

Section 1

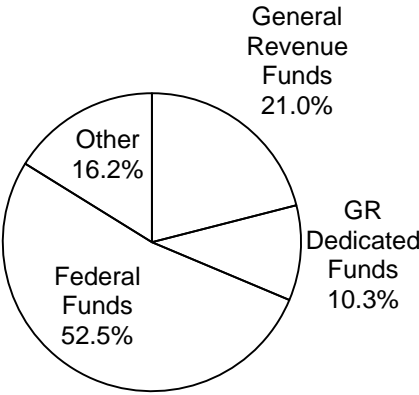
Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate

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Veronda Durden, Commissioner

Valerie Crawford, LBB Analyst

Method of Financing	2014-15 Base	2016-17 Recommended	Biennial Change	% Change
General Revenue Funds	\$218,873,620	\$90,797,797	(\$128,075,823)	(58.5%)
GR Dedicated Funds	\$34,918,277	\$44,587,456	\$9,669,179	27.7%
Total GR-Related Funds	\$253,791,897	\$135,385,253	(\$118,406,644)	(46.7%)
Federal Funds	\$937,854,871	\$226,827,020	(\$711,027,851)	(75.8%)
Other	\$40,838,793	\$69,867,146	\$29,028,353	71.1%
All Funds	\$1,232,485,561	\$432,079,419	(\$800,406,142)	(64.9%)

RECOMMENDED FUNDING
BY METHOD OF FINANCING

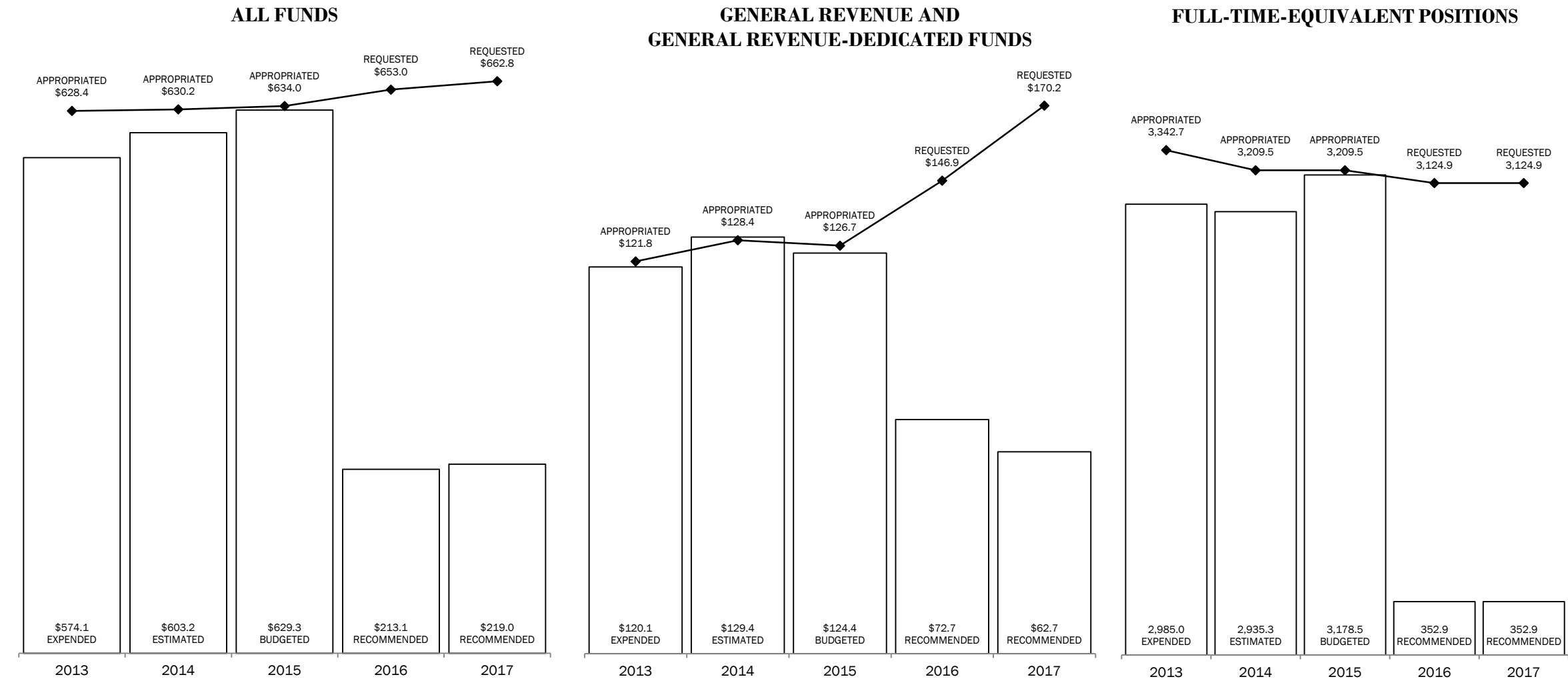


	FY 2015 Budgeted	FY 2017 Recommended	Biennial Change	% Change
FTEs	3,178.5	352.9	(2,825.6)	(88.9%)

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.

Section 1
Assistive and Rehabilitative Services, Department of
2016-2017 BIENNIUM
IN MILLIONS

TOTAL= \$432.1 MILLION



Section 2

Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
ECI SERVICES A.1.1	\$283,584,653	\$303,586,877	\$20,002,224	7.1%	• Increase of \$11.8 million in Medicaid Federal Funds and \$8.2 million in IDEA Part C Federal Funds for projected caseload increases. An increase in Medicaid General Revenue (match) is offset by a decrease in General Revenue for ECI (non-match) in 2016-17 for no net change in General Revenue Funds over the 2014-15 base. See Selected Fiscal and Policy Issue #3.
ECI RESPITE SERVICES A.1.2	\$800,000	\$800,000	\$0	0.0%	
ENSURE QUALITY ECI SERVICES A.1.3	\$2,967,528	\$3,080,768	\$113,240	3.8%	• Increase in IDEA Part C Federal Funds.
CHILDREN'S BLINDNESS SERVICES A.2.1	\$9,649,690	\$9,610,172	(\$39,518)	(0.4%)	• Net decrease due primarily to \$50,000 reduction to General Revenue Funds in FY 2016 for Texas Reporting, Oversight, and Coaching System (TxROCS) IT enhancements.
AUTISM PROGRAM A.3.1	\$9,110,856	\$3,671,058	(\$5,439,798)	(59.7%)	• Decrease in General Revenue Funds for phase-out of program. See Selected Fiscal and Policy Issue #4.
Total, Goal A, CHILDREN WITH DISABILITIES	\$306,112,727	\$320,748,875	\$14,636,148	4.8%	
IL SERVICES AND COUNCIL - BLIND B.1.1	\$6,949,800	\$6,851,858	(\$97,942)	(1.4%)	• Net decrease due primarily to reduction of \$0.1 million to Independent Living - State Grants (Federal Funds) for TxROCS IT enhancements. • Method of financing swap to increase Interagency Contracts (Other Funds) and decrease Social Security Vocational Rehabilitation (SSVR) Reimbursement (Federal Funds) related to transfer of Vocational Rehabilitation program to the Texas Workforce Commission. See Selected Fiscal and Policy Issue #2.
BEST PROGRAM B.1.2	\$856,532	\$983,600	\$127,068	14.8%	• Increase for LBB revenue estimate of the Voluntary Driver License Fee (General Revenue Funds).

Section 2

Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
VOCATIONAL REHABILITATION - BLIND B.1.3	\$98,564,293	\$0	(\$98,564,293)	(100.0%)	• Transfer of program to the Texas Workforce Commission (TWC), contingent upon passage of legislation. See Selected Fiscal and Policy Issue #2.
CRISS COLE REHABILITATION CENTER B.1.4	\$0	\$11,236,594	\$11,236,594	100.0%	• New strategy includes funding for operation of Criss Cole Rehabilitation Center (responsibility not included in transfer of Vocational Rehabilitation-Blind program to TWC). See Selected Fiscal and Policy Issue #2.
BUSINESS ENTERPRISES OF TEXAS (BET) B.1.5	\$4,930,444	\$0	(\$4,930,444)	(100.0%)	• Transfer of program to TWC, contingent upon passage of legislation. See Selected Fiscal and Policy Issue #2.
BUSN ENTERPRISES OF TEX TRUST FUND B.1.6	\$808,424	\$0	(\$808,424)	(100.0%)	• Transfer of program to TWC, contingent upon passage of legislation. See Selected Fiscal and Policy Issue #2.
CONTRACT SERVICES - DEAF B.2.1	\$5,202,823	\$5,202,274	(\$549)	(0.0%)	• Method of financing swap to increase Interagency Contracts (Other Funds) and decrease GR for Vocational Rehabilitation and VR Grants to States (Federal Funds) related to the transfer of Vocational Rehabilitation (VR) program to TWC. See Selected Fiscal and Policy Issue #2.
EDUC, TRAINING, CERTIFICATION-DEAF B.2.2	\$3,512,713	\$2,983,979	(\$528,734)	(15.1%)	• Net decrease due primarily to \$0.4 million reduction to General Revenue Funds for one-time interpreter test development and \$0.2 decrease to agency-estimated Interagency Contracts (Other Funds). • Method of financing swap to increase Interagency Contracts (Other Funds) and decrease GR for Vocational Rehabilitation and VR Grants to States (Federal Funds) related to the transfer of VR to TWC. See Selected Fiscal and Policy Issue #2.
TELEPHONE ACCESS ASSISTANCE B.2.3	\$1,954,951	\$1,959,230	\$4,279	0.2%	

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Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
VOCATIONAL REHABILITATION - GENERAL B.3.1	\$456,288,012	\$0	(\$456,288,012)	(100.0%)	• Transfer of program to TWC, contingent upon passage of legislation. See Selected Fiscal and Policy Issue #2.
CENTERS FOR INDEPENDENT LIVING B.3.2	\$5,378,566	\$5,378,566	\$0	0.0%	• Method of financing swap to increase Interagency Contracts (Other Funds) and decrease SSVR Reimbursement (Federal Funds) related to transfer of VR program to TWC. See Selected Fiscal and Policy Issue #2.
IL SERVICES AND COUNCIL - GENERAL B.3.3	\$16,337,451	\$16,270,764	(\$66,687)	(0.4%)	• Method of financing swap to increase Interagency Contracts (Other Funds) and decrease SSVR Reimbursement (Federal Funds), related to transfer of VR program to TWC. See Selected Fiscal and Policy Issue #2.
COMPREHENSIVE REHABILITATION (CRS) B.3.4	\$49,949,962	\$50,146,320	\$196,358	0.4%	• Net decrease due primarily to \$50,000 reduction in FY 2016 to Independent Living - State Grants (Federal Funds) for TxROCS IT enhancements. • Net increase of \$0.4 million in General Revenue Funds and \$0.2 million in All Funds due to the following: Method of financing swap to increase GR-Dedicated Comprehensive Rehabilitation Account No. 107 and decrease General Revenue Funds. Decrease of \$0.2 million in agency-estimated Subrogation Receipts (Other Funds). See Selected Fiscal and Policy Issue #5.
Total, Goal B, PERSONS WITH DISABILITIES	\$650,733,971	\$101,013,185	(\$549,720,786)	(84.5%)	

Section 2

Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
DISABILITY DETERMINATION SVCS (DDS) C.1.1	\$227,920,074	\$0	(\$227,920,074)	(100.0%)	• Transfer of program to TWC, contingent upon passage of legislation. See Selected Fiscal and Policy Issue #2.
Total, Goal C, DISABILITY DETERMINATION	\$227,920,074	\$0	(\$227,920,074)	(100.0%)	
CENTRAL PROGRAM SUPPORT D.1.1	\$23,854,548	\$4,549,055	(\$19,305,493)	(80.9%)	• Reduction for administrative support of programs transferred to TWC. See Selected Fiscal and Policy Issue #2.
REGIONAL PROGRAM SUPPORT D.1.2	\$1,800,148	\$0	(\$1,800,148)	(100.0%)	• Transfer of program to TWC, contingent upon passage of legislation. See Selected Fiscal and Policy Issue #2.
OTHER PROGRAM SUPPORT D.1.3	\$8,309,912	\$1,370,526	(\$6,939,386)	(83.5%)	• Reduction for administrative support of programs transferred to TWC. See Selected Fiscal and Policy Issue #2.
IT PROGRAM SUPPORT D.1.4	\$13,754,181	\$4,397,778	(\$9,356,403)	(68.0%)	• Reduction for support of programs transferred to TWC. See Selected Fiscal and Policy Issue #2. • Increase of \$1.5 million in General Revenue Funds to maintain current obligations for Data Center Services (DCS). See Selected Fiscal and Policy Issue #8.
Total, Goal D, PROGRAM SUPPORT	\$47,718,789	\$10,317,359	(\$37,401,430)	(78.4%)	
Grand Total, All Strategies	\$1,232,485,561	\$432,079,419	(\$800,406,142)	(64.9%)	

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Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental

Strategy/Fund Type/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
ECI SERVICES A.1.1	\$283,584,653	\$303,586,877	\$20,002,224	7.1%	
GENERAL REVENUE FUNDS	\$56,289,628	\$56,289,628	\$0	0.0%	• An increase in Medicaid General Revenue (match) is offset by a decrease in General Revenue for ECI (non-match) in 2016-17 for no net change in General Revenue Funds over the 2014-15 base. See Selected Fiscal and Policy Issue #3.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$194,298,821	\$214,301,045	\$20,002,224	10.3%	
OTHER FUNDS	\$32,996,204	\$32,996,204	\$0	0.0%	• Increase of \$11.8 million in Medicaid Federal Funds and \$8.2 million in Special Education Grants for Infants & Families (IDEA Part C Federal Funds) for projected caseload increases. See Selected Fiscal and Policy Issue #3.
ECI RESPITE SERVICES A.1.2	\$800,000	\$800,000	\$0	0.0%	
GENERAL REVENUE FUNDS	\$800,000	\$800,000	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
ENSURE QUALITY ECI SERVICES A.1.3	\$2,967,528	\$3,080,768	\$113,240	3.8%	
GENERAL REVENUE FUNDS	\$0	\$0	\$0	0.0%	• Increase in IDEA Part C Federal Funds.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$2,967,528	\$3,080,768	\$113,240	3.8%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	

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Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental

Strategy/Fund Type/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
CHILDREN'S BLINDNESS SERVICES A.2.1	\$9,649,690	\$9,610,172	(\$39,518)	(0.4%)	
GENERAL REVENUE FUNDS	\$8,762,341	\$8,736,538	(\$25,803)	(0.3%)	• Net decrease due primarily to \$50,000 reduction to General Revenue Funds in FY 2016 for Texas Reporting, Oversight, and Coaching System (TxROCS) IT enhancements.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$877,782	\$858,024	(\$19,758)	(2.3%)	
OTHER FUNDS	\$9,567	\$15,610	\$6,043	63.2%	• Increase in revenue estimate.
AUTISM PROGRAM A.3.1	\$9,110,856	\$3,671,058	(\$5,439,798)	(59.7%)	
GENERAL REVENUE FUNDS	\$8,990,856	\$3,431,058	(\$5,559,798)	(61.8%)	• Decrease for phase-out of Autism Program. See Selected Fiscal and Policy Issue #4.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$120,000	\$240,000	\$120,000	100.0%	• Increase in Interagency Contracts to annualize support of the Texas Council on Autism and Pervasive Development Disorders (TCAPDD).
Total, Goal A, CHILDREN WITH DISABILITIES	\$306,112,727	\$320,748,875	\$14,636,148	4.8%	
GENERAL REVENUE FUNDS	\$74,842,825	\$69,257,224	(\$5,585,601)	(7.5%)	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$198,144,131	\$218,239,837	\$20,095,706	10.1%	
OTHER FUNDS	\$33,125,771	\$33,251,814	\$126,043	0.4%	

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Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental

Strategy/Fund Type/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
IL SERVICES AND COUNCIL - BLIND B.1.1	\$6,949,800	\$6,851,858	(\$97,942)	(1.4%)	
GENERAL REVENUE FUNDS	\$1,168,481	\$1,169,794	\$1,313	0.1%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$5,772,450	\$3,287,562	(\$2,484,888)	(43.0%)	• Method of financing swap to increase Interagency Contracts and decrease Social Security Vocational Rehabilitation (SSVR) Reimbursement related to transfer of Vocational Rehabilitation (VR) program to the Texas Workforce Commission (TWC). See Selected Fiscal and Policy Issue #2.
OTHER FUNDS	\$8,869	\$2,394,502	\$2,385,633	26,898.6%	• Reduction of \$0.1 million to Independent Living - State Grants (Federal Funds) for TxROCS IT enhancements. • Method of financing swap to increase Interagency Contracts and decrease SSVR Reimbursement related to transfer of VR program to TWC. See Selected Fiscal and Policy Issue #2.
BEST PROGRAM B.1.2	\$856,532	\$983,600	\$127,068	14.8%	
GENERAL REVENUE FUNDS	\$856,532	\$983,600	\$127,068	14.8%	• Increase for LBB revenue estimate of the Voluntary Driver License Fee (General Revenue Funds).
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	

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Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental

Strategy/Fund Type/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
VOCATIONAL REHABILITATION - BLIND B.1.3	\$98,564,293	\$0	(\$98,564,293)	(100.0%)	• Transfer of program to TWC, contingent upon passage of legislation. See Selected Fiscal and Policy Issue #2.
GENERAL REVENUE FUNDS	\$16,440,354	\$0	(\$16,440,354)	(100.0%)	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$82,093,696	\$0	(\$82,093,696)	(100.0%)	
OTHER FUNDS	\$30,243	\$0	(\$30,243)	(100.0%)	
CRISS COLE REHABILITATION CENTER B.1.4	\$0	\$11,236,594	\$11,236,594	100.0%	• New strategy includes funding for operation of Criss Cole Rehabilitation Center (not included in transfer of Vocational Rehabilitation to TWC). See Selected Fiscal and Policy Issue #2.
GENERAL REVENUE FUNDS	\$0	\$0	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$0	\$11,236,594	\$11,236,594	100.0%	
					• New IAC from TWC for operation of the center.
BUSINESS ENTERPRISES OF TEXAS (BET) B.1.5	\$4,930,444	\$0	(\$4,930,444)	(100.0%)	• Transfer of program to TWC, contingent upon passage of legislation. See Selected Fiscal and Policy Issue #2.
GENERAL REVENUE FUNDS	\$0	\$0	\$0	0.0%	
GR DEDICATED	\$1,354,511	\$0	(\$1,354,511)	(100.0%)	
FEDERAL FUNDS	\$1,749,819	\$0	(\$1,749,819)	(100.0%)	
OTHER FUNDS	\$1,826,114	\$0	(\$1,826,114)	(100.0%)	
BUSN ENTERPRISES OF TEX TRUST FUND B.1.6	\$808,424	\$0	(\$808,424)	(100.0%)	• Transfer of program to TWC, contingent upon passage of legislation. See Selected Fiscal and Policy Issue #2.
GENERAL REVENUE FUNDS	\$0	\$0	\$0	0.0%	
GR DEDICATED	\$808,424	\$0	(\$808,424)	(100.0%)	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$0	\$0	\$0	0.0%	

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Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental

Strategy/Fund Type/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
CONTRACT SERVICES - DEAF B.2.1	\$5,202,823	\$5,202,274	(\$549)	(0.0%)	
GENERAL REVENUE FUNDS	\$2,136,081	\$1,416,370	(\$719,711)	(33.7%)	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$3,066,742	\$0	(\$3,066,742)	(100.0%)	• Method of financing swap to increase Interagency Contracts (Other Funds) and decrease GR for Vocational Rehabilitation and VR Grants to States (Federal Funds) related to the transfer of VR to TWC. See Selected Fiscal and Policy Issue #2.
OTHER FUNDS	\$0	\$3,785,904	\$3,785,904	100.0%	
EDUC, TRAINING, CERTIFICATION-DEAF B.2.2	\$3,512,713	\$2,983,979	(\$528,734)	(15.1%)	
GENERAL REVENUE FUNDS	\$1,393,585	\$840,793	(\$552,792)	(39.7%)	• Decrease due to \$0.4 million reduction to General Revenue Funds for one-time interpreter test development and a \$0.2 million decrease for method of financing swap to increase Interagency Contracts and decrease GR for Vocational Rehabilitation Funds related to transfer of VR program to TWC. See Selected Fiscal and Policy Issue #2.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$73,971	\$0	(\$73,971)	(100.0%)	• Method of financing swap to increase Interagency Contracts (Other Funds) and decrease GR for Vocational Rehabilitation and VR Grants to States (Federal Funds) related to the transfer of VR to TWC. See Selected Fiscal and Policy Issue #2.
OTHER FUNDS	\$2,045,157	\$2,143,186	\$98,029	4.8%	
TELEPHONE ACCESS ASSISTANCE B.2.3	\$1,954,951	\$1,959,230	\$4,279	0.2%	
GENERAL REVENUE FUNDS	\$0	\$0	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$1,954,951	\$1,959,230	\$4,279	0.2%	

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Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental

Strategy/Fund Type/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
VOCATIONAL REHABILITATION - GENERAL B.3.1	\$456,288,012	\$0	(\$456,288,012)	(100.0%)	• Transfer of program to TWC, contingent upon passage of legislation. See Selected Fiscal and Policy Issue #2.
GENERAL REVENUE FUNDS	\$88,278,163	\$0	(\$88,278,163)	(100.0%)	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$366,678,848	\$0	(\$366,678,848)	(100.0%)	
OTHER FUNDS	\$1,331,001	\$0	(\$1,331,001)	(100.0%)	
CENTERS FOR INDEPENDENT LIVING B.3.2	\$5,378,566	\$5,378,566	\$0	0.0%	• Method of financing swap to increase Interagency Contracts (Other Funds) and decrease SSVR Reimbursement (Federal Funds) related to transfer of VR program to TWC. See Selected Fiscal and Policy Issue #2.
GENERAL REVENUE FUNDS	\$2,500,000	\$2,500,000	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$2,878,566	\$0	(\$2,878,566)	(100.0%)	
OTHER FUNDS	\$0	\$2,878,566	\$2,878,566	100.0%	
IL SERVICES AND COUNCIL - GENERAL B.3.3	\$16,337,451	\$16,270,764	(\$66,687)	(0.4%)	• Reduction of \$50,000 to Independent Living - State Grants (Federal Funds) for TxROCS IT enhancements. • Method of financing swap to increase Interagency Contracts (Other Funds) and decrease SSVR Reimbursement (Federal Funds) related to transfer of VR program to TWC. See Selected Fiscal and Policy Issue #2.
GENERAL REVENUE FUNDS	\$2,838,978	\$2,840,820	\$1,842	0.1%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$13,498,473	\$1,519,288	(\$11,979,185)	(88.7%)	
OTHER FUNDS	\$0	\$11,910,656	\$11,910,656	100.0%	

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Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental

Strategy/Fund Type/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
COMPREHENSIVE REHABILITATION (CRS) B.3.4	\$49,949,962	\$50,146,320	\$196,358	0.4%	
GENERAL REVENUE FUNDS	\$16,747,667	\$5,321,904	(\$11,425,763)	(68.2%)	• Method of financing swap to increase GR-Dedicated Comprehensive Rehabilitation Account No. 107 and decrease General Revenue Funds. See Selected Fiscal and Policy Issue #5.
GR DEDICATED	\$32,755,342	\$44,587,456	\$11,832,114	36.1%	
FEDERAL FUNDS	\$0	\$0	\$0	0.0%	
OTHER FUNDS	\$446,953	\$236,960	(\$209,993)	(47.0%)	• Decrease of \$0.2 million in agency-estimated Subrogation Receipts.
Total, Goal B, PERSONS WITH DISABILITIES	\$650,733,971	\$101,013,185	(\$549,720,786)	(84.5%)	
GENERAL REVENUE FUNDS	\$132,359,841	\$15,073,281	(\$117,286,560)	(88.6%)	
GR DEDICATED	\$34,918,277	\$44,587,456	\$9,669,179	27.7%	
FEDERAL FUNDS	\$475,812,565	\$4,806,850	(\$471,005,715)	(99.0%)	
OTHER FUNDS	\$7,643,288	\$36,545,598	\$28,902,310	378.1%	
DISABILITY DETERMINATION SVCS (DDS) C.1.1	\$227,920,074	\$0	(\$227,920,074)	(100.0%)	• Transfer of program to TWC, contingent upon passage of legislation. See Selected Fiscal and Policy Issue #2.
GENERAL REVENUE FUNDS	\$0	\$0	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$227,920,074	\$0	(\$227,920,074)	(100.0%)	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
Total, Goal C, DISABILITY DETERMINATION	\$227,920,074	\$0	(\$227,920,074)	(100.0%)	
GENERAL REVENUE FUNDS	\$0	\$0	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$227,920,074	\$0	(\$227,920,074)	(100.0%)	
OTHER FUNDS	\$0	\$0	\$0	0.0%	

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Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental

Strategy/Fund Type/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
CENTRAL PROGRAM SUPPORT D.1.1	\$23,854,548	\$4,549,055	(\$19,305,493)	(80.9%)	• Reduction for administrative support of programs transferred to TWC. See Selected Fiscal and Policy Issue #2.
GENERAL REVENUE FUNDS	\$5,837,588	\$2,720,296	(\$3,117,292)	(53.4%)	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$18,013,900	\$1,825,699	(\$16,188,201)	(89.9%)	
OTHER FUNDS	\$3,060	\$3,060	\$0	0.0%	
REGIONAL PROGRAM SUPPORT D.1.2	\$1,800,148	\$0	(\$1,800,148)	(100.0%)	• Transfer of program to TWC, contingent upon passage of legislation. See Selected Fiscal and Policy Issue #2.
GENERAL REVENUE FUNDS	\$628,252	\$0	(\$628,252)	(100.0%)	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$1,171,896	\$0	(\$1,171,896)	(100.0%)	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
OTHER PROGRAM SUPPORT D.1.3	\$8,309,912	\$1,370,526	(\$6,939,386)	(83.5%)	• Reduction for administrative support of programs transferred to TWC. See Selected Fiscal and Policy Issue #2.
GENERAL REVENUE FUNDS	\$1,944,527	\$727,276	(\$1,217,251)	(62.6%)	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$6,365,385	\$643,250	(\$5,722,135)	(89.9%)	
OTHER FUNDS	\$0	\$0	\$0	0.0%	

Section 2

Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental

Strategy/Fund Type/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
IT PROGRAM SUPPORT D.1.4	\$13,754,181	\$4,397,778	(\$9,356,403)	(68.0%)	• Net reduction for support of programs transferred to TWC. • Increase of \$1.5 million in General Revenue Funds to maintain current obligations for Data Center Services (DCS). See Selected Fiscal and Policy Issue #8.
GENERAL REVENUE FUNDS	\$3,260,587	\$3,019,720	(\$240,867)	(7.4%)	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$10,426,920	\$1,311,384	(\$9,115,536)	(87.4%)	
OTHER FUNDS	\$66,674	\$66,674	\$0	0.0%	
Total, Goal D, PROGRAM SUPPORT	\$47,718,789	\$10,317,359	(\$37,401,430)	(78.4%)	
GENERAL REVENUE FUNDS	\$11,670,954	\$6,467,292	(\$5,203,662)	(44.6%)	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$35,978,101	\$3,780,333	(\$32,197,768)	(89.5%)	
OTHER FUNDS	\$69,734	\$69,734	\$0	0.0%	
Grand Total, All Agency	\$1,232,485,561	\$432,079,419	(\$800,406,142)	(64.9%)	
GENERAL REVENUE FUNDS	\$218,873,620	\$90,797,797	(\$128,075,823)	(58.5%)	
GR DEDICATED	\$34,918,277	\$44,587,456	\$9,669,179	27.7%	
FEDERAL FUNDS	\$937,854,871	\$226,827,020	(\$711,027,851)	(75.8%)	
OTHER FUNDS	\$40,838,793	\$69,867,146	\$29,028,353	71.1%	

Section 2

Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental

Strategy/Fund Type/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
Total, Goal A, CHILDREN WITH DISABILITIES	\$306,112,727	\$320,748,875	\$14,636,148	4.8%	
GENERAL REVENUE FUNDS	\$74,842,825	\$69,257,224	(\$5,585,601)	(7.5%)	<ul style="list-style-type: none">• An increase in Medicaid General Revenue (match) is offset by a decrease in General Revenue for ECI (non-match) in 2016-17 for no net change in General Revenue Funds over the 2014-15 base. See Selected Fiscal and Policy Issue #3.• Decrease in General Revenue Funds for phase-out of Autism program. See Selected Fiscal and Policy Issue #4.
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$198,144,131	\$218,239,837	\$20,095,706	10.1%	<ul style="list-style-type: none">• Increase of \$11.8 million in Medicaid Federal Funds and \$8.2 million in Special Education Grants for Infants & Families (IDEA Part C Federal Funds) for projected caseload increases. See Selected Fiscal and Policy Issue #3.
OTHER FUNDS	\$33,125,771	\$33,251,814	\$126,043	0.4%	
Total, Goal B, PERSONS WITH DISABILITIES	\$650,733,971	\$101,013,185	(\$549,720,786)	(84.5%)	<ul style="list-style-type: none">• Transfer of Vocational Rehabilitation-Blind, Vocational Rehabilitation-General, Business Enterprises of Texas (BET), and BET Trust Fund to the Texas Workforce Commission (TWC), contingent upon passage of legislation. See Selected Fiscal and Policy Issue #2.
GENERAL REVENUE FUNDS	\$132,359,841	\$15,073,281	(\$117,286,560)	(88.6%)	<ul style="list-style-type: none">• Reduction for GR for Vocational Rehabilitation funds in programs transferred to TWC.
GR DEDICATED	\$34,918,277	\$44,587,456	\$9,669,179	27.7%	<ul style="list-style-type: none">• Method of financing swap to increase GR-Dedicated Comprehensive Rehabilitation Account No. 107 and decrease General Revenue Funds in the Comprehensive Rehabilitation program.
FEDERAL FUNDS	\$475,812,565	\$4,806,850	(\$471,005,715)	(99.0%)	<ul style="list-style-type: none">• Reduction for VR Grants to States and Social Security Vocational Rehabilitation (SSVR) Reimbursement in programs transferred to TWC.
OTHER FUNDS	\$7,643,288	\$36,545,598	\$28,902,310	378.1%	<ul style="list-style-type: none">• Method of financing swap to increase Interagency Contracts and decrease General Revenue and Federal Funds related to transfer of VR program to TWC in programs remaining at DARS.

Section 2

Assistive and Rehabilitative Services, Department of
Summary of Recommendations - Senate, By Method of Finance -- Supplemental

Strategy/Fund Type/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
Total, Goal C, DISABILITY DETERMINATION	\$227,920,074	\$0	(\$227,920,074)	(100.0%)	• Transfer of program to TWC, contingent upon passage of legislation. See Selected Fiscal and Policy Issue #2.
GENERAL REVENUE FUNDS	\$0	\$0	\$0	0.0%	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$227,920,074	\$0	(\$227,920,074)	(100.0%)	
OTHER FUNDS	\$0	\$0	\$0	0.0%	
Total, Goal D, PROGRAM SUPPORT	\$47,718,789	\$10,317,359	(\$37,401,430)	(78.4%)	• Net reduction for administrative support of programs transferred to TWC. • Increase of \$1.5 million in General Revenue Funds to maintain current obligations for Data Center Services (DCS). See Selected Fiscal and Policy Issue #8.
GENERAL REVENUE FUNDS	\$11,670,954	\$6,467,292	(\$5,203,662)	(44.6%)	
GR DEDICATED	\$0	\$0	\$0	0.0%	
FEDERAL FUNDS	\$35,978,101	\$3,780,333	(\$32,197,768)	(89.5%)	
OTHER FUNDS	\$69,734	\$69,734	\$0	0.0%	
Grand Total, All Agency	\$1,232,485,561	\$432,079,419	(\$800,406,142)	(64.9%)	
GENERAL REVENUE FUNDS	\$218,873,620	\$90,797,797	(\$128,075,823)	(58.5%)	
GR DEDICATED	\$34,918,277	\$44,587,456	\$9,669,179	27.7%	
FEDERAL FUNDS	\$937,854,871	\$226,827,020	(\$711,027,851)	(75.8%)	
OTHER FUNDS	\$40,838,793	\$69,867,146	\$29,028,353	71.1%	

Section 3

Department of Assistive and Rehabilitative Services
Selected Fiscal and Policy Issues - Senate

1. **Strategic Fiscal Review.** DARS programs that are funded either fully or in large part with General Revenue or General Revenue-Dedicated Funds are included in the Strategic Fiscal Review (SFR). Please refer to the SFR packet for specific information and findings. Significant observations and findings include the following:
- a. The Business Enterprises of Texas (BET) and the BET Trust Fund were included in the initial review. SB 2 transfers these programs to the Texas Workforce Commission as described below, therefore only historical information is reflected.
 - b. The Autism Program is included in the SFR. Funding for 2016-17 in SB 2 reflects a phase-out of the program, and a rider prohibits new enrollments beginning in FY 2016.
 - c. The SFR programs represent 28.2% of the agency's recommended General Revenue-related funds and only 6.3% of All Funds in FY 2014-15. For 2016-17, the percentages change significantly to 47.2% of General Revenue-related funds and 15.8% of All Funds due to the program transfers described below.
 - d. The agency is compliant with the use of General Revenue-Dedicated and constitutionally dedicated funds.
 - e. All of the programs align with the agency's mission at a moderate or strong level. Two programs (Autism and Comprehensive Rehabilitation) have no specific authority in statute; they are ranked as the agency's top two priorities.
 - f. The agency offered only their exceptional items for enhanced funding alternatives and submitted the default reduction amount of 20% per program.
2. **Transfers to the Texas Workforce Commission.** Funding for 2016-17 reflects a Sunset Advisory Commission recommendation to transfer the following programs (and related administrative funding) to the Texas Workforce Commission, contingent upon the passage of legislation:

Vocational Rehabilitation (Blind and General)
Business Enterprises of Texas
Business Enterprises of Texas Trust Fund
Disability Determination Services

Although the Vocational Rehabilitation - Blind program is included in the transfer, funding for the operation of the Criss Cole Rehabilitation Center (\$11.2 million in Other Funds for the biennium) remains at DARS in new strategy B.1.4. Certain programs at DARS provide services that are partially funded by methods of financing that are appropriated in full to TWC in the introduced bill: GR for Vocational Rehabilitation, VR Grants to States

Section 3

(Federal Funds), and Social Security Vocational Rehabilitation Reimbursement (Federal Funds). Funding at DARS includes a method of financing swap to increase Interagency Contracts (IAC) to replace these funds, and it is assumed that TWC will provide them to DARS via IAC. See Supplemental Schedule #2: Strategy Adjustments by Fund Type for Transfers to Texas Workforce Commission and Section 5, Rider Highlights (Rider 23).

Capital budget authority for two projects (seat management and Data Center Services) is not provided in the introduced bill; appropriate amounts based on the remaining programs at DARS will need to be established by the committee.

3. **Early Childhood Intervention (ECI) Program.** The introduced bill includes LBB forecasted amounts for total expenditures, average monthly caseload, average monthly cost per child, and average monthly hours of service per child. A slight growth in caseloads is seen in FY 2014 with FY 2015 growth increasing to 4.7%. Caseload growth of 5.5% is forecast for FY 2016, with growth slowing slightly to 5.2% in FY 2017. Average cost for fiscal years 2016 and 2017 is forecasted at the FY 2014 level. Average monthly service hours of 2.69 hours per child in FY 2014 are maintained through FY 2017.
 - a. 2014-15 Base. The LBB estimate of expenditures for the 2014-15 biennium is \$283.6 million in All Funds, a decrease of \$9.6 million from the DARS LAR estimate and a decrease of \$34.5 million from 2014-15 appropriated amounts. The LBB estimated difference from the DARS estimate is primarily due to a lower LBB average cost estimate.
 - b. Medicaid Collections/IDEA Part C Federal Funds. Included in each ECI provider's contract is a maximum amount to be reimbursed by DARS as well as an amount to be collected by the provider from Medicaid billings. In FY 2014, certain providers did not collect expected amounts from Medicaid billings, which left their continued participation in doubt, as several providers have also indicated that they are not able to sustain historical levels of other collections required by the contract. In an attempt to preserve the ECI provider network, DARS made mid-year adjustments to FY 2014 contracts and lowered the Medicaid collection targets. To make up the difference, DARS budgeted more Special Education Grants for Infants and Families with Disabilities, known as Individuals with Disabilities Education Act (IDEA) Part C Federal Funds to reimburse providers directly. Despite the assistance from DARS through these contract adjustments, three providers did not renew their contracts for FY 2015 (eight providers have left the program since FY 2011).

The DARS baseline request for 2016-17 assumes the continuation of lower Medicaid collections by providers, with a decrease of \$9.2 million in Medicaid Federal Funds and an increase in IDEA Part C funds of \$3.0 million as compared to the 2014-15 base in the LAR. The introduced bill assumes that providers will maximize Medicaid collections in 2016-17. A new rider (Rider 10) that limits expenditures of Part C funds to appropriated amounts unless approved by the LBB and Governor is included in the introduced bill. See Section 5, Rider Highlights.

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Towards the end of FY 2014, expenditures were projected by the LBB to be lower than appropriated amounts, and unexpended IDEA Part C Funds were available to be carried forward, therefore the agency was directed to transfer \$7.0 million in GR to HHSC and to use Part C Federal Funds in lieu of General Revenue Funds in FY 2015. However, the agency's midyear adjustment mentioned above and the increased amounts of Part C already obligated for the FY 2015 contracts have resulted in a substantial reduction to the available Part C fund balance (projected to be \$14.6 million at the end of FY 2017, assuming the LBB forecasted average cost through FY 2017).

- c. ECI Provider Contracts. An ECI contract is based on a total budget for each provider. The agency subtracts targeted amounts for Medicaid collections and third-party collections from the total budget, and the remainder (largest share) is the ECI contract, which is funded with agency appropriations. The contracts also include targets for enrolled children and the number of service hours. Recent contracts have included minimum performance targets below the level for which funds were appropriated. Rider 8, Reporting on Early Childhood Intervention, has been modified to require more data related to contracts. See Section 5, Rider Highlights.
 - d. Maintenance of Effort (MOE) Requirement. IDEA Part C Federal Funds require that state expenditures on the ECI program equal (at a minimum) state expenditures from the most recent preceding year for which complete data is available. Recommendations include funding to meet the MOE requirement from two years prior (e.g., expenditures in FY 2015 become the FY 2017 MOE requirement). Funds available to meet the MOE includes both expenditures at DARS and approximately \$7.7 million per fiscal year reflected at the Health and Human Services Commission related to certain therapies received by Medicaid-eligible children.
4. **Autism Program**. Recommendations include a decrease of \$5.6 million in General Revenue Funds from the 2014-15 biennium for the phase-out of the program. The savings are included in \$18.4 million in additional funding at the Texas Education Agency (Rider 68) for widespread autism support. Funding at DARS supports services for children enrolled as of August 31, 2015, and new Rider 22, Autism Program Provisions, specifies no new enrollments in 2016-17. See Section 5, Rider Highlights.
5. **Comprehensive Rehabilitation Services (CRS)**. The introduced bill includes \$44.6 million for the biennium in General Revenue-Dedicated Comprehensive Rehabilitation Fund Account No. 107 from estimated revenue and ending balance. To align funding with the Biennial Revenue Estimate and with a statutory maximum available balance of \$1.5 million per fiscal year (anything above is swept to General Revenue), **an increase of \$7.5 million in General Revenue Funds (with a like decrease in GR-D Fund 107) will be required to maintain base level funding**. With the FY 2015 fund balance appropriated, recommendations also remove the unexpended balance (UB) authority from the previous biennium in Rider 18. UB authority within the biennium remains in the rider. See Section 5, Rider Highlights.
6. **Waiting Lists**. Independent Living (IL) Services-General and Comprehensive Rehabilitation Services (CRS) currently have waiting lists. The agency has indicated that 46 individuals are currently on the CRS waiting list. The IL-General waiting list is projected to be 178 by the end of FY 2015. The introduced bill does not include funding to address waiting lists. See Section 6, Items Not Included in Recommendations, Items #5 and #6.

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7. **Sunset Review.** The five health and human services agencies are under Sunset review during the 84th Legislative Session. In the event that the agency is not continued, a contingency rider (Rider 21) directs funds appropriated for FY 2016 to be used for expenditures relating to the phase-out of the agency's operations. See Section 5, Rider Highlights.
8. **Data Center Consolidation.** Recommendations include an increase of \$1.5 million in General Revenue Funds over the 2014-15 base to maintain current services for Data Center Consolidation Services (DCS).

Supplemental Schedule #1: ECI Forecast Comparison

	FY 2013	FY 2014	FY 2015	Trend	FY 2016	Trend	FY 2017	Trend
Average Monthly Number of Children Served in Comprehensive Services								
DARS Updated 16-17 Forecast (as of 2/6/15)	25,208	25,714	27,104	5.4%	27,831	2.7%	29,238	5.1%
SB 2 as Introduced	25,208	25,943	27,165	4.7%	28,662	5.5%	30,158	5.2%
SB 2 above/(below) DARS	0	229	61		831		920	

Average Monthly Cost per Child: Comprehensive Services/State and Federal Expenditures

DARS Revised Exceptional Item	\$420.52	\$444.41	\$479.82	8.0%	\$444.50	-7.4%	\$460.49	3.6%
SB 2 as Introduced	\$420.52	\$430.11	\$459.19	6.8%	\$430.11	-6.3%	\$430.11	0.0%
SB 2 above/(below) DARS	\$0.00	(\$14.30)	(\$20.63)		(\$14.39)		(\$30.38)	

Average Monthly Number of Hours of Service Delivered Per Child Per Month

DARS Revised Exceptional Item	2.67	2.67	2.89	8.2%	2.78	-3.8%	2.88	3.6%
SB 2 as Introduced	2.61	2.69	2.69	0.0%	2.69	0.0%	2.69	0.0%
SB 2 above/(below) DARS	(0.06)	0.02	(0.20)		(0.09)		(0.19)	

A.1.1, ECI Services

2016-17

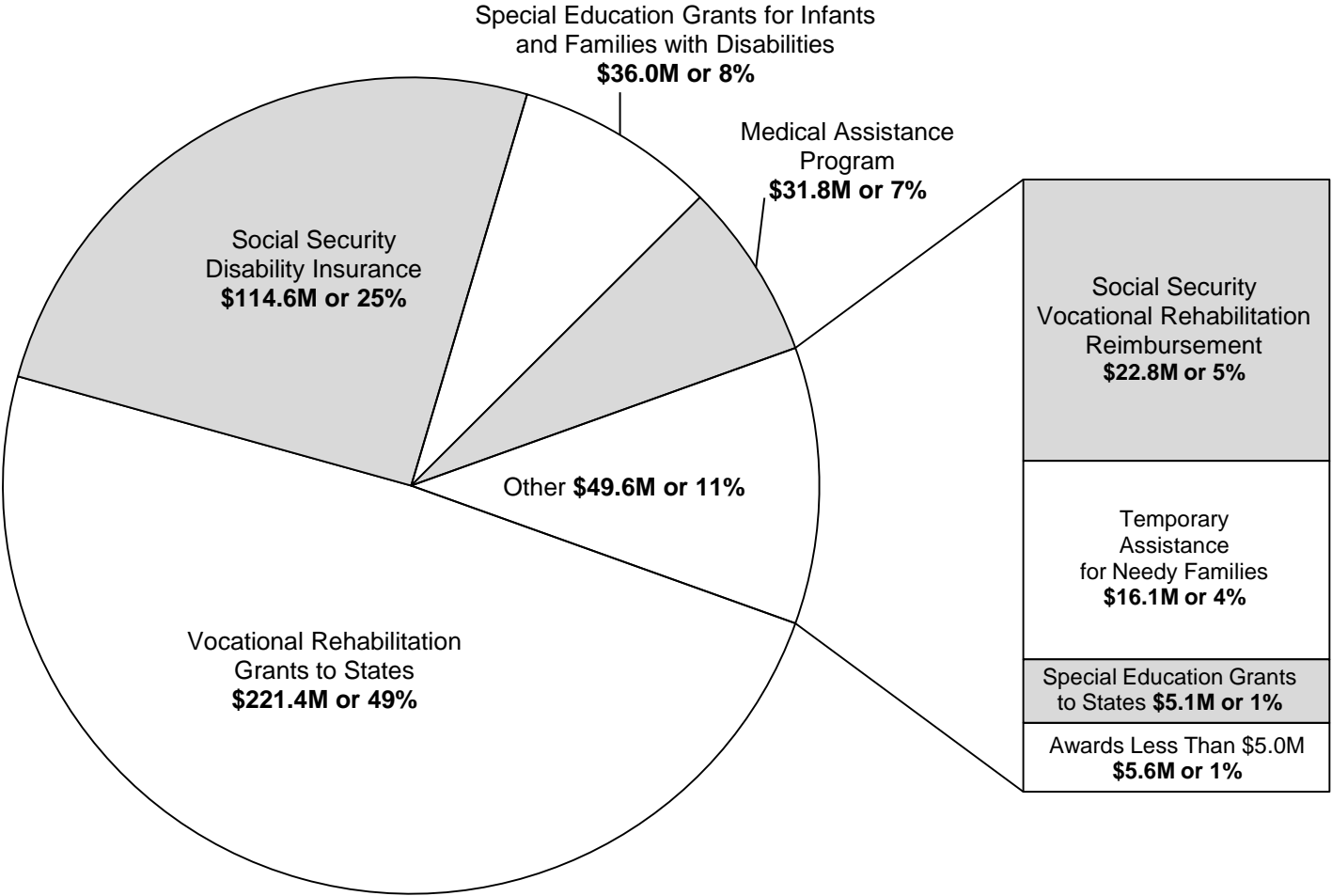
SB 2 as Introduced, All Funds	\$303,586,877
DARS Revised Exceptional Item (all General Revenue)	\$13,996,961
Total All Funds, SB 2 + Exceptional Item	\$317,583,838

Supplemental Schedule #2: Strategy Adjustments by Fund Type for Transfers to Texas Workforce Commission
(dollars in millions)

14-15 GAA	Affected Strategy	Prior to Transfer 2016-17		Adjustments for Transfer to TWC					Total Adjustments		SB 2 as Introduced	
		All Funds	FTE	GR	GR-D	GR-R	FF	OF	All Funds	FTE	All Funds	FTE
B.1.1	Independent Living Services and Council - Blind	\$ 6.9	35.5	\$ -	\$ -	\$ -	\$ (2.4)	\$ 2.4	\$ -	-	\$ 6.9	35.5
B.1.3	Vocational Rehabilitation - Blind	\$ 97.1	437.9	\$ (16.5)	\$ -	\$ (16.5)	\$ (80.5)	\$ (0.1)	\$ (97.1)	(437.9)	\$ -	-
B.1.4	Business Enterprises of Texas	\$ 4.9	18.0	\$ -	\$ (1.4)	\$ (1.4)	\$ (1.7)	\$ (1.8)	\$ (4.9)	(18.0)	\$ -	-
B.1.5	Business Enterprises of Texas Trust Fund	\$ 0.8	-	\$ -	\$ (0.8)	\$ (0.8)	\$ -	\$ -	\$ (0.8)	-	\$ -	-
B.2.1	Contract Services - Deaf	\$ 5.2	5.5	\$ (0.7)	\$ -	\$ (0.7)	\$ (3.1)	\$ 3.8	\$ -	-	\$ 5.2	5.5
B.2.2	Educ., Training, Certification - Deaf	\$ 3.0	5.9	\$ (0.2)	\$ -	\$ (0.2)	\$ (0.1)	\$ 0.3	\$ -	-	\$ 3.0	5.9
B.3.1	Vocational Rehabilitation - General	\$ 454.9	1,238.0	\$ (88.4)	\$ -	\$ (88.4)	\$ (365.2)	\$ (1.3)	\$ (454.9)	(1,238.0)	\$ -	-
B.3.2	Centers for Independent Living	\$ 5.4	-	\$ -	\$ -	\$ -	\$ (2.9)	\$ 2.9	\$ -	-	\$ 5.4	-
B.3.3	Independent Living Services and Council - General	\$ 16.3	22.2	\$ -	\$ -	\$ -	\$ (11.9)	\$ 11.9	\$ -	-	\$ 16.3	22.2
C.1.1	Disability Determination Services	\$ 234.4	875.4	\$ -	\$ -	\$ -	\$ (234.4)	\$ -	\$ (234.4)	(875.4)	\$ -	-
D.1.1	Central Program Support	\$ 24.7	141.7	\$ (3.2)	\$ -	\$ (3.2)	\$ (16.9)	\$ -	\$ (20.1)	(117.6)	\$ 4.5	24.1
D.1.2	Regional Program Support	\$ 1.8	-	\$ (0.6)	\$ -	\$ (0.6)	\$ (1.2)	\$ -	\$ (1.8)	-	\$ -	-
D.1.3	Other Program Support	\$ 7.7	37.0	\$ (1.2)	\$ -	\$ (1.2)	\$ (5.2)	\$ -	\$ (6.4)	(22.4)	\$ 1.4	14.6
D.1.4	Information Technology Program Support	\$ 18.4	62.0	\$ (1.6)	\$ -	\$ (1.6)	\$ (12.4)	\$ -	\$ (14.0)	(56.1)	\$ 4.4	5.9
	<i>Subtotal</i>	\$ 881.3	2,879.1	\$ (112.4)	\$ (2.2)	\$ (114.6)	\$ (737.8)	\$ 18.0	\$ (834.3)	(2,765.4)	\$ 47.0	113.7
New B.1.4 Criss Cole Rehab Center (originally in VR-Blind)		\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ 11.2	\$ 11.2	98.0	\$ 11.2	98.0
	Total	\$ 881.3	2,879.1	\$ (112.4)	\$ (2.2)	\$ (114.6)	\$ (737.8)	\$ 29.3	\$ (823.1)	(2,667.4)	\$ 58.2	211.7

Section 3

Department of Assistive and Rehabilitative Services
Summary of Federal Funds (Estimated 2014) - Senate
TOTAL = \$453.3M



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

Section 3

Assistive and Rehabilitative Services, Department of Significant Federal Funds Changes - Senate					
CFDA No.	Program Name	2014-15 Base	2016-17 Recommended	Recommended Over/(Under) Base	Comments
84.126.000	Rehabilitation Services_Vocational	\$83,612,205	\$0	(\$83,612,205)	Transfer of Vocational Rehabilitation Program to Texas Workforce Commission, contingent upon passage of legislation.
84.126.001	Vocational Rehabilitation Grants to States	\$362,442,632	\$0	(\$362,442,632)	
84.181.000	Special Education Grants for Infants & Families w/Disabilities	\$94,539,880	\$103,490,500	\$8,950,620	See Selected and Fiscal Policy Issue #3(b).
84.265.000	Rehabilitation Training State Vocational	\$626,882	\$0	(\$626,882)	Grant ended in FY 2015.
93.778.003	Medical Assistance Program 50%	\$8,741,294	\$11,029,842	\$2,288,548	Increased use of General Revenue match in ECI forecast. See Selected and Fiscal Policy Issue #3.
93.778.013	XIX Medical Assistance Program-TCM	\$20,185,228	\$24,887,115	\$4,701,887	
93.778.018	XIX Medical Assistance Program - Specialized Skills Training	\$34,650,305	\$38,824,712	\$4,174,407	
96.000.003	Social Security Vocational Rehabilitation Reimbursement	\$41,731,603	\$0	(\$41,731,603)	Transfer of Vocational Rehabilitation Program to Texas Workforce Commission, contingent upon passage of legislation.
96.001.000	Social Security Disability Insurance	\$237,485,239	\$0	(\$237,485,239)	Transfer of Disability Determination Services to Texas Workforce Commission, contingent upon passage of legislation.

Section 4

Department of Assistive and Rehabilitative Services
Performance Review and Policy Report Highlights - Senate

Reports & Recommendations	Savings/ (Cost)	Gain/ (Loss)	Fund Type	Included in Introduced Bill	Action Required During Session
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NO RELATED RECOMMENDATIONS

Section 5

Department of Assistive and Rehabilitative Services
Rider Highlights - Senate

Deleted Riders (original rider number)

- 9. **Funding for Early Childhood Intervention (ECI) Services at the Department of Assistive and Rehabilitative Services.** Rider originated with legacy agency and is no longer needed as Special Provisions Sec. 10 directs transfers.
- 13. **Appropriation: Unexpended Balances in Interagency Contracts for Administrative Fees.** Consolidated into new rider (see New Rider 14 below).
- 14. **Appropriation: Unexpended Balances in Summer Camp Program.** Consolidated into new rider (see New Rider 14 below).
- 15. **Unexpended Balances for the Board of Evaluation of Interpreters (BEI) Program.** Consolidated into new rider (see New Rider 14 below).
- 19. **Appropriation of Federal Medicaid Receipts.** Rider originated with legacy agency and is no longer needed as Special Provisions Sec.10 directs transfers.
- 22. **GR-Dedicated Business Enterprise Program Account No. 492.** Informational rider originating with legacy agency that identifies, by number, revenue codes that track to the account.
- 27. **Disability Determination Services Federally Funded Full-time Equivalents.** Rider no longer needed. FTE cap reduced to reflect filled positions.
- 28. **Report on Changes to Improve Cost-Effectiveness of Family Cost Share Provisions.** Rider no longer needed. Report submitted December 2014.
- 30. **Data Collection and Reporting on Centers for Independent Living.** Rider no longer needed. One-time report submitted February 2014.
- 31. **Early Childhood Intervention Family Cost Share.** Provisions of the rider have been implemented. Rules promulgated September 2014.

Riders Deleted at DARS and Transferred to Texas Workforce Commission (TWC) Bill Pattern (original DARS rider number)

- 5. **Notification of Federal Funds Distribution.**
- 21. **Appropriation: GR-Dedicated Business Enterprise Program Trust Fund Account No. 5043.**

Section 5

26. **Performance Reporting for the Business Enterprises of Texas Program.**

Modified Riders (new rider number)

- 7. **Reporting on Early Childhood Intervention.** Modified to avoid duplication with data submission requirements in Special Provisions Sec. 13, Caseload and Expenditure Reporting Requirements, and to require data on the contract process.
- 18. **GR-Dedicated Comprehensive Rehabilitation Account No. 107.** Modified to remove unexpended balance authority across biennia. Estimated ending balance for FY 2015 is included in the recommended amount for FY 2016. See Selected Fiscal and Policy Issue #5.

Modified Riders Related to Transfer of Programs to TWC (new rider number)

- 3. **Reimbursement of Advisory Committee Members.** Removed Elected Committee of Managers (BET) and Rehabilitation Council of Texas from list.
- 5. **Other Reporting Requirements.** Removed requirements for Vocational Rehabilitation.
- 6. **Maintenance of Effort (MOE) and Matching Funds Reporting Requirement.** Removed requirements for Vocational Rehabilitation.
- 17. **Appropriation: Subrogation Receipts.** Removed references to funds in B.3.1, Vocational Rehabilitation - General.
- 20. **Blind Endowment Trust Fund Reporting.** Modified to require joint report by TWC and DARS.

New Riders

- 10. **Limitation on Federal Funds Appropriations for Early Childhood Intervention Services.** Requires written approval from LBB and Governor to exceed appropriated amounts of Special Education Grants for Infants and Families with Disabilities (IDEA Part C) Federal Funds. See Selected Fiscal and Policy Issue #3(b).
- 14. **Appropriation: Unexpended Balances – Deaf and Hard of Hearing Services.** Consolidates original riders 13, 14, 15, which provide UB authority to certain funding items in Strategy B.2.2, Education, Training & Certification – Deaf.
- 21. **Sunset Contingency.** The agency is under Sunset review.

Section 5

- 22. **Autism Program Provisions.** Provides direction for phase-out of the program. New enrollments must end on August 31, 2015, no additional funding may be transferred from other strategies, and funding includes support of the council and resource center.
- 23. **Texas Workforce Commission Partnership.** Informational rider for Interagency Contract amounts from TWC to DARS Goal B, Persons with Disabilities.

Section 6

Assistive and Rehabilitative Services, Department of
Items not Included in Recommendations - Senate

Agency Exceptional Items - in Agency Priority Order	2016-17 Biennial Total	
	GR & GR-Dedicated	All Funds
1. Support Early Childhood Intervention Projected Service Hours	\$ 13,996,961	\$ 13,996,961
2. Maintain Comprehensive Rehabilitation Services Funding	\$ 9,402,456	\$ 9,402,456
3. Invest in Independence and Blindness Prevention (18.0 / 18.0 FTEs)	\$ 5,311,913	\$ 5,405,040
<i>a. Expand Children's Blindness Services</i>	\$ 1,713,481	\$ 1,806,608
<i>b. Increase Services in Independent Living - Blind Program</i>	\$ 1,338,000	\$ 1,338,000
<i>c. Expand the Blindness Education, Screening and Treatment (BEST) Program</i>	\$ 2,060,432	\$ 2,060,432
<i>d. Enhance the BEST Program Database</i>	\$ 200,000	\$ 200,000
4. Ensure Communication Access for People who are Deaf or Hard of Hearing	\$ 1,590,000	\$ 2,490,000
<i>a. Expand Resource Specialist Services</i>	\$ 1,000,000	\$ 1,000,000
<i>b. Develop New Specialized Telecommunications Assistance Program (STAP) database</i>	\$ -	\$ 900,000
<i>c. Enhance the Board for Evaluation of Interpreters (BEI) Registry database</i>	\$ 200,000	\$ 200,000
<i>d. Develop, Enhance, and Revise BEI Testing Materials</i>	\$ 390,000	\$ 390,000

Section 6

Assistive and Rehabilitative Services, Department of
Items not Included in Recommendations - Senate

Agency Exceptional Items - in Agency Priority Order	2016-17 Biennial Total	
	GR & GR-Dedicated	All Funds
5. Reduce the Independent Living Services-General Waiting List	\$ 2,517,667	\$ 2,517,667
6. Reduce the Comprehensive Rehabilitation Services Waiting List	\$ 4,672,128	\$ 4,672,128
7. Capital Projects (Building Maintenance) - Criss Cole Rehabilitation Center	\$ -	\$ 634,000
Total, Items Not Included in the Recommendations	<u>\$ 37,491,125</u>	<u>\$ 39,118,252</u>

Rider Requests Not Included:

- 1. Rider 10, *Limitation on Federal Funds Appropriations for Early Childhood Intervention Services*: request to specify that limitation refers to final expenditures, for cash flow purposes.
- 2. Rider 16, *Appropriation of Donations: Blindness Education, Screening and Treatment*: request to remove \$40,000 limit on UB authority.
- 3. Rider 18, *GR-Dedicated Comprehensive Rehabilitation Account No. 107*: remove \$1.5 million limit on UB authority across biennia.
- 4. **New:** *Appropriation: Unexpended Balances in Respite Care for Families*: would provide UB authority within the biennium in Strategy A.1.2, ECI Respite Services.

Section 7

Assistive and Rehabilitative Services, Department of
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	Comprehensive Rehabilitation Services	The reduction would result in an estimated 207 fewer consumers receiving services over the biennium for traumatic brain or spinal cord injuries and a higher number of consumers placed on a waiting list for longer periods of time.	\$5,500,000	\$5,500,000		\$0	11.11%	No
2	Vocational Rehabilitation - General	The reduction would result in an estimated 4,951 fewer consumers receiving services over the biennium. Because the VR Program is federally funded, any General Revenue (GR) reduction would also impact the agency's ability to draw Federal Funds and earn indirect cost recoveries, which will result in the need to eliminate indirect FTEs. GR reductions will also impact the agency's ability to meet federal MOE requirements. The agency will utilize previously matched federal carryforward funds to minimize the impact on consumers served and staffing levels.	\$3,363,486	\$3,363,486		\$0	3.81%	No
3	Vocational Rehabilitation - Blind	The reduction would result in 846 fewer consumers receiving services over the biennium. Because the VR Program is federally funded, any General Revenue (GR) reduction would also impact the agency's ability to draw Federal Funds and earn indirect cost recoveries, which will result in the need to eliminate indirect FTEs. GR reductions will also impact the agency's ability to meet federal MOE requirements. The agency will utilize previously matched federal carryforward funds to minimize the impact on consumers served and staffing levels.	\$840,872	\$840,872		\$0	5.11%	No

Section 7

Assistive and Rehabilitative Services, Department of
Summary of 10 Percent Biennial Base Reduction Options - Senate

Priority	Item	Description/Impact	Biennial Reduction Amounts					Included in Intro Bill?
			GR and GR- Dedicated	All Funds	FTEs	Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	
4	Program Support	The budget reduction in the Vocational Rehabilitation direct strategies would result in a reduction in the indirect administration strategies. The agency is in the process of building administrative infrastructure needed to improve management and monitoring of programs. This includes improved contract management, quality assurance oversight of consumer cases, and mechanisms to ensure appropriate staff accountability. A \$586,342 budget reduction per year would require a FTE reduction of 7 and could negatively impact the agency's progress on this initiative.	\$0	\$0	7.0	\$0	NA	No
5	Information Technology Program Support	The budget reduction in the Vocational Rehabilitation direct strategies would result in a reduction in the indirect administration strategies. The agency is in the process of building administrative infrastructure needed to improve its management and monitoring of its programs. This includes identifying and eliminating redundancies and developing automated tools that provide ongoing financial and program performance data for management oversight. A \$250,963 budget reduction per year would require a FTE reduction of two (2) and could negatively impact the agency's progress on this initiative.	\$0	\$0	2.0	\$0	NA	No
6	Early Childhood Intervention (ECI) Services	The budget reduction in the Early Childhood Intervention (ECI) program would result in a reduction in the average monthly number of children served of approximately 670 during the biennia. With the decreased funding, it is possible that eligibility criteria would have to be narrowed to ensure all eligible children could be served. General Revenue reductions will also impact the agency's ability to meet federal MOE requirements.	\$275,583	\$275,583		\$0	0.44%	No
7	Autism Program	The reduction would result in a reduction in the average monthly number of children served of three (3) during the biennium. Although the Autism program is one of the agency's smaller programs, it is meeting the needs of a growing population with autism, as the incidence rate is estimated to be 1 in 68. Because the cost per child of the comprehensive services currently delivered are high in comparison to other DARS programs, the proposed reduction will impact a relatively few number of children.	\$250,000	\$250,000		\$0	2.78%	No

Section 7

Assistive and Rehabilitative Services, Department of
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?
8	Comprehensive Rehabilitation Services	See Item 1	\$5,500,000	\$5,500,000		\$0	11.11%	No
9	Vocational Rehabilitation - General	See Item 2	\$3,363,486	\$3,363,486		\$0	3.81%	No
10	Vocational Rehabilitation - Blind	See Item 3	\$840,872	\$840,872		\$0	5.11%	No
11	Program Support	See Item 4	\$0	\$0	6.0	\$0	NA	No
12	Information Technology Program Support	See Item 5	\$0	\$0	3.0	\$0	NA	No
13	Early Childhood Intervention (ECI) Services	See Item 6	\$275,583	\$275,583		\$0	0.44%	No
14	Autism Program	See Item 7	\$250,000	\$250,000		\$0	2.78%	No
TOTAL, 10% Reduction Options			<u>\$20,459,882</u>	<u>\$20,459,882</u>	<u>18.0</u>	<u>\$0</u>		

Assistive and Rehabilitative Services, Department of
Summary of 10 Percent Biennial Base Reduction Options - Senate

Agency 10% Reduction Options by Category of Reduction

