LEGISLATIVE BUDGET BOARD

# Summary of Senate Bill 1
# Conference Committee Report

## Appropriations for the 2014–15 Biennium

**SUBMITTED TO THE 83RD TEXAS LEGISLATURE**

**PREPARED BY LEGISLATIVE BUDGET BOARD STAFF**

**JUNE 2013**

LEGISLATIVE BUDGET BOARD

# Summary of Senate Bill 1 Conference Committee Report

## Appropriations for the 2014–15 Biennium
## June 2013

**Submitted to the 83rd Texas Legislature**

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# Introduction

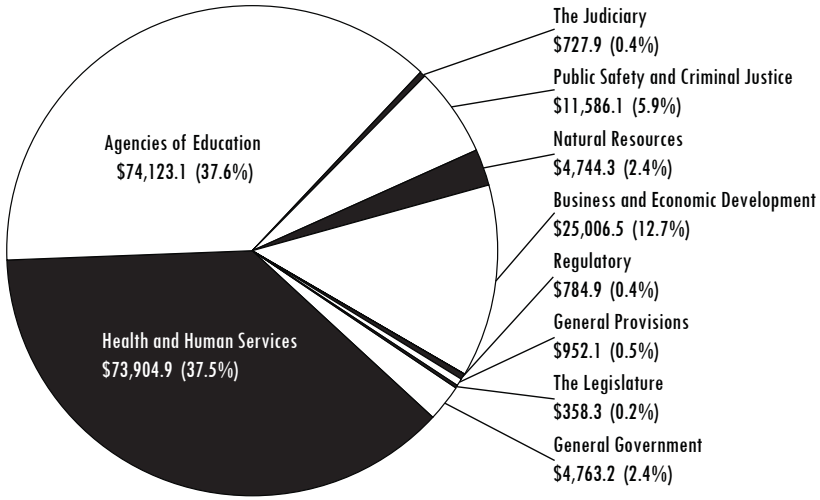
Senate Bill 1 Conference Committee Report appropriations for state government operations for the 2014–15 biennium total $197.0 billion from all fund sources. The All Funds appropriation provides a $7.1 billion, or 3.7 percent, increase from the 2012–13 biennial level of funding ($189.9 billion).

General Revenue Funds, including funds dedicated within the General Revenue Fund, total $101.4 billion for the 2014–15 biennium, an increase of $7.6 billion, or 8.1 percent, from the 2012–13 biennial level of funding ($93.8 billion). Figures 1 and 2 show the 2014–15 Senate Bill 1 Conference Committee Report appropriations by government function.

## 2014–15 SENATE BILL 1 CONFERENCE COMMITTEE REPORT APPROPRIATIONS

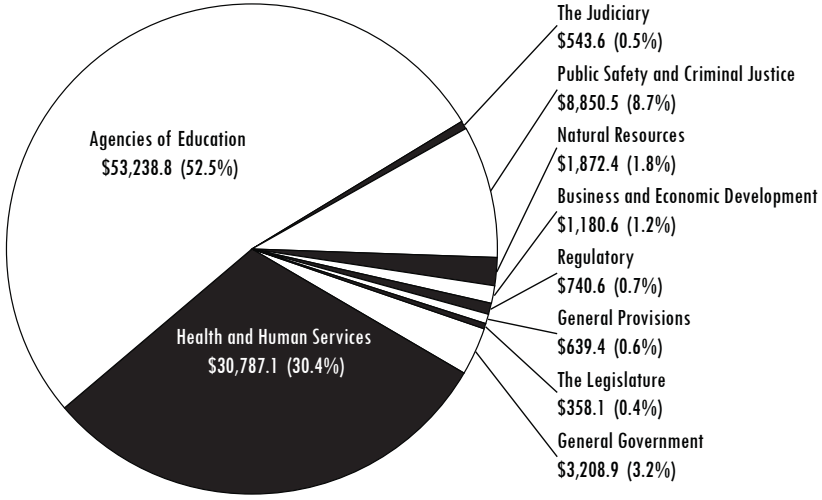
### FIGURE 1
### ALL FUNDS

**IN MILLIONS** **TOTAL = $196,951.3**




### FIGURE 2
### GENERAL REVENUE FUNDS AND GENERAL REVENUE–DEDICATED FUNDS

**IN MILLIONS** **TOTAL = $101,419.9**




NOTES:
(1) Excludes Interagency Contracts.
(2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

# Highlights of Senate Bill 1

Senate Bill 1 Conference Committee Report appropriations for the 2014–15 biennium include funding for the following key government functions and cost centers:

### HEALTH AND HUMAN SERVICES

- $58.2 billion in All Funds, including $23.3 billion in General Revenue Funds and General Revenue–Dedicated Funds, is provided for the Texas Medicaid program. Funding levels account for projected caseload growth and include $694.6 million in General Revenue Funds and $1,685.0 million in All Funds for anticipated cost growth. Also included in the funding levels is $109.1 million in General Revenue Funds ($574.1 million in All Funds) for additional community-based long-term care services; $103.0 million in General Revenue Funds ($246.6 million in All Funds) for nursing facility provider rate increases; and $83.8 million in General Revenue Funds ($211.4 million in All Funds) to provide an increase in the hourly wage of certain attendant care workers and for rate enhancements across Medicaid community-based programs. Funding levels also reflect a reduction of $400.0 million in General Revenue Funds ($961.6 million in All Funds) for cost-containment initiatives, and an additional reduction of $209.1 million in General Revenue Funds ($503.5 million in All Funds) related to the expansion of certain services at the Department of State Health Services and anticipated Medicaid fraud-related recoveries.
- An additional $260.4 million in All Funds, including $166.2 million in General Revenue Funds and General Revenue–Dedicated Funds, for Child Protective Services at the Department of Family and Protective Services will support entitlement program caseload growth, rate increases for certain foster care providers, additional full-time-equivalent positions, strengthened kinship services, and adjustment of the career ladder for caseworkers.
- Appropriations for the Department of State Health Services include an additional $263.4 million in General Revenue Funds to expand behavioral health and substance abuse services, reduce community mental health services wait lists, and renovate and support state and community hospitals.

### PUBLIC EDUCATION

- Appropriations for the Foundation School Program (FSP) fully fund student enrollment growth and provide for $3.2 billion in entitlement increases, including $1.1 billion to eliminate the Regular Program Adjustment and $2.1 billion for increases to the basic allotment and reductions to hold harmless. This funding continues the legislative intent to phase out all hold harmless funding by 2018. In total, $40.2 billion in All Funds and $32.2 billion in General Revenue Funds and General Revenue–Dedicated Funds are provided for the FSP. Compared to the 2012–13 funding base, this represents an increase of $1.9 billion in General Revenue Funds and $2.3 billion in All Funds from the 2012–13 biennial level of funding. The total funding level for the FSP provides for an increase in the Basic Allotment from $4,765 in both fiscal years to $4,931 in fiscal year 2014 and $5,022 in fiscal year 2015 and assumes that the Regular Program Adjustment Factor at 1.00, effectively eliminating this mechanism for reducing entitlement.
- Outside the FSP, funding to the Texas Education Agency includes $330.0 million in fiscal year 2015 as one-time transition aid to school districts for newly-required retirement contributions. Funding for the Instructional Materials Allotment is increased by $230.6 million from the 2012–13 biennial level of funding, due to the statutory allocation of 50 percent of the distribution from the Permanent School Fund to the Instructional Materials Fund each year. Other increases include additional funding for pre-Kindergarten grants ($30.0 million), the Student Success Initiative ($14.0 million) Communities in Schools ($11.5 million), the Windham School District ($8.0 million), Adult Basic Education ($5.0 million), Teach for America ($4.0 million), and Texas Advanced Placement Incentives ($2.5 million).

### HIGHER EDUCATION

- Higher Education is supported by $16.6 billion in All Funds and $14.5 billion in General Revenue Funds and General Revenue–Dedicated Funds. Included in this amount is an increase of $522.5 million in General Revenue Funds for formula funding. Institutional enhancement funding for higher education is increased by $33 million in General Revenue Funds. General Revenue Funds for tuition revenue bond debt service are included at requested levels for previously authorized debt. Funding for residency and graduate medical education at the Texas Higher Education Coordinating Board and the health-related institutions is increased by $32.3 million from the 2012–13 biennial level of funding. Additionally, due to the passage of House Bill 7, the Texas Higher Education Coordinating Board is appropriated $4.5 million in General Revenue–Dedicated Trauma Care Funds for graduate level medical and nursing education programs. Patient income is not appropriated to health-related institutions, resulting in a decrease of $6.1 billion in Other Funds. This funding is included in informational riders and health-related institutions will continue to receive this funding. General Revenue Funds for TEXAS Grants at the Texas Higher Education Coordinating Board is increased by $135.1 million. General Revenue–Dedicated Funds for the Physician Education Loan Repayment Program is increased by $28.2 million. Higher Education Group Insurance contributions are increased $223.8 million.

### JUDICIARY

- $34.8 million in General Revenue Funds is provided for a 12 percent judicial pay raise for judges and those statutorily linked to state district judge pay, and $1.2 million is provided for similar increases for visiting judges.
- For the 14 Courts of Appeals, $6.4 million in General Revenue Funds is provided for a block grant for similar funding for same-sized courts. Primary use of funds is to provide targeted pay raises for existing legal and non-legal staff and to bring court staffing levels back to fiscal year 2011 levels. Targeted pay raises are also provided for legal and non-legal staff at the Supreme Court and the Court of Criminal Appeals.
- For the Texas Indigent Defense Commission, $16.7 million is provided to reflect estimated appropriation authority for the General Revenue–Dedicated Fair Defense Account. The primary use of the funds is for grants to counties to provide legal services for indigent criminal defendants.

### CRIMINAL JUSTICE

- $5.1 billion in All Funds and $4.9 billion in General Revenue Funds and General Revenue–Dedicated Funds is provided for the incarceration of adult offenders in the Texas Department of Criminal Justice which includes housing, security, classification, food and necessities, healthcare, and treatment services. General Revenue Fund increases specific to the incarceration function include $105.2 million (excluding benefits) for correctional officers' salary increases of 5 percent, $60.8 million for correctional managed health care, $20.1 million for contract correctional facilities' per diem increases, and $6.1 million for 75 reentry transitional coordinators. Incarceration funding levels also include reductions of $15.0 million for contracted temporary capacity and $97.3 million for a reduction in capacity at contract prisons and private state jails and residential pre-parole facilities. The Legislative Budget Board projected average number of offenders incarcerated is 152,289 in fiscal year 2014 and 153,474 in fiscal year 2015.

### JUVENILE JUSTICE

- $645.7 million in All Funds and $588.2 million in General Revenue Funds is provided to the Juvenile Justice Department for juvenile justice services. General Revenue Funds are decreased by $16.0 million from the 2012–13 biennial level primarily as the result of declining juvenile supervision and incarceration populations. Funding includes $295.3 million for local juvenile probation services, which includes $15.2

million for mental health services grants, and $252.5 million for state services and facilities, including $4.3 million and 50 full-time-equivalent positions for aggressive youth programs. Funding also includes $5.2 million (excluding benefits) for a juvenile correctional officer pay increase of 5 percent.

**BORDER SECURITY**

- $94.1 million in All Funds is provided for border security purposes at the Department of Public Safety, the Trusteed Programs Within the Office of the Governor, and the Texas Parks and Wildlife Department. This function includes funding provided explicitly for state and local border security initiatives; additional funding is provided to the Department of Public Safety outside of the strategies dedicated for border security for enhancement of border initiatives and other agency operations.

**NATURAL RESOURCES**

- $155.2 million in General Revenue–Dedicated Texas Emissions Reduction Plan (TERP) Funds is provided to the Texas Commission on Environmental Quality for additional TERP grants during the 2014–15 biennium, a $24.9 million increase from the 2012–13 biennial level of funding.
- $208.0 million in General Revenue–Dedicated Game, Fish and Water Safety Funds at the Texas Parks and Wildlife Department, an increase of $32.5 million from the 2012–13 biennial levels, is provided for wildlife and fishery operations, including license buyback programs and programs supported by freshwater, saltwater, migratory and upland game bird stamps ($10.7 million), repairs and improvements at freshwater fish hatcheries and wildlife facilities ($8 million), a helicopter for law enforcement as well as conservation purposes ($5.2 million), and a contract with the Texas A&M Agrilife Extension Service to reestablish growth of quail populations ($2.0 million).
- $83.5 million in General Revenue Sporting Goods sales tax allocations, an increase of $31.4 million from the 2012–13 biennial level of funding, is provided for state park operations, maintenance, minor repairs and support, including maintaining operations of an estimated 20 state park sites and one regional office. Also, $16.9 million in General Revenue Sporting Goods sales tax allocations, an increase of $15.5 million, is provided for local parks grants to large and small communities. (No funding for matching grants to local governments to acquire and/or develop new parks was provided in the 2012–13 biennium.)
- $14.8 million in General Revenue Funds, a $10.8 million increase from the 2012–13 biennium, is provided to the Soil and Water Conservation Board for flood control dam maintenance and structural repair projects. Funding allows for structural repair of the 13 earthen flood control dams currently designated as high hazard dams.

**TRANSPORTATION**

- $17.4 billion in All Funds is provided for transportation planning and design, right-of-way acquisition, construction, and maintenance and preservation. The All Funds amount includes $8.2 billion for maintenance and preservation of the existing transportation system, an increase of $1.5 billion from the 2012–13 biennial level of funding; $6.7 billion for construction and highway improvements (an increase of $1.2 billion); $1.6 billion for transportation system planning, design, and management; and $0.9 billion for right-of-way acquisition (a decrease of $1.1 billion). $2.4 billion in All Funds (an increase of $756 million) is provided for debt service payments and other financing costs for the Texas Department of Transportation's borrowing programs, including $1.9 billion in Other Funds from the State Highway Fund and the Texas Mobility Fund, $368.4 million in General Revenue Funds, and $125.7 million in Federal Funds from Build America Bond interest payment subsidies.
- $265.3 million in State Highway Funds is provided to the Texas Department of Transportation for transportation needs through a method-of-finance swap at the

Department of Public Safety, reducing that agency's reliance on State Highway Funds for its operations. A similar swap of $134.7 million is in House Bill 1025, which would bring the total additional State Highway Funds to the Texas Department of Transportation to $400 million for the 2014–15 biennium.

**STATE EMPLOYEE SALARY INCREASES**

- $246.6 million in All Funds, including $167.1 million in General Revenue and General Revenue–Dedicated Funds, is provided for an across-the-board pay raise for state employees of 1 percent with a $50 per month minimum in fiscal year 2014, and an additional 2 percent with a $50 per month minimum in fiscal year 2015. Exempt employees, those who received a targeted pay increase, and higher education employees (except employees working for a Texas A&M service agency) are excluded.
- $102.8 million in All Funds, including $17.2 million in General Revenue and General Revenue–Dedicated Funds, is provided for salary increases for Schedule C law enforcement officers at the Department of Public Safety, Texas Department of Criminal Justice, Texas Alcoholic Beverage Commission, and game wardens at Texas Parks and Wildlife Department. The salary increase is equivalent to one-half of an equity adjustment plus a 5 percent raise in fiscal year 2014, and a similar increase in fiscal year 2015 resulting in a full equity adjustment plus a 10 percent raise compared to 2013 salary levels.
- $34.8 million in General Revenue Funds is provided for a 12 percent judicial pay raise for judges and those statutorily linked to state district judge pay, and $1.2 million is provided for similar increases for visiting judges.
- $126.6 million in General Revenue Funds is provided for a salary increase of 5 percent, starting in fiscal year 2014, for correctional officers at the Texas Department of Criminal Justice and juvenile correctional officers at the Texas Juvenile Justice Department.
- $68.2 million in All Funds and $47.1 million in General Revenue and General Revenue–Dedicated Funds is provided for salary increases for certain employees at the following Health and Human Services agencies: (1) $32.7 million in All Funds and $13.8 million in General Revenue Funds for direct care staff at State Supported Living Centers at the Department of Aging and Disability Services; (2) $14.8 million in General Revenue Funds for psychiatric nursing assistants at State Hospitals at the Department of State Health Services; and (3) $20.7 million in All Funds and $18.5 million in General Revenue Funds for a career ladder for workers and supervisor reclassification at the Department of Family and Protective Services.

**STATE EMPLOYEE RETIREMENT AND HEALTH BENEFITS**

- $818.6 million in All Funds is provided for state contributions to the Employees Retirement System (ERS) retirement program for general state employees. The funding for state contributions to the ERS retirement program reflects an increase of $107.2 million in All Funds ($73.4 million in General Revenue Funds and General Revenue–Dedicated Funds) for state employee retirement benefits. Factors used to develop these appropriations include a 6.5 percent state contribution rate in fiscal year 2014; a 7.5 percent state contribution rate in fiscal year 2015; and full-time equivalent and career ladder pay increases at specific state agencies. Further, due to the passage of Senate Bill 1459, up to $57.2 million in retirement and group insurance unexpended balances from fiscal year 2013 can be used to increase the state retirement contribution to 7.5 percent for fiscal year 2014.
- $3,134.2 million in All Funds and $2,032.2 million in General Revenue Funds and General Revenue–Dedicated Funds is provided for state contributions for group insurance benefits for general state employees, retirees, and their dependents. The funding reflects increases of $533.2 million in All Funds, which includes an increase of $364.3 million in General Revenue Funds and General Revenue–Dedicated Funds.

The funding reflects a 7 percent premium growth rate increase for both fiscal years. In addition, state agencies also contribute 1 percent of payroll to cover a total 8 percent projected annual growth in healthcare claims. The funding also reflects 1.5 percent annual growth in overall program population due to a 5 percent annual growth in retirees.

**TEACHER RETIREMENT AND HEALTH BENEFITS**

- $3,239.7 million in All Funds and $3,011.6 million in General Revenue Funds is provided for the state contribution for retirement benefits through the Teacher Retirement System (TRS). Funding is sufficient for a state retirement contribution rate of 6.4 percent of payroll in fiscal year 2014 and 6.8 percent of payroll in fiscal year 2015. Based on historical data payroll trends, funding assumes no annual payroll growth for public education and 2.0 percent annual payroll growth for higher education. Funding limits the General Revenue Funds and General Revenue–Dedicated Funds appropriated for retirement contributions to 50 percent of the state contribution of 6.4 percent of total covered payroll for community colleges in fiscal year 2014 and 6.8 percent of total covered payroll for community colleges in fiscal year 2015. In addition, rider language provides for a contribution rate of up to 6.8 percent in fiscal year 2014 contingent on enactment of Senate Bill 1458 and the availability of funds through excess appropriations for state contributions for TRS retirement and insurance in fiscal year 2013 recovered through the statutory settle-up process.
- For retiree health insurance, funding is $123.8 million, or 33.3 percent above the 2012–13 biennium and provides for a statutorily-required state contribution to TRS-Care of 1.0 percent of public education payroll.

**GENERAL REVENUE–DEDICATED FUNDS**

- $6.8 billion in General Revenue–Dedicated Funds are provided for the 2014–15 biennium in Senate Bill 1. Increases in appropriations from certain General Revenue–Dedicated Funds total $413.4 from the 2012–13 biennial level. Note, these amounts do not include $500 million in System Benefit Fund balance appropriations made in House Bill 7. Specific increases include: $300.0 million for eligible expenses in Medicaid; $41.7 million for 9-1-1 system equipment and technology at the Commission on State Emergency Communications; $94.8 million in General Obligation bond debt service; $8.1 million for the Rural Volunteer Firefighter Assistance program; $28.2 million for the Physician's Education Loan Repayment program; $16.7 million for the Indigent Defense program at the Office of Court Administration; $24.9 million for additional Texas Emissions Reduction Plan grants; $32.5 million for fish and wildlife programs at the Texas Parks and Wildlife; $19.5 million for additional regulatory functions at the Texas Railroad Commission; $78.2 million for the Low-Income Discount program at the Public Utility Commission; $22.6 million for state employee salary increases; and $35.4 million for a statewide electronic filing system for court documents.

  These increases are partially offset by decreases in General Revenue–Dedicated funding that largely reflect the expenditure of remaining fund balances in the 2012–13 biennium, some of which are replaced with General Revenue Funds. The largest decreases include: a $114.9 million decrease for Trusteed Programs within the Office of the Governor as Texas Enterprise Fund and Emerging Technology Fund balances are expected to be awarded by the end of fiscal year 2013; a $49.3 million decrease for Fiscal Programs – Comptroller of Public Accounts as balances are exhausted for new LoanSTAR energy efficiency loans in fiscal year 2013; and a $139.0 million decrease in Operator's and Chauffeur's License Account funds at the Department of Public Safety (DPS). The Operator's and Chauffeur's License Account funds will be used in support of the Law Enforcement and Custodial Officer Supplemental Retirement Fund beginning in fiscal year 2014. The DPS is provided an equal amount of General Revenue Funds in lieu of the expired General Revenue–Dedicated Funds.

**ADDITIONAL APPROPRIATIONS**

In addition to the appropriations made in the Senate Bill 1 Conference Committee Report, supplemental appropriations for fiscal year 2013, as well as appropriations for fiscal years 2014 and 2015, were made in other appropriation bills.

- House Bill 1025 appropriated $386.9 million in General Revenue and $2,695.7 million in All Funds for the 2014–15 biennium. The General Revenue Fund amount includes $201.7 million for the Foundation School Program at the Texas Education Agency and $175.0 million in a contingency appropriation for debt service on Tuition Revenue Bonds at the Higher Education Coordinating Board. The All Funds amount includes $2.0 billion to finance state water projects in a contingency appropriation subject to voter approval of Senate Joint Resolution 1 in November 2013. The All Funds amount also includes $325.6 million in revenue bonds at the Texas Facilities Commission.
- House Bill 7 appropriated $500 million from the System Benefit Fund (SBF) to increase support for the Low Income Discount Program at the Public Utility Commission. That legislation also eliminated the fee that supported that fund; these appropriations are from the existing balance in the SBF.
- House Bill 3188 appropriates $7.5 million to pay miscellaneous claims and judgements against the state.

**FIGURE 3**
**ALL FUNDS:**

| IN MILLIONS<br>FUNCTION | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Article I – General Government | $4,881.1 | $4,763.2 | ($117.9) | (2.4) |
| Article II – Health and Human Services | 68,632.3 | 73,904.9 | 5,272.6 | 7.7 |
| Article III – Agencies of Education | 75,677.9 | 74,123.1 | (1,554.8) | (2.1) |
| *Public Education* | *52,389.5* | *56,228.0* | *3,838.5* | *7.3* |
| *Higher Education* | *23,288.4* | *17,895.1* | *(5,393.3)* | *(23.2)* |
| Article IV – The Judiciary | 648.2 | 727.9 | 79.7 | 12.3 |
| Article V – Public Safety and Criminal Justice | 11,742.8 | 11,586.1 | (156.7) | (1.3) |
| Article VI – Natural Resources | 4,934.2 | 4,744.3 | (189.9) | (3.8) |
| Article VII – Business and Economic Development | 22,315.8 | 25,006.5 | 2,690.7 | 12.1 |
| Article VIII – Regulatory | 707.0 | 784.9 | 77.9 | 11.0 |
| Article IX – General Provisions | 0.0 | 952.1 | 952.1 | N/A |
| Article X – The Legislature | 348.9 | 358.3 | 9.5 | 2.7 |
| **Total, All Functions** | **$189,888.0** | **$196,951.3** | **$7,063.3** | **3.7** |

NOTES:
(1) Includes anticipated supplemental spending adjustments for the 2012–13 biennium.
(2) Excludes Interagency Contracts.
(3) Recommended 2014–15 All Funds and Other Funds amounts exclude an estimated $6.1 billion in patient income from the appropriations to health-related institutions of higher education. The receipt of these funds is not limited by the Legislature and institutions will continue to receive this revenue.
(4) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

**FIGURE 4**
**GENERAL REVENUE FUNDS:**

| IN MILLIONS<br>FUNCTION | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Article I – General Government | $2,195.1 | $2,487.7 | $292.5 | 13.3 |
| Article II – Health and Human Services | 27,621.8 | 29,922.6 | 2,300.7 | 8.3 |
| Article III – Agencies of Education | 47,188.4 | 50,556.5 | 3,368.1 | 7.1 |
| *Public Education* | *34,728.5* | *37,492.5* | *2,764.0* | *8.0* |
| *Higher Education* | *12,459.9* | *13,064.0* | *604.1* | *4.8* |
| Article IV – The Judiciary | 378.1 | 444.1 | 66.0 | 17.5 |
| Article V – Public Safety and Criminal Justice | 8,273.4 | 8,826.0 | 552.6 | 6.7 |
| Article VI – Natural Resources | 610.6 | 722.5 | 111.9 | 18.3 |
| Article VII – Business and Economic Development | 517.0 | 738.5 | 221.6 | 42.9 |
| Article VIII – Regulatory | 261.7 | 277.6 | 15.9 | 6.1 |
| Article IX – General Provisions | 0.0 | 275.4 | 275.4 | N/A |
| Article X – The Legislature | 348.5 | 358.1 | 9.6 | 2.8 |
| **Total, All Functions** | **$87,394.7** | **$94,609.0** | **$7,214.3** | **8.3** |

NOTES:
(1) Includes anticipated supplemental spending adjustments for the 2012–13 biennium.
(2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

**FIGURE 5**
**GENERAL REVENUE–DEDICATED FUNDS:**

| IN MILLIONS<br>FUNCTION | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Article I – General Government | $798.6 | $721.2 | ($77.4) | (9.7) |
| Article II – Health and Human Services | 868.7 | 864.5 | (4.2) | (0.5) |
| Article III – Agencies of Education | 2,617.6 | 2,682.3 | 64.7 | 2.5 |
| *Public Education* | *0.7* | *0.7* | *0.1* | *10.0* |
| *Higher Education* | *2,616.9* | *2,681.6* | *64.7* | *2.5* |
| Article IV – The Judiciary | 81.4 | 99.5 | 18.1 | 22.2 |
| Article V – Public Safety and Criminal Justice | 160.4 | 24.4 | (136.0) | (84.8) |
| Article VI – Natural Resources | 1,048.8 | 1,149.9 | 101.1 | 9.6 |
| Article VII – Business and Economic Development | 444.8 | 442.1 | (2.7) | (0.6) |
| Article VIII – Regulatory | 377.2 | 463.0 | 85.8 | 22.8 |
| Article IX – General Provisions | 0.0 | 364.0 | 364.0 | N/A |
| Article X – The Legislature | 0.0 | 0.0 | 0.0 | N/A |
| **Total, All Functions** | **$6,397.5** | **$6,810.9** | **$413.4** | **6.5** |

NOTES:
(1) Includes anticipated supplemental spending adjustments for the 2012–13 biennium.
(2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

**FIGURE 6**
**GENERAL REVENUE AND GENERAL REVENUE–DEDICATED FUNDS:**

| IN MILLIONS<br>FUNCTION | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Article I – General Government | $2,993.7 | $3,208.9 | $215.1 | 7.2 |
| Article II – Health and Human Services | 28,490.5 | 30,787.1 | 2,296.6 | 8.1 |
| Article III – Agencies of Education | 49,806.0 | 53,238.8 | 3,432.8 | 6.9 |
| *Public Education* | *34,729.2* | *37,493.2* | *2,764.0* | *8.0* |
| *Higher Education* | *15,076.8* | *15,745.6* | *668.8* | *4.4* |
| Article IV – The Judiciary | 459.5 | 543.6 | 84.1 | 18.3 |
| Article V – Public Safety and Criminal Justice | 8,433.8 | 8,850.5 | 416.6 | 4.9 |
| Article VI – Natural Resources | 1,659.4 | 1,872.4 | 213.0 | 12.8 |
| Article VII – Business and Economic Development | 961.8 | 1,180.6 | 218.8 | 22.8 |
| Article VIII – Regulatory | 638.9 | 740.6 | 101.7 | 15.9 |
| Article IX – General Provisions | 0.0 | 639.4 | 639.4 | N/A |
| Article X – The Legislature | 348.5 | 358.1 | 9.6 | 2.8 |
| **Total, All Functions** | **$93,792.2** | **$101,419.9** | **$7,627.7** | **8.1** |

NOTES:
(1) Includes anticipated supplemental spending adjustments for the 2012–13 biennium.
(2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

**FIGURE 7**
**FEDERAL FUNDS:**

| IN MILLIONS<br>FUNCTION | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Article I – General Government | $866.0 | $648.1 | ($217.8) | (25.2) |
| Article II – Health and Human Services | 39,504.0 | 42,418.7 | 2,914.7 | 7.4 |
| Article III – Agencies of Education | 10,206.8 | 10,750.9 | 544.1 | 5.3 |
| *Public Education* | *9,884.8* | *10,482.0* | *597.2* | *6.0* |
| *Higher Education* | *322.0* | *268.9* | *(53.1)* | *(16.5)* |
| Article IV – The Judiciary | 4.4 | 3.6 | (0.8) | (18.9) |
| Article V – Public Safety and Criminal Justice | 1,778.4 | 1,332.4 | (446.0) | (25.1) |
| Article VI – Natural Resources | 2,935.8 | 2,563.1 | (372.7) | (12.7) |
| Article VII – Business and Economic Development | 9,379.1 | 10,939.8 | 1,560.7 | 16.6 |
| Article VIII – Regulatory | 8.5 | 6.1 | (2.4) | (28.2) |
| Article IX – General Provisions | 0.0 | 43.9 | 43.9 | N/A |
| Article X – The Legislature | 0.0 | 0.0 | 0.0 | N/A |
| **Total, All Functions** | **$64,683.0** | **$68,706.8** | **$4,023.7** | **6.2** |

NOTES:
(1) Includes anticipated supplemental spending adjustments for the 2012–13 biennium.
(2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

**FIGURE 8**
**OTHER FUNDS:**

| IN MILLIONS<br>FUNCTION | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Article I – General Government | $1,021.4 | $906.2 | ($115.2) | (11.3) |
| Article II – Health and Human Services | 637.8 | 699.1 | 61.4 | 9.6 |
| Article III – Agencies of Education | 15,665.0 | 10,133.3 | (5,531.7) | (35.3) |
| *Public Education* | *7,775.5* | *8,252.8* | *477.3* | *6.1* |
| *Higher Education* | *7,889.5* | *1,880.5* | *(6,009.0)* | *(76.2)* |
| Article IV – The Judiciary | 184.2 | 180.7 | (3.5) | (1.9) |
| Article V – Public Safety and Criminal Justice | 1,530.6 | 1,403.2 | (127.3) | (8.3) |
| Article VI – Natural Resources | 339.0 | 308.8 | (30.2) | (8.9) |
| Article VII – Business and Economic Development | 11,974.9 | 12,886.1 | 911.2 | 7.6 |
| Article VIII – Regulatory | 59.6 | 38.2 | (21.4) | (35.9) |
| Article IX – General Provisions | 0.0 | 268.8 | 268.8 | N/A |
| Article X – The Legislature | 0.4 | 0.2 | (0.1) | (42.2) |
| **Total, All Functions** | **$31,412.8** | **$26,824.6** | **($4,588.2)** | **(14.6)** |

NOTES:
(1) Includes anticipated supplemental spending adjustments for the 2012–13 biennium.
(2) Excludes Interagency Contracts.
(3) Recommended 2014–15 All Funds and Other Funds amounts exclude an estimated $6.1 billion in patient income from the appropriations to health-related institutions of higher education. The receipt of these funds is not limited by the Legislature and institutions will continue to receive this revenue.
(4) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

**FIGURE 9**
**ESTIMATED/BUDGETED FOR 2012–13**
**BY FUND SOURCE**

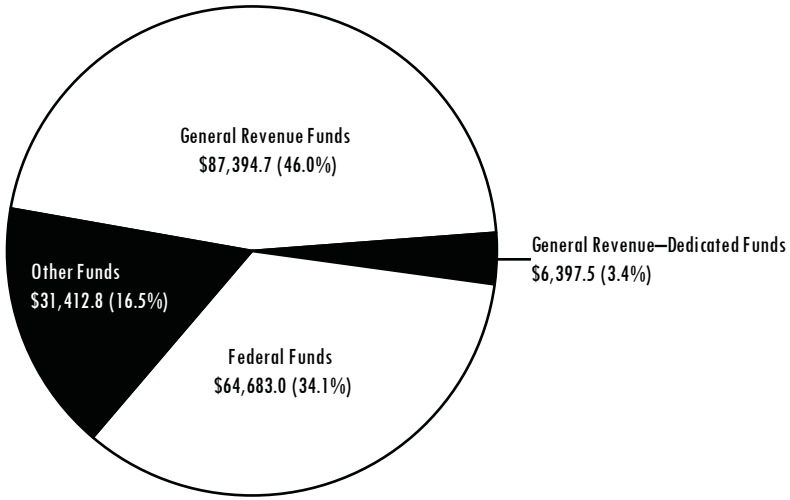
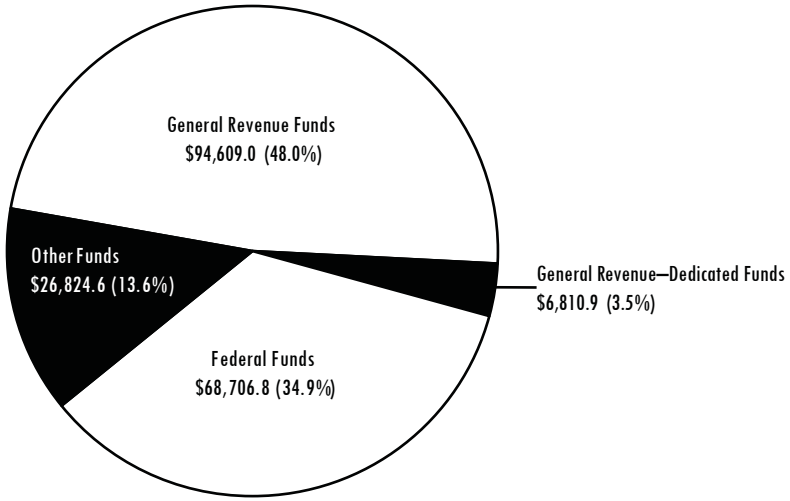



**FIGURE 10**
**SENATE BILL 1 FOR 2014–15**
**BY FUND SOURCE**




NOTES:
(1) Excludes Interagency Contracts.
(2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

The elements of cost for debt service and employee benefits/employer costs are described below. These costs are distributed to the various functions of government (e.g., Education, Public Safety and Criminal Justice, etc.) to reflect the total cost of each function.

**DEBT SERVICE**

Funding for debt service totals $4,012.0 million in All Funds for the 2014–15 biennium and consists of $2,160.8 million in fiscal year 2014 and $1,851.2 million in fiscal year 2015. Figure 11 shows estimated/budgeted and recommended General Obligation and revenue bond debt service costs by agency and methods of finance for the 2012–13 and 2014–15 biennia. Funding includes a biennial increase of $228.7 million in General Revenue Funds, or 15.6 percent, mainly due to an increase in appropriations of General Revenue Funds for debt service related to Highway Construction Bonds and General Obligation Bonds at the Texas Public Finance Authority (TPFA). Funding includes a biennial increase of $88.5 million in General Revenue–Dedicated Funds, or 118.5 percent, primarily related to debt service for cancer prevention and research bonds. This amount includes $8.5 million in General Revenue–Dedicated Funds for debt service for Cancer Prevention and Research bonds, contingent on the passage of Senate Bill 149, or similar legislation, related to the administration of the Cancer Prevention and

**FIGURE 11**
**DEBT SERVICE PAYMENTS BY AGENCY AND FUND SOURCE, ALL FUNDS**

| IN MILLIONS<br>AGENCY/FUND SOURCE | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Facilities Commission - Lease Payments | $76.3 | $58.2 | ($18.1) | (23.8) |
| Texas Public Finance Authority - Master Lease Purchase Program | 18.7 | 17.2 | (1.6) | (8.3) |
| Texas Public Finance Authority - General Obligation (GO) Bonds | 551.9 | 697.2 | 145.3 | 26.3 |
| Governor's Office - Economic Growth and Tourism | 10.8 | 9.9 | (0.9) | (8.3) |
| Historical Commission/National Museum of the Pacific War - Lease Payments | 1.7 | 1.6 | (0.1) | (8.0) |
| Preservation Board/History Museum - Lease Payments | 11.8 | 11.4 | (0.4) | (3.6) |
| Department of State Health Services - Lease Payments | 6.5 | 5.7 | (0.7) | (11.0) |
| Tuition Revenue Bonds | 583.3 | 587.8 | 4.5 | 0.8 |
| Adjutant General/Military Facilities Commission | 4.0 | 3.6 | (0.3) | (8.1) |
| Department of Criminal Justice - Private Prison Lease/Purchase | 14.0 | 5.0 | (9.0) | (64.2) |
| Parks and Wildlife - Lease Payments | 14.5 | 6.8 | (7.7) | (52.9) |
| Water Development Board - Water Bonds | 224.0 | 213.8 | (10.2) | (4.6) |
| Department of Transportation - State Highway Fund | 748.7 | 1,267.4 | 518.8 | 69.3 |
| Department of Transportation - Texas Mobility Fund | 698.6 | 734.3 | 35.7 | 5.1 |
| Department of Transportation - Highway Improvement GO | 191.6 | 392.0 | 200.4 | 104.6 |
| **Total, Debt Service Payments** | **$3,156.3** | **$4,012.0** | **$855.7** | **27.1** |
| **Method of Financing:** | | | | |
| General Revenue Funds | $1,465.3 | $1,694.0 | $228.7 | 15.6 |
| General Revenue–Dedicated Funds | 74.7 | 163.2 | 88.5 | 118.5 |
| Federal Funds | 137.8 | 137.8 | 0.0 | 0.0 |
| Other Funds | 1,478.5 | 2,017.0 | 538.5 | 36.4 |
| **Total, All Funds** | **$3,156.3** | **$4,012.0** | **$855.7** | **27.1** |

NOTES:
(1) Amounts for TPFA - GO Bonds reflect debt service appropriations in Article IX, Section 17.02, Appropriation of Proposition 4 General Obligation Bond Proceeds.
(2) Totals may not add due to rounding.

Research Institute of Texas. In addition, the funding includes a biennial increase of $538.5 million in Other Funds, or 36.4 percent, for debt service from the 2012–13 biennial level. This increase is primarily due to increases in debt service requirements out of the State Highway Fund and the Texas Mobility Fund, including $400.0 million in State Highway Funds for the repayment of short-term obligations expected to be borrowed in fiscal year 2013 by the Texas Department of Transportation (TxDOT).

House Bill 1025 amounts are not included in Figure 11. House Bill 1025 provides $5.2 million in General Revenue Funds for debt service costs related to the issuance of $325.6 million in Revenue Bonds for the Facilities Commission to construct two office buildings and a parking garage. House Bill 1025 includes $175.0 million in General Revenue Funds for the reimbursement of debt service related to tuition revenue bond (TRB) proceeds, contingent on the enactment of Senate Bill 16 or similar legislation relating to additional TRB authority for institutions of higher education. Legislation related to additional TRB authority did not pass. Additionally, House Bill 1025 includes debt service savings of $135.1 million in General Revenue Funds for the 2012-13 biennium primarily due to lower interest rates and delays in issuance at TPFA, TxDOT, and the Water Development Board.

**RETIREMENT BENEFITS**

The Employees Retirement System (ERS) administers the retirement program for general state employees, which is funded by a combination of state contributions, member contributions, and investment earnings of the retirement fund. Figure 12 shows a comparison between the estimated/budgeted benefits costs for the 2012–13 biennium and the appropriations for the 2014–15 biennium by method-of-finance. Funding for state contributions reflects increased funding of

**FIGURE 12**
**SELECTED EMPLOYEE BENEFITS, ALL FUNDS**

| IN MILLIONS<br>AGENCY/FUND SOURCE | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Benefit Replacement Pay | $62.8 | $54.9 | ($7.9) | (12.6) |
| Social Security | 1,428.3 | 1,471.5 | 43.2 | 3.0 |
| Employees Retirement System Retirement | 711.4 | 818.6 | 107.2 | 15.1 |
| Employees Retirement System Health | 2,601.0 | 3,134.2 | 533.2 | 20.5 |
| Teacher Retirement System Retirement | 3,089.7 | 3,239.7 | 150.0 | 4.9 |
| Teacher Retirement System Retiree Insurance | 371.3 | 495.1 | 123.8 | 33.3 |
| Optional Retirement Program | 261.0 | 263.4 | 2.5 | 0.9 |
| Higher Education Group Insurance | 969.0 | 1,192.8 | 223.9 | 23.1 |
| **Total** | **$9,494.5** | **$10,670.2** | **$1,175.7** | **12.4** |
| **Method of Financing:** | | | | |
| General Revenue Funds | $7,411.6 | $8,334.1 | $922.5 | 12.4 |
| General Revenue–Dedicated Funds | 530.8 | 586.6 | 55.8 | 10.5 |
| Federal Funds | 829.8 | 911.2 | 81.5 | 9.8 |
| Other Funds | 722.4 | 838.3 | 115.9 | 16.0 |
| **Total, All Funds** | **$9,494.5** | **$10,670.2** | **$1,175.7** | **12.4** |

NOTES:
(1) Includes anticipated supplemental spending adjustments for the 2012–13 biennium.
(2) Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.
(3) Amounts for Social Security, ERS Retirement, and ERS Health reflect employee benefit appropriations in Article IX, Section 17.12, Additional Appropriation for Employee Benefits.
(4) Amounts for ERS Retirement reflect employee benefit appropriations in Special Provisions – Judiciary, Section 11, Appropriation for Judicial Compensation.

$107.2 million in All Funds ($73.4 million in General Revenue Funds and General Revenue–Dedicated Funds) for employee retirement benefits. Factors used to develop these appropriation amounts include: a 6.5 percent state contribution rate in fiscal year 2014; a 7.5 percent state contribution rate in fiscal year 2015; and full-time equivalent and career ladder pay increases at specific state agencies.

The 2014–15 appropriations reflect a combined contribution rate of 13.0 percent (6.5 percent state contribution and 6.5 percent member contribution) in fiscal year 2014 and 14.0 percent (6.5 percent state contribution and 7.5 percent member contribution) percent in fiscal year 2015. Further, due to the passage of Senate Bill 1459, up to $57.2 million in retirement and group insurance unexpended balances from fiscal year 2013 can be used to increase the state retirement contribution to 7.5 percent for fiscal year 2014.

ERS also administers the Law Enforcement and Custodial Officer Supplemental (LECOS) Retirement Fund, which provides an increased retirement benefit for certain employees who are certified peace officers and custodial officers. The 2014–15 appropriations include an increase in funding of $8.1 million in All Funds to the LECOS Retirement Fund, which maintains the fiscal year 2013 contribution rate of 0.5 percent and takes into account career ladder pay increases at specific state agencies. The state contribution was suspended in fiscal year 2012.

The third pre-funded retirement program administered by ERS is the Judicial Retirement System Plan Two (JRS-II), which is the retirement program for judges who became judiciary members on or after September 1, 1985. Funding includes an increase in funding of $13.7 million in All Funds, which reflects an increase in the state contribution rate to 15.663 percent and takes into account judicial salary increases. This meets the actuarially sound contribution rate of 21.52 percent when combined with the fiscal year 2015 member contribution rate of 6.9 percent, due to the passage of Senate Bill 1459.

### RETIREMENT BENEFITS: TRS – ORP

The Teacher Retirement System of Texas (TRS) provides retirement benefits for employees of public school districts and institutions of higher education. The Optional Retirement Program (ORP) is a defined contribution plan that was created as an alternative to the defined benefit plan provided by TRS. Eligible higher education employees make a one-time choice between participating in ORP or TRS within their first 90 days of employment. State retirement contributions for the TRS are 6.4 percent of payroll in fiscal year 2014 and 6.8 percent of payroll in fiscal year 2015. TRS contributions of $3,239.7 million reflect an All Funds increase of $150 million over the 2012–13 biennium. In addition, rider language provides for a contribution rate of up to 6.8 percent in fiscal year 2014 contingent on enactment of Senate Bill 1458 and the availability of funds through excess appropriations for state contributions for TRS retirement and insurance in fiscal year 2013 recovered through the statutory settle-up process.

Appropriations assume no annual payroll growth for public education and 2.0 percent annual payroll growth for higher education. Funding limits the General Revenue Funds and General Revenue–Dedicated Funds appropriated for retirement contributions for community colleges to 50 percent of the state contribution of 6.4 percent of total covered payroll for community colleges in fiscal year 2014 and 6.8 percent of total covered payroll for community colleges in fiscal year 2015. For the Optional Retirement Program, funding is $2.5 million above the 2012–13 biennial level, representing a state contribution rate of 6.6 percent for each year of the 2014–15 biennium and assumes a 2.0 percent annual payroll growth. Funding limits the General Revenue Funds and General Revenue–Dedicated Funds appropriated for retirement contributions for community colleges to 50 percent of the state contribution of 6.6 percent of total covered payroll for community colleges for each year of the 2014–15 biennium.

### GROUP INSURANCE

The Employees Retirement System (ERS) administers the Group Benefits Program, which provides group health insurance to active and retired state employees, and their dependents. Funding totaling $3,134.2 million for state contributions for group insurance benefits reflects increased funding of $533.2 million in All Funds and an increase of $364.2 million in General Revenue Funds and General Revenue–Dedicated Funds. The increase funds a projected increase of 7.0 percent growth in premiums for both fiscal years (the 2014–15 appropriation amounts assume the spending down of between $157.6 million and $177.6 million of the ERS-projected insurance fund balance as of August 31, 2013).

In addition, the appropriations reflect 1.5 percent annual growth in overall program population due to a 5.0 percent annual growth in retirees is assumed.

### HIGHER EDUCATION GROUP INSURANCE

Higher Education Employees Group Insurance (HEGI) provides health benefits coverage to higher education employees belonging to one of three systems: The University of Texas System (UT), the Texas A&M University System (TAMU), and the Employee Retirement System (ERS). The ERS Group Benefits Program (GBP) serves all higher education institutions that are not a part of either UT or TAMU. Funding totaling $1,192.8 million for state contributions to HEGI results in an All Funds increase of $223.8 million due to a projected increase of 7.0 percent in premiums for both fiscal years (the 2014–15 appropriations fund premium contribution rates at a percentage of ERS general state employee premium rates for all institutions). For institutions of higher education covered under the UT or TAMU systems, the state pays 87.0 percent of full ERS premiums and for institutions of higher education covered under the ERS GBP, the state pays 89.4 percent of full ERS premiums. For community colleges, the state pays 50 percent of full ERS premiums.

### TRS-CARE GROUP INSURANCE

The Teacher Retirement System of Texas (TRS) administers the Texas Public School Retired Employee Group Insurance Program, which is referred to as TRS-Care. This program provides health insurance coverage for public education TRS retirees who are not eligible to participate in the Texas Employees Retirement System, University of Texas, or Texas A&M system health benefit coverage. In addition to state contributions, the benefits of TRS-Care are financed through other funding sources including retiree premiums, a percentage of payroll contributions from active employees and local school districts, retiree drug subsidy payments, and investment income. According to the August 31, 2012 actuarial valuation of the TRS-Care retiree insurance trust fund, the asset balance of the trust fund is $741.0 million. Funding assumes a statutorily-required state contribution rate of 1.0 percent of active public education employee payroll in each year for the 2014–15 biennium. State contributions for TRS-Care retiree insurance for the 2014–15 biennium totals $495.1 million in All Funds and reflects a $123.8 million increase above the 2012–13 biennium and assume no annual payroll growth.

### SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

The Comptroller of Public Accounts is responsible for the payment of state and employee Social Security taxes to the federal government. It is also responsible for providing Benefit Replacement Pay (BRP) to general state employees continuously employed since August 31, 1995. Prior to fiscal year 1996, state employees received a state-paid Federal Insurance Contributions Act (FICA) supplemental payment of 5.85 percent on their first $16,500 of FICA-covered wages, up to a maximum of $965.25. The Seventy-fourth Legislature, Regular Session, 1995, repealed this state-paid contribution for the Social Security obligation and replaced it with a benefit supplement to ensure that take-home pay was not reduced.

Funding totaling $1,471.5 million for state contributions for Social Security reflects increased funding of $43.2 million in All Funds ($45.5 million in General Revenue and General Revenue–Dedicated Funds).

Appropriations for Social Security reflect 2.0 percent annual payroll growth for higher education employees and full-time equivalent and career ladder pay increases at certain state agencies. Funding totaling $54.9 million for BRP decreased by $7.9 million in All Funds ($4.3 million in General Revenue Funds and General Revenue–Dedicated Funds) due to a projected 6.5 percent annual turnover rate in employees hired before September 1, 1995.

# Full-time-equivalent Positions

The Senate Bill 1 Conference Committee Report appropriations provide for 218,318 full-time-equivalent positions (FTEs) in fiscal year 2014, and 218,331 in fiscal year 2015. As shown in Figure 14, the fiscal year 2015 amount represents a decrease of 14,464 FTEs from fiscal year 2013 budgeted levels. The decrease is associated with the removal of patient income as a method-of-finance in the appropriations bill. Health-related higher education institutions will continue to receive this funding outside of the appropriations process.

**FIGURE 13**
**FULL-TIME-EQUIVALENT POSITIONS**

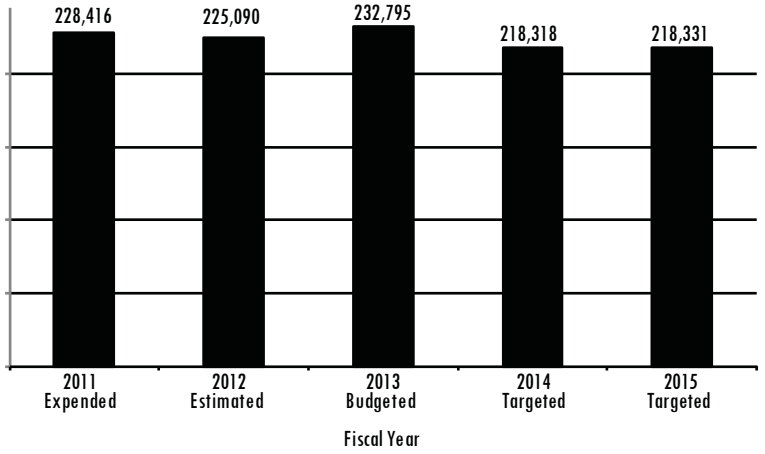



**FIGURE 14**
**FULL-TIME-EQUIVALENT POSITIONS**

**IN MILLIONS**

| FUNCTION | EXPENDED 2011 | ESTIMATED 2012 | BUDGETED 2013 | TARGETED 2014 | TARGETED 2015 |
|---|---|---|---|---|---|
| Article I – General Government | 9,044 | 8,702 | 9,104 | 9,115 | 9,117 |
| Article II – Health and Human Services | 55,690 | 53,962 | 56,554 | 57,827 | 57,898 |
| Article III – Agencies of Education | 81,744 | 83,633 | 83,775 | 67,678 | 67,678 |
| Article IV – The Judiciary | 1,384 | 1,383 | 1,405 | 1,441 | 1,443 |
| Article V – Public Safety and Criminal Justice | 52,383 | 50,186 | 53,377 | 53,648 | 53,693 |
| Article VI – Natural Resources | 8,516 | 7,818 | 8,495 | 8,573 | 8,573 |
| Article VII – Business and Economic Development | 16,702 | 16,532 | 17,059 | 16,642 | 16,506 |
| Article VIII – Regulatory | 2,954 | 2,875 | 3,026 | 3,266 | 3,266 |
| Article IX – General Provisions | - | - | - | 128 | 156 |
| **Grand Total** | **228,416** | **225,090** | **232,795** | **218,318** | **218,331** |

NOTE: Totals may not sum due to rounding.

# Performance Measures and Targets

There are four types of performance measures used in the appropriations process: outcome, output, efficiency, and explanatory. Each type of measure serves a different purpose.

- Outcome measures are used to assess an agency's effectiveness in serving its key customers and in achieving its mission, goals, and objectives. They also are used to direct resources to strategies with the greatest effect on the most-valued outcomes.
- Output measures are used to assess workload and the agency's efforts to address those demands.
- Efficiency measures are used to assess the cost-efficiency, productivity, and timeliness of agency operations.
- Explanatory measures are used to define the agency's operating environment and to explain factors that are relevant to the interpretation of other agency measures.

Performance measures contained in the General Appropriations Act are designated as key measures. For key outcome, output, efficiency and explanatory performance measures, a target is established for each year of the biennium for which funds are appropriated.

As shown in Figure 15, the appropriations for the 2014–15 biennium contain 1,961 key performance measures, which is the same as the 2012–13 biennial level and a less than 10 percent decrease from the 2004–05 biennial level.

Performance measures that have been developed for state agency use but that are not contained in the General Appropriations Act are designated as non-key measures. Although targets are not established, agencies annually submit performance information related to these measures to the Legislative Budget Board.

**FIGURE 15**
**PERFORMANCE MEASURES, BY TYPE**

| | NUMBER OF MEASURES | | | | | |
|---|---|---|---|---|---|---|
| TYPE OF MEASURE | EXPENDED 2004–05 | EXPENDED 2006–07 | EXPENDED 2008–09 | EXPENDED 2010–11 | EXPENDED/BUDGETED 2012–13 | TARGETED 2014–15 |
| **KEY** | | | | | | |
| Outcome (results/impact) | 901 | 906 | 879 | 940 | 879 | 955 |
| Output (volume) | 824 | 734 | 669 | 652 | 669 | 626 |
| Efficiency | 295 | 323 | 287 | 235 | 287 | 233 |
| Explanatory | 135 | 124 | 126 | 147 | 126 | 147 |
| Total | **2,155** | **2,087** | **1,961** | **1,974** | **1,961** | **1,961** |
| **NON-KEY** | | | | | | |
| Outcome (results/impact) | 1,414 | 1,495 | 1,499 | 1,391 | 1,499 | 1,382 |
| Output (volume) | 1,455 | 1,340 | 1,331 | 1,243 | 1,331 | 1,275 |
| Efficiency | 831 | 743 | 714 | 631 | 714 | 545 |
| Explanatory | 1,084 | 996 | 984 | 886 | 984 | 806 |
| **Total** | **4,784** | **4,574** | **4,528** | **4,151** | **4,528** | **4,008** |

# Factors Affecting the State Budget

All Funds appropriations for Medicaid and the Children's Health Insurance Program (CHIP) for the 2014–15 biennium total $60.2 billion, representing 30.6 percent of the proposed state budget. Healthcare-related costs continue to be the state's single largest budget driver.

Other significant factors affecting the cost of state government include public and higher education enrollment, prison incarceration, and certain other health and human services programs.

As shown in Figure 16, the following are the major growth indicators from 2002 to 2012:

- Average daily attendance in public schools has increased by 20.2 percent.
- Higher education enrollment in general academic institutions has increased by 26.5 percent.
- Community college enrollment has grown by 63.9 percent.
- Average monthly caseload for the Children's Health Insurance Program has increased by 21.9 percent.
- Average monthly caseload for Medicaid waiver clients has increased by 24.1 percent.
- Average monthly caseload for Medicaid clients (Acute Care and STAR+PLUS) has increased by 75.4 percent.
- Average monthly caseload for nursing home clients has decreased by 1.7 percent.
- Average inmate population in the Department of Criminal Justice has increased by 7.1 percent.
- Average residential population at the Texas Juvenile Justice Department (formerly the Texas Youth Commission) has decreased by 360.4 percent.

These factors do not totally explain the growth in the budget. Other cost-related factors, such as medical inflation, can have an equal or greater effect on growth.

**FIGURE 16**
**MAJOR BUDGET INDICATORS, 2002 AND 2012**

| INDICATORS | ACTUAL 2002 | ACTUAL 2012 | PERCENTAGE CHANGE |
|---|---|---|---|
| Average Daily Attendance—Public Schools | 3,854,707 | 4,632,351 | 20.2 |
| Fall Headcount Enrollment—General Academic Institutions | 455,719 | 576,711 | 26.5 |
| Fall Headcount Enrollment—Community/Junior College | 454,017 | 744,153 | 63.9 |
| Average Monthly Caseload—Children's Health Insurance Program (CHIP) | 497,688 | 606,669 | 21.9 |
| Average Monthly Caseload—Medicaid Waiver Clients | 36,578 | 45,400 | 24.1 |
| Average Monthly Caseload—Medicaid Clients (Acute Care and STAR+PLUS) | 2,082,697 | 3,653,103 | 75.4 |
| Average Monthly Caseload—Nursing Home Clients (excludes Hospice) | 64,202 | 63,097 | (1.7) |
| Average Inmate Population—Department of Criminal Justice | 144,561 | 154,877 | 7.1 |
| Average Residential Population—Juvenile Justice Department | 5,337 | 1,481 | (360.4) |

### CONSTITUTIONAL SPENDING LIMITS

Texas has four constitutional limits on spending: the "pay-as-you-go," or balanced budget limit; the limit on the rate of growth of appropriations from certain state taxes; the limit on welfare spending; and a limit on tax-supported debt.

### ARTICLE III, §49A, "PAY-AS-YOU-GO" LIMIT

Article III, §49a, Texas Constitution, is the "pay-as-you-go" limit. It requires that bills making appropriations be sent to the Comptroller of Public Accounts (CPA) for certification that the appropriations are within available general revenue.

Appropriations from the General Revenue Fund for the 2014–15 biennium total $94.6 billion, which is below the "pay-as-you-go" limit.

### ARTICLE VIII, §22, LIMIT ON THE GROWTH OF CERTAIN APPROPRIATIONS

Article VIII, §22, Texas Constitution states: "In no biennium shall the rate of growth of appropriations from state tax revenue not dedicated by this Constitution exceed the estimated rate of growth of the state's economy." Pursuant to the Texas Government Code, Section 316, the LBB is required to adopt the items of information establishing the Article VIII limit. The Board met on November 15, 2012, and adopted the following items:

- The level of appropriations from state tax revenue not dedicated by the Texas Constitution for the 2012–13 biennium is $70,362,366,836, subject to: (1) further changes in 2012–13 appropriations including supplemental appropriations; and (2) final 2012–13 revenue collections.
- The estimated rate of growth of the Texas economy from the 2012–13 biennium to the 2014–15 biennium is 10.71 percent; and therefore, the 2014–15 biennial limit on appropriations from state tax revenue not dedicated by the Texas Constitution is $77,898,176,324, subject to adjustments to 2012–13 biennial appropriations referenced above.

The 2014–15 biennial appropriations made in the Conference Committee Report for Senate Bill 1 are within the Article VIII limit.

### ARTICLE III, §51-A, WELFARE SPENDING LIMIT

Article III, §51-a, of the Texas Constitution provides that the amount that may be paid out of state funds for assistance grants to or on behalf of needy dependent children and their caretakers shall not exceed 1 percent of the state budget in any biennium.

In accordance with the Texas Human Resources Code, §31.053, the following items of information pertaining to the limit are provided:

- The 2014–15 biennial budget defined in the Texas Human Resources Code, §31.053, is $196,951.3 million;
- The maximum biennial amount of 1 percent of the state budget is $1,969.5 million; and
- The biennial amount included in Senate Bill 1, subject to the limit on state dollars paid out in Temporary Assistance for Needy Families (cash assistance) grants, is $132.5 million. This amount is $1,822.2 million less than the 1 percent limit.

### ARTICLE III, §49 (J), DEBT LIMIT

Article III, §49(j) of the Texas Constitution provides that the Legislature may not authorize additional state debt if in any fiscal year the resulting maximum annual debt service payable from the General Revenue Fund, excluding revenues constitutionally dedicated for purposes other than payment of state debt, exceeds 5 percent of the average annual unrestricted General Revenue Funds for the previous three years. To monitor where the state stands in relation to the constitutional debt limit, the Bond Review Board (BRB) calculates two debt ratios. The first ratio is the debt service on outstanding or issued debt as a percentage of unrestricted General Revenue Funds. At the end of fiscal year 2012, the BRB reported that the issued debt ratio is 1.34 percent. The second debt ratio is the debt service on outstanding debt and estimated debt service for authorized but unissued bonds. The BRB has reported that the state is at 3.48 percent of unrestricted General Revenue Funds for the end of fiscal year 2012. This latter

calculation includes authorization of $3.0 billion in bonds for cancer research initiatives and $5.0 billion for transportation projects. As of the end of fiscal year 2012, approximately $363.5 million of cancer-related debt and approximately $999.3 million transportation-related debt has been issued.

The Conference Committee Report on Senate Bill 1 includes appropriations of $6.0 million in General Revenue Funds for debt service on $50 million in General Obligation bond proceeds for the Economically Distressed Areas Program. Additionally, House Bill 1025 includes appropriations of $5.2 million in General Revenue Funds for debt service on $325.6 million in Revenue bond proceeds for the construction of two new state office buildings and a parking structure at the Facilities Commission. It is estimated that the impact of these debt service appropriations would increase the constitutional debt limit ratio from 3.48 percent to 3.55 percent of the three-year average of unrestricted general revenue.

The Bond Review Board considers certain self-supporting water general obligation bond debt and revenue bond debt to be not self-supporting when there is an appropriation of General Revenue Funds for the related debt service. Therefore, these bonds may have an impact on the constitutional debt limit calculation.

**ECONOMIC STABILIZATION FUND (RAINY DAY FUND)**

The Economic Stabilization Fund (ESF), frequently referred to as the Rainy Day Fund, ended fiscal year 2012 with a balance of $6.1 billion. As a result of natural gas tax and oil production tax collections in fiscal year 2012 exceeding 1987 levels, the fund received a transfer of $1.9 billion from the General Revenue Fund in November 2012. The November transfer plus interest earnings brought the ESF balance to $8.0 billion as of January 1, 2013. The Comptroller of Public Accounts forecasts that, absent any appropriations, by the end of fiscal year 2015 the balance in the ESF will be $11.8 billion. The Eighty-third Legislature, Regular Session, 2013, appropriated $3.9 billion from the ESF, leaving an estimated balance at the end of fiscal year 2015 of $7.7 billion, after accounting for reduced interest earnings on the fund.

# General Government

## 2014–15 Senate Bill 1 Conference Committee Report Appropriations

All Funds for General Government total $4.8 billion for the 2014–15 biennium, which is a decrease of $117.9 billion, or 2.4 percent, from the 2012–13 biennium (Figure 17).

General Revenue Funds and General Revenue–Dedicated Funds total $3.2 billion, which is an increase of $215.1 million, or 7.2 percent, from the 2012–13 biennium (Figure 18).

Selected performance measures for agencies in the General Government function are shown in Figure 19.

**FIGURE 17**
**ALL FUNDS: GENERAL GOVERNMENT**

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Commission on the Arts | $7.7 | $13.4 | $5.7 | 74.0 |
| Office of the Attorney General | 1,066.9 | 1,067.6 | 0.7 | 0.1 |
| Bond Review Board | 1.0 | 1.2 | 0.3 | 25.7 |
| Cancer Prevention and Research Institute of Texas | 588.1 | 600.0 | 12.0 | 2.0 |
| Comptroller of Public Accounts | 445.3 | 447.5 | 2.2 | 0.5 |
| Fiscal Programs - Comptroller of Public Accounts | 951.5 | 812.4 | (139.1) | (14.6) |
| Commission on State Emergency Communications | 109.8 | 145.8 | 36.0 | 32.8 |
| Employees Retirement System | 16.7 | 16.7 | 0.0 | 0.0 |
| Texas Ethics Commission | 3.9 | 7.5 | 3.6 | 92.9 |
| Facilities Commission | 178.8 | 106.1 | (72.7) | (40.7) |
| Public Finance Authority | 2.9 | 2.7 | (0.2) | (6.4) |
| Fire Fighters' Pension Commissioner | 1.7 | 4.8 | 3.2 | 190.0 |
| Office of the Governor | 21.0 | 20.8 | (0.2) | (1.0) |
| Trusteed Programs Within the Office of the Governor | 831.5 | 785.4 | (46.0) | (5.5) |
| Historical Commission | 77.3 | 38.8 | (38.5) | (49.8) |

## FIGURE 17
## ALL FUNDS: GENERAL GOVERNMENT (CONTINUED)

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Department of Information Resources | $519.5 | $593.0 | $73.5 | 14.2 |
| Library and Archives Commission | 50.8 | 45.7 | (5.1) | (10.1) |
| Pension Review Board | 1.4 | 1.5 | 0.1 | 4.6 |
| Preservation Board | 31.9 | 31.8 | (0.1) | (0.2) |
| State Office of Risk Management | 103.0 | 104.3 | 1.2 | 1.2 |
| Secretary of State | 88.4 | 57.6 | (30.7) | (34.8) |
| Veterans Commission | 53.2 | 52.4 | (0.7) | (1.4) |
| Subtotal, General Government | $5,152.2 | $4,957.3 | ($194.9) | (3.8) |
| | | | | |
| Retirement and Group Insurance | $200.6 | $238.2 | $37.7 | 18.8 |
| Social Security and Benefit Replacement Pay | 72.2 | 73.0 | 0.8 | 1.1 |
| Subtotal, Employee Benefits | $272.8 | $311.2 | $38.4 | 14.1 |
| | | | | |
| Bond Debt Service Payments | $98.9 | $208.9 | $110.0 | 111.2 |
| Lease Payments | 22.0 | 13.0 | (9.0) | (40.8) |
| Subtotal, Debt Service | $120.9 | $221.9 | $101.0 | 83.5 |
| | | | | |
| Less Interagency Contracts | $664.8 | $727.2 | $62.4 | 9.4 |
| | | | | |
| **Total Article I – General Government** | **$4,881.1** | **$4,763.2** | **($117.9)** | **(2.4)** |

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

## 2014–15 SENATE BILL 1 CONFERENCE COMMITTEE REPORT APPROPRIATIONS

### FIGURE 18
### GENERAL REVENUE FUNDS AND GENERAL REVENUE–DEDICATED FUNDS: GENERAL GOVERNMENT

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Commission on the Arts | $5.4 | $11.2 | $5.9 | 108.6 |
| Office of the Attorney General | 568.0 | 570.3 | 2.4 | 0.4 |
| Bond Review Board | 1.0 | 1.2 | 0.3 | 25.7 |
| Cancer Prevention and Research Institute of Texas | 0.0 | 0.0 | 0.0 | 30.1 |
| Comptroller of Public Accounts | 419.0 | 439.3 | 20.3 | 4.9 |
| Fiscal Programs - Comptroller of Public Accounts | 761.7 | 774.5 | 12.7 | 1.7 |
| Commission on State Emergency Communications | 104.1 | 145.8 | 41.7 | 40.0 |
| Employees Retirement System | 16.7 | 16.7 | 0.0 | 0.0 |
| Texas Ethics Commission | 3.9 | 7.5 | 3.6 | 93.4 |
| Facilities Commission | 62.9 | 67.8 | 4.9 | 7.8 |
| Public Finance Authority | 1.6 | 2.7 | 1.2 | 73.0 |
| Fire Fighters' Pension Commissioner | 1.6 | 4.7 | 3.2 | 200.5 |
| Office of the Governor | 20.4 | 20.2 | (0.2) | (1.0) |
| Trusteed Programs Within the Office of the Governor | 557.0 | 534.7 | (22.3) | (4.0) |
| Historical Commission | 26.7 | 32.5 | 5.8 | 21.8 |
| Department of Information Resources | 14.7 | 0.0 | (14.7) | (100.0) |
| Library and Archives Commission | 14.3 | 23.5 | 9.2 | 64.5 |
| Pension Review Board | 1.4 | 1.4 | 0.1 | 3.9 |
| Preservation Board | 29.3 | 31.8 | 2.5 | 8.5 |
| Secretary of State | 38.0 | 38.5 | 0.4 | 1.2 |
| Veterans Commission | 13.6 | 19.6 | 6.0 | 44.1 |
| Subtotal, General Government | $2,661.2 | $2,744.1 | $82.9 | 3.1 |

## FIGURE 18
## GENERAL REVENUE FUNDS AND GENERAL REVENUE–DEDICATED FUNDS: GENERAL GOVERNMENT (CONTINUED)

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Retirement and Group Insurance | $155.3 | $185.3 | $30.0 | 19.3 |
| Social Security and Benefit Replacement Pay | 57.4 | 58.5 | 1.1 | 2.0 |
| Subtotal, Employee Benefits | $212.7 | $243.8 | $31.1 | 14.6 |
| Bond Debt Service Payments | $97.9 | $208.0 | $110.1 | 112.5 |
| Lease Payments | 22.0 | 13.0 | (9.0) | (40.8) |
| Subtotal, Debt Service | $119.9 | $221.0 | $101.1 | 84.4 |
| **Total Article I – General Government** | **$2,993.7** | **$3,208.9** | **$215.1** | **7.2** |

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

## 2014–15 SENATE BILL 1 CONFERENCE COMMITTEE REPORT APPROPRIATIONS

### FIGURE 19
### SELECTED PERFORMANCE MEASURES: GENERAL GOVERNMENT

| MEASURE | ACTUAL 2012 | BUDGETED 2013 | TARGET 2014 | TARGET 2015 |
|---|---|---|---|---|
| **OFFICE OF THE ATTORNEY GENERAL** | | | | |
| Amount of Title IV-D Child Support Collected (in millions) | $3,480 | $3,725 | $3,950 | $4,175 |
| **COMMISSION ON STATE EMERGENCY COMMUNICATIONS** | | | | |
| Total Number of Poison Control Calls Processed Statewide | 359,552 | 334,255 | 358,297 | 358,297 |
| **TEXAS FACILITIES COMMISSION** | | | | |
| Percentage of Completed Construction Projects on Schedule and within Budget | 88.0% | 90.0% | 90.0% | 90.0% |
| **DEPARTMENT OF INFORMATION RESOURCES** | | | | |
| Total Contract Savings and Cost Avoidance Provided through DIR Contracts (in Millions) | $257.6 | $120.0 | $260.0 | $260.0 |
| Percent of Monthly Minimum Service Level Targets Achieved for Data Center Services | 85.6% | 92.0% | 92.0% | 92.0% |
| Percent of Customers Satisfied with Data Center Services Contract Management | 0.0% | 95.0% | 95.0% | 95.0% |
| **OFFICE OF RISK MANAGEMENT** | | | | |
| Incident Rate of Injuries and Illnesses Per 100 Covered Full-time State Employees | 3.80% | 3.95% | 3.95% | 3.95% |
| **VETERANS COMMISSION** | | | | |
| Amount of VA Monetary Awards (in millions) Paid Because of Commission Advocacy in Claims Representation of Veterans with Service-connected Disabilities | $2,035 | $1,708 | $2,110 | $2,110 |

# Health and Human Services

## 2014–15 Senate Bill 1 Conference Committee Report Appropriations

All Funds for Health and Human Services total $73.9 billion for the 2014–15 biennium, an increase of $5.3 billion, or 7.7 percent, from the 2012–13 biennium (Figure 20).

General Revenue Funds and General Revenue–Dedicated Funds total $30.8 billion, an increase of $2.3 billion, or 8.1 percent, from the 2012–13 biennium (Figure 21).

Selected performance measures for agencies in the Health and Human Services function are shown in Figure 22.

**FIGURE 20**
**ALL FUNDS: HEALTH AND HUMAN SERVICES**

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Aging and Disability Services, Department of | $12,838.6 | $13,841.2 | $1,002.5 | 7.8 |
| Assistive and Rehabilitative Services, Department of | 1,235.6 | 1,267.1 | 31.5 | 2.6 |
| Family and Protective Services, Department of | 2,690.1 | 3,032.1 | 342.0 | 12.7 |
| State Health Services, Department of | 5,796.4 | 6,236.6 | 440.2 | 7.6 |
| Health and Human Services Commission | 45,304.4 | 48,543.5 | 3,239.2 | 7.1 |
| Subtotal, Health and Human Services | $67,865.0 | $72,920.4 | $5,055.4 | 7.4 |
| | | | | |
| Retirement and Group Insurance | $1,140.6 | $1,340.6 | $199.9 | 17.5 |
| Social Security and Benefit Replacement Pay | 329.4 | 326.9 | (2.5) | (0.8) |
| Subtotal, Employee Benefits | $1,470.1 | $1,667.5 | $197.4 | 13.4 |

## FIGURE 20
## ALL FUNDS: HEALTH AND HUMAN SERVICES (CONTINUED)

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Bond Debt Service Payments | $55.8 | $55.4 | ($0.5) | (0.8) |
| Lease Payments | 12.5 | 8.7 | (3.8) | (30.6) |
| Subtotal, Debt Service | $68.3 | $64.0 | ($4.3) | (6.3) |
| Less Interagency Contracts | $771.2 | $747.0 | ($24.1) | (3.1) |
| **Total Article II – Health and Human Services** | **$68,632.3** | **$73,904.9** | **$5,272.6** | **7.7** |

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

## FIGURE 21
## GENERAL REVENUE FUNDS AND GENERAL REVENUE–DEDICATED FUNDS: HEALTH AND HUMAN SERVICES

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Aging and Disability Services, Department of | $5,279.6 | $5,602.8 | $323.2 | 6.1 |
| Assistive and Rehabilitative Services, Department of | 241.0 | 255.9 | 14.9 | 6.2 |
| Family and Protective Services, Department of | 1,262.6 | 1,488.3 | 225.7 | 17.9 |
| State Health Services, Department of | 2,797.9 | 3,239.5 | 441.7 | 15.8 |
| Health and Human Services Commission | 17,961.3 | 19,116.2 | 1,154.9 | 6.4 |
| Subtotal, Health and Human Services | $27,542.3 | $29,702.8 | $2,160.5 | 7.8 |
| | | | | |
| Retirement and Group Insurance | $693.7 | $832.5 | $138.7 | 20.0 |
| Social Security and Benefit Replacement Pay | 193.7 | 198.5 | 4.8 | 2.5 |
| Subtotal, Employee Benefits | $887.5 | $1,031.0 | $143.5 | 16.2 |
| | | | | |
| Bond Debt Service Payments | $48.2 | $44.6 | ($3.6) | (7.4) |
| Lease Payments | 12.5 | 8.7 | (3.8) | (30.6) |
| Subtotal, Debt Service | $60.7 | $53.3 | ($7.4) | (12.2) |
| | | | | |
| **Total Article II – Health and Human Services** | **$28,490.5** | **$30,787.1** | **$2,296.6** | **8.1** |

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

## FIGURE 22
## SELECTED PERFORMANCE MEASURES: HEALTH AND HUMAN SERVICES

| MEASURE | ACTUAL 2012 | BUDGETED 2013 | TARGET 2014 | TARGET 2015 |
|---|---|---|---|---|
| **DEPARTMENT OF AGING AND DISABILITY SERVICES** | | | | |
| Average Number of Individuals Served Per Month: Medicaid Non-waiver Community Services and Supports | 86,663 | 62,541 | 62,497 | 76,144 |
| Average Number of Individuals Served Per Month: Waivers | 45,400 | 41,813 | 45,438 | 48,624 |
| Number of Clients Served (End of Year): Waivers | 41,221 | 42,311 | 47,027 | 50,196 |
| Average Monthly Caseload, Nursing Facility Clients (Medicaid, Medicare Copaid, and Hospice) | 69,915 | 70,861 | 71,547 | 72,264 |
| Average Number of Persons in ICF/IID Medicaid Beds Per Month | 5,616 | 5,616 | 5,609 | 5,609 |
| Average Monthly Number of Intellectual Disability (ID) Campus Residents | 3,882 | 3,674 | 3,411 | 3,176 |
| **DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES** | | | | |
| Average Monthly Number of Children Served in Comprehensive Services (Early Childhood Intervention) | 25,039 | 25,094 | 26,869 | 28,372 |
| Number of Consumers Served (Vocational Rehabilitation for Persons Who Are Blind or Visually Impaired) | 10,486 | 10,400 | 10,353 | 10,121 |
| Number of Consumers Served (Vocational Rehabilitation for Persons with Disabilities) | 83,930 | 87,904 | 84,388 | 84,388 |
| Average Monthly Number of People Receiving Comprehensive Rehabilitation Services | 470 | 539 | 516 | 516 |

## FIGURE 22
## SELECTED PERFORMANCE MEASURES: HEALTH AND HUMAN SERVICES (CONTINUED)

| MEASURE | ACTUAL 2012 | BUDGETED 2013 | TARGET 2014 | TARGET 2015 |
|---|---|---|---|---|
| **DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES** | | | | |
| Number of Completed Child Protective Services Investigations | 166,076 | 163,423 | 166,841 | 170,775 |
| CPS Daily Caseload Per Worker: Investigations | 24.59 | 25.05 | 16.3 | 16.3 |
| CPS Daily Caseload Per Worker: Substitute Care Services | 33.67 | 34.90 | 26.00 | 26.28 |
| Average Number of Children Served in Family Protective Services-paid Foster Care per Month | 16,358 | 15,843 | 16,190 | 16,193 |
| Average Number of Children Provided Adoption Subsidy Per Month | 35,934 | 38,519 | 41,370 | 44,067 |
| Average Number of STAR Youth Served Per Month | 5,886 | 5,801 | 6,051 | 6,281 |
| Number of Completed Adult Protective Services Investigations | 87,506 | 89,547 | 92,624 | 95,868 |
| **DEPARTMENT OF STATE HEALTH SERVICES** | | | | |
| Number of Vaccine Doses Administered to Children | 12,891,362 | 14,000,000 | 14,493,923 | 14,725,692 |
| Average Monthly Caseload of CSHCN Clients Receiving Health Care Benefits | 1,126 | 1,100 | 1,203 | 1,173 |
| Number of WIC Participants Provided Nutritious Food Supplements Per Month | 971,184 | 958,644 | 958,644 | 958,644 |
| Average Monthly Number of Adults Receiving Community Mental Health Services | 51,140 | 52,484 | 57,588 | 56,634 |
| Average Monthly Number of Children Receiving Community Mental Health Services | 13,300 | 12,206 | 12,403 | 12,221 |
| Average Monthly Number of Adults Served in Treatment Programs for Substance Abuse | 7,405 | 7,200 | 7,597 | 7,597 |

## FIGURE 22
## SELECTED PERFORMANCE MEASURES: HEALTH AND HUMAN SERVICES (CONTINUED)

| MEASURE | ACTUAL 2012 | BUDGETED 2013 | TARGET 2014 | TARGET 2015 |
|---|---|---|---|---|
| Average Monthly Number of Youth Served in Treatment Programs for Substance Abuse | 1,236 | 1,250 | 1,254 | 1,254 |
| Average Daily Census of State Mental Health Facilities | 2,310 | 2,376 | 2,376 | 2,376 |
| **HEALTH AND HUMAN SERVICES COMMISSION** | | | | |
| Average Medicaid and CHIP Children Recipient Months Per Month | 3,206,217 | 3,229,278 | 3,327,728 | 3,430,172 |
| Average Medicaid Acute Care (Includes STAR+Plus) Recipient Months Per Month | 3,653,103 | 3,689,607 | 3,860,020 | 4,193,348 |
| Total Medicaid Prescriptions Incurred | 35,096,145 | 36,615,315 | 38,657,575 | 40,828,388 |
| Average CHIP Recipient Months Per Month | 606,669 | 618,303 | 573,798 | 373,594 |
| Average Number of TANF Recipients Per Month | 103,738 | 95,436 | 95,168 | 96,119 |
| Average Number of State Two-parent Cash Assistance Recipients Per Month | 4,203 | 3,867 | 3,571 | 3,607 |
| Number of Persons Served by Family Violence Programs/Shelters | 79,053 | 79,000 | 80,686 | 80,686 |

# EDUCATION

## 2014–15 SENATE BILL 1 CONFERENCE COMMITTEE REPORT APPROPRIATIONS

All Funds for Education total $74.1 billion for the 2014–15 biennium, which is a decrease of $1.6 billion, or 2.1 percent, from the 2012–13 biennium (Figure 23). Patient income at Health-related Institutions has been moved to an informational rider. This is reflected as a decrease of $6.1 billion. If patient income was not moved to a rider, All Funds appropriations for Education would have increased $3.7 billion.

General Revenue Funds and General Revenue–Dedicated Funds total $53.2 billion, which is an increase of $3.4 million, or 6.9 percent, from the 2012–13 biennium (Figure 24).

Selected performance measures for agencies in the Education function are shown in Figure 25.

**FIGURE 23**
**ALL FUNDS: EDUCATION**

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| **Public Education** | | | | |
| Texas Education Agency | $49,058.5 | $52,682.0 | $3,623.5 | 7.4 |
| School for the Blind and Visually Impaired | 64.1 | 44.9 | (19.2) | (29.9) |
| School for the Deaf | 55.8 | 60.1 | 4.3 | 7.7 |
| Subtotal, Public Education | $49,178.4 | $52,787.0 | $3,608.6 | 7.3 |
| **Public Higher Education** | | | | |
| General Academic Institutions | $5,960.9 | $6,328.6 | $367.7 | 6.2 |
| Health-related Institutions | 8,828.7 | 2,788.3 | (6,040.3) | (68.4) |
| Texas A&M Service Agencies | 1,124.7 | 913.9 | (210.8) | (18.7) |
| Higher Education Coordinating Board | 1,320.9 | 1,482.5 | 161.6 | 12.2 |
| Higher Education Fund | 525.0 | 525.0 | 0.0 | N/A |
| Available University Fund | 1,261.9 | 1,320.5 | 58.6 | 4.6 |
| Available National Research University Fund | 50.9 | 55.9 | 5.0 | 9.8 |
| Article III, Special Provisions | 0.0 | 0.0 | 0.0 | N/A |

## FIGURE 23
## ALL FUNDS: EDUCATION (CONTINUED)

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| **Two-Year Institutions** | | | | |
| Public Community/Junior Colleges | $1,749.4 | $1,781.5 | $32.1 | 1.8 |
| Lamar Lower-level Institutions | 68.5 | 68.9 | 0.4 | 0.5 |
| Texas State Technical Colleges | 172.4 | 163.5 | (8.9) | (5.2) |
| Subtotal, Two-Year Institutions | $1,990.3 | $2,013.9 | $23.6 | 1.2 |
| Subtotal, Higher Education | $21,063.3 | $15,428.7 | ($5,634.7) | (26.8) |
| Teacher Retirement System | $3,707.4 | $3,904.7 | $197.3 | 5.3 |
| Optional Retirement Program | 261.0 | 263.4 | 2.5 | 0.9 |
| Higher Education Employees Group Insurance Contributions | 969.0 | 1,192.8 | 223.9 | 23.1 |
| Retirement and Group Insurance | 59.8 | 72.0 | 12.2 | 20.4 |
| Social Security and Benefit Replacement Pay | 515.7 | 536.3 | 20.6 | 4.0 |
| Subtotal, Employee Benefits | $5,512.9 | $5,969.4 | $456.5 | 8.3 |
| Bond Debt Service Payments | $13.9 | $22.7 | $8.8 | 62.8 |
| Lease Payments | 5.3 | 5.1 | (0.2) | (4.5) |
| Subtotal, Debt Service | $19.2 | $27.8 | $8.5 | 44.3 |
| Less Interagency Contracts | $96.0 | $89.7 | ($6.2) | (6.5) |
| **Total Article III – Agencies of Education** | **$75,677.9** | **$74,123.1** | **($1,554.8)** | **(2.1)** |

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

## 2014–15 SENATE BILL 1 CONFERENCE COMMITTEE REPORT APPROPRIATIONS

### FIGURE 24
### GENERAL REVENUE FUNDS AND GENERAL REVENUE–DEDICATED FUNDS: EDUCATION

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| **Public Education** | | | | |
| Texas Education Agency | $31,577.3 | $34,121.9 | $2,544.7 | 8.1 |
| School for the Blind and Visually Impaired | 29.4 | 29.9 | 0.6 | 2.0 |
| School for the Deaf | 36.4 | 41.9 | 5.5 | 15.0 |
| Subtotal, Public Education | $31,643.0 | $34,193.7 | $2,550.7 | 8.1 |
| **Public Higher Education** | | | | |
| General Academic Institutions | $5,947.9 | $6,313.7 | $365.8 | 6.2 |
| Health-related Institutions | 2,635.9 | 2,680.0 | 44.1 | 1.7 |
| Texas A&M Service Agencies | 583.8 | 369.6 | (214.2) | (36.7) |
| Higher Education Coordinating Board | 1,140.8 | 1,356.8 | 216.0 | 18.9 |
| Higher Education Fund | 525.0 | 525.0 | 0.0 | N/A |
| Article III, Special Provisions | 0.0 | 0.0 | 0.0 | N/A |
| **Two-Year Institutions** | | | | |
| Public Community/Junior Colleges | $1,749.4 | $1,781.5 | $32.1 | 1.8 |
| Lamar Lower-level Institutions | 68.5 | 68.9 | 0.4 | 0.5 |
| Texas State Technical Colleges | 172.4 | 163.5 | (8.9) | (5.2) |
| Subtotal, Two-Year Institutions | $1,990.3 | $2,013.9 | $23.6 | 1.2 |
| Subtotal, Higher Education | $12,823.7 | $13,259.0 | $435.3 | 3.4 |

## FIGURE 24
## GENERAL REVENUE FUNDS AND GENERAL REVENUE–DEDICATED FUNDS: EDUCATION (CONTINUED)

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Teacher Retirement System | $3,547.3 | $3,729.6 | $182.2 | 5.1 |
| Optional Retirement Program | 261.0 | 263.4 | 2.5 | 0.9 |
| Higher Education Employees Group Insurance Contributions | 967.6 | 1,191.2 | 223.7 | 23.1 |
| Retirement and Group Insurance | 50.5 | 60.5 | 10.0 | 19.8 |
| Social Security and Benefit Replacement Pay | 494.0 | 513.9 | 19.9 | 4.0 |
| Subtotal, Employee Benefits | $5,320.3 | $5,758.6 | $438.3 | 8.2 |
| Bond Debt Service Payments | $13.6 | $22.4 | $8.8 | 64.3 |
| Lease Payments | 5.3 | 5.1 | (0.2) | (4.5) |
| Subtotal, Debt Service | $18.9 | $27.4 | $8.5 | 45.1 |
| **Total Article III – Agencies of Education** | **$49,806.0** | **$53,238.8** | **$3,432.8** | **6.9** |

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

## FIGURE 25
## SELECTED PERFORMANCE MEASURES: EDUCATION

| MEASURE | ACTUAL 2012 | BUDGETED 2013 | TARGET 2014 | TARGET 2015 |
|---|---|---|---|---|
| **PUBLIC EDUCATION** | | | | |
| **TEXAS EDUCATION AGENCY** | | | | |
| Total Average Daily Attendance | 4,632,351 | 4,716,326 | 4,803,515 | 4,885,099 |
| Four-year High School Graduation Rate | 85.9% | 86.0% | 86.1% | 86.2% |
| Five-year High School Graduation Rate | 88.0% | 88.1% | 88.2% | 88.3% |
| Four-year High School GED Rate | 1.1% | 1.1% | 1.0% | 1.0% |
| Five-year High School GED Rate | 1.6% | 1.6% | 1.5% | 1.5% |
| Four-year High School Dropout Rate | 6.8% | 6.7% | 6.7% | 6.6% |
| Five-year High School Dropout Rate | 8.6% | 8.5% | 8.5% | 8.4% |
| Percent of Students Exiting Bilingual/English as a Second Language Programs Successfully | 75% | 77% | 79% | 81% |
| **HIGHER EDUCATION** | | | | |
| **HIGHER EDUCATION COORDINATING BOARD** | | | | |
| Number of Students Receiving TEXAS Grants | 76,003 | 82,000 | 94,951 | 105,451 |
| Number of NHARP Research Projects Funded | 12 | 0 | 12 | 0 |
| Increase in Fall Student Headcount Enrollment | 532,754 | 557,186 | 581,618 | 606,050 |
| **TEXAS A&M UNIVERSITY** | | | | |
| Percent of First-time, Full-time Freshmen Who Earn a Degree Within Six Years | 0.8 | 0.8 | 0.8 | 0.8 |
| Retention Rate of First-time, Full-time Freshmen After One Year | 91.6% | 92.0% | 92.0% | 92.0% |
| Percent of Lower-Division Courses Taught by Tenured or Tenure-track Faculty | 40% | 40% | 40% | 41% |

## FIGURE 25
## SELECTED PERFORMANCE MEASURES: EDUCATION (CONTINUED)

| MEASURE | ACTUAL 2012 | BUDGETED 2013 | TARGET 2014 | TARGET 2015 |
|---|---|---|---|---|
| **THE UNIVERSITY OF TEXAS** | | | | |
| Percent of First-time, Full-time Freshmen Who Earn a Degree Within Six Years | 78.7% | 83.2% | 84.1% | 85.1% |
| Retention Rate of First-time, Full-time Freshmen After One Year | 93.2% | 92.2% | 93.5% | 95.0% |
| Percent of Lower-Division Courses Taught by Tenured or Tenure-track Faculty | 44.7% | 45.0% | 45.0% | 45.0% |
| **TEXAS TECH UNIVERSITY** | | | | |
| Percent of First-time, Full-time Freshmen Who Earn a Degree Within Six Years | 62.1% | 59.0% | 62.1% | 62.1% |
| Retention Rate of First-time, Full-time Freshmen After One Year | 80.7% | 83.0% | 83.0% | 83.0% |
| Percent of Lower-Division Courses Taught by Tenured or Tenure-track Faculty | 32.6% | 32.0% | 32.6% | 32.6% |
| **UNIVERSITY OF HOUSTON** | | | | |
| Percent of First-time, Full-time Freshmen Who Earn a Degree Within Six Years | 46.2% | 48.0% | 49.0% | 50.0% |
| Retention Rate of First-time, Full-time Freshmen After One Year | 83.2% | 82.8% | 84.0% | 86.0% |
| Percent of Lower-Division Courses Taught by Tenured or Tenure-track Faculty | 27.1% | 29.0% | 35.0% | 35.0% |

## FIGURE 25
## SELECTED PERFORMANCE MEASURES: EDUCATION (CONTINUED)

| MEASURE | ACTUAL 2012 | BUDGETED 2013 | TARGET 2014 | TARGET 2015 |
|---|---|---|---|---|
| **THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER** | | | | |
| Percent of Medical School Graduates Practicing Primary Care in Texas | 15.3% | 19.0% | 19.0% | 19.0% |
| **THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON** | | | | |
| Percent of Medical School Graduates Practicing Primary Care in Texas | 23.7% | 30.0% | 30.0% | 30.0% |
| **THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO** | | | | |
| Percent of Medical School Graduates Practicing Primary Care in Texas | 25% | 25% | 25% | 25% |
| **UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER AT FORT WORTH** | | | | |
| Percent of Medical School Graduates Practicing Primary Care in Texas | 34.4% | 38.7% | 45.0% | 45.0% |

# JUDICIARY

## 2014–15 SENATE BILL 1 CONFERENCE COMMITTEE REPORT APPROPRIATIONS

All Funds for the Judiciary total $727.9 million for the 2014–15 biennium, which is an increase of $79.7 million, or 12.3 percent, from the 2012–13 biennium (Figure 26).

General Revenue Funds and General Revenue–Dedicated Funds total $543.6 million, which is an increase of $84.1 million, or 18.3 percent, from the 2012–13 biennium (Figure 27).

Selected performance measure for agencies in the Judiciary function are shown in Figure 28.

**FIGURE 26**
**ALL FUNDS: JUDICIARY**

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Supreme Court of Texas | $73.8 | $65.0 | ($8.8) | (11.9) |
| Court of Criminal Appeals | 27.3 | 29.1 | 1.7 | 6.4 |
| First Court of Appeals District, Houston | 7.5 | 8.2 | 0.7 | 9.6 |
| Second Court of Appeals District, Fort Worth | 5.7 | 6.3 | 0.6 | 11.1 |
| Third Court of Appeals District, Austin | 5.0 | 5.4 | 0.4 | 8.7 |
| Fourth Court of Appeals District, San Antonio | 5.7 | 6.3 | 0.6 | 10.2 |
| Fifth Court of Appeals District, Dallas | 10.2 | 11.2 | 1.0 | 9.9 |
| Sixth Court of Appeals District, Texarkana | 2.7 | 2.9 | 0.2 | 8.9 |
| Seventh Court of Appeals District, Amarillo | 3.3 | 3.6 | 0.3 | 9.5 |
| Eighth Court of Appeals District, El Paso | 2.8 | 3.0 | 0.2 | 8.7 |
| Ninth Court of Appeals District, Beaumont | 3.3 | 3.6 | 0.3 | 9.6 |
| Tenth Court of Appeals District, Waco | 2.7 | 2.9 | 0.3 | 9.7 |
| Eleventh Court of Appeals District, Eastland | 2.7 | 2.9 | 0.2 | 9.2 |
| Twelfth Court of Appeals District, Tyler | 2.7 | 3.0 | 0.2 | 8.1 |
| Thirteenth Court of Appeals District, Corpus Christi-Edinburg | 5.0 | 5.4 | 0.4 | 8.5 |
| Fourteenth Court of Appeals District, Houston | 7.5 | 8.2 | 0.7 | 9.4 |

## FIGURE 26
## ALL FUNDS: JUDICIARY (CONTINUED)

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Office of Court Administration, Texas Judicial Council | $93.8 | $116.1 | $22.3 | 23.8 |
| Office of Capital Writs | 1.8 | 2.1 | 0.3 | 16.6 |
| Office of the State Prosecuting Attorney | 0.8 | 0.8 | 0.0 | 0.0 |
| State Law Library | 1.7 | 2.0 | 0.3 | 19.0 |
| State Commission on Judicial Conduct | 1.9 | 1.9 | 0.0 | 0.0 |
| Judiciary Section, Comptroller's Department | 277.6 | 284.1 | 6.5 | 2.3 |
| Article IV, Special Provisions | 0.0 | 34.8 | 34.8 | N/A |
| Subtotal, The Judiciary | $545.5 | $609.0 | $63.5 | 11.6 |
| | | | | |
| Retirement and Group Insurance | $96.9 | $115.9 | $19.0 | 19.6 |
| Social Security and Benefit Replacement Pay | 19.9 | 19.8 | (0.1) | (0.5) |
| Subtotal, Employee Benefits | $116.7 | $135.6 | $18.9 | 16.2 |
| | | | | |
| Lease Payments | $4.6 | $2.3 | ($2.3) | (49.8) |
| Subtotal, Debt Service | $4.6 | $2.3 | ($2.3) | (49.8) |
| | | | | |
| Less Interagency Contracts | $18.7 | $19.0 | $0.4 | 2.0 |
| | | | | |
| **Total Article IV – The Judiciary** | **$648.2** | **$727.9** | **$79.7** | **12.3** |

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

## 2014–15 SENATE BILL 1 CONFERENCE COMMITTEE REPORT APPROPRIATIONS

### FIGURE 27
### GENERAL REVENUE FUNDS AND GENERAL REVENUE–DEDICATED FUNDS: JUDICIARY

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Supreme Court of Texas | 27.5 | 27.9 | 0.4 | 1.5 |
| Court of Criminal Appeals | 25.9 | 27.7 | 1.7 | 6.6 |
| First Court of Appeals District, Houston | 6.8 | 7.6 | 0.7 | 10.8 |
| Second Court of Appeals District, Fort Worth | 5.1 | 5.8 | 0.6 | 12.4 |
| Third Court of Appeals District, Austin | 4.5 | 4.9 | 0.4 | 9.6 |
| Fourth Court of Appeals District, San Antonio | 5.2 | 5.8 | 0.6 | 11.4 |
| Fifth Court of Appeals District, Dallas | 9.4 | 10.4 | 1.0 | 10.8 |
| Sixth Court of Appeals District, Texarkana | 2.5 | 2.7 | 0.2 | 9.8 |
| Seventh Court of Appeals District, Amarillo | 3.1 | 3.4 | 0.3 | 10.4 |
| Eighth Court of Appeals District, El Paso | 2.5 | 2.7 | 0.2 | 9.8 |
| Ninth Court of Appeals District, Beaumont | 3.1 | 3.4 | 0.3 | 10.6 |
| Tenth Court of Appeals District, Waco | 2.5 | 2.7 | 0.3 | 10.6 |
| Eleventh Court of Appeals District, Eastland | 2.5 | 2.7 | 0.2 | 10.0 |
| Twelfth Court of Appeals District, Tyler | 2.5 | 2.8 | 0.2 | 8.7 |
| Thirteenth Court of Appeals District, Corpus Christi-Edinburg | 4.5 | 4.9 | 0.4 | 9.4 |
| Fourteenth Court of Appeals District, Houston | 6.9 | 7.6 | 0.7 | 10.6 |
| Office of Court Administration, Texas Judicial Council | 83.2 | 106.0 | 22.8 | 27.4 |
| Office of Capital Writs | 1.8 | 2.1 | 0.3 | 16.6 |
| Office of the State Prosecuting Attorney | 0.7 | 0.7 | 0.0 | 0.0 |
| State Law Library | 1.7 | 2.0 | 0.3 | 19.4 |
| State Commission on Judicial Conduct | 1.9 | 1.9 | 0.0 | 0.0 |
| Judiciary Section, Comptroller's Department | 142.3 | 148.1 | 5.8 | 4.1 |
| Article IV, Special Provisions | 0.0 | 34.8 | 34.8 | N/A |
| Subtotal, The Judiciary | 346.0 | 418.6 | 72.5 | 21.0 |

## FIGURE 27
## GENERAL REVENUE FUNDS AND GENERAL REVENUE–DEDICATED FUNDS: JUDICIARY (CONTINUED)

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Retirement and Group Insurance | $93.4 | $107.4 | $13.9 | 14.9 |
| Social Security and Benefit Replacement Pay | 15.5 | 15.4 | (0.1) | (0.5) |
| Subtotal, Employee Benefits | $108.9 | $122.8 | $13.9 | 12.7 |
| Lease Payments | $4.6 | $2.3 | ($2.3) | (49.8) |
| Subtotal, Debt Service | $4.6 | $2.3 | ($2.3) | (49.8) |
| **Total Article IV – The Judiciary** | **$459.5** | **$543.6** | **$84.1** | **18.3** |

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

## FIGURE 28
## SELECTED PERFORMANCE MEASURES: JUDICIARY

| MEASURE | ACTUAL 2012 | BUDGETED 2013 | TARGET 2014 | TARGET 2015 |
|---|---|---|---|---|
| **SUPREME COURT OF TEXAS** | | | | |
| Disposition Rate | 99.1% | 102.0% | 102.0% | 102.0% |
| **COURT OF CRIMINAL APPEALS** | | | | |
| Disposition Rate for Petitions for Discretionary Review Which are Granted | 106% | 125% | 100% | 100% |
| **14 COURTS OF APPEALS** | | | | |
| Clearance Rate | 98.2% | 98.0% | 100.0% | 100.0% |
| **OFFICE OF COURT ADMINISTRATION: TEXAS INDIGENT DEFENSE COMMISSION** | | | | |
| Percent of Counties Receiving State Funds for Indigent Defense | 96.1% | 94.0% | 94.0% | 94.0% |
| **OFFICE OF CAPITAL WRITS** | | | | |
| Number of Writ Applications Filed | 4 | 9 | 9 | 9 |
| **STATE COMMISSION ON JUDICIAL CONDUCT** | | | | |
| Percentage of Cases Disposed | 87% | 98% | 95% | 95% |

## 2014–15 SENATE BILL 1 CONFERENCE COMMITTEE REPORT APPROPRIATIONS

All Funds for Public Safety and Criminal Justice total $11.6 billion for the 2014–15 biennium, which is a decrease of $156.7 million, or 1.3 percent, from the 2012–13 biennium (Figure 29).

General Revenue Funds and General Revenue–Dedicated Funds total $8.9 billion, which is an increase of $416.6 million, or 4.9 percent, from the 2012–13 biennium (Figure 30).

Selected performance measures for agencies in the Public Safety and Criminal Justice function are shown in Figure 31.

**FIGURE 29**
**ALL FUNDS: PUBLIC SAFETY AND CRIMINAL JUSTICE**

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Adjutant General's Department | $135.9 | $140.9 | $5.0 | 3.6 |
| Alcoholic Beverage Commission | 85.0 | 87.6 | 2.6 | 3.1 |
| Department of Criminal Justice | 6,172.6 | 6,254.7 | 82.0 | 1.3 |
| Commission on Fire Protection | 3.9 | 0.0 | (3.9) | (100.0) |
| Commission on Jail Standards | 1.8 | 1.8 | (0.0) | (0.3) |
| Texas Juvenile Justice Department | 674.3 | 645.7 | (28.6) | (4.2) |
| Commission on Law Enforcement Officer Standards and Education | 5.4 | 6.6 | 1.2 | 22.0 |
| Department of Public Safety | 3,091.3 | 2,665.3 | (426.0) | (13.8) |
| Subtotal, Public Safety and Criminal Justice | $10,170.3 | $9,802.6 | ($367.7) | (3.6) |
| | | | | |
| Retirement and Group Insurance | $1,093.5 | $1,291.5 | $198.0 | 18.1 |
| Social Security and Benefit Replacement Pay | 322.2 | 328.2 | 6.0 | 1.9 |
| Subtotal, Employee Benefits | $1,415.7 | $1,619.8 | $204.1 | 14.4 |

## FIGURE 29
## ALL FUNDS: PUBLIC SAFETY AND CRIMINAL JUSTICE (CONTINUED)

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Bond Debt Service Payments | $341.0 | $339.8 | ($1.3) | (0.4) |
| Lease Payments | 3.8 | 2.1 | (1.7) | (44.3) |
| Subtotal, Debt Service | $344.9 | $341.9 | ($3.0) | (0.9) |
| Less Interagency Contracts | $188.0 | $178.1 | ($9.9) | (5.3) |
| **Total Article V – Public Safety and Criminal Justice** | **$11,742.8** | **$11,586.1** | **($156.7)** | **(1.3)** |

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

## FIGURE 30
## GENERAL REVENUE FUNDS AND GENERAL REVENUE–DEDICATED FUNDS: PUBLIC SAFETY AND CRIMINAL JUSTICE

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Adjutant General's Department | $26.5 | $31.6 | $5.1 | 19.3 |
| Alcoholic Beverage Commission | 83.2 | 87.6 | 4.4 | 5.3 |
| Department of Criminal Justice | 5,937.0 | 6,104.4 | 167.5 | 2.8 |
| Commission on Fire Protection | 3.8 | 0.0 | (3.8) | (100.0) |
| Commission on Jail Standards | 1.8 | 1.8 | 0.0 | 1.1 |
| Texas Juvenile Justice Department | 604.2 | 588.2 | (16.0) | (2.7) |
| Commission on Law Enforcement Officer Standards and Education | 4.5 | 5.5 | 1.0 | 22.9 |
| Department of Public Safety | 242.1 | 322.1 | 80.0 | 33.0 |
| Subtotal, Public Safety and Criminal Justice | $6,903.0 | $7,141.2 | $238.2 | 3.5 |
| | | | | |
| Retirement and Group Insurance | $934.4 | $1,108.7 | $174.3 | 18.7 |
| Social Security and Benefit Replacement Pay | 254.8 | 261.9 | 7.1 | 2.8 |
| Subtotal. Employee Benefits | $1,189.2 | $1,370.5 | $181.4 | 15.3 |
| | | | | |
| Bond Debt Service Payments | $337.8 | $336.6 | ($1.2) | (0.4) |
| Lease Payments | 3.8 | 2.1 | (1.7) | (44.3) |
| Subtotal, Debt Service | $341.6 | $338.7 | ($2.9) | (0.8) |
| | | | | |
| **Total Article V – Public Safety and Criminal Justice** | **$8,433.8** | **$8,850.5** | **$416.6** | **4.9** |

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

## FIGURE 31
## SELECTED PERFORMANCE MEASURES: PUBLIC SAFETY AND CRIMINAL JUSTICE

| MEASURE | ACTUAL 2012 | BUDGETED 2013 | TARGET 2014 | TARGET 2015 |
|---|---|---|---|---|
| **ADJUTANT GENERAL'S DEPARTMENT** | | | | |
| Number Texas National Guard Members | 22,446 | 19,500 | 22,000 | 22,000 |
| **ALCOHOLIC BEVERAGE COMMISSION** | | | | |
| Number of Inspections Conducted by Enforcement Agents | 71,766 | 75,200 | 75,200 | 75,200 |
| Number of Licenses/Permits Issued | 74,145 | 57,205 | 72,517 | 61,396 |
| **DEPARTMENT OF CRIMINAL JUSTICE** | | | | |
| Average Number of Felony Offenders Under Direct Supervision (Adult Probation) | 168,543 | 171,107 | 165,378 | 165,225 |
| Average Number of Offenders Incarcerated | 140,268 | 140,891 | 141,915 | 143,100 |
| Average Number of Offenders in Contract Prisons and Privately Operated State Jails | 11,910 | 11,890 | 9,674 | 9,674 |
| Three-year Recidivism Rate | 23 | 24 | 23 | 23 |
| **COMMISSION ON JAIL STANDARDS** | | | | |
| Number of Annual Inspections Conducted | 245 | 244 | 244 | 244 |
| **JUVENILE JUSTICE DEPARTMENT** | | | | |
| Average Daily Population of Juveniles Under Conditional Release | 2,767 | 2,843 | 3,041 | 3,076 |
| Average Daily Population of Juveniles Supervised Under Deferred Prosecution | 8,724 | 8,553 | 6,983 | 6,758 |
| Average Daily Population of Juveniles Supervised Under Court-ordered Probation | 17,756 | 17,412 | 13,591 | 13,442 |

**FIGURE 31**
**SELECTED PERFORMANCE MEASURES: PUBLIC SAFETY AND CRIMINAL JUSTICE (CONTINUED)**

| MEASURE | ACTUAL 2012 | BUDGETED 2013 | TARGET 2014 | TARGET 2015 |
|---|---|---|---|---|
| Average Daily Population of Juveniles in State Operated Secure Correctional Facilities | 1,216 | 1,444 | 1,036 | 1,045 |
| Average Daily Population of Juveniles in Halfway House Programs | 177 | 218 | 196 | 196 |
| Average Daily Population of Juveniles in Contract Programs | 88 | 78 | 77 | 78 |
| Reincarceration Rate Within Three Years | 47 | 47 | 46 | 46 |
| **COMMISSION ON LAW ENFORCEMENT OFFICER STANDARDS AND EDUCATION** | | | | |
| Number of New Licenses Issued to Individuals | 12,976 | 21,000 | 22,000 | 22,500 |
| **DEPARTMENT OF PUBLIC SAFETY** | | | | |
| Traffic Law Violator Contacts | 3,366,506 | 3,400,000 | 3,400,000 | 3,400,000 |
| Commercial Traffic Law Violator Contacts | 1,406,878 | 1,500,000 | 1,500,000 | 1,500,000 |
| Number of Examinations Administered (Driver License) | 4,578,611 | 4,900,000 | 4,900,000 | 4,900,000 |
| Annual Texas Index Crime Rate | 4,040 | 3,880 | 3,880 | 3,880 |
| Number of Arrests by Texas Rangers | 1,743 | 1,800 | 1,800 | 1,800 |

# Natural Resources

## 2014–15 Senate Bill 1 Conference Committee Report Appropriations

All Funds for Natural Resources total $4.7 billion for 2014–15 biennium, which is a decrease of $189.9 million, or 3.8 percent, from the 2012–13 biennium (Figure 32).

General Revenue Funds and General Revenue–Dedicated Funds total $1.9 billion, which is an increase of $213.0 million, or 12.8 percent, from the 2012–13 biennium (Figure 33).

Selected performance measures for agencies in the Natural Resources function are shown in Figure 34.

**FIGURE 32**
**ALL FUNDS: NATURAL RESOURCES**

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Department of Agriculture | $1,135.3 | $1,115.6 | ($19.8) | (1.7) |
| Animal Health Commission | 18.1 | 20.8 | 2.7 | 15.0 |
| Commission on Environmental Quality | 709.4 | 726.3 | 16.9 | 2.4 |
| General Land Office and Veterans' Land Board | 1,668.9 | 1,440.3 | (228.6) | (13.7) |
| Low-level Radioactive Waste Disposal Compact Commission | 0.8 | 1.2 | 0.4 | 52.2 |
| Parks and Wildlife Department | 571.5 | 591.1 | 19.6 | 3.4 |
| Railroad Commission | 160.0 | 158.1 | (1.8) | (1.1) |
| Soil and Water Conservation Board | 41.9 | 52.5 | 10.7 | 25.4 |
| Water Development Board | 160.0 | 122.8 | (37.3) | (23.3) |
| Debt Service Payments - Non-Self Supporting G.O. Water Bonds | 224.0 | 213.8 | (10.2) | (4.6) |
| Subtotal, Natural Resources | $4,689.9 | $4,442.5 | ($247.3) | (5.3) |
| | | | | |
| Retirement and Group Insurance | $200.5 | $235.5 | $35.0 | 17.5 |
| Social Security and Benefit Replacement Pay | 65.9 | 65.3 | (0.6) | (0.9) |
| Subtotal, Employee Benefits | $266.4 | $300.8 | $34.4 | 12.9 |

## FIGURE 32
## ALL FUNDS: NATURAL RESOURCES (CONTINUED)

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Bond Debt Service Payments | 17.8 | 30.8 | 13.0 | 73.3 |
| Lease Payments | 7.1 | 6.0 | (1.0) | (14.8) |
| Subtotal, Debt Service | 24.8 | 36.8 | 12.0 | 48.2 |
| Less Interagency Contracts | 46.9 | 35.9 | (11.1) | (23.6) |
| **Total Article VI – Natural Resources** | **4,934.2** | **4,744.3** | **(189.9)** | **(3.8)** |

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

## 2014–15 SENATE BILL 1 CONFERENCE COMMITTEE REPORT APPROPRIATIONS

### FIGURE 33
### GENERAL REVENUE FUNDS AND GENERAL REVENUE–DEDICATED FUNDS: NATURAL RESOURCES

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Department of Agriculture | 106.1 | 105.0 | (1.1) | (1.0) |
| Animal Health Commission | 12.9 | 16.9 | 4.0 | 31.1 |
| Commission on Environmental Quality | 594.9 | 636.2 | 41.2 | 6.9 |
| General Land Office and Veterans' Land Board | 36.9 | 39.0 | 2.1 | 5.7 |
| Low-level Radioactive Waste Disposal Compact Commission | 0.8 | 1.2 | 0.4 | 52.2 |
| Parks and Wildlife Department | 383.1 | 459.7 | 76.6 | 20.0 |
| Railroad Commission | 123.7 | 140.3 | 16.6 | 13.4 |
| Soil and Water Conservation Board | 28.1 | 40.5 | 12.5 | 44.4 |
| Water Development Board | 37.7 | 47.8 | 10.1 | 26.7 |
| Debt Service Payments - Non-Self Supporting G.O. Water Bonds | 96.4 | 103.9 | 7.5 | 7.7 |
| Subtotal, Natural Resources | $1,420.7 | $1,590.6 | $169.9 | 12.0 |
| Retirement and Group Insurance | $166.4 | $197.4 | $31.0 | 18.6 |
| Social Security and Benefit Replacement Pay | 49.2 | 49.3 | 0.1 | 0.2 |
| Subtotal, Employee Benefits | $215.6 | $246.7 | $31.1 | 14.4 |
| Bond Debt Service Payments | $16.1 | $29.1 | $13.0 | 81.0 |
| Lease Payments | 7.1 | 6.0 | (1.0) | (14.8) |
| Subtotal, Debt Service | $23.1 | $35.1 | $12.0 | 51.8 |
| **Total Article VI – Natural Resources** | **$1,659.4** | **$1,872.4** | **$213.0** | **12.8** |

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

## FIGURE 34
## SELECTED PERFORMANCE MEASURES: NATURAL RESOURCES

| MEASURE | ACTUAL 2012 | BUDGETED 2013 | TARGET 2014 | TARGET 2015 |
|---|---|---|---|---|
| **DEPARTMENT OF AGRICULTURE** | | | | |
| Percentage of Total Weights and Measures Device Routine Inspections Found in Full Compliance with State and Federal Standards | 94% | 96% | 96% | 96% |
| Number of New Community/Economic Development Contracts Awarded | 186 | 248 | 267 | 267 |
| **ANIMAL HEALTH COMMISSION** | | | | |
| Number of Livestock Shipments Inspected | 4,586 | 4,500 | 5,000 | 5,000 |
| **COMMISSION ON ENVIRONMENTAL QUALITY** | | | | |
| Nitrogen Oxides (Nox) Emissions Reduced through the Texas Emissions Reduction Plan (tons) | 0 | 7,421 | 6,097 | 6,097 |
| Number of Vehicles Repaired and/or Replaced through LIRAP Assistance | 7,834 | 2,189 | 2,730 | 2,730 |
| Percentage of Texans Living Where Air Meets Federal Air Quality Standards | 51 | 48 | 47 | 46 |
| Number of Dam Safety Assessments | 1,373 | 1,030 | 1,030 | 1,030 |
| **GENERAL LAND OFFICE AND VETERANS' LAND BOARD** | | | | |
| Number of Coastal Management Program Grants Awarded | 20 | 24 | 24 | 24 |
| Annual Rate of Return on Real Estate Special Fund Investments | 9.5% | 5.8% | 6.0% | 6.0% |
| Alamo Gift Shop Revenue Per Visitor | N/A | N/A | $3.21 | $3.38 |
| Number of Loans Originated by the Veterans' Land Board | 852 | 876 | 1,017 | 1,200 |

## FIGURE 34
## SELECTED PERFORMANCE MEASURES: NATURAL RESOURCES (CONTINUED)

| MEASURE | ACTUAL 2012 | BUDGETED 2013 | TARGET 2014 | TARGET 2015 |
|---|---|---|---|---|
| **PARKS AND WILDLIFE DEPARTMENT** | | | | |
| Number of Fingerlings Stocked - Inland Fisheries (in millions) | 4.35 | 17.50 | 16.00 | 16.00 |
| Number of State Parks in Operation | 92 | 91 | 91 | 91 |
| **RAILROAD COMMISSION** | | | | |
| Number of Rebate and Incentive Applications Handled | 1,725 | 1,295 | 1,295 | 1,295 |
| Number of Pipeline Safety Inspections Performed | 3,202 | 2,500 | 2,300 | 3,900 |
| Number of Orphaned Wells Plugged with the Use of State Funds | 764 | 1,200 | 1,200 | 1,200 |
| Number of Wells Monitored | 397,967 | 399,000 | 401,000 | 403,000 |
| **SOIL AND WATER CONSERVATION BOARD** | | | | |
| Number of Flood Control Dam Repair Grants Awarded | 1 | 1 | 4 | 4 |

# Business and Economic Development

## 2014–15 Senate Bill 1 Conference Committee Report Appropriations

All Funds for Business and Economic Development total $25.0 billion for the 2014–15 biennium, which is an increase of $2.7 billion, or 12.1 percent, from the 2012–13 biennium (Figure 35).

General Revenue Funds and General Revenue–Dedicated Funds total $1.2 billion, which is an increase of $218.8 million, or 22.8 percent from the 2012–13 biennium (Figure 36).

Selected performance measures for agencies in the Business and Economic Development function are shown in Figure 37.

**FIGURE 35**
**ALL FUNDS: BUSINESS AND ECONOMIC DEVELOPMENT**

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Department of Housing and Community Affairs | $464.2 | $465.9 | $1.7 | 0.4 |
| Texas Lottery Commission | 431.9 | 440.7 | 8.9 | 2.1 |
| Department of Motor Vehicles | 308.3 | 298.7 | (9.6) | (3.1) |
| Department of Transportation | 18,300.1 | 20,945.4 | 2,645.3 | 14.5 |
| Texas Workforce Commission | 2,236.6 | 2,190.5 | (46.1) | (2.1) |
| Reimbursements to the Unemployment Compensation Benefit Account | 68.8 | 46.4 | (22.4) | (32.5) |
| Subtotal, Business and Economic Development | $21,809.9 | $24,387.7 | $2,577.8 | 11.8 |
| | | | | |
| Retirement and Group Insurance | $483.9 | $582.0 | $98.1 | 20.3 |
| Social Security and Benefit Replacement Pay | 126.5 | 127.4 | 0.9 | 0.7 |
| Subtotal, Employee Benefits | $610.4 | $709.4 | $99.0 | 16.2 |

## FIGURE 35
## ALL FUNDS: BUSINESS AND ECONOMIC DEVELOPMENT (CONTINUED)

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Bond Debt Service Payments | $24.4 | $28.0 | $3.6 | 14.7 |
| Lease Payments | 2.3 | 1.7 | (0.6) | (26.8) |
| Subtotal, Debt Service | $26.7 | $29.7 | $3.0 | 11.2 |
| Less Interagency Contracts | $131.2 | $120.3 | ($10.9) | (8.3) |
| **Total Article VII – Business and Economic Development** | **$22,315.8** | **$25,006.5** | **$2,690.7** | **12.1** |

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

## 2014–15 SENATE BILL 1 CONFERENCE COMMITTEE REPORT APPROPRIATIONS

### FIGURE 36
### GENERAL REVENUE FUNDS AND GENERAL REVENUE–DEDICATED FUNDS: BUSINESS AND ECONOMIC DEVELOPMENT

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Department of Housing and Community Affairs | $15.2 | $26.4 | $11.2 | 73.3 |
| Texas Lottery Commission | 431.9 | 440.7 | 8.9 | 2.1 |
| Department of Motor Vehicles | 29.8 | 29.8 | 0.0 | 0.0 |
| Department of Transportation | 181.3 | 374.7 | 193.4 | 106.7 |
| Texas Workforce Commission | 234.7 | 242.7 | 8.0 | 3.4 |
| Reimbursements to the Unemployment Compensation Benefit Account | 21.3 | 12.5 | (8.8) | (41.2) |
| Subtotal, Business and Economic Development | $914.3 | $1,127.0 | $212.7 | 23.3 |
| Retirement and Group Insurance | $16.3 | $19.6 | $3.3 | 20.6 |
| Social Security and Benefit Replacement Pay | 5.1 | 5.0 | (0.2) | (3.2) |
| Subtotal. Employee Benefits | $21.4 | $24.6 | $3.2 | 14.9 |
| Bond Debt Service Payments | $23.8 | $27.4 | $3.6 | 15.2 |
| Lease Payments | 2.3 | 1.7 | (0.6) | (26.8) |
| Subtotal, Debt Service | $26.1 | $29.1 | $3.0 | 11.5 |
| **Total Article VII – Business and Economic Development** | **$961.8** | **$1,180.6** | **$218.8** | **22.8** |

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

## FIGURE 37
## SELECTED PERFORMANCE MEASURES: BUSINESS AND ECONOMIC DEVELOPMENT

| MEASURE | ACTUAL 2012 | BUDGETED 2013 | TARGET 2014 | TARGET 2015 |
|---|---|---|---|---|
| **DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS** | | | | |
| Percentage of Households/Individuals of Very Low, Low, and Moderate Income Needing Affordable Housing That Subsequently Receive Housing or Housing-related Assistance | 0.82% | 0.75% | 0.71% | 0.71% |
| **TEXAS LOTTERY COMMISSION** | | | | |
| Number of Retail Business Locations Licensed | 16,982 | 17,000 | 17,100 | 17,100 |
| **DEPARTMENT OF MOTOR VEHICLES** | | | | |
| Total Number of Registered Vehicles | 22,618,153 | 22,602,916 | 22,941,960 | 23,286,089 |
| **DEPARTMENT OF TRANSPORTATION** | | | | |
| Percent of Construction Projects Completed on Budget | 87.9% | 91.0% | 95.0% | 95.0% |
| Percent of Construction Projects Completed on Time | 76.6% | 75.0% | 70.0% | 70.0% |
| Percent of Bridges Rated in Good Condition or Higher | 81.2% | 81.8% | 82.4% | 83.1% |
| **TEXAS WORKFORCE COMMISSION** | | | | |
| Entered Employment Rate | 69.09% | 70.00% | 71.50% | 73.00% |
| Average Choices Federal Participation Rate: Single-Parent | 30.73% | 23.00% | 25.00% | 27.00% |
| Average Number of Children Served Per Day, Transitional and At-Risk Services | 102,113 | 103,304 | 95,226 | 93,558 |
| Contracted Number of Skills Development Trainees | 16,946 | 15,550 | 15,750 | 15,750 |

# REGULATORY

## 2014–15 SENATE BILL 1 CONFERENCE COMMITTEE REPORT APPROPRIATIONS

All Funds for Regulatory total $784.9 million for the 2014–15 biennium, which is an increase of $77.9 million, or 11.0 percent, from the 2012–13 biennium (Figure 38).

General Revenue Funds and General Revenue–Dedicated Funds total $740.6 million, which is an increase of $101.7 million, or 15.9 percent, from the 2012–13 biennium (Figure 39).

Selected performance measures for agencies in the Regulatory function are shown in Figure 40.

**FIGURE 38**
**ALL FUNDS: REGULATORY**

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| State Office of Administrative Hearings | $19.2 | $19.1 | ($0.2) | (0.9) |
| Board of Chiropractic Examiners | 1.2 | 1.5 | 0.3 | 24.7 |
| Texas State Board of Dental Examiners | 4.8 | 6.7 | 1.9 | 40.2 |
| Funeral Service Commission | 1.5 | 1.7 | 0.2 | 10.8 |
| Board of Professional Geoscientists | 1.2 | 1.2 | (0.0) | (0.9) |
| Health Professions Council | 1.7 | 1.9 | 0.2 | 12.5 |
| Office of Injured Employee Counsel | 15.5 | 16.4 | 0.9 | 5.5 |
| Department of Insurance | 257.9 | 230.0 | (27.9) | (10.8) |
| Office of Public Insurance Counsel | 2.1 | 2.1 | 0.0 | 0.0 |
| Board of Professional Land Surveying | 0.9 | 0.9 | (0.0) | (3.6) |
| Department of Licensing and Regulation | 48.1 | 48.5 | 0.4 | 0.7 |
| Texas Medical Board | 22.0 | 23.0 | 1.0 | 4.6 |
| Texas Board of Nursing | 21.5 | 17.8 | (3.7) | (17.0) |
| Optometry Board | 0.9 | 0.9 | 0.0 | 3.1 |
| Board of Pharmacy | 10.4 | 13.4 | 3.0 | 28.5 |
| Executive Council of Physical Therapy and Occupational Therapy Examiners | 2.3 | 2.4 | 0.2 | 8.2 |

## FIGURE 38
## ALL FUNDS: REGULATORY (CONTINUED)

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Board of Plumbing Examiners | $4.3 | $4.9 | $0.6 | 13.9 |
| Board of Podiatric Medical Examiners | 0.5 | 0.6 | 0.1 | 15.1 |
| Board of Examiners of Psychologists | 1.6 | 1.7 | 0.1 | 5.3 |
| Racing Commission | 16.6 | 17.9 | 1.3 | 7.6 |
| Securities Board | 13.7 | 14.0 | 0.3 | 2.0 |
| Public Utility Commission of Texas | 178.7 | 255.9 | 77.3 | 43.2 |
| Office of Public Utility Counsel | 3.0 | 3.3 | 0.3 | 10.0 |
| Board of Veterinary Medical Examiners | 1.9 | 2.1 | 0.2 | 8.7 |
| Subtotal. Regulatory | $631.7 | $688.0 | $56.3 | 8.9 |
| | | | | |
| Retirement and Group Insurance | $68.2 | $79.9 | $11.7 | 17.1 |
| Social Security and Benefit Replacement Pay | 23.7 | 23.5 | (0.2) | (0.8) |
| Subtotal, Employee Benefits | $92.0 | $103.4 | $11.5 | 12.5 |
| | | | | |
| Lease Payments | $2.6 | $1.9 | ($0.7) | (26.5) |
| Subtotal, Debt Service | $2.6 | $1.9 | ($0.7) | (26.5) |
| | | | | |
| Less Interagency Contracts | $19.3 | $8.4 | ($10.9) | (56.3) |
| | | | | |
| **Total Article VIII – Regulatory** | **$707.0** | **$784.9** | **$77.9** | **11.0** |

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

## 2014–15 SENATE BILL 1 CONFERENCE COMMITTEE REPORT APPROPRIATIONS

### FIGURE 39
### GENERAL REVENUE FUNDS AND GENERAL REVENUE–DEDICATED FUNDS: REGULATORY

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| State Office of Administrative Hearings | $6.6 | $6.6 | $0.0 | 0.0 |
| Board of Chiropractic Examiners | 1.1 | 1.5 | 0.3 | 26.8 |
| Texas State Board of Dental Examiners | 4.3 | 6.2 | 1.9 | 45.1 |
| Funeral Service Commission | 1.4 | 1.5 | 0.2 | 12.0 |
| Board of Professional Geoscientists | 1.2 | 1.2 | (0.0) | (0.9) |
| Office of Injured Employee Counsel | 15.5 | 16.4 | 0.9 | 5.5 |
| Department of Insurance | 196.7 | 200.6 | 3.9 | 2.0 |
| Office of Public Insurance Counsel | 1.7 | 1.7 | 0.0 | 0.0 |
| Board of Professional Land Surveying | 0.9 | 0.9 | 0.0 | 0.1 |
| Department of Licensing and Regulation | 46.2 | 46.5 | 0.3 | 0.7 |
| Texas Medical Board | 21.9 | 22.9 | 1.0 | 4.6 |
| Texas Board of Nursing | 17.7 | 15.5 | (2.2) | (12.4) |
| Optometry Board | 0.8 | 0.9 | 0.0 | 3.5 |
| Board of Pharmacy | 10.4 | 13.4 | 3.0 | 28.5 |
| Executive Council of Physical Therapy and Occupational Therapy Examiners | 2.1 | 2.3 | 0.2 | 8.8 |
| Board of Plumbing Examiners | 4.3 | 4.9 | 0.6 | 14.4 |
| Board of Podiatric Medical Examiners | 0.5 | 0.6 | 0.1 | 16.0 |
| Board of Examiners of Psychologists | 1.5 | 1.5 | 0.1 | 5.9 |
| Racing Commission | 16.6 | 17.9 | 1.3 | 7.6 |
| Securities Board | 13.7 | 14.0 | 0.3 | 2.0 |
| Public Utility Commission of Texas | 176.5 | 255.0 | 78.5 | 44.5 |

## FIGURE 39
## GENERAL REVENUE FUNDS AND GENERAL REVENUE–DEDICATED FUNDS: REGULATORY (CONTINUED)

| IN MILLIONS<br>AGENCY | ESTIMATED/ BUDGETED 2012–13 | SENATE BILL 1 2014–15 | BIENNIAL CHANGE | PERCENTAGE CHANGE |
|---|---|---|---|---|
| Office of Public Utility Counsel | $3.0 | $3.3 | $0.3 | 10.0 |
| Board of Veterinary Medical Examiners | 1.9 | 2.1 | 0.2 | 8.7 |
| Subtotal, Regulatory | $546.5 | $637.2 | $90.7 | 16.6 |
| | | | | |
| Retirement and Group Insurance | $66.9 | $78.7 | $11.7 | 17.5 |
| Social Security and Benefit Replacement Pay | 22.9 | 22.8 | (0.1) | (0.4) |
| Subtotal, Employee Benefits | $89.8 | $101.5 | $11.7 | 13.0 |
| | | | | |
| Lease Payments | $2.6 | $1.9 | ($0.7) | (26.5) |
| Subtotal, Debt Service | $2.6 | $1.9 | ($0.7) | (26.5) |
| | | | | |
| **Total Article VIII – Regulatory** | **$638.9** | **$740.6** | **$101.7** | **15.9** |

NOTE: Biennial change and percentage change are calculated on actual amounts before rounding. Therefore, figure totals may not sum due to rounding.

## FIGURE 40
## SELECTED PERFORMANCE MEASURES: REGULATORY

| MEASURE | ACTUAL 2012 | BUDGETED 2013 | TARGET 2014 | TARGET 2015 |
|---|---|---|---|---|
| **ALL AGENCIES** | | | | |
| Total Number of Individuals Licensed | 1,600,121 | 1,549,864 | 1,691,848 | 1,738,401 |
| **OFFICE OF INJURED EMPLOYEE COUNSEL** | | | | |
| Percentage of Texas Department of Insurance Administrative Dispute Resolution Proceedings in which an Ombudsman assisted an Unrepresented Injured Employee | 49% | 48% | 49% | 49% |
| **DEPARTMENT OF INSURANCE** | | | | |
| Number of Complaints Resolved | 17,606 | 21,500 | 21,500 | 21,500 |
| Percent of Companies Rehabilitated after TDI Solvency-related Intervention | 35% | 18% | 18% | 18% |
| Average Number of Days to Resolve Indemnity Disputes through Resolution Proceedings | 113 | 135 | 135 | 135 |
| Number of Workplace Safety Consultations and Inspections Provided to Employers | 3,287 | 3,000 | 3,000 | 3,000 |
| **PUBLIC UTILITY COMMISSION** | | | | |
| Percentage of Texas Cities Served by Three or More Certified Telecommunications Providers | 75.68% | 80.00% | 80.00% | 80.00% |
| Average Annual Residential Telephone Bill in Texas as a Percentage of the National Average | 110.16% | 101.70% | 101.28% | 100.85% |
| Average Annual Residential Electric Bill from Competitive Suppliers as a Percentage of the National Average | 139.61% | 125.51% | 121.26% | 117.71% |
| Average Price of Electricity per kWh in Texas for Residential Customers from Competitive Suppliers as a Percentage of the National Residential Average | 98.51% | 103.07% | 102.31% | 101.54% |
| Percentage of Eligible Low-Income Customers Provided a Discount for Electric Service | 96.36% | 96.00% | 96.00% | 96.00% |