

Article IX - General Provisions

Summary of Budget Recommendations - Senate
Stewart Shallow, LBB General Counsel

SIGNIFICANT CHANGES		
22-23 GAA	SB 1	Explanation of Change
2.01	2.01	Position Classification Plan. Revisions to this section were based on the State Auditor's biennial report on the State's Position Classification Plan (Report Number 23-701, September 2022). Funding to implement these changes was incorporated into individual agencies' bill patterns. Additionally, the salary schedules were revised to incorporate state employee salaries increases as defined in Section 17.18.
9.07	-	Server Consolidation Status Update. Section deleted as the Department of Information Resources reports that 90% of agencies have completed consolidation and all mandatory agencies required by Gov. Code Sec. 2054.390 have completed consolidation.
9.11	-	Staff Telecommunications Survey and Analysis. Section deleted as it is no longer needed. It required every agency to survey its employees regarding telecommunications preferences and to report the results to the Department of Information Resources.
10.04	10.04	Behavioral Health. New subsection directs the Statewide Behavioral Health Coordinating Council to develop a strategic plan specific to the mental health of children.
11.06	-	Prepayment of Annual Lease Costs. Section deleted as it is no longer needed. It authorized the Texas Facilities Commission (TFC) to enter into an agreement with any landlord for prepayment of an annual lease in exchange for a discount and required TFC to file a report with LBB detailing the savings. TFC indicates it has no prepayment agreements and no such report has ever been filed.
13.11	-	Reporting of Federal Homeland Security Funding. Section deleted as it is no longer needed. It required agencies to include in their operating budgets information related to Homeland Security expenditures. This information is no longer required in the operating budgets.
14.03	14.03	Transfers - Capital Budget (1) Increased capital budget threshold from \$100,000 to \$500,000; (2) Language added indicating that agencies can transfer funds without limitation between capital budget projects if responding to an emergency. This is already the case as stated in Sec. 14.04(a), but adding this language makes it explicit; (3) Three items added to the list of capital budget expenditures to align with the legislative appropriations request; and (4) Language added allowing agencies to transfer funds into data center services (DCS). Language had been added last session that required LBB approval for funds transferred into or out of DCS.
15.03	15.03	Contingency Appropriation Reduction. Language added referencing the new statutory limit on consolidated General Revenue appropriations created last session (SB 1336, 87R).
16.05	-	Incidents Report: State Supported Living Centers and State Hospitals. Section deleted as it is duplicative. Section 16.04, Judgments and Settlements, already requires the reporting to the LBB of all legal settlements over \$5,000.
-	17.16	Contingency for Texas Space Commission. New section appropriates \$350 million for the Texas Space Commission, contingent on enactment of legislation.
-	17.17	Supplemental Appropriations Bill. New section highlights certain appropriations that are intended to be included in the supplemental appropriations bill.
-	17.18	Appropriation for a Salary Increase for General State Employees. New section directs the Comptroller to implement a pay raise for state employees of 5% in 2024 (or \$250 per month if greater) and an additional 5% in 2025 (or \$250 per month if greater).

OTHER CHANGES

22-23		
GAA	SB 1	Explanation of Change
3.04	3.04	Scheduled Exempt Positions. (1) Moved Department of State Health Services (DSHS) Commissioner and Department of Family and Protective Services (DFPS) Commissioner from (c)(6) to (b)(3) as both DSHS and DFPS positions have salaries set by the Governor within bounds established by the Legislature; (2) Clarified the procedure by which an agency without a governing board must submit a request to exceed an exempt salary; (3) Increased number of Public Utility Commission commissioners in (c)(6) from 3 to 5 (SB 3, 87R); and (4) Changed the salary group of the Texas Higher Education Coordinating Board Commissioner from Group 8 to Group 9 and the Texas Public Finance Authority Executive Director from Group 6 to Group 7.
3.10	3.10	Exception - Contracts Not Exceeding 12 Months (formerly titled Exception - Contracts Less Than 12 Months). Title of section changed to match the body. Old title covered contracts with a term of less than 12 months (meaning contracts of precisely 12 months were excluded), while the body covers contracts with terms not exceeding 12 months (which covers 12-month contracts).
17.45	3.14	Council of Government Salary Schedules. (1) Relocated from Part 17, Miscellaneous Provisions, to Part 3, Salary Administration and Employment Provisions, as the section discusses the salary schedule for classified positions for certain councils of government, and (2) Language added indicating inflation is measured by use of the Consumer Price Index. Previously, no gauge for inflation was listed.
5.01	5.01	Travel Definitions. (1) Removed the definition of "council of governments" as the phrase is not used otherwise in Part 5, and (2) Removed the definition of "state agency" as it is identical to the definition in Gov. Code Sec. 660.002, which is already cited in the section.
6.06	6.06	Last Quarter Expenditures. Details added to specify the agencies that administer the Children with Special Health Care Needs benefits program.
6.08	6.08	Benefits Paid Proportional by Method of Finance. Changed to include funds provided by HHSC to the University of Texas Health Science Center at Houston for the operation of the Dunn Behavioral Sciences Center among the exclusions to the requirement that benefits paid be proportional to the method of finance.
6.23	6.23	Appropriations from State Tax Revenue. Removed reference to Gov. Code Sec. 316.002 to avoid confusion with the new limit on consolidated GR appropriations which is established in the same section of the Gov. Code.
7.04	7.04	Contract Notification: Amounts Greater than \$50,000. Language added to clarify that contracts paid entirely with pass-through Federal Funds are not subject to the notification requirements of the section.
7.06	7.06	Internal Assessments on Utilization of Historically Underutilized Businesses. Language updated to reference the statutory requirement that HUB reports must be included in each agency's legislative appropriation request. Deleted the duplicative requirement that the HUB report also be filed with the LBB and Comptroller.
7.07	7.07	Historically Underutilized Business Policy Compliance. Language updated to reference the statutory requirement that HUB reports must be included in each agency's legislative appropriation request.
7.10	7.10	Border Security. Section revised to provide an informational listing of border security funding appropriated elsewhere in the Act.
7.11	7.11	Notification of Certain Purchases or Contract Awards, Amendments, and Extensions. Language added to clarify that contracts paid entirely with pass-through Federal Funds are not subject to the notification requirements of the section.

OTHER CHANGES (cont.)		
22-23 GAA	SB 1	Explanation of Change
17.17	7.13	Reporting: Texas Opioid Settlement Receipts. Relocated from Sec. 17.17. Annual reporting requirement added for any agency receiving funds from an opioid settlement. Changed requirement to file a report regarding receipt of funds from a 15-day timeline to an annual report.
17.12	7.14	Reports on Interagency Contracts. Relocated from Sec. 17.12.
8.16	8.03	Surplus Property. New subsection (b) is relocated from former Sec. 8.16.
-	9.001	Definitions. New section added for definitions. Part 9, Information Resources Provisions, has definitions for various terms repeated in Secs. 9.01, 9.02, and 9.10. Definitions in those sections are struck and consolidated into this new section.
-	10.07	Informational Listing - Mental Health Funding for Continued Transformation. New section added detailing appropriations made in other articles for various mental health purposes.
11.03	11.03	Statewide Capital Planning. (1) Definition added for "major information resources project" that mirrors that in Gov. Code Sec. 2054.003, and (2) Amended the lower limit by which a major information resources project is defined to be \$5 million rather than \$1 million in order to align with the statutory limit established in Gov. Code Sec. 2054.003.
11.05	11.05	State Agency Emergency Leases. New subsection (h) added to specify that "health and human services agency" includes HHSC and those agencies named in Gov. Code Sec. 531.001.
12.01	12.01	Aircraft. New subsection (g) added to formally align with Comptroller practice.
17.19	12.06	Agency's Participation in Master Lease Purchase Program. Relocated from Sec. 17.19.
13.01	13.01	Federal Funds/Block Grants. Struck language that was added last session related to specific federal grants and restored the section to its previous language.
14.01	14.01	Appropriation Transfers. Language added indicating that Sec. 14.04, Disaster Related Transfer Authority, takes precedence over Sec. 14.01. Section 14.04 already states that it takes precedence when a disaster is declared, so adding it to Sec 14.01 simply adds emphasis.
14.04	14.04	Disaster Related Transfer Authority. Language added indicating that agencies can transfer funds without limitation between capital budget projects if responding to an emergency. This is already the case as stated in 14.04(a), but adding this language makes it explicit.
17.02	17.02	Limitation on Substitution of General Obligation Bond Funded Projects. Language amended to correct a drafting error. The section requires agencies wishing to substitute bond projects to file a written request. The section incorrectly stated that the request should be made to the Texas Public Finance Authority (TPFA) with a copy to LBB, but it was intended to require that the request should be made to LBB with a copy to TPFA.
17.05	17.05	Agency Coordination for Youth Prevention and Intervention Services. Updated reference from "intervention initiatives" to "intervention services" to better align with the language in the rest of the section.
17.09	17.09	Contract Management and Oversight. (1) Language added to clarify that competitive proposals (in addition to bids) valued at more than \$10 million must be sought before renewing or extending certain contracts; (2) Statutory citation added to provide a definition for "major information resource projects"; and
17.20	I-59	Appropriation of Administrative Receipts. Relocated to the Texas Public Finance Authority's (TPFA) bill pattern (rider 11). The section details the use of Appropriated Receipts from the Texas Windstorm Insurance Association to be expended by TPFA.