

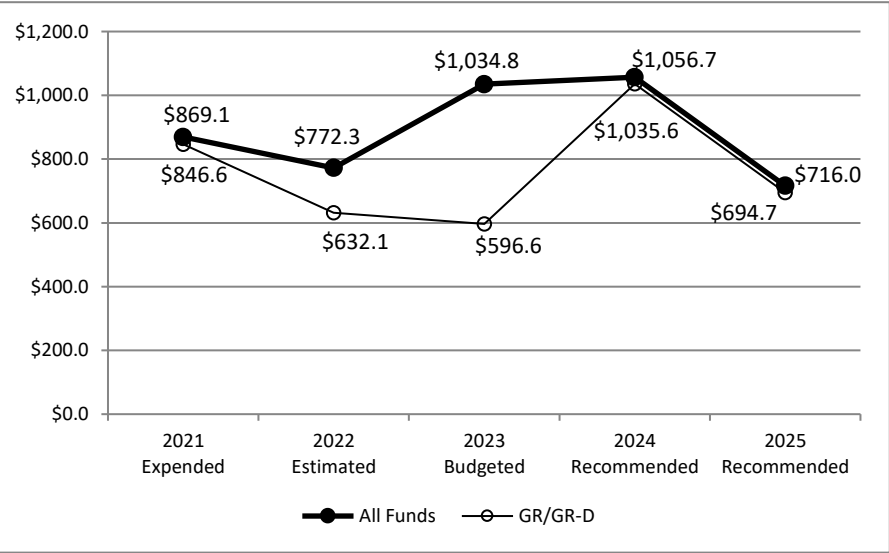
Fiscal Programs - Comptroller of Public Accounts
Summary of Budget Recommendations - Senate

Page I-25
The Honorable Glenn Hegar, Comptroller of Public Accounts
Charles Smith, LBB Analyst

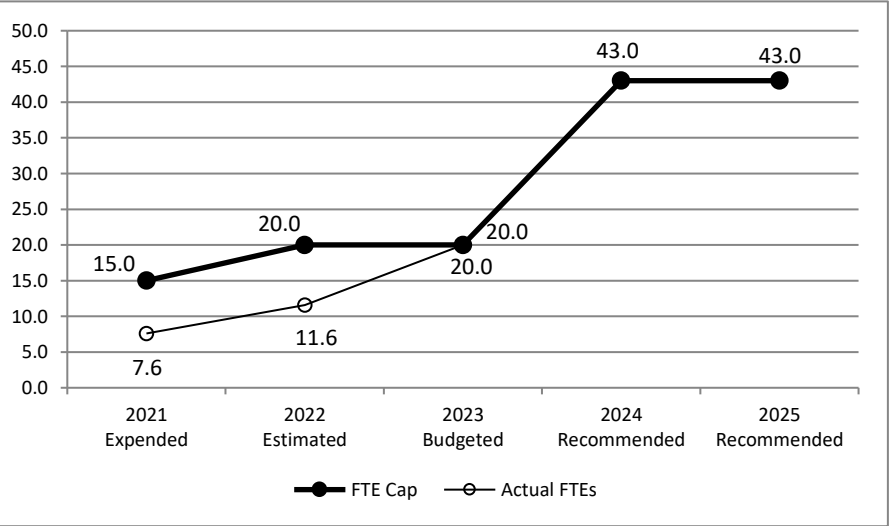
Method of Financing	2022-23 Base	2024-25 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$1,186,102,533	\$1,686,744,960	\$500,642,427	42.2%
GR Dedicated Funds	\$42,562,856	\$43,614,963	\$1,052,107	2.5%
Total GR-Related Funds	\$1,228,665,389	\$1,730,359,923	\$501,694,534	40.8%
Federal Funds	\$528,165,274	\$27,832,117	(\$500,333,157)	(94.7%)
Other	\$50,259,447	\$14,600,000	(\$35,659,447)	(71.0%)
All Funds	\$1,807,090,110	\$1,772,792,040	(\$34,298,070)	(1.9%)

	FY 2023 Budgeted	FY 2025 Recommended	Biennial Change	Percent Change
FTEs	20.0	43.0	23.0	115.0%

Historical Funding Levels (Millions)



Historical Full-Time-Equivalent Employees (FTEs)



The bill pattern for this agency (2024-25 Recommended) represents an estimated 32.1% of the agency's estimated total available funds for the 2024-25 biennium.

Fiscal Programs - Comptroller of Public Accounts
Summary of Funding Changes and Recommendations - Senate

Section 2

Funding Changes and Recommendations for the 2024-25 Biennium compared to the 2022-23 Base Spending Level (in millions)		General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
<i>SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):</i>							
A)	Increase for mixed beverage tax reimbursements to counties and incorporated municipalities.	\$151.8	\$0.0	\$0.0	\$0.0	\$151.8	A.1.2
B)	Method of finance swap for gross weight/axle weight permit fee distribution to counties from State Highway Fund 6 to General Revenue.	\$34.0	\$0.0	\$0.0	(\$34.0)	\$0.0	A.1.10
C)	Increase for new grant program for rural county law enforcement contingent on passing of relevant legislation.	\$350.0	\$0.0	\$0.0	\$0.0	\$350.0	A.1.20
<i>OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):</i>							
D)	Decrease in estimated miscellaneous claims and wrongful imprisonment claims payments.	(\$35.4)	(\$0.4)	\$0.0	(\$0.8)	(\$36.6)	A.1.1
E)	Decrease for judgments and settlements.	\$0.0	\$0.0	\$0.0	(\$0.9)	(\$0.9)	A.1.3
F)	Increase for law enforcement education funding.	\$0.0	\$1.4	\$0.0	\$0.0	\$1.4	A.1.7
G)	Increased Federal Funds for the State Energy Conservation Office (SECO).	\$0.0	\$0.0	\$0.2	\$0.0	\$0.2	B.1.1, B.1.3
H)	Decrease for one-time COVID-19 Federal Funds for the Broadband Development Office.	\$0.0	\$0.0	(\$500.5)	\$0.0	(\$500.5)	C.1.2
I)	Increased General Revenue for the statewide salary adjustment.	\$0.2	\$0.0	\$0.0	\$0.0	\$0.2	D.1.1
TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)		\$500.6	\$1.0	(\$500.3)	(\$35.7)	(\$34.3)	As Listed
<i>SIGNIFICANT & OTHER Funding Increases</i>		\$536.0	\$1.4	\$0.2	\$0.0	\$537.6	As Listed
<i>SIGNIFICANT & OTHER Funding Decreases</i>		(\$35.4)	(\$0.4)	(\$500.5)	(\$35.7)	(\$571.9)	As Listed

NOTE: Totals may not sum due to rounding.

**Fiscal Programs - Comptroller of Public Accounts
Selected Fiscal and Policy Issues - Senate**

1. **Mixed Beverage Tax Disbursements.** Recommendations provide \$635.1 million in General Revenue, which includes an increase of \$151.8 million to reflect the agency's estimate for the disbursement of mixed beverage tax receipts to cities and counties, as required by Section 184.051 of the Tax Code. Statute requires no less than 10.7143 percent of revenues to be disbursed to incorporated municipalities and to counties where the receipts were collected.
2. **Additional Agency Full Time Equivalents.** Recommendations include the agency's exceptional item request to increase to the agency's FTE cap by 23.0 FTEs. The recommendation allocates 18.0 FTEs to the Broadband Development Office (BDO) in Strategy C.1.1, Texas BDO Administration, and 5.0 FTEs to the State Energy Conservation Office (SECO) in Strategy B.1.1, Energy Office, for the management of newly available federal funding for the purposes of infrastructure expansion across the state.
3. **Contingency for County Law Enforcement.** Recommendations provide \$350.0 million in General Revenue funds for a new grant program for rural county law enforcement. This appropriation is contingent on enactment of legislation which authorizes the program.
4. **Method of Finance Swap for Gross Weight/Axle Permit Fee Disbursements to Counties.** Recommendations provide for a method of finance swap for distributions to counties for gross weight and axle weight permit fees from State Highway Fund 6 to the General Revenue Fund to align with statute. Per Transportation Code, Section 621.353, the Comptroller is required to send counties \$50 of each \$90 permit base fee and a portion of additional fee amounts paid by permittees based on the number of counties in which the vehicle would operate. These portions of the fees are deposited into General Revenue, and therefore, funding has traditionally been provided out of General Revenue funds. However, in the 2022-23 GAA, funding for this appropriation item was paid out of State Highway Fund 6 in order to save General Revenue in anticipation of a projected decline in state revenue.
5. **Texas Guaranteed Tuition Plan.** Pursuant to Article IX, Section 17.17, Supplemental Appropriations Bill, recommendations include the intention to fund the full payoff amount for the Texas Guaranteed Tuition Plan, also known as the Texas Tomorrow Fund, in the supplemental bill. According to the agency, the estimated total payoff as of June 1, 2023 is \$243,774,584. The Plan has historically been funded through the supplemental bill on a pay-as-you-go basis. House Bill 2, Eighty-Seventh Legislature, Regular Session appropriated \$271.2 million in General Revenue in fiscal year 2021 for the 2022-23 biennial payment.

**Fiscal Programs - Comptroller of Public Accounts
Rider Highlights - Senate**

Modification of Existing Riders

9. **Oil Overcharge Settlement Funds.** Recommendations update estimated revenue and estimated depository interest allocated for programs specified in the rider based on recommended funding levels out of the General Revenue-Dedicated Oil Overcharge Account No. 5005 in Strategy B.1.1, Energy Office, and Strategy B.1.2, Oil Overcharge Settlement Funds.
10. **Department of Energy (DOE) Federal Funds.** Recommendations update Federal Funds amounts anticipated for the Pantex and State Energy Programs to align with recommended funding levels included in Strategy B.1.1, Energy Office, and Strategy B.1.3, Federal Funds.
15. **Disabled Veteran Assistance Payments.** Recommendations revise amounts referencing appropriations for disabled veteran assistance payments to align with recommended funding levels in Strategy A.1.12, Disabled Veteran Assistance Payments. The biennial amount remains at \$19.0 million, but allocation by fiscal year has been revised.
22. **Opioid Abatement Account.** Recommendations revise wording of Rider 22 to align with statute in that rider provision are no longer contingent on Senate Bill 1827. That legislation has passed, and now all funds deposited to the General Revenue- Dedicated Opioid Abatement Account No. 5189 are appropriated to the Comptroller.

New Riders.

23. **Contingency for County Law Enforcement.** Recommendations include a rider for a new grant program that provides rural counties with additional law enforcement resources, contingent on enactment of legislation authorizing the program.

Deleted Riders

2. **Capital Budget.** Delete rider identifying authority of \$20.0 million in revenue bonds for the acquisition of real property related to the Texas Bullion Depository. The state currently leases the depository building, but last biennium, the legislature approved funding to purchase it. Ultimately, the current owner opted not to sell, and the Comptroller lapsed the \$20.0 million.
23. **Appropriation: Gross Weight / Axle Fees Distribution to Counties.** Delete rider identifying appropriations from State Highway Fund No. 006 equivalent to amounts collected from gross weight and axle weight permit fees for distribution to counties as provided in VTCA, Transportation Code Section 621.353 (estimated to be \$17.0 million each fiscal year). This rider is no longer needed because the recommended method of finance swap with General Revenue aligns the funding source with statute.

Fiscal Programs - Comptroller of Public Accounts
Appendices - Senate

Table of Contents		
Appendix	Appendix Title	Page
A	Funding Changes and Recommendations by Strategy	6
B	Summary of Federal Funds	*
C	FTE Highlights	8

* Appendix is not included - no significant information to report

Fiscal Programs - Comptroller of Public Accounts
Funding Changes and Recommendations by Strategy - Senate -- ALL FUNDS

Strategy/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
MISCELLANEOUS CLAIMS 1.1.1	\$62,555,445	\$26,000,000	(\$36,555,445)	(58.4%)	Recommendations include an estimated \$26.0 million in General Revenue (GR) funds for payment of miscellaneous and wrongful imprisonment claims, reflecting decreases of \$35.4 million in GR, \$0.4 million in GR-Dedicated Funds, and \$0.8 million in Other Funds.
REIMBURSE - BEVERAGE TAX 1.1.2	\$483,264,000	\$635,080,000	\$151,816,000	31.4%	Recommendations include an increase of \$151.8 million in General Revenue for distribution of 10.7143 percent of mixed beverage gross receipts tax and sales tax receipts to cities and counties. Recommendations reflect the agency's exceptional item request for estimated disbursements.
JUDGMENTS AND SETTLEMENTS 1.1.3	\$2,383,459	\$1,500,000	(\$883,459)	(37.1%)	Recommendations reflect a decrease of \$0.9 million in Other Funds due to judgment and settlement claims paid out of State Highway Fund No. 006 in fiscal year 2022.
COUNTY TAXES - UNIVERSITY LANDS 1.1.4	\$20,144,442	\$20,144,442	\$0	0.0%	
LATERAL ROAD FUND DISTRICTS 1.1.5	\$14,600,000	\$14,600,000	\$0	0.0%	
UNCLAIMED PROPERTY 1.1.6	\$575,981,783	\$575,981,783	\$0	0.0%	
LAW ENFORCEMENT EDUCATION FUNDS 1.1.7	\$9,400,000	\$10,800,000	\$1,400,000	14.9%	Recommendations reflect an increase of \$1.4 million General Revenue-Dedicated Account 116, Texas Commission on Law Enforcement, to increase funding for law enforcement education.
ADVANCED TAX COMPLIANCE 1.1.8	\$13,943,648	\$13,943,648	\$0	0.0%	
SUBSEQUENT CVC CLAIMS 1.1.9	\$406,704	\$406,704	\$0	0.0%	
GROSS WEIGHT/AXLE FEE DISTRIBUTION 1.1.10	\$34,000,000	\$34,000,000	\$0	0.0%	Recommendations reflect a method of finance swap from State Highway Fund 6 to General Revenue of \$34.0 million for the biennium to align funding source with statute.
HABITAT PROTECTION FUND 1.1.11	\$4,750,000	\$4,750,000	\$0	0.0%	
TEXAS GUARANTEED TUITION PLAN 1.1.12	\$0	\$0	\$0	0.0%	House Bill 2, Eighty-Seventh Legislature, Regular Session appropriated \$271.2 million in General Revenue in fiscal year 2021 for the payment of unfunded liabilities for the 2022-23 biennium. The agency estimates the total payoff for unfunded liabilities at \$243,774,584, which is intended to be funded through the supplemental bill.
DISABLED VETERAN ASSIST PAYMENTS 1.1.13	\$19,000,000	\$19,000,000	\$0	0.0%	
TEXAS BULLION DEPOSITORY 1.1.14	\$350,000	\$350,000	\$0	0.0%	

Fiscal Programs - Comptroller of Public Accounts
Funding Changes and Recommendations by Strategy - Senate -- ALL FUNDS

Strategy/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
CONTINGENCY COUNTY LAW ENFORCEMENT 1.1.20	\$0	\$350,000,000	\$350,000,000	100.0%	Recommendations provide \$350.0 million for a new grant program contingent on the passing of legislation authorizing the program.
Total, Goal 1, CPA - FISCAL PROGRAMS	\$1,240,779,481	\$1,706,556,577	\$465,777,096	37.5%	
ENERGY OFFICE 2.1.1	\$3,216,669	\$3,554,122	\$337,453	10.5%	Recommendations reflect an increase of \$0.3 million in federal formula funding related to the State Energy Program.
OIL OVERCHARGE SETTLEMENT FUNDS 2.1.2	\$31,280,618	\$31,280,618	\$0	0.0%	
FEDERAL FUNDS 2.1.3	\$26,338,179	\$26,191,988	(\$146,191)	(0.6%)	Recommendations reflect a \$0.5 million decrease in federal loan reimbursements for the State Energy Program - Revolving Loans, offset by federal funding increases of \$0.1 million in the State Energy Program, \$0.1 million for the Transportation of Transuranic Wastes to the Waste Isolation Pilot Plant, and \$0.2 million in the DOE: Environmental Monitoring/Clean-up and Other Programs.
Total, Goal 2, ENERGY OFFICE	\$60,835,466	\$61,026,728	\$191,262	0.3%	
TEXAS BDO ADMINISTRATION 3.1.1	\$5,000,000	\$5,000,000	\$0	0.0%	
TEXAS BDO FEDERAL FUNDS 3.1.2	\$500,475,163	\$0	(\$500,475,163)	(100.0%)	Recommendations include a decrease in new federal Coronavirus State Fiscal Recovery funds of \$500.5 million.
Total, Goal 3, TEXAS BROADBAND DEVELOPMENT OFFICE	\$505,475,163	\$5,000,000	(\$500,475,163)	(99.0%)	
SALARY ADJUSTMENTS 4.1.1	\$0	\$208,735	\$208,735	100.0%	Recommendations provide \$0.2 million for statewide salary adjustments.
Total, Goal 4, SALARY ADJUSTMENTS	\$0	\$208,735	\$208,735	100.0%	
Grand Total, All Strategies	\$1,807,090,110	\$1,772,792,040	(\$34,298,070)	(1.9%)	

Fiscal Programs - Comptroller of Public Accounts
FTE Highlights - Senate

Full-Time-Equivalent Positions	Expended 2021	Actual 2022	Budgeted 2023	Recommended 2024	Recommended 2025
Cap	15.0	20.0	20.0	43.0	43.0
Actual/Budgeted	7.6	11.6	20.0	NA	NA

Schedule of Exempt Positions (Cap)

None.

Notes:

- a) Fiscal years 2021 and 2022 actual FTE figures are less than the FTE cap due to the new Broadband Development Office, which is in the process of hiring staff.
- b) The State Auditor's Office is the source for the FY2021 and FY2022 annual average (actual) FTE levels.