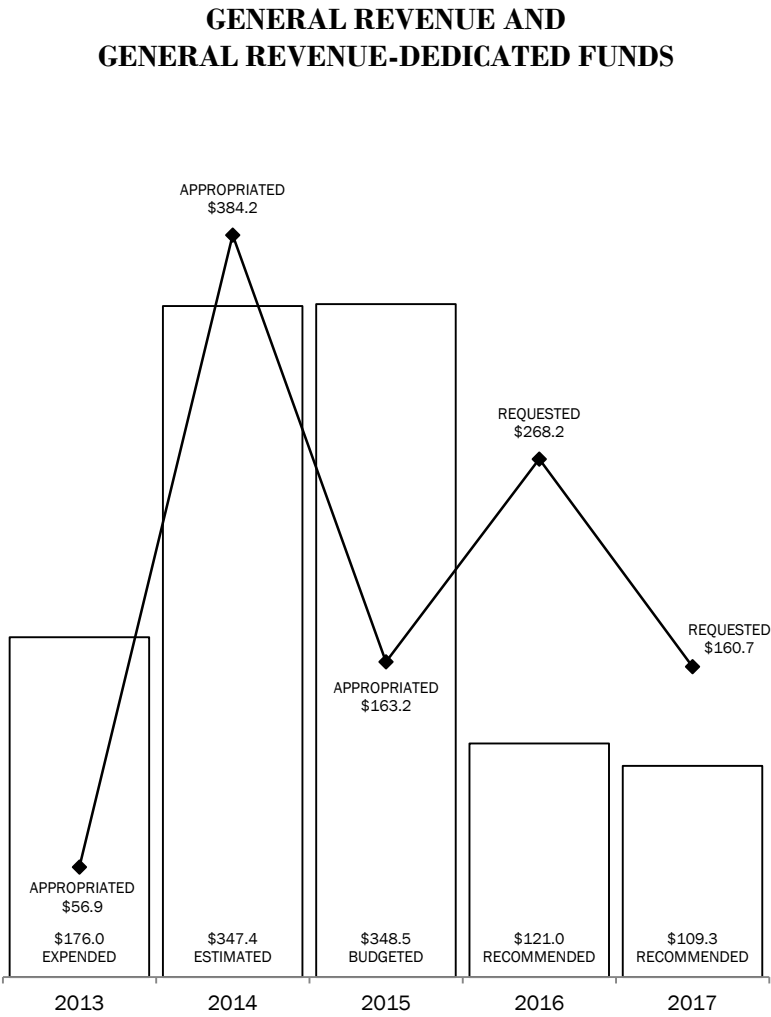
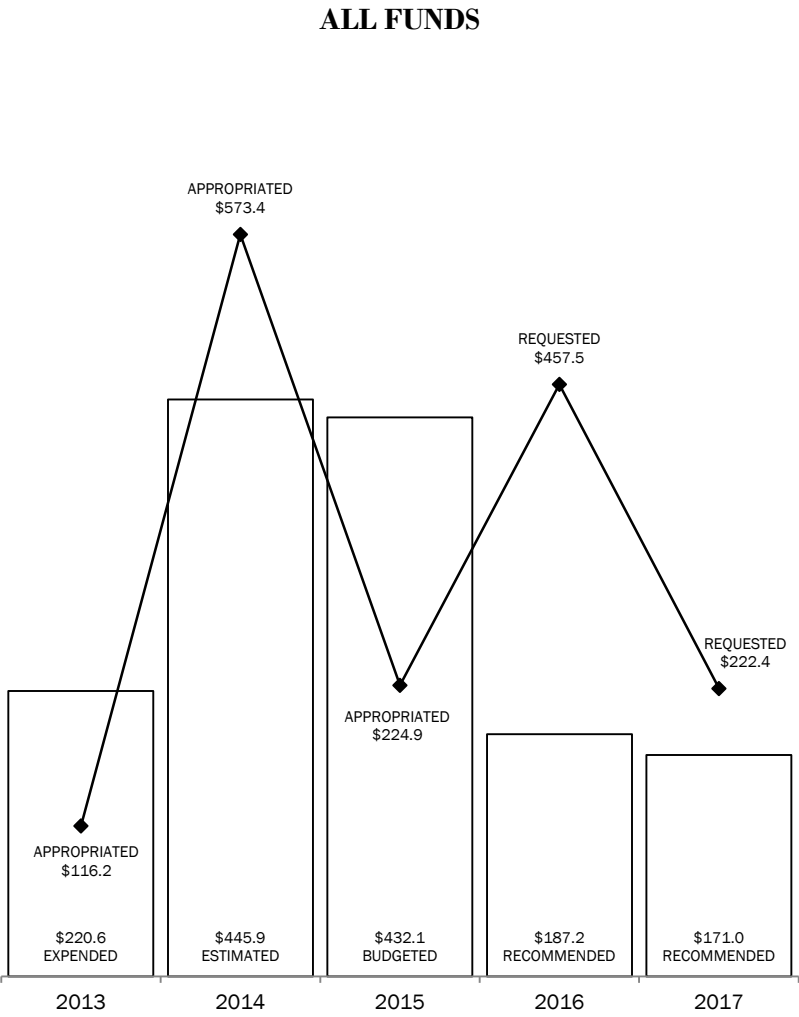
The bill pattern for this agency (2016-17 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2016-17 biennium.

RECOMMENDED FUNDING
BY METHOD OF FINANCING



Section 1
Trusted Programs Within the Office of the Governor
2016-2017 BIENNIUM
IN MILLIONS

TOTAL= \$358.2 MILLION



Section 2

Trusteed Programs Within the Office of the Governor
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
DISASTER FUNDS A.1.1	\$86,881,552	\$30,000,000	(\$56,881,552)	(65.5%)	
AGENCY GRANT ASSISTANCE A.1.2	\$4,472,114	\$2,335,157	(\$2,136,957)	(47.8%)	
DISABILITY ISSUES A.2.1	\$2,169,283	\$1,535,166	(\$634,117)	(29.2%)	
WOMEN'S GROUPS A.2.2	\$725,026	\$452,648	(\$272,378)	(37.6%)	
STATE-FEDERAL RELATIONS A.2.3	\$2,744,185	\$2,114,884	(\$629,301)	(22.9%)	
Total, Goal A, GRANT ASSISTANCE AND PROGRAMS	\$96,992,160	\$36,437,855	(\$60,554,305)	(62.4%)	
CRIMINAL JUSTICE B.1.1	\$263,534,416	\$198,416,703	(\$65,117,713)	(24.7%)	
COUNTY ESSENTIAL SERVICE GRANTS B.1.2	\$3,467,302	\$2,340,666	(\$1,126,636)	(32.5%)	
HOMELAND SECURITY B.1.3	\$409,390	\$6,367,780	\$5,958,390	1,455.4%	
Total, Goal B, CRIMINAL JUSTICE ACTIVITIES	\$267,411,108	\$207,125,149	(\$60,285,959)	(22.5%)	
ECONOMIC DEVELOPMENT C.1.1	\$100,328,217	\$33,112,618	(\$67,215,599)	(67.0%)	
TOURISM C.1.2	\$96,441,390	\$70,054,240	(\$26,387,150)	(27.4%)	
FILM AND MUSIC MARKETING C.1.3	\$99,029,386	\$9,987,681	(\$89,041,705)	(89.9%)	
TEXAS ENTERPRISE FUND C.1.4	\$126,516,728	\$0	(\$126,516,728)	(100.0%)	
TEXAS EMERGING TECHNOLOGY FUND C.1.5	\$88,747,785	\$0	(\$88,747,785)	(100.0%)	
MILITARY PREPAREDNESS C.1.6	\$2,514,967	\$1,493,485	(\$1,021,482)	(40.6%)	
Total, Goal C, ECONOMIC DEVELOPMENT AND TOURISM	\$513,578,473	\$114,648,024	(\$398,930,449)	(77.7%)	
Grand Total, All Strategies	\$877,981,741	\$358,211,028	(\$519,770,713)	(59.2%)	Recommendations reflect the agency's request for funding at or below 2014-15 appropriated levels across most strategies. Recommendations continue carry forward authority within the biennium, and across biennia, across all strategies. The amount carried forward from fiscal year 2015 to the 2016-17 biennium is estimated by the agency to be \$0, across most strategies. Recommendations include reductions for the following programs: Disaster Funds, Film and Music Marketing, Tourism, Emerging Technology Fund, Texas Enterprise Fund, Spaceport Trust Fund, and the BP Oil Spill Account.

Section 2

Trusteed Programs Within the Office of the Governor
Summary of Recommendations - Senate, By Method of Finance -- GENERAL REVENUE FUNDS

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
DISASTER FUNDS A.1.1	\$74,807,773	\$30,000,000	(\$44,807,773)	(59.9%)	Recommendations include an appropriation of \$15.0 million each fiscal year for disaster grants based on historical expenditures. Recommendations also include a decrease related to the expenditure of \$5.0 million from the one-time BP Oil Spill Response Grant.
AGENCY GRANT ASSISTANCE A.1.2	\$4,472,114	\$2,335,157	(\$2,136,957)	(47.8%)	
DISABILITY ISSUES A.2.1	\$2,169,283	\$1,535,166	(\$634,117)	(29.2%)	
WOMEN'S GROUPS A.2.2	\$725,026	\$452,648	(\$272,378)	(37.6%)	
STATE-FEDERAL RELATIONS A.2.3	\$2,408,185	\$1,778,884	(\$629,301)	(26.1%)	
Total, Goal A, GRANT ASSISTANCE AND PROGRAMS	\$84,582,381	\$36,101,855	(\$48,480,526)	(57.3%)	
CRIMINAL JUSTICE B.1.1	\$35,475,568	\$23,703,934	(\$11,771,634)	(33.2%)	Recommendations include \$4.6 million in General Revenue related to truancy prevention grants. See Rider 22, Contingency Appropriation Truancy Prevention Court Cost.
COUNTY ESSENTIAL SERVICE GRANTS B.1.2	\$3,467,302	\$2,340,666	(\$1,126,636)	(32.5%)	
HOMELAND SECURITY B.1.3	\$409,390	\$367,780	(\$41,610)	(10.2%)	
Total, Goal B, CRIMINAL JUSTICE ACTIVITIES	\$39,352,260	\$26,412,380	(\$12,939,880)	(32.9%)	
ECONOMIC DEVELOPMENT C.1.1	\$32,288,919	\$11,993,642	(\$20,295,277)	(62.9%)	Recommendations include a decrease of \$15.0 million from 2014-15 appropriated levels related to one-time funding for Spaceport Incentives transferred to the Spaceport Trust Fund outside the treasury.
TOURISM C.1.2	\$95,019,957	\$68,632,240	(\$26,387,717)	(27.8%)	
FILM AND MUSIC MARKETING C.1.3	\$98,853,137	\$9,955,681	(\$88,897,456)	(89.9%)	
TEXAS ENTERPRISE FUND C.1.4	\$0	\$0	\$0	0.0%	
TEXAS EMERGING TECHNOLOGY FUND C.1.5	\$0	\$0	\$0	0.0%	
MILITARY PREPAREDNESS C.1.6	\$2,514,967	\$1,493,485	(\$1,021,482)	(40.6%)	
Total, Goal C, ECONOMIC DEVELOPMENT AND TOURISM	\$228,676,980	\$92,075,048	(\$136,601,932)	(59.7%)	
Grand Total, All Strategies	\$352,611,621	\$154,589,283	(\$198,022,338)	(56.2%)	

Section 2

Trusteed Programs Within the Office of the Governor
Summary of Recommendations - Senate, By Method of Finance -- GR DEDICATED

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
DISASTER FUNDS A.1.1	\$0	\$0	\$0	0.0%	
AGENCY GRANT ASSISTANCE A.1.2	\$0	\$0	\$0	0.0%	
DISABILITY ISSUES A.2.1	\$0	\$0	\$0	0.0%	
WOMEN'S GROUPS A.2.2	\$0	\$0	\$0	0.0%	
STATE-FEDERAL RELATIONS A.2.3	\$0	\$0	\$0	0.0%	
Total, Goal A, GRANT ASSISTANCE AND PROGRAMS	\$0	\$0	\$0	0.0%	
CRIMINAL JUSTICE B.1.1	\$104,558,848	\$51,212,769	(\$53,346,079)	(51.0%)	
COUNTY ESSENTIAL SERVICE GRANTS B.1.2	\$0	\$0	\$0	0.0%	
HOMELAND SECURITY B.1.3	\$0	\$6,000,000	\$6,000,000	100.0%	
Total, Goal B, CRIMINAL JUSTICE ACTIVITIES	\$104,558,848	\$57,212,769	(\$47,346,079)	(45.3%)	
ECONOMIC DEVELOPMENT C.1.1	\$23,464,653	\$18,474,976	(\$4,989,677)	(21.3%)	Recommendations include a decrease of approximately \$5.0 million in Economic Development Bank Account No. 5106 to reflect the agency's revised estimated revenue for fiscal year 2017.
TOURISM C.1.2	\$39,433	\$40,000	\$567	1.4%	
FILM AND MUSIC MARKETING C.1.3	\$0	\$0	\$0	0.0%	
TEXAS ENTERPRISE FUND C.1.4	\$126,516,728	UB	(\$126,516,728)	(100.0%)	Recommendations provide carry-forward authority of unexpended balances across biennia for the Texas Enterprise Fund Account No. 5107 for grants. The agency estimates \$30.0 million in GR-D Account No. 5107 in unexpended balances at the end of fiscal year 2015.
TEXAS EMERGING TECHNOLOGY FUND C.1.5	\$88,747,785	UB	(\$88,747,785)	(100.0%)	Recommendations provide carry-forward authority for the Emerging Technology Fund Account No. 5124 for grants. Recommendations do not include the agency's Legislative Appropriations Request for approximately \$50.0 million in General Revenue to be transferred to GR-D Emerging Technology Account No. 5124.
MILITARY PREPAREDNESS C.1.6	\$0	\$0	\$0	0.0%	
Total, Goal C, ECONOMIC DEVELOPMENT AND TOURISM	\$238,768,599	\$18,514,976	(\$220,253,623)	(92.2%)	
Grand Total, All Strategies	\$343,327,447	\$75,727,745	(\$267,599,702)	(77.9%)	

Section 2

Trusteed Programs Within the Office of the Governor
Summary of Recommendations - Senate, By Method of Finance -- OTHER FUNDS

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
DISASTER FUNDS A.1.1	\$12,073,779	\$0	(\$12,073,779)	(100.0%)	Recommendations include a decrease of \$11.8 million in one-time funding from the Economic Stabilization Fund for disaster funding from House Bill 1025, 83rd Legislature, Regular Session.
AGENCY GRANT ASSISTANCE A.1.2	\$0	\$0	\$0	0.0%	
DISABILITY ISSUES A.2.1	\$0	\$0	\$0	0.0%	
WOMEN'S GROUPS A.2.2	\$0	\$0	\$0	0.0%	
STATE-FEDERAL RELATIONS A.2.3	\$336,000	\$336,000	\$0	0.0%	
Total, Goal A, GRANT ASSISTANCE AND PROGRAMS	\$12,409,779	\$336,000	(\$12,073,779)	(97.3%)	
CRIMINAL JUSTICE B.1.1	\$0	\$0	\$0	0.0%	
COUNTY ESSENTIAL SERVICE GRANTS B.1.2	\$0	\$0	\$0	0.0%	
HOMELAND SECURITY B.1.3	\$0	\$0	\$0	0.0%	
Total, Goal B, CRIMINAL JUSTICE ACTIVITIES	\$0	\$0	\$0	0.0%	
ECONOMIC DEVELOPMENT C.1.1	\$43,474,645	\$1,544,000	(\$41,930,645)	(96.4%)	
TOURISM C.1.2	\$1,382,000	\$1,382,000	\$0	0.0%	
FILM AND MUSIC MARKETING C.1.3	\$176,249	\$32,000	(\$144,249)	(81.8%)	
TEXAS ENTERPRISE FUND C.1.4	\$0	\$0	\$0	0.0%	
TEXAS EMERGING TECHNOLOGY FUND C.1.5	\$0	\$0	\$0	0.0%	
MILITARY PREPAREDNESS C.1.6	\$0	\$0	\$0	0.0%	
Total, Goal C, ECONOMIC DEVELOPMENT AND TOURISM	\$45,032,894	\$2,958,000	(\$42,074,894)	(93.4%)	
Grand Total, All Strategies	\$57,442,673	\$3,294,000	(\$54,148,673)	(94.3%)	

Section 3

Trusteed Programs Within the Office of the Governor Selected Fiscal and Policy Issues - Senate

1. **Strategic Fiscal Review.** The agency is included in the Strategic Fiscal Review (SFR). Please refer to the SFR packet for specific information and findings.

Significant observations and considerations include:

- The primary function of the Trusteed Programs Within the Office of the Governor is to provide grants for various programs, including: Disaster and Deficiency funds, Criminal Justice grants, and Economic Development incentives. The Trusteed Programs Within the Office of the Governor is also assigned operations of two former state agencies: the Office of State-Federal Relations and the Texas Department of Economic Development.
- The agency's thirty-three programs are spread across these three categories with agency budget allocations in the following percentages for the 2016-17 biennium recommendations:
 - Grant Assistance and Programs – 10%;
 - Criminal Justice Activities – 58%; and
 - Economic Development and Tourism – 32%.
- The agency provided a funding alternative to serve all eligible applicants to the film incentive program. This would require an increase of funding of approximately \$106.4 million in the 2016-17 biennium and 4.0 new FTEs to administer additional awards. The agency also provided a funding alternative option to increase coordination and speed of the incentive application and approval process in the Business Development program. The agency requested \$250,000 per fiscal year and 5.0 FTEs to focus specifically on due diligence and research for incentive applications. These alternatives are not included in recommendations.

Section 3

2. **Budget Structure.** Recommendations include changes to the agency's 2016-17 budget structure previously approved by our office and the Governor's Office of Budget, Planning and Policy. Changes to the budget structure group common Items of Appropriation together in three separate Goals within the budget structure to provide greater detail and transparency of the activities of the Trusteed Programs. These Goals and Items of Appropriation are as follows:

Goal A, Grant Assistance and Programs – includes the Items of Appropriation related to Disaster Funding; Agency Grant Assistance; Disability Issues; Women's Group; and State-Federal Relations.

Goal B, Criminal Justice Activities – includes the Items of Appropriation related to Criminal Justice; County Essential Service Grants; and Homeland Security grant activities.

Goal C, Economic Development and Tourism – includes the Items of Appropriation related to Economic Development; Tourism; Film and Music Marketing; Texas Enterprise Fund; Texas Emerging Technology Fund; and Military Preparedness grant and loan activities. Within Goal C, Economic Development and Tourism activities are separated into two strategies to distinguish the missions of the overall activities in each strategy.

Economic Development activities provide assistance, incentives and loans for economic development with a goal of creating jobs and investments in Texas communities. These programs include the Economic Development Bank, Small Business Advocacy, Texas Business Development, and the Office of Aerospace, Aviation, and Defense.

Tourism activities primarily promote Texas through marketing campaigns domestically and internationally to develop tourism related jobs and revenue.

Section 3

3. **Disaster Grants, Agency Grants, and Emergency Appropriations.** Recommendations include \$30 million in General Revenue to provide grants for certain disasters and \$2.3 million in General Revenue for assistance grants to state agencies in the 2016-17 biennium.

Recommendations include separating Rider 2. Emergency and Deficiency and Disaster Grants, into two riders to provide clarification of the Governor's appropriation authority to address disasters, certain emergencies, and to provide agencies funding to address deficiencies during the interim.

Rider 2, Disaster and Deficiency Grants would clarify the use, purpose, restrictions and authority for the funds that are appropriated to the Governor in new strategies A.1.1, Disaster Funding, and A.1.2, Agency Grant Assistance. Government Code §403.075 limits agency deficiency grants up to \$200,000 for deficiencies that occur during the interim. The revised rider would clarify the authority to provide \$200,000 per agency, per event. The revised rider would also require the Governor to notify the Legislative Budget Board of deficiency and disaster grants provided to state agencies.

Rider 3, Governor's Emergency Appropriation Authority, would define the authorization, process, and funds that can be transferred for emergency appropriations made by the Governor from funds appropriated to other agencies as allowed by Government Code §§401.061-401.065. The rider would appropriate amounts necessary from General Revenue–Dedicated Funds and Other Funds to address emergencies governed by Government Code §§401.061-401.065. The rider also requires approval by the Legislative Budget Board.

4. **Governor's Proposal to Eliminate Emerging Technology Fund.** In January 2015, Governor Abbott proposed the elimination of the Emerging Technology Fund and using 50 percent of the unexpended balances to establish a new initiative to provide matching funds for Texas higher education institutions to recruit prestigious, nationally-recognized researchers to their faculties. The other 50 percent of unexpended balances would be reallocated to the Texas Enterprise Fund. The existing portfolio would be transferred to the Texas Treasury Safekeeping Trust Company, administered by the Comptroller of Public Accounts. To implement this proposal, a change in statute would be required.

Section 3

5. **Unexpended Balance Authority.** Recommendations continue carry forward authority for unexpended balances within the biennium for all strategies. In July 2014, the agency reported in its 2014-15 Base Reconciliation carry forward of approximately \$211.2 million (\$78.3 million in General Revenue, \$120.0 million in General Revenue – Dedicated, and \$12.9 million in Other Funds) from fiscal year 2014 into fiscal year 2015.

Recommendations continue carry forward of unexpended balances across biennia (from fiscal year 2015 to fiscal year 2016). The agency reported in its 2014-15 Base Reconciliation carry forward of approximately \$357.6 million (\$77.9 million in General Revenue, \$225.0 million in General Revenue – Dedicated, and \$54.7 million in Other Funds) from fiscal year 2013 into the 2014-15 biennium in the following programs and methods of finance as allowed by Rider 12, Appropriations of Unexpended Balances, Revenue, and Interest Earnings, in the agency’s bill pattern:

Carry Forward of Unexpended Balances

General Revenue	UB Carry Forward Amount FY13 to FY14	UB Carry Forward Amount FY14 to FY15
Economic Development and Tourism (General Revenue - Hotel Occupancy Tax Deposits Account No. 5003, and General Revenue)	\$26.5 million	\$19.0 million
Disaster Funding	\$20.2 million	\$25.0 million
Criminal Justice Division	\$16.4 million	\$8.0 million
Film and Music Marketing	\$9.4 million	\$22.9 million
Agency Grant Assistance	\$1.8 million	\$1.0 million
County Essential Services	\$1.1 million	\$0.5 million
Military Preparedness	\$1.0 million	\$0.9 million
State-Federal Relations	\$0.6 million	\$0.4 million
Disability Issues	\$0.6 million	\$0.4 million
Women’s Groups	\$0.3 million	\$0.2 million
General Revenue - Dedicated		
Texas Enterprise Fund Account No. 5110	\$122.1 million	\$30.0 million
Criminal Justice Planning Account No. 421	\$52.9 million	\$25.0 million
Emerging Technology Fund Account No. 5124	\$39.9 million	\$65.0 million
Economic Development Bank Account No. 5106	\$9.6 million	Not identified
Crime Stoppers Assistance Account No. 5012	\$0.5 million	Not identified
Other Funds		
Texas Product Development Fund Account No. 589	\$22.3 million	\$1.7 million
Small Business Incubator Fund Account No. 588	\$19.7 million	\$11.2 million
Economic Stabilization Fund Account No. 599 for Disaster funding	\$11.8 million	Not identified
Appropriated Receipts for Economic Development, Tourism, and Film and Music Marketing	\$0.9 million	Not identified
Total	\$357.6 million	\$211.2 million

Section 3

6. **Border Prosecution Grants.** Recommendations for the 2016-17 biennium include the agency's exceptional item request of \$6.0 million to fund Border Prosecution Grants, but out of GR-Dedicated Criminal Justice Planning Account No. 421, rather than General Revenue as requested by the agency.
7. **Texas Military Revolving Loan Program.** Recommendations include Rider 11, Texas Military Revolving Loan Program, relating to the authority to issue \$200.4 million in General Obligation Bond Proceeds for the Texas Military Revolving Loan program (Article III, Sec. 49(n) of the Texas Constitution) for loans to defense communities for economic development projects at the Texas Military Preparedness Commission. The Commission does not anticipate issuing any of the remaining \$200.4 million in bond authority during the 2014-15 or 2016-17 biennia.

Debt service related to these bonds is paid out of General Revenue – Dedicated Military Revolving Loan Account No. 5114, which is reimbursed from loan repayments and interest earnings and is not used to certify the appropriations bill.

Recommendations for the Texas Public Finance Authority continue estimated appropriation authority for debt service out of GR-Dedicated - Texas Military Value Revolving Loan Account No. 5114 for the remaining general obligation bond authority for the Texas Military Value Revolving Loan program.

8. **Spaceport Incentives.** Recommendations reflect a decrease of \$15.0 million in General Revenue for a one-time transfer to the Spaceport Trust Fund, outside the treasury for aerospace incentives administered by the Trusteed Programs Within the Office of the Governor. Of this amount, \$5.0 million was contingent on SpaceX locating a spaceport in the state. Upon certification of SpaceX's commitment to locate in the Brownsville area in August of 2014, \$13.0 million was transferred from the Spaceport Trust Fund to the Cameron County Spaceport Development Corporation. SpaceX received an additional \$2.3 million from the Enterprise Fund. In February of 2014, the Midland Spaceport Development Corporation was awarded the remaining \$2.0 million from the Spaceport Trust Fund. The Federal Aviation Administration (FAA) approved the Commercial Space Launch Site License (Spaceport) for the Midland International Airport (MAF) in September of 2014.
9. **British Petroleum (BP) Oil Spill Grant.** In September 2010, BP awarded a \$5.0 million grant to Texas for recovery from the Deepwater Horizon oil spill that occurred in April 2010. The monies were deposited to General Revenue - BP Oil Spill Response Grant Account No. 5149 for expenditure by the Trusteed Program Within the Office of the Governor. Of this amount, \$1.0 million was transferred to the Texas Commission on Environmental Quality (TCEQ) in September 2013. In January 2015, the Governor's Office awarded the remaining \$4.0 million to support two Centers of Excellence led by the University of Houston and to Texas A&M University-Corpus Christi. The research centers were formed to implement the federal RESTORE Act. Under the RESTORE Act, Gulf states share 2.5 percent of the Gulf Coast Restoration Trust Fund equally for research grants at the eligible centers. In addition to the grant from BP, the U.S. Department of the Treasury estimates \$4.0 million in federal funds will be available in March 2015 for the Texas Centers of Excellence. The total amount of federal funds available to Texas would be affected depending on the outcome of the final phase of the BP trial which started in January 2015.

Section 3

10. **Sunset Review.** The Committee on People with Disabilities was reviewed by the Sunset Commission. The Sunset Commission approved staff recommendations to continue the agency for 12 years in December 2014. Sunset staff budget related recommendations include:
- 1) Direct the Governor's Office and the committee to work together to re-evaluate the amount of funding necessary for the committee to carry out its functions, and to ensure its legislative appropriations request and budget reflect the actual fiscal needs of the committee.
 - 2) The Senate Finance and House Appropriations Committees should consider using the committee's large unexpended balance as a method of finance for a portion of the committee's appropriations for fiscal years 2016–2017.

Section 3

Trusted Programs Within the Office of the Governor
FTE Highlights - Senate

Full-Time-Equivalent Positions	Expended 2013	Estimated 2014	Budgeted 2015	Recommended 2016	Recommended 2017
Cap	140.9	157.3	157.3	157.3	157.3
Actual/Budgeted	142.8	144.7	157.3	NA	NA
Schedule of Exempt Positions (Cap)					
Executive Director (OSFR), Group 3	\$106,260	\$131,125	\$137,891	\$137,891	\$137,891

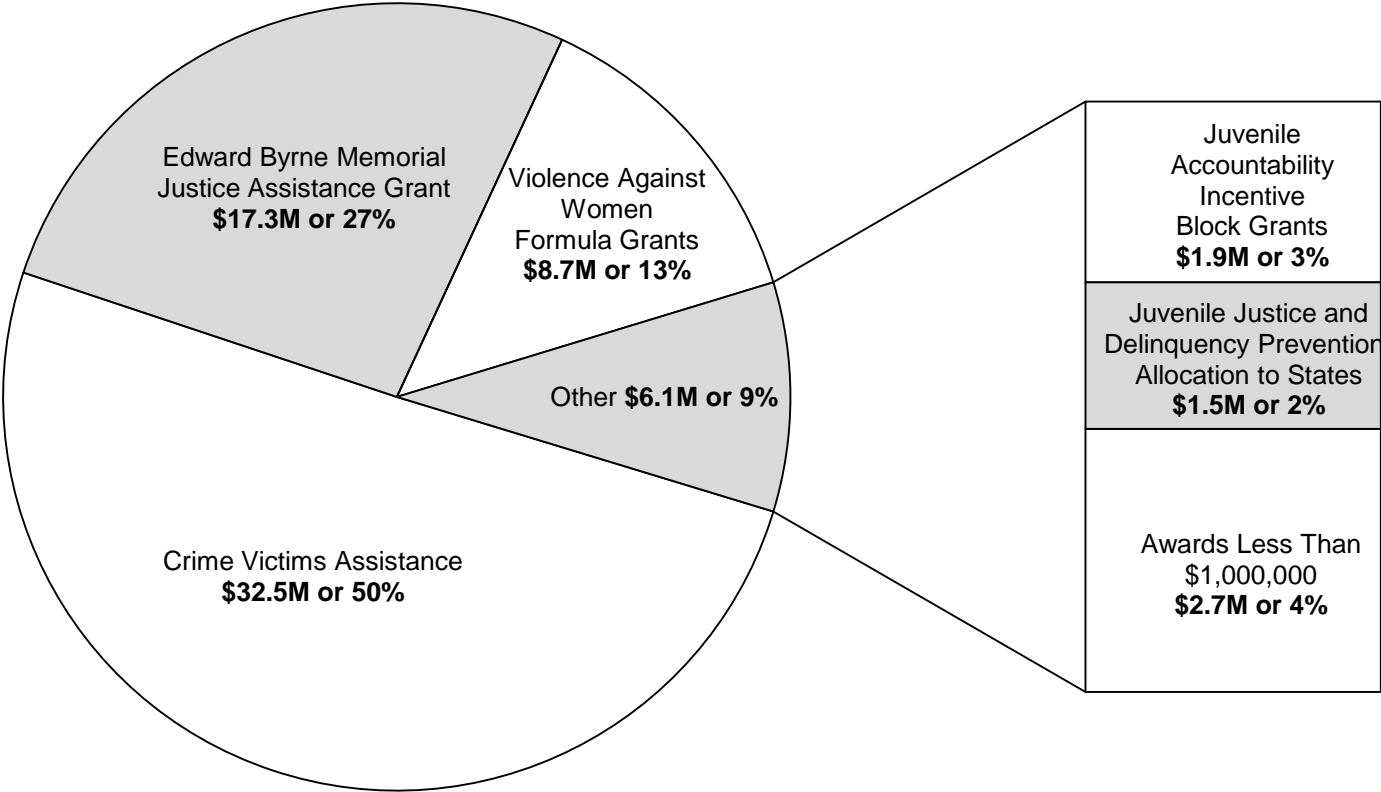
Note: In fiscal year 2015, the Governor increased the salary for the OSFR Executive Director from \$131,125 to \$137,891 as allowed by Article IX, Sec. 3.04(b)(3).

The agency is not requesting any changes to its Exempt Positions.

State Auditor's Office Report 14-705, *Executive Compensation at State Agencies*, indicates a market average of \$121,472 for the Executive Director position. No changes to the current Group 3 classification were recommended.

Section 3

Trusteed Programs Within the Office of the Governor
Summary of Federal Funds (Estimated 2014) -Senate
TOTAL = \$64.6M



Note: Amounts and percentages shown may sum greater/less than actual total due to rounding.

Section 3

Trusted Programs Within the Office of the Governor					
Significant Federal Funds Changes - Senate					
CFDA No.	Program Name	2014-15 Base	2016-17 Recommended	Recommended Over/(Under) Base	Comments
16.017.000	Sexual Assault Services Formula Program	\$1,117,651	\$1,000,000	(\$117,651)	
16.523.000	Juvenile Accountability Incentive Block Grants	\$3,708,256	\$222,508	(\$3,485,748)	
16.540.000	Juvenile Justice and Delinquency Prevention-Allocation to States	\$5,465,796	\$6,929,948	\$1,464,152	
16.548.000	Title V--Delinquency Prevention Program	\$107,500	\$0	(\$107,500)	
16.575.000	Crime Victims Assistance	\$62,044,098	\$63,350,052	\$1,305,954	
16.588.000	Violence Against Women Formula Grants	\$17,603,959	\$17,800,000	\$196,041	
16.593.000	Residential Substance Abuse Treatment for State Prisoners	\$2,054,929	\$2,180,000	\$125,071	
16.607.000	Bullet Proof Vest Partnership Grant	\$35,867	\$60,000	\$24,133	
16.738.000	Edward Byrne Memorial Justice Assistance Grant	\$30,187,992	\$30,857,492	\$669,500	
16.742.000	Paul Coverdell Forensic Sciences Improvement Grant Program	\$1,173,952	\$1,100,000	(\$73,952)	

Section 4

Trusteed Programs Within the Office of the Governor
Performance Review and Policy Report Highlights - Senate

Reports & Recommendations	Savings/ (Cost)	Gain/ (Loss)	Fund Type	Included in Introduced Bill	Action Required During Session
Improve Data Collection and Reform State Truancy Laws to Enhance the Quality of Truancy Interventions, p.1					
<i>This report includes seven recommendations that would have an estimated net cost of \$4.6 million in General Revenue Funds in the 2016-17 biennium. Other recommendations in this report would affect the budget's of the Texas Education Agency and the Office of Court Administration. The recommendations would improve the legislature's ability to compare the effectiveness of different programs and policies intended to reduce truancy across the state. Implementing reforms to certain court procedures would provide additional protections for children and families while maintaining the court's ability to enforce state truancy laws.</i>					
1. Increase GR appropriations to Trusteed Programs Within the Office of the Governor (Trusteed Programs) by an estimated \$4.6 million and include a rider in the introduced 2016–17 General Appropriations Bill requiring Trusteed Programs to distribute grants to local governmental entities for truancy prevention and intervention services. The Eighty-third Legislature established a court cost to fund grants for juvenile case manager services and prevention activities. Revenue would have been deposited to the new GR-D Truancy Prevention and Diversion Fund; however, this was not exempted from funds consolidation. Revenue is therefore deposited to GR and no funds were appropriated for these grants.	(\$4,600,000)		GR	Appropriation Increase to Trusteed Programs Strategy B.1.1, p. I-61 and Contingency Rider 22, p. I-67	NA

Section 5

Trusteed Programs Within the Office of the Governor Rider Highlights - Senate

2. (revise) **Deficiency and Disaster Grants.** Revise rider to remove reference to Emergency Grants and to clarify the purpose of funds appropriated in the agency's bill pattern for Disaster Grants and Deficiency Grants, and requires LBB notification 15 days prior to award of certain grants.
3. (new) **Governor's Emergency Appropriations.** Revise rider to define authorization, process and funds available for emergency appropriations from funds not appropriated in the agency's bill pattern, and require LBB approval before emergency appropriations are made.
7. (revise) **Appropriation: Texas Small Business Industrial Development Corporation.** Revise rider to change strategy reference due to budget structure change.
10. (revise) **Limitation on Expenditures: General Revenue Hotel Occupancy Tax for Economic Development Account No. 5003.** Revise rider to change strategy reference due to budget structure change.
11. (revise) **Texas Military Value Revolving Loan Program.** Revise rider to reflect estimated amounts for debt service on general obligation bonds appropriated to the Texas Public Finance Authority, update strategy reference due to budget structure change, and include available GO bond issuance authority.
13. (revise) **Drug Court Grants.** Revise rider to change strategy reference due to budget structure change.
15. (revise) **Information and Assistance Requirements.** Revise rider to change strategy reference due to budget structure change.
16. (revise) **Texas Economic Development Bank.** Revise rider to reflect revised unexpended balances and revenue earnings, and update strategy reference due to budget structure change.
19. (revise) **Border Security Operations.** Revise rider to reflect a change in method of finance and amount appropriated for the 2016-17 biennium, and update strategy reference due to budget structure change.
19. (old) **Contingency Appropriations for the Moving Image Industry Incentive Program.** Delete rider due to contingency being met.
20. (old) **Contingency Appropriations for Film, Music, and Tourism Activities.** Delete rider due to revenue contingency being met.
20. (revise) **Internet Crime Against Children Task Forces.** Revise rider to change strategy reference due to budget structure change.

Section 5

- 21. (revise) **Prostitution Prevention Programs.** Revise rider to change strategy reference due to budget structure change.
- 22. (new) **Contingency Appropriation Truancy Prevention Court Cost.** Add rider relating to appropriated revenue from court costs to the agency for truancy prevention programs, related to LBB report *Improve Data Collection and Reform State Truancy Laws to Enhance the Quality of Truancy Interventions*.
- 22. (old) **Funding for Emerging Technology.** Delete rider due to completion of one-time transfer of General Revenue to GR-Dedicated Emerging Technology Account No. 5124.
- 23. (old) **Spaceport Contingency.** Delete rider due to completion of one-time transfer of General Revenue to Spaceport Trust Fund outside the treasury.
- 23. (new) **Sunset Contingency.** Add rider due to sunset review.
- 24. (new) **Contingency for Behavioral Health Funds.** Add rider to identify funds subject to Article IX, §10.04, Statewide Behavioral Health Strategic Plan and Coordinated Expenditures.

Section 6

Trusted Programs Within the Office of the Governor

Items not Included in Recommendations - Senate

[illegible]

Agency Exceptional Items - In Agency Priority Order

To be determined.

Total, Items Not Included in the Recommendations

Section 7

Trusteed Programs Within the Office of the Governor
Summary of 10 Percent Biennial Base Reduction Options - Senate

Biennial Reduction Amounts								
Priority	Item	Description/Impact	GR and GR-Dedicated	All Funds	FTEs	Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Intro Bill?
1	Agency Grant Assistance	According to the Agency: A standard across-the-board reduction is shown due to the pending change in administration. If a reduction needs to occur the new Governor's administration would need to provide prioritized sources of potential cuts, so that they are in line with the priorities of the new Governor.	\$311,795	\$311,795		\$0	10%	No*
2	Disaster Funds	According to the Agency: A standard across-the-board reduction is shown due to the pending change in administration. If a reduction needs to occur the new Governor's administration would need to provide prioritized sources of potential cuts, so that they are in line with the priorities of the new Governor.	\$8,456,447	\$8,456,447		\$0	10%	No*
3	Criminal Justice	According to the Agency: A standard across-the-board reduction is shown due to the pending change in administration. If a reduction needs to occur the new Governor's administration would need to provide prioritized sources of potential cuts, so that they are in line with the priorities of the new Governor.	\$2,550,799	\$2,550,799		\$0	10%	No*
4	Film & Music Marketing	According to the Agency: A standard across-the-board reduction is shown due to the pending change in administration. If a reduction needs to occur the new Governor's administration would need to provide prioritized sources of potential cuts, so that they are in line with the priorities of the new Governor.	\$12,693,755	\$12,693,755		\$0	10%	No*
5	Disability Issues	According to the Agency: A standard across-the-board reduction is shown due to the pending change in administration. If a reduction needs to occur the new Governor's administration would need to provide prioritized sources of potential cuts, so that they are in line with the priorities of the new Governor.	\$204,979	\$204,979		\$0	10%	No*
6	Women's Group	According to the Agency: A standard across-the-board reduction is shown due to the pending change in administration. If a reduction needs to occur the new Governor's administration would need to provide prioritized sources of potential cuts, so that they are in line with the priorities of the new Governor.	\$60,439	\$60,439		\$0	10%	No*

Section 7

Trusteed Programs Within the Office of the Governor
Summary of 10 Percent Biennial Base Reduction Options - Senate

Biennial Reduction Amounts								
Priority	Item	Description/Impact	GR and GR-Dedicated	All Funds	FTEs	Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Intro Bill?
7	County Essential Service Grants	According to the Agency: A standard across-the-board reduction is shown due to the pending change in administration. If a reduction needs to occur the new Governor's administration would need to provide prioritized sources of potential cuts, so that they are in line with the priorities of the new Governor.	\$312,531	\$312,531		\$0	10%	No*
8	Economic Development & Tourism	According to the Agency: A standard across-the-board reduction is shown due to the pending change in administration. If a reduction needs to occur the new Governor's administration would need to provide prioritized sources of potential cuts, so that they are in line with the priorities of the new Governor.	\$2,388,482	\$2,388,482		\$0	10%	No*
9	Military Preparedness	According to the Agency: A standard across-the-board reduction is shown due to the pending change in administration. If a reduction needs to occur the new Governor's administration would need to provide prioritized sources of potential cuts, so that they are in line with the priorities of the new Governor.	\$199,413	\$199,413		\$0	10%	No*
10	Homeland Security	According to the Agency: A standard across-the-board reduction is shown due to the pending change in administration. If a reduction needs to occur the new Governor's administration would need to provide prioritized sources of potential cuts, so that they are in line with the priorities of the new Governor.	\$49,107	\$49,107		\$0	10%	No*
11	State-Federal Relations	According to the Agency: A standard across-the-board reduction is shown due to the pending change in administration. If a reduction needs to occur the new Governor's administration would need to provide prioritized sources of potential cuts, so that they are in line with the priorities of the new Governor.	\$237,520	\$237,520		\$0	10%	No*
TOTAL, 10% Reduction Options			\$27,465,267	\$27,465,267		\$0		

* Recommendations do not include any across-the-board reductions. Instead, recommendations reduce General Revenue and General Revenue - Dedicated in selected programs, as shown in Section 6.