

Issue Docket

Conference Committee on House Bill 1

2016-17 General Appropriations Bill

Article IX

ARTICLE IX - GENERAL PROVISIONS
ISSUE DOCKET
 Conference Committee on General Appropriations Bill

Agency/Item	House		Senate		Biennial Difference	Explanation
	2016	2017	2016	2017		
ARTICLE IX						
House Sec. 18.02. APPROPRIATION FOR A SALARY INCREASE Senate Sec. 18.07 CONTINGENCY FOR SENATE BILL 1941	\$ 195,101,743	\$ 195,101,743	\$ 195,101,743	\$ 195,101,743	\$ -	House appropriates \$276,200,156 from GR, \$18,781,528 from GR-D, \$55,697,356 from federal funds, \$3,392,652 from other funds, and \$36,131,794 from State Highway Fund to provide for a 2.5% pay increase for state employees who contribute to Employees Retirement System. House appropriation is contingent on HB 9 and increase in employee retirement contribution rate. Senate appropriates same amounts contingent of SB 1941. See Supplemental information on ERS.
	IX-76 Rider Packet, Page IX-18		IX-83 Rider Packet, Page IX-29			
Senate Sec. 18.02 REASONING MIND	\$ -	\$ -	\$ 2,000,000	\$ 2,000,000	\$ 4,000,000	This item is located in the Public Education Issue Docket. ADOPTED IN ART III
			IX-81 Rider Packet, Page IX-19			
Senate Sec. 18.03. ADVANCED RADIATION THERAPY	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 2,000,000	This item is located in the Higher Education Issue Docket. ADOPTED IN ART III

Agency/Item	House		Senate		Biennial Difference	Explanation
	2016	2017	2016	2017		
House Sec. 18.03. APPROPRIATION FOR C.O. at T.D.C.J. SALARY INCREASE	\$ 138,238,909	\$ 138,238,909	IX-81 Rider Packet, Page IX-20		\$ 276,477,818	House appropriates \$276,477,818 for 10% pay increase for TDCJ correctional and parole officers. Senate appropriates \$88.9 million in Art. V for a 2.5% pay increase each year of the biennium. This item is located in the Article V Issue Docket with 8% pay increase.
			-	-	ADOPTED IN ART V	
House Sec. 18.04. CONTINGENCY FOR EMERGING TECHNOLOGY	\$ 101,000,000	\$ -	IX-77 Rider Packet, Page IX-20		\$ 101,000,000	Contingent on legislation, House provides for elimination of the Texas Emerging Technology Fund and allocates balances to the Governor's Office (research initiative) and Higher Education (TRIP and TRUF). Contingent on legislation, Senate in Article I and III also provides for the elimination of the Fund, and allocates balances to Texas Enterprise Fund and Higher Education Coordinating Board (research initiative). This item is located in Article I Issue Docket. See supplemental materials.
			-	-	ADOPTED IN ART I	
			IX-77 Rider Packet, Page IX-20			

Agency/Item	House		Senate		Biennial Difference	Explanation
	2016	2017	2016	2017		
Senate Sec. 18.04. DOWNWARD EXPANSION	\$ -	\$ -	\$ 2,750,000	\$ 2,750,000	\$ 5,500,000 ADOPTED IN ART III	This item is located in the Higher Education Issue Docket.
			IX-81 Rider Packet, Page IX-21			
Senate Sec. 18.05. APPROPRIATION FOR FACILITIES	\$ -	\$ -	\$ 469,965,423	\$ -	\$ 469,965,423 ADOPTED IN ART I- VIII	Senate appropriates funding for facilities in Article IX, in addition to Articles I-VIII. House appropriates funding for facilities in Articles I-VIII. See supplemental materials.
			IX-81 Rider Packet, Page IX-22			
House Sec. 18.05. APPROPRIATION TO ENTERPRISE FUND	\$ 50,000,000	\$ -	\$ -	\$ -	\$ 50,000,000 ADOPTED IN ART I	House provides an appropriation from balances and from new funds to the Texas Enterprise Fund. This item is located in the Article I Issue Docket. See supplemental materials.
	IX-78 Rider Packet, Page IX-24					

Agency/Item	House		Senate		Biennial Difference	Explanation
	2016	2017	2016	2017		
House Sec. 18.06. CONTINGENCY FOR HOUSE BILL 7	\$ 258,343,968	\$ 119,649,969	\$ -	\$ -	\$ 377,993,937	House appropriates \$162,247,000 to Texas Commission on Environmental Quality for the TERP and LIRAP programs. Senate provides the same amounts in Article VI. This is located in the Article VI Issue Docket. House appropriates the following, contingent on House Bill 7: \$9,900,000 to the Department of Public Safety in GR-D 5010. \$205,846,937 to the Department of State Health Services in GR-D 5111 and GR-D 5137 (Trauma).
					TERP/LIRAP ADOPTED IN ART VI AT THESE AMOUNTS	
					GRD 5010 ADOPTED IN ART V AT THESE AMOUNTS	
					ADOPTED IN ART II	
	IX-77 Rider Packet, Page IX-25					
House Sec. 18.07. TEXAS STATE AQUARIUM	\$ 9,000,000	\$ -	\$ -	\$ -	\$ 9,000,000	Senate provides \$3 million for this purpose in Article VI. This Item is located in the Article VI Issue Docket.
					ADOPTED IN ART VI	
	IX-80 Rider Packet, Page IX-30					

Agency/Item	House		Senate		Biennial Difference	Explanation
	2016	2017	2016	2017		
Sec. 18.08. APPROPRIATION FOR CAPPS	\$ 23,566,697	\$ 20,344,810	\$ 23,328,086	\$ 17,575,792	\$ 3,007,629	Both chambers make appropriations and authorize FTEs for CAPPS at the Comptroller of Public Accounts and participating agencies. See supplemental material on CAPPS.
	HOUSE plus \$2,215,852 and 4 FTEs for DPS.					
	\$ 25,475,282	\$ 20,652,078				
Number of Full Time Equivalents (FTEs) associated with CAPPS appropriation	39.0	40.0	38.0	42.0		
	IX-80 Rider Packet, Page IX-30		IX-83 Rider Packet, Page IX-30			
Sec. 18.09. ADDITIONAL BENEFITS FOR FTE INCREASE	\$ 12,899,448	\$ 20,867,249	\$ 11,507,941	\$ 13,480,950	\$ 8,777,806	Both chambers make appropriations for additional FTEs authorized in other Articles of the GAA.
	IX-81 Rider Packet, Page IX-32		IX-84 Rider Packet, Page IX-32		CONFORMS TO DECISIONS MADE IN ART I-VIII	
Technical Adjustments & Rider Amendments						
Sec. 6.01 Unexpended Balance	IX-27		IX-29		ADOPT	Revision would clarify legislative intent that estimated unexpended balances appropriations are adjusted to equal the actual unexpended balance.

Agency/Item	<u>House</u>		<u>Senate</u>		Biennial Difference	Explanation
	2016	2017	2016	2017		
Sec. 6.24 Deposit and Approval Requirement for Certain RESTORE Act Fund.					ADOPT	Revision clarifies reporting requirements.
Sec. 7.04 Contract Notification: Amounts Greater than \$50,000					ADOPT	Revision would change definition of contract to align with Section 7.12.
Sec. 7.12 Notification of Certain Purchases or Contract Awards, Amendments, and Extensions					ADOPT	Revision is consistent with and contingent on failure of new legislation.
Sec. 8.02 Reimbursements and Payments and 8.03 Surplus Property					ADOPT	Revision would make appropriation for failed charter school property.
Sec. 8.15 Cost Recovery of Fees					ADOPT	Provisions would clarify cost recovery fee appropriations and deposits.
Sec. 9.08 Computer Inventory Report					ADOPT	Revision exempts institutions of higher education and courts.
Sec. 14.04 Disaster Related Transfer Authority					ADOPT	Revision is consistent with current law.
Sec. 16.04 Judgments and Settlements					ADOPT	Revision would require Attorney General to report only information that may be disclosed to the public under state or federal law.
Sec. 18.02 Appropriation for a Salary Increase for General State Employees					ADOPT	Revision would apply to House appropriation and would clarify that the provision applies to all employees who contribute to the ERS system and does not apply to other employees.

Agency/Item	House		Senate		Biennial Difference	Explanation
	2016	2017	2016	2017		
Use of the Sporting Good Sales Tax Transfer to the General Revenue-Dedicated State Parks Account No. 64					ADOPT	Rider would move from Art. VI to Art. IX and clarify that amounts are not estimated.
Analysis of Certain Healthcare Data					ADOPT	Provision requires analysis of healthcare data.
Appropriation for Volunteer Firemen Monument					ADOPT	Appropriates \$95,000 for repair of Capitol monument.
House and Senate Rider Differences						
Sec. 6.25. Pre-Approval for Certain Expenditures Related to Mitigation of Adverse Environmental Impacts.		IX-35 Rider Packet, Page IX-1			HOUSE AS AMENDED	House rider requires LBB pre-approval for certain expenditures related to mitigation of adverse environmental impacts. Renumbered as Sec. 7.13.
Sec. 7.11. Border Security.		IX-39 Rider Packet, Page IX-2		IX-41 Rider Packet, Page IX-2	SENATE	House rider defines border security less broadly than Senate with fewer crimes and fewer agencies reporting.
Sec. 9.04. Information Technology Replacement. (House section heading).		IX-46 Rider Packet, Page IX-4		IX-48 Rider Packet, Page IX-4		See Article I Issue Docket.
Sec. 9.07. Payments to Department of Information Resources.		IX-47 Rider Packet, Page IX-5		IX-49 Rider Packet, Page IX-5		See Article I Issue Docket.
Sec. 9.11. Cybersecurity Initiatives.		IX-48 Rider Packet, Page IX-7		IX-51 Rider Packet, Page IX-7		See Article I Issue Docket.

Agency/Item	<u>House</u>		<u>Senate</u>		Biennial Difference	Explanation
	2016	2017	2016	2017		
Sec. 9.12. Surplus Information Technology Hardware.			IX-52 Rider Packet, Page IX-8			See Article I Issue Docket.
Sec. 10.04 Statewide Behavioral Health and Substance Abuse Services.	IX-51 Rider Packet, Page IX-9		IX-54 Rider Packet, Page IX-9		SENATE AS AMENDED	Senate provides for coordinated statewide behavioral health strategic planning with LBB pre-approval required for fiscal year 2017 expenditures. See Senate riders following bill pattern of each agency listed in rider.
Sec. 10.05. Funding for Autism Services.			IX-56 Rider Packet, Page IX-11		SENATE	This provision will be conformed to decisions made in Articles II & III.
Sec. 11.05. State Agency Emergency Leases.	IX-54 Rider Packet, Page IX-13		IX-58 Rider Packet, Page IX-13		ADOPT	Senate provides an exemption to the Department of Agriculture.
Sec. 11.07. Efficient Use of State Property to House State Facilities.			IX-59 Rider Packet, Page IX-14		ADOPT	Senate rider requires identification of state owned property before leasing additional property.
Sec. 13.02. Report of Additional Funding.	IX-56 Rider Packet, Page IX-15		IX-61 Rider Packet, Page IX-15		ADOPT	House rider requires notice to all members of the legislature in addition to LBB if federal funds received exceed budgeted amount by more than \$10 million.
Sec. 16.06. Legal Representation for Legislative Entity or Official.	IX-72 Rider Packet, Page IX-16				HOUSE AS AMENDED	House rider allows legislative branch to select a legal representative.

Agency/Item	House		Senate		Biennial Difference	Explanation
	2016	2017	2016	2017		
Sec. 17.09. Border Security - Informational Listing.			IX-80 Rider Packet, Page IX-17		SENATE AS AMENDED	House does not include this informational rider. If the House had this rider the information would be different.
Sec. 18.02. Appropriation for a Salary Increase for General State Employees.	IX-76 Rider Packet, Page IX-18				ADOPT	See funding decision on Sec. 18.02 (House) /18.07 (Senate). Language would conform to that decision.
Sec. 18.02. Reasoning Mind.			IX-81 Rider Packet, Page IX-19		ADOPT	This item located in the Public Education Issue Docket.
Sec. 18.03. Center for Advanced Radiation Therapy.			IX-81 Rider Packet, Page IX-20		ADOPT	This item located in the Higher Education Issue Docket.
Sec. 18.03. Appropriation for a Salary Increase for Certain Employees of the Department of Criminal Justice.	IX-77 Rider Packet, Page IX-20				ADOPTED IN ART V	This item located in the Article V Issue Docket.
Sec. 18.04. Contingency for Emerging Technology Fund Legislation.	IX-77 Rider Packet, Page IX-20				HOUSE AS AMENDED	This item located in the Article I Issue Docket.
Sec. 18.04. Downward Expansion.			IX-81 Rider Packet, Page IX-21		ADOPTED IN ART III	This item located in the Higher Education Issue Docket.

Agency/Item	House		Senate		Biennial Difference	Explanation
	2016	2017	2016	2017		
Sec.18.05. Identified State Agency Deferred Maintenance Needs.			IX-81 Rider Packet, Page IX-22		ADOPTED IN ART I-VIII	Senate contingency for Senate Bill 2004, identifying deferred maintenance appropriations and implementing capital authority and oversight provisions of the legislation. Also see funding decision on page 3.
Sec.18.05. Appropriation to Trusteed Programs within the Office of the Governor.	IX-78 Rider Packet, Page IX-24				ADOPTED IN ART I	This item located in the Article I Issue Docket.
Sec. 18.06. Appropriation of General Revenue-Dedicated Accounts, Including Contingency for House Bill 7.	IX-76 Rider Packet, Page IX-25				HOUSE AS AMENDED	Provision will be conformed to funding decisions made elsewhere.
Sec. 18.06. Funding Contingent upon the Passage of Legislation.			IX-83 Rider Packet, Page IX-29		ADOPT	Senate expresses intent to consider funding for bills that have passed one chamber by the time of conference committee's conclusion of deliberations.
Sec. 18.07. Contingency for Senate Bill 1941 or Similar Legislation.			IX-83 Rider Packet, Page IX-29		ADOPT	See funding decision on Sec. 18.02 (House)/ 18.07 (Senate). Language would conform to that decision.
Sec.18.07. Texas State Aquarium.	IX-80 Rider Packet, Page IX-30				ADOPTED IN ART VI	This item located in Article VI Issue Docket.

Agency/Item	<u>House</u>		<u>Senate</u>		Biennial Difference	Explanation
	2016	2017	2016	2017		
Sec. 18.08. Centralized Accounting and Payroll Personnel System Deployments.	IX-80 Rider Packet, Page IX-30		IX-83 Rider Packet, Page IX-30		HOUSE AS AMENDED	Both chambers make appropriation and authorize FTEs. Senate appropriations are less than the House.
Sec. 18.09. Additional Benefits for FTE Increases.	IX-81 Rider Packet, Page IX-32		IX-84 Rider Packet, Page IX-32		CONFORMS TO DECISIONS FROM ART I-VIII	Both chambers make appropriations for additional FTEs authorized in other Articles of the GAA.
Sec. 18.10. Coordination with Joint Oversight Committee on Government Facilities.			IX-85 Rider Packet, Page IX-33		ADOPT	Senate requires agencies to provide notice to oversight committee contingent of SB 2004.
Sec. 18.10. No Destruction of Human Embryos for Research Purposes.	IX-81 Rider Packet, Page IX-33				ADOPT	House prohibits any funds appropriated by GAA from being used in research that destroys human embryos.
Sec. 18.11. Study of Traffic and Economic Impact Related to Increased Traffic Enforcement in Border Region.	IX-81 Rider Packet, Page IX-33				ADOPT	House requires Comptroller, Workforce Comm., and Dept. of Public Safety to study and report on economic impact of increased traffic law enforcement in border region.
Sec. 18.12. Grants to Certain Peace Officer Organizations.	IX-82 Rider Packet, Page IX-34				ADOPT	House prohibits grants to peace officer organizations if the organization lobbies for or provides legal representation to its members.

Technical Change

Article IX

Identified State Agency Deferred Maintenance Needs

Prepared by LBB Staff, 05/21/2015

Overview

Prepare a rider to provide an appropriation for the deferred maintenance needs of multiple state agencies.

Required Action

On the appropriate page of Article IX, add the following rider:

Sec. 18.05. Identified State Agency Deferred Maintenance Needs.

(a) Appropriation.

~~(1)(A) Contingent on the enactment by the 84th Legislature, Regular Session, of Senate Bill 2004 or similar legislation relating to the creation of the deferred maintenance fund account for state facilities, appropriations are made from the deferred maintenance fund account created by that legislation to the agencies and in the amounts as listed by Subsection (c) of this Section:~~

~~(B) Contingent on the enactment by the 84th Legislature, Regular Session, of Senate Bill 2004 or similar legislation relating to the creation of the deferred maintenance fund account for state facilities an appropriation is made from Federal Funds and the General Revenue Fund to the deferred maintenance fund account created by that legislation to be used to provide for the appropriation made by Subsection (a)(1)(A) of this Section:~~

~~(2) Contingent on the failure by the 84th Legislature, Regular Session, to enact Senate Bill 2004 or similar legislation relating to the creation of the deferred maintenance fund account for state facilities, appropriations are made from Federal Funds and the General Revenue Fund to the agencies and in the amounts listed by Subsection (c) of this Section.~~

~~(1) The following is an informational list of amounts appropriated elsewhere in this Act for deferred maintenance projects to agencies from the General Revenue Fund for the 2016-17 biennium:~~

- ~~(A) Texas Facilities Commission - \$217,156,348;~~
- ~~(B) Texas Military Department - \$19,562,500; and~~
- ~~(C) Texas Department of Criminal Justice - \$60,000,000.~~

~~(2) The following is an informational list of amounts appropriated elsewhere in this Act to the Texas Parks and Wildlife Department for deferred maintenance projects for the 2016-17 biennium:~~

- ~~(A) \$51,450,734 from the General Revenue Fund;~~
- ~~(B) \$24,000,000 from the Sporting Goods Sales Tax transfer to the State Parks Account No. 64;~~
- ~~(C) \$6,607,266 from the Sporting Goods Sales Tax transfer to the Conservation and Capital Account No. 5004; and~~
- ~~(D) \$8,942,000 from the Game, Fish, and Water Safety Account No. 009.~~

(3) The following is an informational list of capital budget authority provided elsewhere in this Act for deferred maintenance projects to agencies for the 2016-17 biennium:

(A) Department of Public Safety - \$21,000,000; and

(B) Texas Department of Transportation - \$200,000,000.

(b) Project Submission and Approval Process. SB 2004 Contingency.

~~(1) Contingent on the enactment by the 84th Legislature, Regular Session, of Senate Bill 2004 or similar legislation relating to the creation of a Joint Oversight Committee on Government Facilities or a similar committee to provide oversight for the appropriations or authority provided by Subsections (a),(c), and (d) of this Section, the appropriations or authority provided by Subsections (a),(c), and (d) of this Section, the appropriations or authority provided by Subsections (a),(c), and (d) of this Section are subject to the following two-step pre-approval process, as allowed by Article 16, Section 69, Texas Constitution:~~

~~(A) in step 1 of the two-step pre-approval process the Joint Oversight Committee on Government Facilities or a similar committee created to provide oversight for the appropriations or authority provided by Subsections (a),(c), and (d) of this Section may receive, review, revise, and forward a proposal provided by the agencies listed by Subsections (c) and (d) of this Section for the use of the appropriations or authority provided by Subsections (a),(c), and (d) of this Section; and~~

~~(B) in step 2 of the two-step pre-approval process the Legislative Budget Board may approve or disapprove the proposal forward by the Joint Oversight Committee on Government Facilities or a similar committee created to provide oversight for the appropriations or authority provided by Subsections (a),(c), and (d) of this Section.~~

~~(2) Contingent on the failure by the 84th Legislature, Regular Session, to enact Senate Bill 2004 or similar legislation relating to the creation of a Joint Oversight Committee on Government Facilities or a similar committee to provide oversight for the appropriations or authority provided by Subsections (a),(c), and (d) of this Section, the Legislative Budget Board may receive, review, and approve or disapprove a proposal provided by the agencies listed by Subsection (c) or Subsection (d) of this Section for the use of the appropriations or authority provided by Subsections (a),(c), and (d) of this Section.~~

Contingent on the enactment by the 84th Legislature, Regular Session, of Senate Bill 2004 or similar legislation relating to the creation of the deferred maintenance fund account for state facilities and the Joint Oversight Committee on Government Facilities, the following takes effect:

(1) The appropriations made elsewhere in this Act from General Revenue funds at the agencies and amounts identified in Subsection (a)(1) and (a)(2) of this provision are to be transferred to the deferred maintenance fund account and appropriated from the deferred maintenance fund account to the agencies in the amounts listed in Subsections (a)(1) and (a)(2) of this provision. Affected agencies bill patterns and capital budget authority shall be amended accordingly.

(2) The appropriations made in Subsection (b)(1), identified in Subsections (a)(3) and any matching federal funds related to the appropriations of this provision are subject to the following two-step pre-approval process, as allowed by Article 16, Section 69, Texas Constitution:

(A) in step 1 of the two-step pre-approval process the Joint Oversight Committee on Government Facilities or a similar committee may receive, review, revise, and forward a proposal provided by the agencies listed by Subsection (a) of this provision for the use of the appropriations or authority provided or identified by Subsections (a) this provision; and

(B) in step 2 of the two step pre-approval process the Legislative Budget Board may approve or disapprove the proposal forwarded by the Joint Oversight Committee on Government Facilities or a similar committee .

(3) Contingent on the failure by the 84th Legislature, Regular Session, to enact Senate Bill 2004 or similar legislation, the Legislative Budget Board shall receive, review, and approve or disapprove a proposal provided by the agencies listed in Subsection (a) of this provision for the use of the appropriations or authority identified in Subsection (a).

~~(e) Agencies and Amounts:~~

~~(1) Texas Facilities Commission \$255,028,954 in General Revenue;~~

~~(2) Texas Military Department \$19,562,500 in General Revenue and \$29,187,500 in Federal Funds;~~

~~(3) Texas Department of Criminal Justice \$69,186,469 in General Revenue; and~~

~~(4) Texas Parks and Wildlife Department \$97,000,000 in General Revenue.~~

~~(d) Capital Authority and Oversight:~~

~~Subject to the pre-approval process provided by Subsection (b) of this Section, the following agencies are provided capital budget authority in the following amounts for the appropriations made under other Articles of this Act:~~

~~(1) Department of Public Safety \$21,000,000; and~~

~~(2) Texas Department of Transportation \$200,000,000.~~

~~(e)(c) Approval.~~

~~The request for approval of the Legislative Budget Board outlined by Subsection (b)(1) (B) (b)(2)(B) and (b)(2)(3) of this Section provision shall be submitted in a timely manner with adequate information for evaluating the request. Any additional information requested by the Legislative Budget Board must be submitted promptly and in a manner prescribed by the Legislative Budget Board. The request shall be considered to be approved unless the Legislative Budget Board issues a written disapproval within 30 business days after the date the Legislative Budget Board staff concludes its review of the request and forwards the review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor. Any requests for additional information made by the Legislative Budget Board interrupts the counting of the 30 business days.~~

~~(f) Application of Capital Transfer Limits, (d) Limitation on Transfers of Funds~~

~~No part of Sec. 14.03 of this Article IX, Limitation on Expenditures – Capital Budget, applies to the funds made subject to this Section 18.05.~~

~~(g) Project Approval Threshold:~~

~~The Project Submission and Approval Process specified by Subsection (b) of this Section applies only to projects having total project costs of more than \$1 million.~~

~~(e) Amended Project Approval Threshold.~~

~~(1) Following initial approval provided by Subsection (b)(2), any project change less than \$1 million is subject to the approval of the Joint Oversight Committee on Government Facilities in accordance with the provisions of SB 2004.~~

(2) Following initial approval, any project change that exceeds \$1 million is subject to approval process under Subsection (b)(2) of this provision.

~~(h)(d) Comptroller Release of Funds.~~

~~No agency funds appropriations or authority provided or identified capital budget authority by this Section Subsection (a) of this provision 18. (including the Subsection (d) funds of the Department of Public Safety and Texas Department of Transportation) may be released by the Comptroller to be used for any purpose without specific written approval by the Legislative Budget Board.~~

(g) Unexpended Balance Authority

Any unexpended and unobligated balances from appropriations made or identified herein as of August 31, 2016 are appropriated to each respective agency for the fiscal year beginning September 1, 2016 for the same purpose.

Technical Change
Multiple Agencies, Article IX
Proposed Funding and Rider
Centralized Accounting and Payroll/Personnel System (CAPPs) Deployments

Prepared by LBB Staff, 05/21/2015

Overview

Revise Article IX, Section 18.08, Centralized Accounting and Payroll/Personnel Systems Deployments, to include appropriations of \$2,215,853 in General Revenue and an increase of 4.0 FTEs to the Department of Public Safety for the purpose of assisting deployment onto the Centralized Accounting and Payroll/Personnel System (CAPPs). Also revise the provision to restrict appropriations made in the provision solely for purposes of the CAPPs and to remove the Board of Nursing from requirements to coordinate with the Comptroller’s office for deployment efforts during the 2016-17 biennium.

Required Action

In Article IX of House Bill 1, As Engrossed, revise the following section, including renumbering subsections accordingly:

18.08 Centralized Accounting and Payroll/Personnel Systems Deployments.

- (a) Appropriations made to the Comptroller of Public Accounts elsewhere in this Act are increased by \$21,213,485 in fiscal year 2016 and \$18,204,185 in fiscal year 2017 out of General Revenue Funds for the purpose of operating and maintaining the Centralized Accounting and Payroll/Personnel System (CAPPs) and deploying agencies onto CAPPs. In addition, the “Number of Full-Time-Equivalents (FTE)” is increased by 21.0 in fiscal year 2016 and 25.0 in fiscal year 2017.

- (b) In addition to appropriations made elsewhere in this Act, appropriations and “Number of Full-Time-Equivalents (FTE)” are increased for agencies listed below for the sole purpose of assisting deployment of Comptroller’s CAPPs for either or both financial and human resources/payroll functionality during the 2016-17 biennium and are not available for any other purpose:

	FY 2016		FY 2017		Biennial Total
	General Revenue	FTEs	General Revenue	FTEs	
Article I					
Library and Archives Commission	\$250,000	2.0	\$250,000	2.0	\$500,000
Veterans Commission	\$125,000	0.0	\$82,000	0.0	\$207,000
Article III					
Higher Education Coordinating Board	\$640,376	4.0	\$750,024	4.0	\$1,390,400
Article IV					
Office of Court Administration	\$432,769	2.0	\$370,669	2.0	\$803,438
Article V					
Alcoholic Beverage Commission	\$105,967	1.0	\$132,277	1.0	\$238,244
Military Department	\$334,487	3.0	\$334,487	3.0	\$668,974
<u>Department of Public Safety</u>	<u>\$1,908,585</u>	<u>4.0</u>	<u>\$307,268</u>	<u>4.0</u>	<u>\$2,215,853</u>
Article VI					
Animal Health Commission	\$41,055	1.0	\$41,055	1.0	\$82,110
Article VIII					
State Office of Administrative Hearings	\$342,000	4.0	\$125,559	1.0	\$467,559
Department of Licensing and	\$81,558	1.0	\$54,554		\$136,112

	\$2,353,212	18.0	\$2,140,625	15.0	\$4,493,837
Total	<u>4,261,797</u>	<u>22.0</u>	<u>2,447,893</u>	<u>19.0</u>	<u>6,709,690</u>

(c) In accordance with §2101.036, Government Code, agencies identified in subsection (b) in this section and those listed below in this subsection out of funds appropriated elsewhere in this Act shall coordinate with the Comptroller of Public Accounts for the purpose of deploying either or both financial and human resources/payroll functionality of CAPPs during the 2016-17 biennium:

- Cancer Prevention and Research Institute of Texas
- Department of Housing and Community Affairs
- Commission on Law Enforcement
- ~~Department of Public Safety~~
- Railroad Commission
- Department of Insurance
- ~~Board of Nursing~~
- Board of Pharmacy
- State Auditor’s Office

(d) Notwithstanding authority provided in Article IX, Section 14.03, Limitation on Expenditures – Capital Budget, appropriations made in this section to the Comptroller of Public Accounts and to agencies identified in subsection (b) are available only for the purposes identified in subsections (a) and (b), respectively, and are not available for any other purpose.

(e) Any unexpended and unobligated balances out of the appropriations made in this section remaining as of August 31, 2016 are appropriated for the fiscal year beginning September 1, 2016 for the same purpose.

(f) Each agency identified in this section shall submit semiannual reports to the Legislative Budget Board that identifies budgeted and expended amounts for the purpose of deploying either or both financial and human resources/payroll functionality of CAPPs in a format prescribed by the Legislative Budget Board. The reports shall be submitted not later than April 1 for the first six month period of the fiscal year and by October 1 for the second six month period of the fiscal year.

(g) On or before October 1, 2016, the agencies identified in this section shall submit a joint report to the Legislative Budget Board identifying any information technology systems which have retired or are projected to be retired as a result of deployment of CAPPs, including any cost savings or projected cost savings resulting from those systems’ retirements. The report shall be in a format prescribed by the Legislative Budget Board.

Proposed Technical Amendments

Sec. 6.01. Unexpended Balance~~Definitions~~.

(a) In this Act "unexpended balance" or the abbreviation "UB" means the unobligated balance remaining in an appropriation, i.e., only that part of an appropriation, if any, that has not been set apart by the incurring of an obligation, commitment, or indebtedness by the state agency authorized to spend the appropriation. A reference in this Act to "unexpended balance" or "UB" is a reference to the unobligated balance of an amount appropriated by this Act for the fiscal year ending August 31, 2016, unless another meaning is clearly indicated.

(b) For any estimated UB appropriated by this Act, should the actual amount of the UB be different than the estimate identified in this Act, the appropriation is adjusted to equal the actual UB, subject to any other restrictions to that appropriation made elsewhere in this Act.

Technical Change

Article IX

Proposed Rider

Approval Rider for Agencies Administering RESTORE Act Funds

Prepared by LBB Staff, 5/20/15

Overview

Modify a rider that requires any agency that intends to expend at least \$1 million per project or program from funds related to the RESTORE Act to submit an approval request to the Legislative Budget Board and Office of the Governor. The rider is only applicable to RESTORE Act funds, and it exempts funds administered by the Gulf Coast Ecosystem Restoration Council from the approval requirement.

Required Action

In Article IX, modify the following rider:

Sec. 6.24. Deposit and Approval Requirement for Certain Deepwater Horizon Oil Spill RESTORE Act Funds. Funds related to the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act (RESTORE Act) shall be deposited to the State Treasury in a designated account to be determined by the Comptroller of Public Accounts. Any agency that intends to expend at least \$1 million for a project or program using funds related to the ~~Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States RESTORE Act, or any funds related to the Deepwater Horizon oil spill that are deposited to the State Treasury,~~ shall submit an expenditure request in a timely manner to the Legislative Budget Board and Office of the Governor for approval prior to making any such expenditure. RESTORE Act funds awarded by the Gulf Coast Ecosystem Restoration Council are exempt from the approval requirement. If an agency receives such funds from another agency, the agency that finally expends the funds shall submit the expenditure request. Any additional information requested by the Legislative Budget Board or the Governor must be submitted promptly and in a manner prescribed by the Legislative Budget Board or the Governor. If after the 30th business day after completion of a review by Legislative Budget Board staff and forwarding of a recommendation to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor there is no notification of disapproval issued to the agency by the Legislative Budget Board or the Governor, the expenditure request is approved. Any requests for additional information made by the Legislative Budget Board shall interrupt the counting of the 30 business days. Funds related to the National Fish and Wildlife Foundation or Natural Resource Damage Assessment are not subject to this rider.

Article IX
Proposed Rider
Notification Rider for Certain RESTORE Act Funds

Prepared by LBB Staff, 5/21/15

Overview

Modify a rider that requires any agency that intends to expend at least \$1 million per project or program from the RESTORE Act Direct Component to submit notification to the Legislative Budget Board. The rider is only applicable to the RESTORE Act Direct Component.

Required Action

In Article IX, modify the following rider:

Sec. 6.24. Deposit and Approval Notification Requirement for Certain Deepwater Horizon Oil Spill RESTORE Act Funds. Funds related to the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act (RESTORE Act) shall be deposited to the State Treasury in a designated account to be determined by the Comptroller of Public Accounts.

Any agency that intends to expend at least \$1 million for a project or program using funds related to the ~~Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States~~ RESTORE Act Direct Component or any funds related to the ~~Deepwater Horizon oil spill~~ that are deposited to the State Treasury, shall submit an expenditure request in notify in a timely manner the Legislative Budget Board and Office of the Governor for approval in a timely manner prior to making any such expenditure. The notification shall include information describing the project or program and its cost. If an agency receives such funds from another agency, the agency that finally expends the funds shall submit the expenditure request notification. Any additional information requested by the Legislative Budget Board or the Governor must be submitted promptly and in a manner prescribed by the Legislative Budget Board or the Governor. If after the 30th business day after completion of a review by Legislative Budget Board staff and forwarding of a recommendation to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor there is no notification of disapproval issued to the agency by the Legislative Budget Board or the Governor, the expenditure request is approved. Any requests for additional information made by the Legislative Budget Board shall interrupt the counting of the 30 business days. Funds related to the National Fish and Wildlife Foundation or Natural Resource Damage Assessment are not subject to this rider.

Technical Change

Sec. 7.04. Contract Notification: Amounts Greater than \$50,000.

- (a) In this section "contract" includes a contract or grant or agreement, including an interagency grant or agreement or an interlocal grant agreement, purchase order or other written expression of terms of agreement or an amendment, modification, renewal, or extension of such for the purchase or sale of goods or services that was entered into or paid for, either in whole or in part, by a state agency or institution of higher education during a fiscal year.
- (b) In this section a contract does not include:
- ~~(1) a contract that has been reported to the Legislative Budget Board under §§2054.008, 2166.2551, 2254.006, or 2254.0301, Government Code;~~
 - ~~(2) a purchase order;~~
 - ~~(3) an interagency contract;~~
 - ~~(4) an interlocal agreement;~~
 - ~~(5) a contract with a value of less than or equal to \$50,000; or~~
 - ~~(6) a contract paid only with funds not appropriated by this Act.~~
- (c) Before October 1 of each fiscal year, a state agency or institution of higher education shall report to the Legislative Budget Board in the manner prescribed by Legislative Budget Board all contracts to which the agency or institution was a party during the prior fiscal year.

Proposed Technical Amendments

Sec. 7.12. Notification of Certain Purchases or Contract Awards, Amendments, and Extensions.

(a) Until providing notice that satisfies the requirements of this Sec. 7.12, an agency or institution of higher education appropriated funds in this Act may not expend funds to make a payment on a contract or purchase ~~expend any funds to award a contract or make a purchase if if~~ the expected amount of the contract or purchase, including any subsequent amendments or changes to such a contract or purchase, exceeds or may reasonably be expected to exceed either: ~~of the following thresholds:~~

- (1) \$10 million; or
- (2) \$1 million in the case of a contract or purchase:

(A) awarded or made as a result of an emergency or following an emergency procedure allowed by statute; or

(B) awarded or made without issuing a request for proposal, request for bid, or other similar process common to participation in the competitive bidding processes required by statute, rule, or ordinary and commonly recognized state policies and procedures.

(b) An agency or institution of higher education may not expend funds to make a payment on a contract or purchase order in (a)(1) or (a)(2) until the notice required in this Section 7.12 is provided to exceed the thresholds provided under Subsection (a) of this Sec. 7.12 after providing a written notice to the Legislative Budget Board. Such notice shall be provided to the Legislative Budget Board:

- (1) at least 10 business days prior to making such a payment; or:
- (1) ~~meeting all of the requirements of Subsection (e) of this Sec. 7.12 a minimum of 30 business days prior to the earlier of the date of:~~
 - (A) ~~the purchase; or~~
 - (B) ~~the execution or issuance of a contract; or~~
- (2) within 48 hours of making such a payment if the contract or purchase order was made as a result of an emergency or following an emergency procedure allowed by statute. Such a purchase must be necessary to avoid a hazard to life, health, safety or the welfare of humans, or to avoid a hazard to property. ~~(2) containing a clear statement of the emergency and necessity for making the contract or purchase, a minimum of 24 hours prior to the earlier to occur of the emergency purchase or the emergency execution or issuance of a contract and then as soon as possible thereafter providing written notice meeting all of the requirements of Subsection (e) of this Sec. 7.12.~~

(c) A notice required by this Sec. 7.12 must include:

- (1) information regarding the nature, ~~and~~ term, amount, and vendor(s) awarded ~~of~~ the contract or purchase ~~and the vendor(s) awarded the contract or purchase;~~
- (2) (A) certification signed by the executive director of the agency or other similar agency or institution administrator or designee of the agency or institution of higher education stating that the process used to award the contract or purchase complies with or is consistent with the following:
 - (i) State of Texas Contract Management Guide;
 - (ii) State of Texas Procurement Manual; and
 - (iii) all applicable statutes, rules, policies and procedures related to the procurement and contracting of goods and services, including compliance with conflict of interest disclosure requirements; or

(B) if the process to award the contract or procurement did not comply with the requirements of Subsection (c)(2) (A)(i), (ii) and (iii), the agency or institution of higher education shall provide an explanation for the alternative process utilized, legal justification for the alternative process, and identify the individual(s) directing the use of an alternative process;

(3) certification by the executive director of the agency or other similar agency or institution administrator or designee of the agency or institution of higher education that the agency or institution has a process for:

- (A) verification of vendor performance and deliverables;
- (B) payment for goods and services only within the scope of the contract or procurement order;
- (C) calculation and collection of any liquidated damages associated with vendor performance; and
- (4) any other information requested by the Legislative Budget Board before or after the Legislative Budget Board receives the notice as required by this Sec. 7.12.

(d) This section shall apply without regard to the source of funds associated with the expenditures and without regard to the method of finance associated with the expenditures.

(e) The Comptroller of Public Accounts shall not allow the expenditure of funds if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

(f) In this section the term:

- (1) "contract" includes:
 - (A) an original contract or grant;
 - (B) a contract or grant amendment;
 - (C) a contract or grant extension;
 - (D) a purchase order;
 - (E) an interagency grant or agreement; or
 - (F) an interlocal grant agreement.

(2) "purchase" includes any acquisition methods covered by Title 10, Government Code, including Chapters 2155, 2156, or 2157, Government Code ~~;~~ or Section 51.9335 or Section 73.115 of the Education Code.

(g) It is the intent of the legislature that a written notice certified as required by this Sec. 7.12 should be considered a "governmental record" as defined under Chapter 37, Penal Code.

(h) (1) This Section 7.12 does not make an appropriation but does provide detailed direction to agencies and institutions of higher education regarding the use of funds appropriated by this Act and places limitations on the use of funds appropriated by this Act.

(2) No part of this Section 7.12 takes effect if both Senate Bill 20 relating to state agency contracting; authorizing fees; creating an offense or similar legislation enacted by the Eighty-fourth Legislature, Regular Session and House Bill 15 relating to the management and oversight of state contracts, including contracts for information technology commodity items or similar legislation enacted by the Eighty-fourth Legislature, Regular Session become law and take effect on or before September 1, 2015.

Technical Change

Article IX:

Proposed Rider Amendment

Reimbursements and Payments, and Surplus Property

Prepared by LBB Staff, May 15, 2015

Overview

The proposed revision would identify any state aid funds or proceeds from the sale of real property or other state property recovered from a charter school that has been closed under the provisions of Texas Education Code, Chapter 12, and reappropriate those funds to the Texas Education Agency to assist in the management and closure of such charters. Funds in excess of \$2 million would be deposited into the Charter District Bond Guarantee Reserve Fund. The provision would grant unexpended balance carry-forward authority between and within the biennium.

Required Action

On page IX-41 and IX-42 of Article IX (House Bill 1 as Engrossed), amend the following provisions:

Sec. 8.02. Reimbursements and Payments.

- (a) Except as provided in Subsection (f) or other provision of this Act, any reimbursements received by an agency of the state for authorized services, including contractual agreements with a non-governmental source or any unit of government, including state, federal, or local government, refund of expenditures received by an agency of the state and any payments to an agency of the state government made in settlement of a claim for damages, are appropriated to the agency of the state receiving such reimbursements and payments for use during the fiscal year in which they are received. Revenues specifically established by statute on a fee or service provided basis are not appropriated by this section and are available for expenditure by the collecting agency only if appropriated elsewhere in this Act.
- (b) Forfeited money, proceeds from the sale of forfeited property or similar monetary awards related to the agency's participation in the seizure of controlled substances or other contraband are appropriated to the receiving state agency, unless distribution is otherwise provided by statute or specific provision of this Act.
- (c) Except as provided elsewhere in this Act, net amounts of money received by an agency as a result of tax seizures or other similar recoveries authorized by statute shall be deposited in the state treasury as unappropriated revenues to the funds or accounts authorized by statute.
- (d) The portion of proceeds representing recoveries of costs incurred in forfeitures under Subsection (b) or, seizures or similar recoveries under Subsection (c) are appropriated to the receiving agency. Such cost recoveries include court costs, attorney fees, rentals or storage fees, auction and sale costs, preparation costs to condition property for sale, and salaries, travel, and other overhead costs of the agency.
- (e) The reimbursements, refunds, and payments received under Subsection (a) shall be credited by the Comptroller to the agency's current appropriation items or accounts from which the expenditures of like character were originally made, or in the case of damage settlements to the appropriation items or accounts from which repairs or replacements are made; provided, however, that any refund of less than \$50 to an institution of higher education for postage, telephone service, returned books and materials, cylinder and container deposits, insurance premiums and like items, shall be deposited to the current fund account of the institution in the state treasury and such funds are appropriated.
- (f) (1) Fifty percent of the reimbursements, refunds, and payments of state funds received under Subsection (a) as a result of a recovery audit pursuant to Chapter 21115, Government Code, shall

be credited by the Comptroller to the agency's current appropriation items or accounts from which the expenditures of like character were originally made and such funds are appropriated to the agency in the fiscal year in which the funds are received. The remaining 50 percent shall be deposited in the state treasury as unappropriated revenues to the originating funds or accounts.

(2) Any reimbursement or refund related to grant funds shall be governed by Part 4, Grant-making Provisions, of this Article.

(g) An unexpended balance received by an agency or institution from disaster related recoveries, disaster-related reimbursements, disaster-related refunds, or other disaster-related payments that exist on: (1) August 31, 2015 are appropriated for use during the following fiscal year beginning September 1, 2015; and (2) August 31, 2016 are appropriated for use during the following fiscal year beginning September 1, 2016. (g) An unexpended balance received by an agency or institution from disaster related recoveries, disaster-related reimbursements, disaster-related refunds, or other disaster-related payments that exist at the end of a fiscal year are appropriated for use during the following fiscal year.

(h) Any recovered state funds distributed under §12.106, Texas Education Code, after the revocation or other cessation of operation of an entity under Chapter 12, Texas Education Code, are appropriated to the Texas Education Agency for the management and closure of entities and disposition of state property under Chapter 12, Texas Education Code. Proceeds from the sale of real property returned to the state due to revocation or other cessation of operation of an entity under Chapter 12, Texas Education Code, are appropriated to the Texas Education Agency for the management and closure of entities and disposition of state property under Chapter 12, Texas Education Code. Any unexpended and unobligated balances identified by this section remaining as of August 31, 2015 are appropriated for the same purpose for the biennium beginning in September 1, 2015. Any unexpended and unobligated balances identified by this section remaining as of August 31, 2016 are appropriated for the same purpose for the fiscal year beginning September 1, 2016. Funds appropriated to the Texas Education Agency by Article IX, Section 8.03(b) of this Act and this section that are unexpended and unobligated in excess of \$2 million on the last day of the fiscal biennium are transferred to the Charter District Bond Guarantee Reserve Fund. In pursuing disposition of state real property:

(1) The Attorney General shall represent the Texas Education Agency in transferring title to the state, and

(2) The General Land Office, upon request of the commissioner of education, may enter into an interagency agreement to assist with the marketing and sale of the state real property in an expedient manner and that allows the recovery of costs.

Sec. 8.03. **Surplus Property.**

(a) Twenty-five percent of the receipts to a state agency specified in this Act received from the sale of surplus property, equipment, commodities, or salvage (including recycled products) pursuant to the provisions of Chapter 2175, Government Code, are appropriated to the state agency for expenditure during the fiscal year in which the receipts are received. Receipts from such surplus equipment, commodities, or salvage (including recycled products) sales shall be expended from the appropriation item from which like property, equipment, or commodities would be purchased.

(b) One hundred percent of the receipts of property sold under subsection (a) resulting from the revocation or cessation of operation of an entity under Chapter 12, Texas Education Code, are appropriated to the Texas Education Agency for funding the management and closure of entities and disposition of state property under Chapter 12, Texas Education Code. Any unexpended and unobligated balances identified by this section remaining as of August 31, 2015 are appropriated for the same purpose for the biennium beginning in September 1, 2015. Any unexpended and unobligated balances identified by this section remaining as of August 31, 2016 are appropriated for the same purpose for the fiscal year beginning September 1, 2016.

Proposed Technical Amendment

for a rider to appropriate all pre-collected payments.

Sec. 8.15. Cost Recovery of Fees. Any cost recovery fee collected by an agency is appropriated to that agency from the fund to which the cost recovery fee was deposited to be used for the purpose of paying any cost incurred by the agency when those costs are associated with a contract or other expense related to the cost recovery fee.

Technical change

Sec. 9.08. Computer Inventory Report. Before September 1 of each year, each state agency, including all of the entities included under that term as defined by §2151.002(1), Government Code, as well as including self-directed semi-independent agencies, shall report to the Legislative Budget Board an inventory of all personal computers (desktops and laptops, as well as computer tablets) and other information technology devices, as requested, possessed by the agency. The report must contain all information required by the Legislative Budget Board and be provided in a format required by the Legislative Budget Board. The Legislative Budget Board may require that the agencies report information that includes the age, original cost, replacement cost, scheduled or estimated date for replacement, and any technical specifications of the devices and any related financial information deemed relevant to the report.

Technical change

Sec. 14.04. Disaster Related Transfer Authority.

- (a) Policy and Procedure: In the event of a disaster proclamation by the governor under the Texas Disaster Act of 1975, Chapter 418, Government Code, transfers of appropriations made in this Act, if necessary to respond to the disaster and if made according to the terms of this § 14.04, are permitted ~~subject to approval by the Legislative Budget Board and governor as provided by Subsection (g) of this §14.04.~~ This section is intended to serve as a means for quickly, effectively, and efficiently transferring appropriations in the event of a disaster ~~and in such disasters to serve as an alternative as provided by Article XVI, §69, Texas Constitution to the budget execution process provided under Chapter 317, Government Code.~~ This §14.04 provides an exception to any other provision of this Act which might otherwise limit transfers of appropriations such as by imposing a limit on the amount of a transfer or which might otherwise limit transfers of appropriations by causing a delay in making a transfer because of the need to take actions such as preparing reports or obtaining approvals prior to transferring appropriations necessary for responding to a disaster. No part of this § 14.04 shall be read to limit, modify, or abridge the authority of the governor to proclaim an emergency, disaster, or martial law or exercise any other powers vested in the governor under the constitution or other laws of this state.
- (b) Health and Human Services Agencies: For a health and human services agency listed in Chapter 531, Government Code, that directly responds to the disaster, the Commissioner of Health and Human Services is authorized to transfer funds from another health and human services agency listed in Chapter 531, Government Code, to the responding agency, and may transfer funds between the strategies of each agency for the purpose of funding the disaster response subject to the prior notification of ~~and approval by~~ the Legislative Budget Board and governor as provided by Subsection (g) of this §14.04.
- (c) Other Agencies: An agency other than a health and human services agency listed in Chapter 531, Government Code that directly responds to a disaster may transfer appropriations within the agency, without regard to any limits on transfer of appropriations between strategies, subject to the prior notification of ~~and approval by~~ the Legislative Budget Board and governor as provided by Subsection (g) of this §14.04.
- (d) Transfers Between Agencies: In the event that a transfer involving at least one agency not listed in Chapter 531, Government Code is necessary in order to respond to a disaster, the agencies involved in the transfer shall request approval from the Legislative Budget Board and the Governor for the emergency transfer of funds, pursuant to Article XVI, §69, Texas Constitution. Any request under this Subsection (d) of this §14.04 ~~is subject to the prior notification of and approval by the Legislative Budget Board and governor as provided by Subsection (g) of this §14.04 should include the same information required in the recommended plan of transfer below: A copy of the notification and approval must, and a copy shall be provided to the Comptroller. A request made under this Subsection (d) of this §14.04 is subject to the prior notification of the Legislative Budget Board and governor as provided by Subsection (g) of this §14.04.~~
- (e) Appropriation Transfers between Fiscal Years: Agencies responding to a disaster are authorized to transfer funds appropriated in fiscal year 2017 to fiscal year 2016, subject to the prior notification of ~~and approval by~~ the Legislative Budget Board and governor as provided by Subsection (g) of this §14.04.
- (f) Unexpended Balances: Any unobligated balances from transfers made under Subsection (e) of this §14.04 as of August 31, 2016, are appropriated to the agency for the same purpose for the fiscal year beginning September 1, 2016.
- (g) Notification of ~~and Approval for~~ Recommended Plan of Transfer.
 - (1) Recommended Plan of Transfer: A recommended plan of transfer submitted by an agency to the governor and Legislative Budget Board under this §14.04 must include the following information:
 - (A) a copy of the appropriate disaster proclamation made under Chapter 418, Government Code;

- (B) the amounts to be transferred (listed by method of finance);
- (C) the agency or agencies affected;
- (D) the programs affected by the transfer; and
- (E) any other information requested by the Legislative Budget Board.

- (2) ~~Notification and approval:~~ An agency must notify the Legislative Budget Board, the Comptroller, the Governor, and any other agency involved in the transfer prior to the date of recommended transfers. ~~After approval by the Legislative Budget Board and the governor, the~~ The Comptroller shall transfer the funds as recommended.

~~(b) Definition: In this §14.04 the term “disaster” has the meaning provided by §418.004(1), Government Code, which includes the occurrence or imminent threat of widespread or severe damage, injury, or loss of life or property resulting from any natural or man-made cause, including fire, flood, earthquake, wind, storm, wave action, oil spill or other water contamination, volcanic activity, epidemic, air contamination, blight, drought, infestation, explosion, riot, hostile military or paramilitary action, extreme heat, other public calamity requiring emergency action, or energy emergency.~~

Proposed Technical Amendment

Sec. 16.04. Judgments and Settlements.

- (e) The Attorney General shall report to the Legislative Budget Board and the Governor not less than monthly, a listing of all settlements and judgments of more than \$5,000 submitted to the Comptroller for payment. The documents delivered to the Legislative Budget Board and Governor by the Attorney General must contain only information that may be published on the internet, by a newspaper, or published by other means and ~~the publication~~ shall contain at least the following information unless all or part of the information may not be disclosed to the public under state or federal law or ~~is exempt~~ by court order ~~Chapter 552, Government Code, (the Open Records Act or Public Information Act):~~
- (1) a summary of the cause of action;
 - (2) a summary of the terms of the settlement;
 - (3) the style of the case;
 - (4) the name and business address of each attorney representing the opposing litigants at the time of the settlement;
 - (5) the amount of the judgment or settlement;
 - (6) the fund or account from which payment was or should be made;
 - (7) the statutory citation for the appropriation or other authority to be made;
 - (8) specific statutes granting waiver of sovereign immunity or legislative resolution granting litigant permission to sue;
 - (9) the date of judgment or settlement; and
 - (10) other information as the Legislative Budget Board may request and in the form requested by the Legislative Budget Board.

Technical Change

Sec. 18.02. Appropriation for a Salary Increase for General State Employees.

- (a) As used in this section, "salary increase" shall mean a two and a half percent (2.5%) increase in annual salary, to begin on September 1, 2015.
- (b) Contingent on enactment House Bill 9, or similar legislation to increase the member contribution to the Employees Retirement System, for the biennium the Comptroller of Public Accounts is appropriated an amount estimated to be \$276,200,156 out of the General Revenue Fund, an amount estimated to be \$18,781,528 out of General Revenue-Dedicated, an amount estimated to be \$36,131,794 out of State Highway Fund No. 006, an amount estimated to be \$3,392,652 out of Other Funds and accounts, and an amount estimated to be \$55,697,356 out of Federal Funds to fund a salary increase as described in Subsection (a) of this section for employees of state agencies, including employees of the Higher Education Coordinating Board. Included in the amounts above are General Revenue Funds intended to provide the salary increase for certain FTEs currently paid from federal fund sources that would not be available for this purpose.
- (c) This section shall not apply to ~~statewide elected officials~~, justices and judges of the appellate and district courts, employees of institutions of higher education (except that the section does apply to certain employees of institutions of higher education that were formerly employees of the Texas Department of Criminal Justice and who continue to contribute monthly to the Employees Retirement System) and return to work retirees or other employees who do not contribute monthly to the Employees Retirement System.
- (d) Any increase in employee benefits costs associated with the salary increase as described above shall be paid only out of the appropriations made above in Subsection (b).
- (e) Provisions requiring salaries and benefits to be proportional to the source of funds shall apply to all sums allocated under this section. Each agency shall pay the increase in compensation from funds held in the state treasury and from local funds in the same proportion as the employee's regular compensation unless their salary is paid from those federal funds deemed unavailable in Subsection (b).
- (f) The Comptroller of Public Accounts shall promulgate rules and regulations as necessary to administer this section. Funds appropriated in this section shall be allocated to each agency, and to the appropriate employee benefit appropriation items, in accordance with such rules and regulations and may be used only for the purpose of providing a salary increase and paying associated employee benefit costs.

Proposed Technical Amendments

Article IX

Technical amendment moving Rider 35, Use of the Sporting Goods Sales Tax Transfer to the General Revenue-Dedicated State Parks Account No. 64.

Overview

The proposal would amend Rider 35, Use of the Sporting Goods Sales Tax Transfer to the General Revenue-Dedicated State Parks Account No. 64, to include language directing that, contingent upon the provisions of the rider, the Public Finance Authority be appropriated funds from the Sporting Goods Sales Tax transfer to the State Parks Account No. 64 and General Revenue of the same amount be lapsed. The proposal would also adjust the time within which the Public Finance Authority and Parks and Wildlife Department would agree upon the necessary funding adjustments. The proposal also clarifies that the amounts are not estimated.

The proposal also moves the rider from the Parks and Wildlife bill pattern to Article IX.

Required Action

(1) On page VI-41 of the Parks and Wildlife bill pattern, amend the following rider:

35. **Use of the Sporting Goods Sales Tax Transfer to the General Revenue-Dedicated State Parks Account No. 64.** Appropriations made elsewhere in this Act to the Texas Public Finance Authority (TPFA) for General Obligation (GO) Bond Debt Service include ~~an estimated~~ \$13,440,000 in fiscal year 2016 and \$13,230,000 in fiscal year 2017 from General Revenue, for debt service payments on GO bonds issued and authorized but unissued for statewide park repairs. ~~Contingent upon review described below. General Revenue shall be reduced and an equal amount of the Sporting Goods Sales Tax transfer to General Revenue-Dedicated State Parks Account No. 64 is appropriated to TPFA for debt service expenditures on GO bonds issued and authorized for statewide park repairs.~~ Additionally, amounts appropriated above in Strategy D.1.4, Debt Service, include ~~an estimated~~ \$2,500,103 in fiscal year 2016 and \$2,455,372 in fiscal year 2017 from General Revenue for debt service payments on Revenue Bonds issued for statewide park repairs.

- a. Within ~~60~~ 30 days following August 31 of each fiscal year, the Texas Parks and Wildlife Department (TPWD) in cooperation with TPFA shall use expenditure schedules and any other necessary documentation to determine the actual amount of debt service expended from both sources on statewide park repairs, and submit the findings of this review to the Comptroller of Public Accounts and the Legislative Budget Board.
- b. Within ~~90~~ 60 days following August 31 of each fiscal year, the Comptroller shall authorize the necessary expenditure transfers needed to credit General Revenue from an additional Sporting Goods Sales Tax (SGST) Transfer to the General Revenue-Dedicated State Parks Account No. 64 for the actual costs of debt service.

In the event that actual costs of debt service for statewide park repairs exceed the available remaining balance of the maximum statutory allocation of the SGST transfer to the State Parks Account, the Comptroller shall adjust debt service payments to be made from other revenues deposited to the credit of the General Revenue Fund accordingly.

(2) On page VI-41 of the Parks and Wildlife bill pattern, delete Rider 35, Use of the Sporting Goods Sales Tax Transfer to the General Revenue-Dedicated State Parks Account No. 64, and insert the same on the last page of Article IX.

Use of the Sporting Goods Sales Tax Transfer to the General Revenue-Dedicated State Parks Account No. 64. Appropriations made elsewhere in this Act to the Texas Public Finance Authority (TPFA) for General Obligation (GO) Bond Debt Service include \$13,440,000 in fiscal year 2016 and \$13,230,000 in fiscal year 2017 from General Revenue, for debt service payments on GO bonds issued and authorized but unissued for statewide park repairs. Contingent upon review described below, General Revenue shall be reduced and an equal amount of the Sporting Goods Sales Tax transfer to General Revenue-Dedicated State Parks Account No. 64 is appropriated to TPFA for debt service expenditures on GO bonds issued and authorized for statewide park repairs. Additionally, amounts appropriated above in Strategy D.1.4, Debt Service, include \$2,500,103 in fiscal year 2016 and \$2,455,372 in fiscal year 2017 from General Revenue for debt service payments on Revenue Bonds issued for statewide park repairs.

a. Within 30 days following August 31 of each fiscal year, the Texas Parks and Wildlife Department (TPWD) in cooperation with TPFA shall use expenditure schedules and any other necessary documentation to determine the actual amount of debt service expended from both sources on statewide park repairs, and submit the findings of this review to the Comptroller of Public Accounts and the Legislative Budget Board.

b. Within 60 days following August 31 of each fiscal year, the Comptroller shall authorize the necessary expenditure transfers needed to credit General Revenue from an additional Sporting Goods Sales Tax (SGST) Transfer to the General Revenue-Dedicated State Parks Account No. 64 for the actual costs of debt service.

In the event that actual costs of debt service for statewide park repairs exceed the available remaining balance of the maximum statutory allocation of the SGST transfer to the State Parks Account, the Comptroller shall adjust debt service payments to be made from other revenues deposited to the credit of the General Revenue Fund accordingly.

Technical Change

Article IX

Proposed Rider

Rider to Require the Health and Human Services Commission to Analyze Certain Healthcare Data

Prepared by LBB Staff, 05/20/15

Overview

This rider would require the Health and Human Services Commission to (1) analyze existing data collected by the Employee Retirement System of Texas, Texas Department of Criminal Justice, and Teacher Retirement System and (2) identify outliers as well as efficiency and quality improvements.

Required Action

Add the following rider to Article IX:

Sec. 18. . Analysis of Certain Healthcare Data. Out of funds appropriated elsewhere in this Act, the Health and Human Services Commission (HHSC) shall collect, analyze, and compare data related to the healthcare systems funded by appropriations made to the agencies listed below. HHSC may enter into a contract to conduct the required collection and analysis of data.

The Employees Retirement System of Texas (ERS), Texas Department of Criminal Justice (TDCJ), and Teacher Retirement System (TRS) shall enter into a Memorandum of Understanding with HHSC to share healthcare data to the extent allowed by state and federal law. HHSC shall use this data to analyze variations in utilization, cost, reimbursement rates, and quality and identify outliers and improvements for efficiency and quality that can be implemented within each healthcare system. Comparisons of reimbursement and utilization rates shall be made between ERS, TRS, Correctional Managed Health Care, Medicaid, and Medicare; using controls established by HHSC and in conjunction with ERS, TDCJ, and TRS to account for differences in population, acuity, and other necessary factors between each system.

Results of this analysis should be provided to the Legislative Budget Board and the Governor no later than September 1, 2016.

Technical Change

Sec. 18.xx. APPROPRIATION FOR VOLUNTEER FIREMEN MONUMENT.
In addition to amounts previously appropriated for the state fiscal biennium ending August 31, 2015, the amount of \$95,000 is appropriated out of the general revenue fund to the State Preservation Board for the two-year period beginning on the effective date of this Act for the purpose of expanding and improving the volunteer firemen monument on the south lawn of the Capitol grounds.

Technical Change

Sec. 7.136-25. Notification of Pre-Approval for Certain Expenditures Related to Mitigation of Adverse Environmental Impacts. No state agency or institution of higher education appropriated funds by this Act may enter into an agreement ~~for~~ to ~~without prior approval from the~~ without prior approval from the Legislative Budget Board including the Code until providing notice to ~~without prior approval from the~~ Legislative Budget Board including the nature and term of the agreement, the process used to award the agreement, payment for goods and services within the scope of the agreement. The agency or institution shall respond promptly to any request from the Legislative Budget Board for additional information regarding the agreement. ~~A request to expend funds shall be considered to be disapproved unless the Legislative Budget Board issues a written approval within 30 business days of the date on which the staff of the Legislative Budget Board forwards its review of the request to the Chair of the House Appropriations Committee. Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor. Any request for additional information made by the Legislative Budget Board shall interrupt the counting of the 30 business days.~~

Technical Change

Art. IX, Health-Related Provisions Amend Rider Statewide Behavioral Health Strategic Plan and Coordinated Expenditures

Prepared by LBB Staff, 05/19/2015

Required Action

On page IX-54 of the Senate engrossed bill, amend the following rider:

Sec. 10.04. Statewide Behavioral Health Strategic Plan and Coordinated Expenditures.

(a) Informational Listing - Behavioral Health and Substance Abuse Services Appropriations.

The following is an informational listing of All Funds amounts appropriated specifically for behavioral health services in this Act and does not make appropriations.

Behavioral health services are programs or services concerned with research, prevention, and detection of mental disorders and disabilities, and all services necessary to treat, care for, control, supervise, and rehabilitate persons who have a mental disorder or disability, including persons whose mental disorders or disabilities result from alcoholism or drug addiction. Certain non-behavioral health-related costs which could not be disaggregated from other healthcare costs are also included in the listing below.

	FY 2016	FY 2017
2016 -2017		
Article I		
Trusteed Programs, Office of the Governor	\$5,304,974	\$5,304,974
Veterans Commission	\$1,500,000	\$1,500,000
Article II		
Department of Aging and Disability Services	\$52,258,673	\$52,258,674
Department of Family and Protective Services	\$20,812,508	\$20,812,508
Department of State Health Services	\$1,343,708,173	\$1,343,708,173
Health and Human Services Commission	\$56,135,837	\$56,135,836
<u>Office of Violent Sex Offender Management</u>	<u>\$154,961</u>	<u>\$154,961</u>
Article III		
University of Texas - Health Science Center Houston	\$6,000,000	\$6,000,000
University of Texas - Health Science Center Tyler	\$4,000,000	\$4,000,000
Article V		
Department of Criminal Justice	\$251,971,561	\$251,971,562
Juvenile Justice Department	\$118,622,798	\$118,622,797
Military Department	\$628,500	\$628,500
Article VIII		
State Board of Dental Examiners	\$124,250	\$124,250
Board of Pharmacy	\$233,662	\$233,663
Board of Veterinary Medical Examiners	\$30,000	\$30,000
Optometry Board	\$36,000	\$36,000
Board of Nursing	\$873,558	\$873,558
Medical Board	\$533,549	\$533,549
Total	\$1,862,774,043	\$1,862,774,044

(b) Statewide Behavioral Health Strategic Plan. The Office of the Governor, the Veterans Commission, the Department of Aging and Disability Services, Department of Family and Protective Services, the Department of State Health Services, the Office of Violent Sex Offender Management, the Health and Human Services Commission, the University of Texas - Health Science Center Houston, the

University of Texas - Health Science Center Tyler, the Department of Criminal Justice, the Juvenile Justice Department and the Military Department may use funds appropriated by this Act to support the statewide behavioral health coordinating council and each shall designate an individual to serve as a member of that coordinating council. The Health Professions Council shall designate an individual to serve as the representative for all of the Article VIII regulatory agencies as a member of the coordinating council. Any other state agency or institution that receives funding in this Act and provides specific behavioral health services may participate in the meetings and discussions of the coordinating council. The Mental Health Statewide Coordinator at HHSC shall serve as chair of this council. The purpose of the statewide behavioral health coordinating council shall be to develop a five year statewide behavioral health strategic plan ~~and funding plan~~.

The coordinating council shall submit the five year strategic plan to the Executive Commissioner of HHSC for approval. The strategic plan shall include an inventory of behavioral health programs and services currently offered by state agencies and institutions of higher education, a report on the number of persons served with mental illness and/or substance abuse by each agency and detail a plan to coordinate these programs and services to eliminate redundancy, ~~formalize contracting standards,~~ utilize best practices in contracting standards, perpetuate identified, successful models for mental health and substance abuse treatment, best practices, ensure optimal service delivery, and identify and collect comparable data on results and effectiveness. The Executive Commissioner of HHSC shall approve the plan and notify the Legislative Budget Board of such approval by May 1, 2016.

(c) Coordination of Fiscal Year 2017 Behavioral Health Expenditures. The coordinating council shall submit to the Executive Commissioner of HHSC for approval a coordinated statewide expenditure proposal for fiscal year 2017 for each agency, which shall be the fiscal year 2017 amount identified in subsection (a) of this rider. The expenditure proposal shall describe how the identified appropriations at each agency or institution will be spent in accordance with, and to further the goals of, the approved statewide behavioral health strategic plan. HHSC shall submit the coordinated statewide behavioral health expenditure proposal to the Legislative Budget Board by June 1, 2016. The plan shall be considered to be approved unless the Legislative Budget Board issue written disapprovals by August 1, 2016. Notwithstanding any other appropriation authority granted by this Act, the Comptroller of Public Accounts shall not allow the expenditure of General Revenue-Related funds identified in subsection (a) by a particular agency if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the agency's expenditure proposal has not satisfied the requirements of this provision. If fiscal year 2017 General Revenue-Related funds are used to provide services required by federal law, are related to court-ordered treatment, or required as the result of administrative proceedings, the funding for these services shall still be included in the proposal, but these funds shall not be contingent upon approval.

Technical Change

Article IX, General Provisions Proposed Rider

Prepared by LBB Staff, 05/19/2015

Overview

Provide direction on the professional legal services provided by the Office of the Attorney General to the legislative branch of government.

Required Action

On the appropriate page of Article IX in the Legal Representation and Judgments Provisions within Article IX of the General Appropriations Act, add the following rider:

Sec. 16.06. Professional Legal Services.

(a) It is the intent of the legislature that in providing professional legal services to officials and entities of the legislative branch of state government using money appropriated by this Act, the attorney general shall abide by the official's or entity's decisions concerning the objectives and general methods of representation and whether to accept or reject an offer of settlement of a matter. If circumstances prevent the attorney general from abiding by such decisions, the official or entity may expend from general revenue funds appropriated to the legislature in Article X of this Act amounts necessary to pay for professional legal services, including legal advice, assistance, and representation.

(b) To the extent this section conflicts with another provision of this Act, this section prevails.

Technical Change

Sec. 17.09. Border Security - Informational Listing. Included elsewhere in this Act is \$800.0 million in border security funding for the 2016-17 biennium. The following is an informational list of the amounts appropriated elsewhere in this Act for border security to the Department of Public Safety, Trusteed Programs. Within the Office of the Governor, the Parks and Wildlife Department, the Alcoholic Beverage Commission, the Department of Criminal Justice, and the Commission on Law Enforcement.

Agency / Item	2016-17 Biennial Total (in millions)
Cross-agency (DPS and TMD)	
Flexible Funding to Ensure a Continued Presence on the Border. Funding to DPS provides personnel, training, equipment and other support costs for DPS troopers and transitional deployment costs for the National Guard.	\$72.0
Department of Public Safety	
Baseline Border Security (Adjusted)	\$305.1
50-hour work week for al DPS troopers statewide	142.6
Recruit train and equip 250 new troopers and 110 associated support support staff	107.0
Operation Strong Safety II sustained in 2016-17	83.4
Transition to NIBRS Crime Reporting System	\$17.3
New Texas Rangers Company, and Support	\$8.8
Acquisition of and Support for Pilatus Aircraft	\$7.5
Texas Transnational Intelligence Center	\$2.4
Multituse Training Facility	\$2.0
Regional Center for Public Safety Excellence	\$1.6
Trusteed Programs within in the Office of the Governor – Grants to Local Law Enforcement Agencies	
Border Security Enforcement Activities	\$10.2
Anti-gang Activities	\$10.2
Prosecution Resources	\$9.0
Sustain Year-round Flight Capacity for Helicopters	\$6.0
Installation and Maintenance of Border Cameras	\$3.0
Texas Parks and Wildlife Department	
Baseline Game Warden Activity on the Border	\$4.7
New Game Warden Deployment	\$5.3
Texas Alcoholic Beverage Commission – Special Investigation Agents	\$1.2
Texas Department of Criminal Justice – Anti-gang Intelligence	\$0.5
Texas Commission on Law Enforcement – Border Investigators	\$0.2
GRAND TOTAL, ALL AGENCIES	\$800.0

Amounts may not add to total due to rounding.