Top 100 Federal Funding Sources in the Texas State Budget

Legislative Primer
Top 100 Federal Funding Sources in the Texas State Budget

Legislative Primer

SUBMITTED TO THE 85TH TEXAS LEGISLATURE

LEGISLATIVE BUDGET BOARD STAFF

JANUARY 2017
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nutrition Services Incentive Program</td>
<td>55</td>
</tr>
<tr>
<td>Chafee Foster Care Independence Program</td>
<td>56</td>
</tr>
<tr>
<td>National Family Caregiver Support Program</td>
<td>57</td>
</tr>
<tr>
<td>Fresh Fruit and Vegetable Program</td>
<td>58</td>
</tr>
<tr>
<td>Project Grants and Cooperative Agreements for Tuberculosis Control</td>
<td>59</td>
</tr>
<tr>
<td>Adoption and Legal Guardianship Incentive Payments</td>
<td>60</td>
</tr>
<tr>
<td>Preventive Health Services Sexually Transmitted Diseases Control Grants</td>
<td>61</td>
</tr>
<tr>
<td>Guardianship Assistance</td>
<td>62</td>
</tr>
<tr>
<td>Emergency Food Assistance Program – Administration</td>
<td>63</td>
</tr>
<tr>
<td>EDUCATION</td>
<td>65</td>
</tr>
<tr>
<td>National School Lunch Program</td>
<td>68</td>
</tr>
<tr>
<td>Title I Grants to Local Educational Agencies</td>
<td>70</td>
</tr>
<tr>
<td>Special Education Basic State Grants</td>
<td>72</td>
</tr>
<tr>
<td>School Breakfast Program</td>
<td>73</td>
</tr>
<tr>
<td>Improving Teacher Quality Grants</td>
<td>74</td>
</tr>
<tr>
<td>English Language Acquisition State Grants</td>
<td>76</td>
</tr>
<tr>
<td>21St Century Community Learning Centers</td>
<td>77</td>
</tr>
<tr>
<td>Career and Technical Education Basic Grants to States</td>
<td>78</td>
</tr>
<tr>
<td>Migrant Education State Grant Program</td>
<td>79</td>
</tr>
<tr>
<td>Adult Education Basic Grants to States</td>
<td>80</td>
</tr>
<tr>
<td>Striving Readers Comprehensive Literacy Program</td>
<td>81</td>
</tr>
<tr>
<td>Summer Food Service Program for Children</td>
<td>82</td>
</tr>
<tr>
<td>School Improvement Grants</td>
<td>84</td>
</tr>
<tr>
<td>Child Nutrition – State Administrative Expenses</td>
<td>85</td>
</tr>
<tr>
<td>Grants for State Education Assessments and Related Activities</td>
<td>86</td>
</tr>
<tr>
<td>Special Education Preschool Grants</td>
<td>87</td>
</tr>
<tr>
<td>Mathematics and Sciences Partnerships Grants</td>
<td>88</td>
</tr>
<tr>
<td>Smith–Lever Act Cooperative Extension Service</td>
<td>89</td>
</tr>
<tr>
<td>Hatch Act Payments to Agricultural Experiment Stations</td>
<td>90</td>
</tr>
</tbody>
</table>
Rural and Low-Income School Program ................................................................. 91
Engineering Grants .....................................................................................................92
TRANSPORTATION .....................................................................................................93
Highway Planning and Construction – National Highway Performance Program .......... 99
Highway Planning and Construction – Surface Transportation Block Grant Program .......... 101
Highway Planning and Construction – Highway Safety Improvement Program ............. 103
Highway Planning and Construction – Congestion Mitigation and Air Quality
   Improvement Program ............................................................................................. 105
Highway Planning and Construction – National Highway Freight Program .................. 107
Airport Improvement Program .................................................................................. 109
Rural Areas Formula Grants ...................................................................................... 111
Highway Planning and Construction – Railway–Highway Crossings Program .............. 113
Highway Planning and Construction – Metropolitan Planning Program ..................... 115
Enhanced Mobility of Seniors And Individuals With Disabilities ................................. 117
State and Community Highway Safety Grants .......................................................... 119
Border Enforcement Grants ....................................................................................... 121
National Priority Safety Programs ............................................................................. 123
Motor Carrier Safety Assistance Program .................................................................. 125
LABOR ......................................................................................................................... 127
Child Care and Development Block Grant ............................................................... 128
Vocational Rehabilitation Grants ............................................................................... 130
Child Care Mandatory and Matching Funds ............................................................. 131
Unemployment Insurance Administration ................................................................... 133
Workforce Innovation and Opportunity Act – Youth ................................................. 134
Workforce Innovation and Opportunity Act – Dislocated Workers ............................. 136
Workforce Innovation and Opportunity Act – Adult ..................................................... 138
Employment Services ................................................................................................. 140
Trade Adjustment Assistance .................................................................................... 141
CONTENTS

HOUSING AND COMMUNITY DEVELOPMENT ................................................................. 143
Low-Income Home Energy Assistance Program ......................................................... 144
Community Development Block Grant ................................................................. 146
Community Services Block Grant ............................................................................. 148
Home Investment Partnerships Program ................................................................. 149
Library Grants to States ......................................................................................... 151
Emergency Solutions Grant Program ....................................................................... 153
Section 8 Housing Choice Vouchers ......................................................................... 154

HOMELAND SECURITY AND DEFENSE ................................................................. 155
Homeland Security Grants Program ........................................................................ 156
National Guard Military Operations and Maintenance Projects ............................. 158
Hospital Preparedness Program and Public Health Emergency Preparedness Aligned
  Cooperative Agreements ....................................................................................... 159
State and Local Homeland Security National Training Program ............................ 161

JUSTICE .................................................................................................................. 163
Crime Victim Assistance ........................................................................................ 164
Crime Victim Compensation .................................................................................... 165
Byrne Memorial Justice Assistance Grant ............................................................... 166
Stop Violence Against Women Formula Grants .................................................... 167

NATURAL RESOURCES ......................................................................................... 171
Wildlife Restoration ............................................................................................... 172
Performance Partnership Grants ............................................................................. 173
Sport Fish Restoration ............................................................................................ 175
Nonpoint Source Implementation Grants ............................................................. 177
INTRODUCTION

OVERVIEW

More than 500 federal programs provide grants to states and local governments. According to Federal Funds Information for States, a budgetary analysis organization, in federal fiscal year 2015, Texas ranked forty-third among states in per capita federal spending for grants to state and local governments. In federal fiscal year 2014, Texas received $1,439 in federal spending per capita, and the national average was $1,827 per capita. Although this ranking does not consider every federal grant, it includes more than 90 percent of federal grants to state and local governments.

The relative growth of Federal Funds within the state budget is shown in Figures 1, 2, 3, and 4. Figure 1 shows that, as a percentage of the total state budget, Federal Funds have grown from 26.5 percent in federal fiscal year 1991 to 32.3 percent in federal fiscal year 2016. The availability of funds from the U.S. American Recovery and Reinvestment Act of 2009 (ARRA) in fiscal year 2010 shows the highest percentage rate of this period at 39.8 percent.

FIGURE 1
FEDERAL FUNDS AS PERCENTAGE OF ALL FUNDS, ALL FUNCTIONS OF STATE GOVERNMENT
FISCAL YEARS 1991 TO 2016

Source: Legislative Budget Board.
FIGURE 2
FEDERAL FUNDS AS PERCENTAGE OF ALL FUNDS, HEALTH AND HUMAN SERVICES FUNCTION, FISCAL YEARS 1991 TO 2016

IN MILLIONS

FEDERAL FUNDS AS PERCENTAGE OF ALL FUNDS

SOURCE: Legislative Budget Board.

FIGURE 3
FEDERAL FUNDS AS PERCENTAGE OF ALL FUNDS, EDUCATION FUNCTION, FISCAL YEARS 1991 TO 2016

IN MILLIONS

FEDERAL FUNDS AS PERCENTAGE OF ALL FUNDS

SOURCE: Legislative Budget Board.
FIGURE 4
FEDERAL FUNDS AS PERCENTAGE OF ALL FUNDS, BUSINESS AND ECONOMIC DEVELOPMENT FUNCTION
FISCAL YEARS 1991 TO 2016

NOTE: The decrease in Federal Funds as a percentage of All Funds in state fiscal year 2007 is primarily attributable to the Texas Department of Transportation’s extensive use of the tapered match financing technique, which accelerated the receipt of Federal Funds in previous years and resulted in a decrease in federal reimbursements in fiscal year 2007 as many of the projects became 100 percent state-funded to meet federal matching requirements.
SOURCE: Legislative Budget Board.

FEDERAL FUNDS APPROPRIATIONS

Federal Funds appropriations for the 2016–17 biennium total $68.0 billion, a 1.1 percent decrease from the 2014–15 estimated biennial expenditures of $68.7 billion (Figure 5). However, not all federal funding streams directed to Texas are included in these totals. For example, Earned Federal Funds are reimbursements to the state for expenditures already paid with state funds and are included in General Revenue Funds. Some federal funding received by higher education institutions and certain Medicaid hospital supplemental payments are not included in Federal Funds totals in state appropriations. In-kind federal contributions, such as the vaccines the federal government distributes to Texas, are not appropriated. Expenditures for federal government salaries and wages, procurement, and direct payments to individuals—such as Supplemental Nutrition Assistance Program (SNAP) benefits, unemployment compensation, and Social Security disability payments—are not received by the state, and are therefore not included in this Federal Funds total.

FIGURE 5
FEDERAL FUNDS STATEWIDE SUMMARY, 2014–15 AND 2016–17 BIENNIA

<table>
<thead>
<tr>
<th>FUNCTION</th>
<th>EXPENDED/BUDGETED 2014–15</th>
<th>APPROPRIATED 2016–17</th>
<th>BIENNAL CHANGE</th>
<th>PERCENTAGE CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Article I – General Government</td>
<td>$662.8</td>
<td>$715.5</td>
<td>$52.7</td>
<td>8.0%</td>
</tr>
<tr>
<td>Article II – Health and Human Services</td>
<td>$43,134.7</td>
<td>$43,156.3</td>
<td>$21.6</td>
<td>0.1%</td>
</tr>
<tr>
<td>Article III – Agencies of Education</td>
<td>$10,034.1</td>
<td>$10,442.8</td>
<td>$408.7</td>
<td>4.1%</td>
</tr>
<tr>
<td>Public Education</td>
<td>$9,759.1</td>
<td>$10,172.8</td>
<td>$413.7</td>
<td>4.2%</td>
</tr>
<tr>
<td>Higher Education</td>
<td>$275.0</td>
<td>$270.0</td>
<td>($5.0)</td>
<td>(1.8%)</td>
</tr>
<tr>
<td>Article IV – Judiciary</td>
<td>$3.8</td>
<td>$3.4</td>
<td>($0.3)</td>
<td>(9.0%)</td>
</tr>
<tr>
<td>Article V – Public Safety and Criminal Justice</td>
<td>$1,120.7</td>
<td>$741.3</td>
<td>($379.4)</td>
<td>(33.9%)</td>
</tr>
</tbody>
</table>
Most of the Federal Funds that Texas receives (95.3 percent) are for services provided through the Health and Human Services, Business and Economic Development, and Education functions within the 2016–17 biennial appropriations. Figure 6 shows the amount of Federal Funds received by each of the functions as a percentage of Federal Funds included in the Eighty-fourth Legislature, General Appropriations Act (GAA) 2016–17 Biennium. Figure 7 shows each function's Federal Funds appropriations as a percentage of the function's All Funds budget.

### Figure 5 (Continued)

#### Federal Funds Statewide Summary, 2014–15 and 2016–17 Biennia

<table>
<thead>
<tr>
<th>FUNCTION</th>
<th>EXPENDED/BUDGETED 2014–15</th>
<th>APPROPRIATED 2016–17</th>
<th>BIENNIAL CHANGE</th>
<th>PERCENTAGE CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Article VI – Natural Resources</td>
<td>$2,656.2</td>
<td>$1,744.7</td>
<td>($911.5)</td>
<td>(34.3%)</td>
</tr>
<tr>
<td>Article VII – Business and Economic Development</td>
<td>$11,102.3</td>
<td>$11,132.2</td>
<td>$29.9</td>
<td>0.3%</td>
</tr>
<tr>
<td>Article VIII – Regulatory</td>
<td>$13.2</td>
<td>$9.6</td>
<td>($3.6)</td>
<td>(27.2%)</td>
</tr>
<tr>
<td>Article IX – General Provisions</td>
<td>$0.0</td>
<td>$55.7</td>
<td>$55.7</td>
<td>N/A</td>
</tr>
<tr>
<td>Article X – Legislature</td>
<td>$0.0</td>
<td>$0.0</td>
<td>$0.0</td>
<td>N/A</td>
</tr>
<tr>
<td>Total, All Functions</td>
<td><strong>$68,727.7</strong></td>
<td><strong>$68,001.5</strong></td>
<td>($726.2)</td>
<td>(1.1%)</td>
</tr>
</tbody>
</table>

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

**Source:** Legislative Budget Board.

### Figure 6

#### Federal Funds as Percentage of All Funds, 2014–15 Biennium

- **Federal Funds:** 32.5%
- **Health and Human Services:** 63.5%
- **Education:** 15.4%
- **Business and Economic Development:** 16.4%
- **Other Functions:** 4.0%
- **State and Other Funds:** 67.5%
- **Total Federal Funds:** $68,001.5 Million
- **Total All Funds:** $209,103.0 Million

**Note:** Other Functions include: Natural Resources, 2.6%; General Government, 1.1%; Public Safety and Criminal Justice, 1.1%; General Provisions, 0.1%; Judiciary, less than 0.01%; and Regulatory, less than 0.01%.

**Source:** Legislative Budget Board.
HEALTH AND HUMAN SERVICES
In the 2016–17 GAA, Health and Human Services agencies are appropriated $43.2 billion in Federal Funds, which is 63.5 percent of the state’s total Federal Funds. Federal Funds for these agencies are expected to increase $21.6 million from 2014–15 biennial levels. This increase is primarily attributable to the Medicaid program. The Health and Human Services Commission, which administers the state’s Medicaid program and Children’s Health Insurance Program, receives 76.1 percent of the function’s total Federal Funds.

BUSINESS AND ECONOMIC DEVELOPMENT
Business and Economic Development agencies are appropriated $11.1 billion in Federal Funds for the 2016–17 biennium, an increase of $29.9 million from 2014–15 biennial levels. Federal transportation funds to support highway and construction planning account for most of the increase from the 2014–15 biennium. Approximately 40.1 percent of the total budget for the Business and Economic Development function is expected to come from federal sources. Two agencies, the Texas Department of Transportation and the Texas Workforce Commission, receive 94.7 percent of the function’s Federal Funds.

EDUCATION
Education agencies account for the third-largest portion of Federal Funds in the state budget. Education agencies are appropriated $10.4 billion in Federal Funds during the 2016–17 biennium (15.4 percent of the state’s total Federal Funds), an increase of $408.7 million from 2014–15 biennial levels. Most of the increase is attributable to school nutrition programs. One agency, the Texas Education Agency, receives 97.1 percent of the function’s appropriated Federal Funds.

GRANT PARAMETERS

GRANT TYPES
Some funding streams are authorized by the federal government for specific purposes, and others are for less specific purposes. Although many grants are allocated to states based on formulas, others are discretionary, competitively awarded grants.
Entitlement programs must serve all persons determined to be eligible or entitled to receive services funded by that program. For example, Medicaid is an entitlement program, and the federal government reimburses states for a portion of all allowable services provided to eligible persons.

Block grants differ from entitlement programs in that states receive finite grant amounts for certain purposes. Although federal law and regulations specify allowable uses and categories of persons to be served, block grants give states more flexibility in designing programs. The state must submit documentation to the federal government detailing the specific purposes for which the state intends to use the funds. Temporary Assistance for Needy Families (TANF) is an example of a block grant program that replaced an entitlement program. States now have latitude to provide an array of services that promote families’ self-sufficiency.

Programs are identified by numbers assigned in the Catalog of Federal Domestic Assistance, a compendium of federal programs and projects.

**STATE SPENDING COMMITMENT**

Match refers to cost-sharing requirements that accompany receipt of Federal Funds. Match ratios vary considerably by program. For most federal grants, state expenditures must occur throughout the grant year in proportion to Federal Funds drawn.

Maintenance of effort (MOE) refers to a minimal level of state spending required as a condition of receiving Federal Funds. MOE is an absolute dollar amount, typically based on a historical level of state spending. For example, to receive the Maternal and Child Health Block Grant, Texas must spend its 1989 expenditure amount of $40.2 million in state General Revenue Funds.

As a condition of receiving federal funds, some grants prohibit supplantation, which means that states may not replace state spending with Federal Funds. Such provisions require states to instead supplement state funding with Federal Funds.

**CONGRESSIONAL BUDGET ACTIONS**

The Budget Control Act of 2011 (BCA) increased the federal debt limit and imposed caps on discretionary spending to reduce long-term budget deficits. The BCA resulted in $1.2 trillion in across-the-board reductions during 10 years, beginning in January 2013. These reductions are commonly known as the sequester. The across-the-board reductions were evenly split between domestic and defense spending, but the reductions exempted certain safety-net programs. These programs include Social Security, Children’s Health Insurance Program (CHIP), and Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), Medicaid, and Federal-aid Highway Obligation Limitations. Figure 8 shows the timeline for subsequent legislative changes to the BCA.

**FIGURE 8**

**U.S. CONGRESSIONAL BUDGET ACTIONS, FISCAL YEARS 2013 TO 2016**

 SOURCE: Legislative Budget Board.
**INTRODUCTION**

**TIME FRAME**

Most grants are awarded on a federal fiscal year basis (beginning October 1), which differs from the state fiscal year (beginning September 1) by one month. However, some grants are awarded on a calendar year basis; others coincide with the school year.

The duration of a grant varies by program. For example, states have two years after the grant award year to expend federal Child Care and Development Block Grant funds. Use of TANF Block Grant funds has no expiration date.

Federal Funds that are not expended by the expiration date and are no longer available for state use are called lapsing funds. In some instances, lapsed funds are redistributed to other states. For example, any unspent funds from a previous fiscal year in the Special Supplemental Nutrition Program for Women, Infants, and Children are subject to federal recovery and reallocation to other states.

The 2016–17 GAA, Article IX, Section 13.01, is the primary rider that appropriates Federal Funds in Texas. However, numerous agency-specific riders authorize, place limitations on, or appropriate Federal Funds, or direct the use of unexpended balances. Federal Funds typically are estimated in the GAA, and amounts received in excess of specific appropriations are available to agencies. State agencies may carry forward Federal Funds from one year to the next, subject to the governing provisions of the federal grant.

**ORGANIZATION OF THE REPORT**

The following pages provide basic grant information about the top 100 federal funding sources that are included in the state budget. Figure 9 shows the top 100 sources, accounting for 99.0 percent of all federal funding appropriated in the state budget for state fiscal year 2016. An alphabetical index is included at the end of the report for reference.

In the following chapters, grants are divided by subject area:

- Health and Human Services;
- Education;
- Transportation;
- Labor;
- Housing and Community Development;
- Homeland Security and Defense;
- Justice; and
- Natural Resources.

The description for each funding source includes: the purpose of the grant; information on how federal allocations to states are determined; match or maintenance of effort provisions and the dollar amount of the MOE requirement, if available; selected information on allowable federal uses or restrictions; and eligibility criteria, if relevant. The recipient state agency is listed; and if grants are shared by multiple agencies, a chart showing the proportionate share of funds is provided (unless other agencies’ funding amounts total less than 5 percent). If funds are shared across functional areas, grant information is provided in the chapter covering the area or state agency where the majority of funds is appropriated. For example, most Federal Funds for child care are appropriated to the Texas Workforce Commission and appear in the chapter on Labor.

A five-year funding history of federal fiscal year awards is provided, based on data from Federal Funds Information for States and information gathered from federal and state agencies. Unless otherwise noted, awards specified in this publication are based on the federal fiscal year, because grants are not awarded on the basis of state fiscal year. Funding is estimated for recent years, because annual amounts for entitlement programs are not based on formula allocations. Also, congressional rescissions may reduce awarded amounts after the federal appropriations process. Federal award amounts may differ from state-appropriated funding levels for several reasons. Agencies may carry forward Federal Funds from one year to the next. In addition, Federal Funds for employee benefits are not identified in the state budget by specific federal programs.
### INTRODUCTION

**FIGURE 9**  
**TOP 100 FEDERAL FUNDING SOURCES, FISCAL YEAR 2016 (APPROPRIATED)**

<table>
<thead>
<tr>
<th>RANK</th>
<th>PROGRAM</th>
<th>FEDERAL FUNDS (IN MILLIONS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Medicaid (Title XIX)</td>
<td>$24,314.2</td>
</tr>
<tr>
<td>2</td>
<td>Highway Planning and Construction – National Highway Performance Program</td>
<td>$1,992.6</td>
</tr>
<tr>
<td>3</td>
<td>National School Lunch Program</td>
<td>$1,492.9</td>
</tr>
<tr>
<td>4</td>
<td>Title I Grants to Local Educational Agencies</td>
<td>$1,378.9</td>
</tr>
<tr>
<td>5</td>
<td>Children's Health Insurance Program (CHIP)</td>
<td>$1,345.1</td>
</tr>
<tr>
<td>6</td>
<td>Special Education Basic Grants to States</td>
<td>$1,029.1</td>
</tr>
<tr>
<td>7</td>
<td>Highway Planning and Construction – Surface Transportation Block Grant Program</td>
<td>$996.8</td>
</tr>
<tr>
<td>8</td>
<td>School Breakfast Program</td>
<td>$603.5</td>
</tr>
<tr>
<td>9</td>
<td>Temporary Assistance for Needy Families (TANF)</td>
<td>$526.8</td>
</tr>
<tr>
<td>10</td>
<td>Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)</td>
<td>$513.7</td>
</tr>
<tr>
<td>11</td>
<td>Child and Adult Care Food Program</td>
<td>$329.8</td>
</tr>
<tr>
<td>12</td>
<td>Child Care and Development Block Grant</td>
<td>$286.8</td>
</tr>
<tr>
<td>13</td>
<td>Supplemental Nutrition Assistance Program—State Administration</td>
<td>$256.2</td>
</tr>
<tr>
<td>14</td>
<td>Vocational Rehabilitation Grants to States</td>
<td>$243.1</td>
</tr>
<tr>
<td>15</td>
<td>Child Care Mandatory and Matching Funds</td>
<td>$221.8</td>
</tr>
<tr>
<td>16</td>
<td>Foster Care (Title IV-E)</td>
<td>$215.7</td>
</tr>
<tr>
<td>17</td>
<td>Child Support Enforcement Administration</td>
<td>$196.7</td>
</tr>
<tr>
<td>18</td>
<td>Highway Planning and Construction – Highway Safety Improvement Program</td>
<td>$190.7</td>
</tr>
<tr>
<td>19</td>
<td>Crime Victim Assistance</td>
<td>$189.8</td>
</tr>
<tr>
<td>20</td>
<td>Improving Teacher Quality Grants</td>
<td>$183.2</td>
</tr>
<tr>
<td>21</td>
<td>Highway Planning and Construction – Congestion Mitigation and Air Quality Improvement Program</td>
<td>$164.0</td>
</tr>
<tr>
<td>22</td>
<td>Substance Abuse Prevention and Treatment Block Grant</td>
<td>$144.7</td>
</tr>
<tr>
<td>23</td>
<td>Disability Determinations</td>
<td>$140.6</td>
</tr>
<tr>
<td>24</td>
<td>Social Services Block Grant</td>
<td>$133.2</td>
</tr>
<tr>
<td>25</td>
<td>Adoption Assistance (Title IV-E)</td>
<td>$131.7</td>
</tr>
<tr>
<td>26</td>
<td>Unemployment Insurance Administration</td>
<td>$130.5</td>
</tr>
<tr>
<td>27</td>
<td>Low-Income Home Energy Assistance Program</td>
<td>$114.3</td>
</tr>
<tr>
<td>28</td>
<td>English Language Acquisition State Grants</td>
<td>$108.1</td>
</tr>
<tr>
<td>29</td>
<td>HIV Care Formula Grants</td>
<td>$105.0</td>
</tr>
<tr>
<td>30</td>
<td>21st Century Community Learning Centers</td>
<td>$103.1</td>
</tr>
<tr>
<td>31</td>
<td>National Highway Freight Program</td>
<td>$100.6</td>
</tr>
<tr>
<td>32</td>
<td>Career and Technical Education Basic Grants to States</td>
<td>$92.1</td>
</tr>
<tr>
<td>33</td>
<td>Homeland Security Grants</td>
<td>$84.9</td>
</tr>
<tr>
<td>34</td>
<td>Airport Improvement Program</td>
<td>$76.0</td>
</tr>
<tr>
<td>35</td>
<td>Refugee and Entrant Assistance—State Administered Programs</td>
<td>$67.5</td>
</tr>
<tr>
<td>36</td>
<td>Community Development Block Grant</td>
<td>$61.0</td>
</tr>
<tr>
<td>37</td>
<td>National Guard Military Operations and Maintenance Projects</td>
<td>$59.3</td>
</tr>
<tr>
<td>38</td>
<td>Migrant Education State Grant Program</td>
<td>$58.2</td>
</tr>
<tr>
<td>39</td>
<td>Adult Education Basic Grants to States</td>
<td>$57.7</td>
</tr>
<tr>
<td>RANK</td>
<td>PROGRAM</td>
<td>FEDERAL FUNDS (IN MILLIONS)</td>
</tr>
<tr>
<td>------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>----------------------------</td>
</tr>
<tr>
<td>40</td>
<td>Workforce Innovation and Opportunity Act Youth Activities</td>
<td>$57.7</td>
</tr>
<tr>
<td>41</td>
<td>Workforce Innovation and Opportunity Act Dislocated Worker Formula Grants</td>
<td>$55.7</td>
</tr>
<tr>
<td>42</td>
<td>Striving Readers Comprehensive Literacy Program</td>
<td>$55.0</td>
</tr>
<tr>
<td>43</td>
<td>Workforce Innovation and Opportunity Act Adult Program</td>
<td>$54.9</td>
</tr>
<tr>
<td>44</td>
<td>Hospital Preparedness Program and Public Health Emergency Preparedness Aligned Cooperative Agreements</td>
<td>$53.9</td>
</tr>
<tr>
<td>45</td>
<td>Employment Services</td>
<td>$49.3</td>
</tr>
<tr>
<td>46</td>
<td>Summer Food Service Program for Children</td>
<td>$46.1</td>
</tr>
<tr>
<td>47</td>
<td>Special Programs for the Aging—Nutrition Services</td>
<td>$43.1</td>
</tr>
<tr>
<td>48</td>
<td>Special Education Grants for Infants and Families</td>
<td>$42.5</td>
</tr>
<tr>
<td>49</td>
<td>Rural Areas Formula Grants</td>
<td>$41.8</td>
</tr>
<tr>
<td>50</td>
<td>Community Mental Health Services Block Grant</td>
<td>$40.9</td>
</tr>
<tr>
<td>51</td>
<td>Survey and Certification of Health Care Providers and Suppliers</td>
<td>$40.6</td>
</tr>
<tr>
<td>52</td>
<td>School Improvement Grants</td>
<td>$40.5</td>
</tr>
<tr>
<td>53</td>
<td>Community Services Block Grant</td>
<td>$34.2</td>
</tr>
<tr>
<td>54</td>
<td>Maternal and Child Health Services Block Grant</td>
<td>$34.0</td>
</tr>
<tr>
<td>55</td>
<td>Promoting Safe and Stable Families</td>
<td>$33.4</td>
</tr>
<tr>
<td>56</td>
<td>Immunization Grants</td>
<td>$32.2</td>
</tr>
<tr>
<td>57</td>
<td>Wildlife Restoration</td>
<td>$31.9</td>
</tr>
<tr>
<td>58</td>
<td>Child Nutrition—State Administrative Expenses</td>
<td>$30.5</td>
</tr>
<tr>
<td>59</td>
<td>Highway Planning and Construction – Railway-Highway Crossings Program</td>
<td>$28.4</td>
</tr>
<tr>
<td>60</td>
<td>Child Welfare Services State Grants</td>
<td>$25.5</td>
</tr>
<tr>
<td>61</td>
<td>Highway Planning and Construction – Metropolitan Planning Program</td>
<td>$24.4</td>
</tr>
<tr>
<td>62</td>
<td>Crime Victim Compensation</td>
<td>$24.1</td>
</tr>
<tr>
<td>63</td>
<td>HOME Investment Partnerships Program</td>
<td>$22.9</td>
</tr>
<tr>
<td>64</td>
<td>Grants for State Education Assessments and Related Activities</td>
<td>$22.9</td>
</tr>
<tr>
<td>65</td>
<td>State and Local Homeland Security National Training Program</td>
<td>$22.1</td>
</tr>
<tr>
<td>66</td>
<td>Special Education Preschool Grants</td>
<td>$22.0</td>
</tr>
<tr>
<td>67</td>
<td>Performance Partnership Grants</td>
<td>$21.4</td>
</tr>
<tr>
<td>68</td>
<td>Emergency Management Performance Grants</td>
<td>$20.4</td>
</tr>
<tr>
<td>69</td>
<td>Special Programs for the Aging—Supportive Services and Senior Centers</td>
<td>$20.0</td>
</tr>
<tr>
<td>70</td>
<td>Maternal, Infant, and Early Childhood Home Visiting Program</td>
<td>$18.7</td>
</tr>
<tr>
<td>71</td>
<td>Enhanced Mobility of Seniors and Individuals with Disabilities</td>
<td>$18.5</td>
</tr>
<tr>
<td>72</td>
<td>Sport Fish Restoration</td>
<td>$18.1</td>
</tr>
<tr>
<td>73</td>
<td>Medicaid Fraud Control Unit</td>
<td>$18.0</td>
</tr>
<tr>
<td>74</td>
<td>State and Community Highway Safety Grants</td>
<td>$17.8</td>
</tr>
<tr>
<td>75</td>
<td>Border Enforcement Grants</td>
<td>$17.2</td>
</tr>
<tr>
<td>76</td>
<td>National Priority Safety Programs</td>
<td>$16.3</td>
</tr>
<tr>
<td>77</td>
<td>HIV Prevention Activities</td>
<td>$15.4</td>
</tr>
</tbody>
</table>
### FIGURE 9 (CONTINUED)
**TOP 100 FEDERAL FUNDING SOURCES, FISCAL YEAR 2016 (APPROPRIATED)**

<table>
<thead>
<tr>
<th>RANK</th>
<th>PROGRAM</th>
<th>FEDERAL FUNDS (IN MILLIONS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>78</td>
<td>Mathematics and Science Partnerships Grants</td>
<td>$15.2</td>
</tr>
<tr>
<td>79</td>
<td>Smith-Lever Cooperative Extension Service</td>
<td>$13.4</td>
</tr>
<tr>
<td>80</td>
<td>Byrne Memorial Justice Assistance Grant</td>
<td>$13.4</td>
</tr>
<tr>
<td>81</td>
<td>Nutrition Services Incentive Program</td>
<td>$11.4</td>
</tr>
<tr>
<td>82</td>
<td>Library Grants to States</td>
<td>$10.7</td>
</tr>
<tr>
<td>83</td>
<td>STOP Violence Against Women Formula Grants</td>
<td>$10.2</td>
</tr>
<tr>
<td>84</td>
<td>Chafee Foster Care Independence Program</td>
<td>$9.7</td>
</tr>
<tr>
<td>85</td>
<td>National Family Caregiver Support Program</td>
<td>$9.3</td>
</tr>
<tr>
<td>86</td>
<td>Fresh Fruit and Vegetable Program</td>
<td>$9.0</td>
</tr>
<tr>
<td>87</td>
<td>State Criminal Alien Assistance Program</td>
<td>$8.9</td>
</tr>
<tr>
<td>88</td>
<td>Emergency Solutions Grant Program</td>
<td>$8.8</td>
</tr>
<tr>
<td>89</td>
<td>Hatch Act Payments to Agricultural Experimental Stations</td>
<td>$8.7</td>
</tr>
<tr>
<td>90</td>
<td>Motor Carrier Safety Assistance Program</td>
<td>$8.4</td>
</tr>
<tr>
<td>91</td>
<td>Project Grants and Cooperative Agreements for Tuberculosis Control</td>
<td>$7.6</td>
</tr>
<tr>
<td>92</td>
<td>Adoption and Legal Guardianship Incentive Payments</td>
<td>$7.4</td>
</tr>
<tr>
<td>93</td>
<td>Trade Adjustment Assistance</td>
<td>$7.0</td>
</tr>
<tr>
<td>94</td>
<td>Rural and Low-Income Schools Programs</td>
<td>$6.9</td>
</tr>
<tr>
<td>95</td>
<td>Preventive Health Services Sexually Transmitted Diseases Control Grants</td>
<td>$6.6</td>
</tr>
<tr>
<td>96</td>
<td>Nonpoint Source Control Grants</td>
<td>$6.1</td>
</tr>
<tr>
<td>97</td>
<td>Guardianship Assistance</td>
<td>$6.1</td>
</tr>
<tr>
<td>98</td>
<td>Section 8 Housing Choice Vouchers</td>
<td>$5.8</td>
</tr>
<tr>
<td>99</td>
<td>Engineering Grants</td>
<td>$5.6</td>
</tr>
<tr>
<td>100</td>
<td>Emergency Food Assistance Program—Administration</td>
<td>$4.4</td>
</tr>
</tbody>
</table>

**TOTAL**  $39,853.2

**Sources:** Federal Funds Information for States; selected federal and state agencies.
HEALTH AND HUMAN SERVICES

INTRODUCTION

Health and human services funding accounts for 36.9 percent of the total All Funds Texas state budget for the 2016–17 biennium (Figure 10).

Federal Funds are essential to health and human services agencies’ financing because this funding makes up a large proportion of the function’s total appropriations. For the 2016–17 biennium, Federal Funds constitute 55.9 percent of health and human services agency appropriations (Figure 11). Many federal funding streams require the state to contribute General Revenue Funds in order to draw down the Federal Funds.

For many health and human services programs, eligibility depends on several factors, including a common income measurement—the Federal Poverty Level (FPL), which is determined by the federal government each year. Figure 12 shows calendar year 2016 FPL amounts by family size and various eligibility levels relevant to programs in Texas.
### FIGURE 12
**FEDERAL POVERTY GUIDELINES (FEDERAL POVERTY LEVEL) FOR CALENDAR YEAR 2016**

<table>
<thead>
<tr>
<th>FAMILY SIZE</th>
<th>100% FPL</th>
<th>11% FPL</th>
<th>21% FPL</th>
<th>74% FPL</th>
<th>133% FPL</th>
<th>185% FPL</th>
<th>200% FPL</th>
<th>222% FPL</th>
<th>300% FPL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$11,880</td>
<td>$1,307</td>
<td>$2,495</td>
<td>$8,791</td>
<td>$15,800</td>
<td>$21,978</td>
<td>$23,760</td>
<td>$26,374</td>
<td>$35,640</td>
</tr>
<tr>
<td>2</td>
<td>$16,020</td>
<td>$1,762</td>
<td>$3,364</td>
<td>$11,855</td>
<td>$21,307</td>
<td>$29,637</td>
<td>$32,040</td>
<td>$35,640</td>
<td>$48,060</td>
</tr>
<tr>
<td>3</td>
<td>$20,160</td>
<td>$2,218</td>
<td>$4,234</td>
<td>$14,918</td>
<td>$26,813</td>
<td>$37,296</td>
<td>$40,320</td>
<td>$44,755</td>
<td>$60,480</td>
</tr>
<tr>
<td>4</td>
<td>$24,300</td>
<td>$2,673</td>
<td>$5,103</td>
<td>$17,982</td>
<td>$32,319</td>
<td>$44,955</td>
<td>$48,600</td>
<td>$53,946</td>
<td>$72,900</td>
</tr>
<tr>
<td>5</td>
<td>$28,440</td>
<td>$3,128</td>
<td>$5,972</td>
<td>$21,046</td>
<td>$37,825</td>
<td>$52,614</td>
<td>$56,880</td>
<td>$63,137</td>
<td>$85,320</td>
</tr>
<tr>
<td>6</td>
<td>$32,580</td>
<td>$3,584</td>
<td>$6,842</td>
<td>$24,109</td>
<td>$43,331</td>
<td>$60,273</td>
<td>$65,160</td>
<td>$72,328</td>
<td>$97,740</td>
</tr>
<tr>
<td>7</td>
<td>$36,730</td>
<td>$4,040</td>
<td>$7,713</td>
<td>$27,180</td>
<td>$48,851</td>
<td>$67,951</td>
<td>$73,460</td>
<td>$81,541</td>
<td>$110,190</td>
</tr>
<tr>
<td>8</td>
<td>$40,890</td>
<td>$4,498</td>
<td>$8,587</td>
<td>$30,259</td>
<td>$54,384</td>
<td>$75,647</td>
<td>$81,780</td>
<td>$90,776</td>
<td>$122,670</td>
</tr>
</tbody>
</table>

Each additional person:

| 1 | $4,160 |
| 2 | $458  |
| 3 | $874  |
| 4 | $3,078 |
| 5 | $5,533 |
| 6 | $7,696 |
| 7 | $8,320 |
| 8 | $9,235 |

Note: FPL = Federal Poverty Level.

---

### FEDERAL MEDICAL ASSISTANCE PERCENTAGE

The matching requirement that affects health and human services funding the most is the Federal Medical Assistance Percentage (FMAP). A state's FMAP varies each year, based on a state's three-year average per capita income relative to the national per capita income. The federal American Recovery and Reinvestment Act of 2009 significantly increased Texas' FMAP from federal fiscal years 2009 to 2011. However, this temporary FMAP rate increase expired July 1, 2011.

Because of the volume of spending governed by the FMAP, small incremental changes can result in millions of dollars' worth of increases or decreases in state expenditures. The FMAP not only determines the state and federal share of Medicaid, the state's largest health and human services program, but it also applies to adoption assistance, foster care, and child care. The FMAP is also the basis for calculating the Enhanced Federal Medical Assistance Percentage (EFMAP), the federal match rate for the Children's Health Insurance Program (CHIP). Figure 13 shows Texas' FMAP and EFMAP since federal fiscal year 2005.

---

### FIGURE 13
**TEXAS FEDERAL MEDICAL ASSISTANCE PERCENTAGE AND ENHANCED FEDERAL MEDICAL ASSISTANCE PERCENTAGE FEDERAL FISCAL YEARS 2005 TO 2016**

![Graph showing Texas FMAP and EFMAP from 2005 to 2016]

FEDERAL HEALTHCARE REFORM
The federal Patient Protection and Affordable Care Act (ACA) of 2010 and the Health Care and Education Reconciliation Act of 2010 significantly changed many aspects of the U.S. healthcare and insurance industries. Although the U.S. Supreme Court’s opinion in National Federation of Independent Business v. Sebelius invalidated the statutory provision requiring states to expand Medicaid eligibility to receive Medicaid funding, the opinion upheld the remainder of the statute. Significant requirements resulting from the ACA include the changes in the Medicaid eligibility thresholds and determination processes. These changes resulted in the transition of some children formerly eligible for and receiving services in CHIP to the Medicaid program, which occurred primarily during calendar year 2014.

Another significant requirement resulting from the ACA is the 23.0 percentage point increase to the EFMAP, the federal match rate for CHIP, beginning in federal fiscal year 2016. Texas' Enhanced FMAP increased from 70.64 percent in federal fiscal year 2015 to 92.99 percent in federal fiscal year 2016.

BUDGET CONTROL ACT OF 2011 EFFECTS ON HEALTH AND HUMAN SERVICES PROGRAMS
The sequestration provisions of the federal Budget Control Act of 2011 specify that half of the required reductions come from nondefense discretionary spending. Many major health and human services programs are exempted from the sequestration provisions, because they are not considered discretionary spending programs. These programs include Medicaid, CHIP, National School Lunch Program, and Temporary Assistance for Needy Families (TANF). However, major health and human services that are subject to the sequestration provisions include Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), Social Services Block Grant, and Substance Abuse Prevention and Treatment Block Grant.

MEDICAID MANAGED CARE EXPANSION AND TEXAS' 1115 WAIVER
The Texas Medicaid payment structure has increasingly moved away from the fee-for-service model toward a managed care model. However, because the substantial Medicaid Upper Payment Limit (UPL) supplemental payments were premised on a fee-for-service model, Texas was unable to implement statewide managed care without endangering the payment stream. The Eighty-second Legislature, Regular Session, 2011, charged the Health and Human Services Commission (HHSC) with statewide Medicaid managed care implementation, but only if HHSC was able to simultaneously protect the supplemental funding stream.

In 2011, HHSC received approval from the federal government for a proposal that both expanded managed care statewide and implemented a new funding structure to replace UPL payments. The U.S. Secretary of Health and Human Services approved HHSC’s Medicaid Transformation Waiver pursuant to the federal Social Security Act, Section 1115, which authorizes the Secretary to waive compliance with certain portions of the Medicaid statute. HHSC’s Medicaid Transformation Waiver replaced the UPL stream with two separate funding pools. The Uncompensated Care pool partially reimburses providers for costs associated with uncompensated or indigent care. The Delivery System Reform Incentive Payment pool was designed to spur infrastructure or systematic improvements.

The Medicaid Transformation Waiver is a five-year project that expired September 1, 2016. Texas submitted a five-year extension request for the waiver to the U.S. Centers for Medicare and Medicaid Services (CMS) on September 30, 2015. CMS granted the state a temporary, 15-month waiver extension, expiring on January 1, 2018. The temporary waiver extension continues the Uncompensated Care and Delivery System Reform Incentive Payment pools at existing funding levels while the state and CMS work toward a longer waiver extension agreement.

REAUTHORIZATION ISSUES
Several health and human service programs included in the top 100 federal funding sources in the state budget are operating despite expired federal authorization for funding. For example, the Ryan White AIDS/HIV Programs expired in federal fiscal year 2013, and Refugee and Entrance Assistance – State Administered Programs continue to receive appropriations, despite an authorization that expired in fiscal year 2002.
The federal Medicare Access and CHIP Reauthorization Act of 2015 extended federal funding for CHIP and the Maternal, Infant, and Early Childhood Home Visiting Program through federal fiscal year 2017 with no major changes for either program.

Certain programs providing nutrition assistance and social services to older adults, including Special Programs for the Aging – Nutrition Services, Special Programs for the Aging – Supportive Services and Senior Centers, and the Nutrition Services Incentive Program, were reauthorized by the federal Older Americans Reauthorization Act of 2016. Funding formula changes for these programs specified in the law are anticipated to result in increased allocations to the state beginning in federal fiscal year 2017.

The 2016 U.S. Consolidated Appropriations Act reauthorized the TANF program through September 30, 2016, with no policy changes. Although funding for the basic TANF program has remained fairly constant, funding for supplemental grants for states with high population growth or historically low cash assistance benefits levels or both was eliminated in fiscal year 2012.

The U.S. Child Care and Development Block Grant Act of 2014 (CCDBG Act) reauthorized the Child Care and Development Fund through federal fiscal year 2020. The CCDBG Act includes several new federal requirements for the U.S. Social Security Act, Title IV, Part E, Foster Care and Adoption Assistance Programs. The most extensive new requirements relate to licensing enforcement and criminal background checks.

**MAJOR HEALTH AND HUMAN SERVICES PROGRAMS**

*Figure 14* shows the largest federal funding streams for health and human services in descending dollar order for federal fiscal year 2016. References to statutory titles usually refer to the U.S. Social Security Act (e.g., Title IV, Part E), the authorizing legislation for many health and human services programs.

**FIGURE 14**

**HEALTH AND HUMAN SERVICES FEDERAL FUNDING SOURCES IN THE TOP 100, FEDERAL FISCAL YEAR 2016 (APPROPRIATED)**

<table>
<thead>
<tr>
<th>RANK</th>
<th>PROGRAM</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Medicaid (Title XIX)</td>
</tr>
<tr>
<td>5</td>
<td>Children’s Health Insurance Program (CHIP)</td>
</tr>
<tr>
<td>9</td>
<td>Temporary Assistance for Needy Families (TANF)</td>
</tr>
<tr>
<td>10</td>
<td>Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)</td>
</tr>
<tr>
<td>11</td>
<td>Child and Adult Food Care Program</td>
</tr>
<tr>
<td>13</td>
<td>Supplemental Nutrition Assistance Program – State Administration</td>
</tr>
<tr>
<td>16</td>
<td>Foster Care (Title IV, Part E)</td>
</tr>
<tr>
<td>17</td>
<td>Child Support Enforcement Administration</td>
</tr>
<tr>
<td>22</td>
<td>Substance Abuse Prevention and Treatment Block Grant</td>
</tr>
<tr>
<td>23</td>
<td>Disability Determinations</td>
</tr>
<tr>
<td>24</td>
<td>Social Services Block Grant</td>
</tr>
<tr>
<td>25</td>
<td>Adoption Assistance (Title IV–E)</td>
</tr>
<tr>
<td>29</td>
<td>HIV Care Formula Grants</td>
</tr>
<tr>
<td>35</td>
<td>Refugee and Entrant Assistance – State Administered Programs</td>
</tr>
<tr>
<td>47</td>
<td>Special Programs for the Aging – Nutrition Services</td>
</tr>
<tr>
<td>48</td>
<td>Special Education Grants for Infants and Families</td>
</tr>
<tr>
<td>50</td>
<td>Community Mental Health Services Block Grant</td>
</tr>
<tr>
<td>51</td>
<td>Survey and Certification of Health Care Providers and Suppliers</td>
</tr>
<tr>
<td>54</td>
<td>Maternal and Child Health Services Block Grant</td>
</tr>
<tr>
<td>55</td>
<td>Promoting Safe and Stable Families</td>
</tr>
</tbody>
</table>
### FIGURE 14 (CONTINUED)

**HEALTH AND HUMAN SERVICES FEDERAL FUNDING SOURCES IN THE TOP 100, FEDERAL FISCAL YEAR 2016 (APPROPRIATED)**

<table>
<thead>
<tr>
<th>RANK</th>
<th>PROGRAM</th>
</tr>
</thead>
<tbody>
<tr>
<td>56</td>
<td>Immunization Grants</td>
</tr>
<tr>
<td>60</td>
<td>Child Welfare Services State Grants</td>
</tr>
<tr>
<td>69</td>
<td>Special Programs for the Aging—Supportive Services and Senior Centers</td>
</tr>
<tr>
<td>70</td>
<td>Maternal, Infant, and Early Childhood Home Visiting Program</td>
</tr>
<tr>
<td>73</td>
<td>Medicaid Fraud Control Unit</td>
</tr>
<tr>
<td>77</td>
<td>HIV Prevention Activities</td>
</tr>
<tr>
<td>81</td>
<td>Nutrition Services Incentive Program</td>
</tr>
<tr>
<td>84</td>
<td>Chafee Foster Care Independence Program</td>
</tr>
<tr>
<td>85</td>
<td>National Family Caregiver Support Program</td>
</tr>
<tr>
<td>86</td>
<td>Fresh Fruit and Vegetable Program</td>
</tr>
<tr>
<td>91</td>
<td>Project Grants and Cooperative Agreements for Tuberculosis Control</td>
</tr>
<tr>
<td>92</td>
<td>Adoption and Legal Guardianship Incentive Payments</td>
</tr>
<tr>
<td>95</td>
<td>Preventive Health Services Sexually Transmitted Diseases Control Grants</td>
</tr>
<tr>
<td>97</td>
<td>Guardianship Assistance</td>
</tr>
<tr>
<td>100</td>
<td>Emergency Food Assistance Program – Administration</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$28,857.3</strong></td>
</tr>
</tbody>
</table>

**SOURCES:** Legislative Budget Board; Federal Funds Information for States; U.S. Department of Health and Human Services; Health and Human Services Commission; Office of the Attorney General; Department of Assistive and Rehabilitative Services.
MEDICAID (TITLE XIX)

CFDA NUMBER 93.778

PURPOSE
The Medicaid program provides financial assistance to states for payments of medical assistance on behalf of cash assistance recipients, children, pregnant women, elderly persons who meet income and resource requirements, and other categorically eligible groups.

DISTRIBUTION OF FUNDS
Funding is an open-ended entitlement. The federal government reimburses states for part of the cost of all allowable services provided to eligible persons.

MATCH OR MAINTENANCE OF EFFORT
For medical assistance, the federal-to-state match ratio is the Federal Medical Assistance Percentage (FMAP), which is calculated annually and is based on a comparison of the state's three-year per capita personal income (PCPI) to the national PCPI. The federal fiscal year 2016 FMAP for Texas is 57.13 percent federal share. Enhanced matches are provided for certain other client services or programs. For program administration, the match rate is 50 percent. The federal share for compensation and training of professional medical personnel or for quality-control peer review organizations is 75 percent of costs. Funds used for family planning or for developing an automated claims processing system are matched at 90 percent federal share.

FEDERAL USES OR RESTRICTIONS
States must provide certain mandatory benefits, including:

- inpatient and outpatient hospital services;
- physician services;
- nursing facility care;
- home healthcare;
- pregnancy-related services;
- family planning services;
- rural health clinic services;
- laboratory and x-ray services;
- medical transportation;
- pediatric and family nurse practitioner services;
- Federally Qualified Health Center services;
- nurse-midwife services; and
- Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) medical and dental services for individuals younger than age 21 (any service deemed medically necessary).
MEDICAID (TITLE XIX) (CONTINUED)

CFDA NUMBER 93.778

States may provide additional services such as clinic services, emergency hospital services, Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/DD), mental health services, private-duty nurses, and prescription drugs. Each Medicaid service must be sufficient in amount, duration, and scope to achieve its purpose. Recipients throughout the state must have access to similar types and levels of care. Medicaid recipients may obtain services from any qualified Medicaid provider. Federally approved waivers may provide exceptions to these requirements.

Medicaid funds are also used for program administration, including compensation and training of professional medical personnel used in program administration; automated claims processing systems; quality review programs; immigration status control programs; and fraud control units.

ELIGIBILITY

Healthcare services are provided for certain client groups in accordance with Medicaid. Eligibility is based primarily on income and age. Beginning January 1, 2014, eligible persons include:

- impoverished persons eligible for Temporary Assistance for Needy Families (TANF) cash assistance and disabled persons eligible for Supplemental Security Income (SSI);
- persons receiving medical assistance only (low-income persons residing in institutions who would qualify for SSI except for certain income requirements);
- children age 18 or younger in families with income up to 138 percent of the federal poverty level (FPL) ($27,821 for a family of three);
- pregnant women in families with income up to 203 percent of the FPL ($40,925 for a family of three);
- newborns born to a mother eligible for and receiving Medicaid at the time of birth, subsequently eligible, or eligible for and receiving benefits through the Children’s Health Insurance Program (CHIP) perinatal program, through the month of the child’s first birthday, with income up to 203 percent of the FPL;
- medically needy children and pregnant women whose family income are spent down to qualifying eligibility levels because of medical expenses;
- Medicare beneficiaries who are also eligible for Medicaid (referred to as full dual eligible beneficiaries);
- certain persons with disabilities who pay a premium to buy into the Medicaid program; and
- foster care or adoption-related groups such as:
  - children age 17 or younger who are in the conservatorship of the Texas Department of Family and Protective Services or are the subject of an adoption assistance agreement;
  - pursuant to the Former Foster Care Children Program, individuals ages 18 to 25 who were enrolled in Medicaid when they aged out of Texas foster care at age 18, without regard to assets, income, or educational requirements; and
  - pursuant to the Medicaid for Transitioning Foster Care Youth Program, former foster care youth ages 18 to 20 who were in foster care on their eighteenth birthday or later, with incomes no greater than 418 percent of the FPL.
MEDICAID (TITLE XIX) (CONTINUED)

CFDA NUMBER 93.778

Low-income Medicare beneficiaries who do not qualify for full Medicaid benefits may be eligible to receive limited assistance from Medicaid (partial dual eligible beneficiaries). For partial dual eligibles at or less than 100 percent of the FPL, Medicaid pays for Medicare premiums, deductibles, and coinsurance, except for Medicare Part D expenses. For partial dual eligibles beneficiaries from 100 to 135 percent of FPL, Medicaid pays for Medicare Part B premiums. For partial dual eligibles beneficiaries from 135 to 200 percent of FPL, Medicaid pays for Medicare Part A premiums.

Figure 15 shows income limits for various categories of eligibility in Texas. Figure 16 shows the number of Medicaid recipients with spending for each group.

FIGURE 15
MEDICAID ELIGIBILITY LIMITS IN TEXAS FOR A FAMILY OF THREE (UNLESS OTHERWISE NOTED), JANUARY 1, 2014

<table>
<thead>
<tr>
<th>Category</th>
<th>Eligibility Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pregnant Women and Infants</td>
<td>203% FPL ($40,925)</td>
</tr>
<tr>
<td>Nondisabled Children (Ages 1 to 18)</td>
<td>138% FPL ($27,281)</td>
</tr>
<tr>
<td>Nondisabled, Nonpregnant Parents</td>
<td>approximately 20% FPL ($4,032)</td>
</tr>
<tr>
<td>Aged and Disabled</td>
<td>approximately 74% FPL (100% SSI or $8,796 for an individual)</td>
</tr>
<tr>
<td>Long-term Services and Supports</td>
<td>approximately 222% FPL (300% SSI or $26,388 for an individual)</td>
</tr>
</tbody>
</table>

NOTES:
(1) Dollar amounts are based on the 2016 federal poverty guidelines.
(2) Income eligibility for the Nondisabled and Nonpregnant Parents category is based on the income eligibility of Temporary Assistance for Needy Families cash assistance.
(3) Income eligibility for the Aged and Disabled and Long-term Services and Supports categories is based on the Supplemental Security Income (SSI) for an individual or couple.

SOURCES: Legislative Budget Board; Health and Human Services Commission; U.S. Department of Health and Human Services.

FIGURE 16
MEDICAID CASELOAD AND EXPENDITURES, FISCAL YEAR 2015

SOURCE: Texas Health and Human Services Commission.
MEDICAID (TITLE XIX) (CONTINUED)

CFDA NUMBER 93.778

STATE AGENCIES

Figures 17 and 18 show the distribution of funding to state agencies. Figure 19 shows each state agency’s responsibilities in accordance with the Medicaid program.

FIGURE 17
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

FIGURE 18
ESTIMATED FEDERAL FUNDS DISTRIBUTION
FISCAL YEAR 2016

Source: Health and Human Services Commission.

Source: Legislative Budget Board.
### MEDICAID (TITLE XIX) (CONTINUED)

**CFDA NUMBER 93.778**

<table>
<thead>
<tr>
<th>TEXAS EDUCATION AGENCY</th>
<th>HEALTH AND HUMAN SERVICES COMMISSION</th>
</tr>
</thead>
<tbody>
<tr>
<td>• School Health and Related Services</td>
<td>• Access and Eligibility Services Department</td>
</tr>
<tr>
<td></td>
<td>○ Medicaid eligibility determinations</td>
</tr>
<tr>
<td></td>
<td>○ Client functional eligibility determination</td>
</tr>
<tr>
<td></td>
<td>• Community Services</td>
</tr>
<tr>
<td></td>
<td>○ Rehabilitation services</td>
</tr>
<tr>
<td></td>
<td>○ Case management for pregnant women</td>
</tr>
<tr>
<td></td>
<td>○ Early Childhood Intervention</td>
</tr>
<tr>
<td></td>
<td>○ Targeted Case Management</td>
</tr>
<tr>
<td></td>
<td>○ Mental health assessments and service coordination</td>
</tr>
<tr>
<td></td>
<td>○ NorthSTAR (behavioral health managed care) (2)</td>
</tr>
<tr>
<td></td>
<td>○ Youth Empowerment Services (YES) Waiver</td>
</tr>
<tr>
<td></td>
<td>• Medicaid and CHIP Services Department</td>
</tr>
<tr>
<td></td>
<td>○ Medical and dental checkups for children in the Texas Health Steps Program</td>
</tr>
<tr>
<td></td>
<td>○ Medical Transportation Program</td>
</tr>
<tr>
<td></td>
<td>○ Vendor Drug Program</td>
</tr>
<tr>
<td></td>
<td>○ Texas Health Care Transformation and Quality Improvement Program 1115 Waiver</td>
</tr>
<tr>
<td></td>
<td>○ Medicaid client services through either the managed care or fee-for-service programs</td>
</tr>
<tr>
<td></td>
<td>○ Screening, case management, and waiver services</td>
</tr>
<tr>
<td></td>
<td>○ Community-based and institutional long-term services and supports</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OFFICE OF THE INSPECTOR GENERAL</th>
<th>DEPARTMENT OF STATE HEALTH SERVICES</th>
<th>DEPARTMENT OF AGING AND DISABILITY SERVICES</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Institutes of Mental Disease (mental health hospitals) (1)</td>
<td>• Newborn Screening</td>
<td>• Regulation of long-term care facilities (1)</td>
</tr>
<tr>
<td>• Case management for children</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NOTES:**

(1) Institutes of Mental Disease and the regulation of long-term care facilities will transfer to the Health and Human Services Commission effective September 1, 2017.

(2) NorthSTAR will be discontinued January 1, 2017.

**SOURCES:** Legislative Budget Board; Health and Human Services Commission.
CHILDREN’S HEALTH INSURANCE PROGRAM (CHIP)

CFDA NUMBER 93.767

PURPOSE
The Children’s Health Insurance Program (CHIP) provides health insurance coverage for children from low-income families who are not eligible for Medicaid and do not have access to affordable health insurance. States also have the option to provide assistance to low-income pregnant women and legal immigrants.

DISTRIBUTION OF FUNDS
Funds are allocated based on previous payments, previous spending, growth in the child population, and growth in per capita healthcare costs for each state. States must expend annual allocations within two years; unspent funds are subject to redistribution to other states.

MATCH OR MAINTENANCE OF EFFORT
Enhanced federal match varies by state based upon Enhanced Federal Medical Assistance Percentage (EFMAP); the federal share is 92.99 percent for federal fiscal year 2016.

FEDERAL USES OR RESTRICTIONS
States must provide coverage for certain healthcare services, including preventive care and inpatient and outpatient hospital services. No more than 10 percent of Federal Funds may be used for expenditures not related to child health assistance, including administrative costs. There may be cost sharing based upon household income.

ELIGIBILITY
• Covered groups: low-income children younger than age 19 and pregnant women
• Income for children: household income at or less than 206 percent of the Federal Poverty Level (FPL)
• Income for pregnant women: household income at or less than 207 percent of the FPL
• Insured status: limited to uninsured children; a waiting period of up to 90 days from eligibility determination to coverage is applied for children previously covered by a third-party health benefits plan

OTHER REQUIREMENTS
• Enrollment fee: $0, $35, or $50 annual
• Copayments: $0 to $125, depending on family income and type of service; copayments are capped at 5 percent of family income per enrollment period
CHILDREN'S HEALTH INSURANCE PROGRAM (CHIP) (CONTINUED)

CFDA NUMBER 93.767

STATE AGENCY
Health and Human Services Commission.

FIGURE 20
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

$882.6 $891.5 $955.8 $1,068.7 $1,345.1


SOURCE: Federal Funds Information for States.
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)

CFDA NUMBER 93.558

PURPOSE
The Temporary Assistance for Needy Families (TANF) program provides assistance to families with needy children to care for children in their homes or the homes of relatives; promotes job preparation, work, and marriage; strives to reduce and prevent out-of-wedlock pregnancies; and encourages the formation and maintenance of two-parent families.

DISTRIBUTION OF FUNDS
TANF is a block grant based on the historical level of federal spending on related programs. States with high population growth and low benefit levels have received supplemental funds. Contingency funds are available to states that reach designated levels of unemployment or Supplemental Nutrition Assistance Program (SNAP) usage.

MATCH OR MAINTENANCE OF EFFORT
Although TANF has no match requirement, it does require a maintenance of effort (MOE). States must maintain spending at 80 percent of what expenditures were in federal fiscal year 1994 on related programs, or 75 percent if the state meets national work participation standards (50 percent of all families participating in work activities, and 90 percent of two-parent families participating in work activities). Texas’ 75 percent MOE is $236.7 million, and its 80 percent MOE is $251.4 million. Texas meets the national work participation standards; therefore, its MOE is the lesser of the two amounts. To receive contingency funding, states must maintain spending on low-income families at 100 percent of the level of expenditures in fiscal year 1994, excluding expenditures on child care.

FEDERAL USES OR RESTRICTIONS
States have broad discretion to use the grant funds in any manner that meets the program’s purposes. Funds cannot be used for medical assistance, except pre-pregnancy family planning.

States may transfer up to 30 percent of the block grant to the Child Care and Development Fund, less transfers to the Social Services Block Grant, which are limited to 10 percent of the TANF grant.

ELIGIBILITY
States are authorized to use discretion in their TANF eligibility decisions. Texas’ eligibility requirements follow.

CASH ASSISTANCE, EMPLOYMENT SERVICES, AND ADULT EDUCATION
- Eligibility based on the budgetary needs test and the recognizable needs test.

EMPLOYMENT SERVICES
- Income: up to $37,000 annually

ADULT EDUCATION
- Income: up to 200 percent of the Federal Poverty Level (FPL)

CHILD PROTECTIVE SERVICES, AND FAMILY-BASED SAFETY SERVICES
- Income: household income less than $63,000 annually

CONSUMER-MANAGED PERSONAL ASSISTANT SERVICES
- Age: 18 or older
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) (CONTINUED)

CFDA NUMBER 93.558
• Other: Physician’s statement verifying the individual has a current medical need for assistance with personal care tasks and other activities of daily living. The client must need assistance with at least one personal care task, be mentally and emotionally capable of self-directing attendant care, and reside in the geographical area described in the contract.

TEXAS WORKFORCE COMMISSION – CHILD CARE FOR LOW-INCOME FAMILIES
• Age: younger than age 13, with the exception of children ages 13 to 19 who have disabilities
• Income: each Local Workforce Development Board sets its own income eligibility limits up to 85 percent of the State Median Income
• Other: With the exception of children referred for child care by Child Protective Services (CPS) staff, parents must be working or in training to receive child care assistance. Parents who are working or in training are exempted from the income test if they are referred by a TANF employment services case manager, a SNAP employment and training case manager, or a CPS worker.

HEALTH AND HUMAN SERVICES COMMISSION (HHSC) – FAMILY VIOLENCE SERVICES
• Income: 200 percent of the FPL
• Other: services are available to families with a caretaker and dependent child(ren)

HHSC – WOMEN’S HEALTH SERVICES
• Income: 185 percent of the FPL.
• Other: outreach and sexuality education to groups of adolescents younger than age 18 are not provided through this service

OTHER REQUIREMENTS
Families must include a child at home or in the home of a relative. Adult recipients must participate in work activities unless exempt and must assign rights to child support to the state with a designated amount set aside as a pass-through for the custodial parent. Receipt of benefits is time-limited. Federal law sets a five-year lifetime cap on receipt of benefits for families with an adult on the grant.
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) (CONTINUED)

CFDA NUMBER 93.558

STATE AGENCIES
Health and Human Services Commission; Department of Family and Protective Services; Department of Assistive and Rehabilitative Services; Texas Workforce Commission; Department of State Health Services; Texas Education Agency.

FIGURE 21
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

<table>
<thead>
<tr>
<th>Year</th>
<th>Award Amount (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$539.0</td>
</tr>
<tr>
<td>2013</td>
<td>$528.0</td>
</tr>
<tr>
<td>2014</td>
<td>$534.5</td>
</tr>
<tr>
<td>2015</td>
<td>$540.4</td>
</tr>
<tr>
<td>2016</td>
<td>$526.8</td>
</tr>
</tbody>
</table>

NOTE: Amounts in each fiscal year include Texas’ $486.3 million Temporary Assistance for Needy Families block grant. Contingency funds are included as follows: $42.8 million in fiscal year 2012; $42.5 million in fiscal year 2013; $48.3 million in fiscal year 2014; $54.2 million in fiscal year 2015; and $40.5 million in fiscal year 2016.

FIGURE 22
ESTIMATED FEDERAL FUNDS DISTRIBUTION
FISCAL YEAR 2016

- Employee Benefits: 7.3%
- Texas Education Agency: 0.9%
- Department of Assistive and Rehabilitative Services: 1.9%
- Department of State Health Services: 4.1%
- Texas Workforce Commission: 18.3%
- Department of Family and Protective Services: 58.2%
- Health and Human Services Commission: 9.3%

NOTE: House Bill 2463, Eighty-fourth Legislature, 2015, targeted the Department of Assistive and Rehabilitative Services for consolidation into the Health and Human Services Commission on September 1, 2016.

SOURCE: Legislative Budget Board.

SOURCE: Legislative Budget Board.
SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

CFDA NUMBER 10.557

PURPOSE
The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) provides, at no cost, supplemental nutritious foods, nutrition education, and healthcare referrals to low-income pregnant, breastfeeding, or postpartum women and to infants and young children determined to be at nutritional risk.

DISTRIBUTION OF FUNDS
Food benefit funds are allocated based on each state’s prior year grant, adjusted for inflation. Certain funds are reserved for fair share states, meaning those with lower enrollment of recipients. Administrative funds are determined on a fixed-dollar basis per WIC participant, but funds are adjusted annually for inflation.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
States that receive WIC funding must enter into cost-containment contracts for the purchase of infant formula, providing rebates, and reducing program costs. In addition to food purchases, funds may be used for nutrition education; breastfeeding promotion and support, including the purchase of breast pumps; and screenings, assessments, and referrals to health, welfare, and social service providers.

ELIGIBILITY

WOMEN
• Age: no age requirement
• Income: households at or below 185 percent of the Federal Poverty Level; Supplemental Nutrition Assistance Program, Medicaid, and Temporary Assistance for Needy Families recipients are automatically income-eligible
• Other: women who are pregnant, breastfeeding (up to one year after birth), or nonbreastfeeding postpartum (up to six months after birth), and at nutritional risk

INFANTS
• Age: birth to age one
• Other: at nutritional risk

CHILDREN
• Age: ages one to five
• Other: at nutritional risk
STATE AGENCY

Department of State Health Services.

FIGURE 23
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

Source: Federal Funds Information for States.
CHILD AND ADULT CARE FOOD PROGRAM

CFDA NUMBER 10.558

PURPOSE
The Child and Adult Care Food Program provides cash reimbursement for nonprofit meal service programs for elderly or impaired adults and children in nonresidential day care facilities, and children in emergency shelters or attending certain afterschool programs.

DISTRIBUTION OF FUNDS
States receive funds based on the number of meals served, by category and type. Category refers to the economic need of the individual served or the designation of the provider. Type refers to breakfast, lunch, supplement, or supper.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
Funds may be used to reimburse eligible entities for part of the costs in providing meals and snacks to homeless children in emergency shelters and children and adults in nonresidential day care, including afterschool programs. Depending upon the participant category, authorized daily reimbursement per participant ranges from a snack and a meal to three meals. Funds may be used for state administrative expenses.

ELIGIBILITY
- Approved sites providing nonresidential day care services, including after school programs and emergency shelters, may participate in the program.
- Age: In child-care facilities, children age 12 and younger, older children with disabilities, and children younger than age 16 of migrant workers. In afterschool programs, children age 18 or younger and older children with disabilities. For residents of emergency shelters, children age 18 or younger. In adult day-care centers, adults age 60 and older, and adults with functional impairment.
- Income: Clients from households with income at or less than 130 percent of the Federal Poverty Level (FPL) are eligible for free meals. Clients with household income from 130 percent to 185 percent of the FPL are eligible for reduced-price meals.

STATE AGENCY
Texas Department of Agriculture.
SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM—STATE ADMINISTRATION

CFDA NUMBER 10.561

PURPOSE
Funds for administration assist state agencies in operating the Supplemental Nutrition Assistance Program (SNAP).

DISTRIBUTION OF FUNDS
Funding is an open-ended entitlement. The federal government reimburses states for part of eligible program costs.

MATCH OR MAINTENANCE OF EFFORT
The state share is 50 percent. Bonuses are available to states with the lowest and most improved payment error rates. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
Funds are for administrative costs to screen and certify applicants for program benefits; issue benefits to eligible households; conduct fraud investigations and prosecutions; provide fair hearings to households for which benefits have been denied or terminated; conduct nutrition education activities; and operate automated data processing systems. Funds are also used to provide employment and training activities to SNAP recipients and nutrition education to low-income persons.

STATE AGENCY
Health and Human Services Commission; Texas Workforce Commission.

FIGURE 25
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

<table>
<thead>
<tr>
<th>Year</th>
<th>Award (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$296.5</td>
</tr>
<tr>
<td>2013</td>
<td>$206.5</td>
</tr>
<tr>
<td>2014</td>
<td>$207.2</td>
</tr>
<tr>
<td>2015</td>
<td>$203.0</td>
</tr>
<tr>
<td>2016</td>
<td>$256.2</td>
</tr>
</tbody>
</table>

Source: Federal Funds Information for States.

FIGURE 26
ESTIMATED FEDERAL FUNDS DISTRIBUTION
FISCAL YEAR 2016

- Employee Benefits: 10.7%
- Health and Human Services Commission: 82.4%
- Texas Workforce Commission: 7.0%

Sources: Health and Human Services Commission; Texas Workforce Commission.
FOSTER CARE (TITLE IV, PART E)

CFDA NUMBER 93.658

PURPOSE
Foster care funding assists states in providing safe, appropriate, 24-hour substitute care for children who are under the jurisdiction of the administering state agency and need temporary placement and care outside their homes. The funding also provides for proper and efficient administrative and training costs.

DISTRIBUTION OF FUNDS
Funding is an open-ended entitlement. The federal government reimburses states for part of the cost of allowable services provided to eligible persons.

MATCH OR MAINTENANCE OF EFFORT
The federal-to-state match ratio is the Federal Medical Assistance Percentage (FMAP) (57.13 percent federal share in fiscal year 2014). The state match for staff or provider training is 25 percent. Administrative costs are shared 50 percent state to 50 percent federal. This program does not have a maintenance of effort requirement.

FEDERAL USES OR RESTRICTIONS
Funds may be used for payments on behalf of eligible children to individuals providing foster family homes, to child-care institutions, or to public or nonprofit child-placement agencies. Payments may include the cost of food, clothing, shelter, daily supervision, school supplies, personal incidentals, liability insurance (with respect to a child), and reasonable travel to the child’s home for visitation. Funds may not be used for counseling or treatment services provided to a child, the child’s family, or the child’s foster family.

ELIGIBILITY
Children must meet the dependent child eligibility requirements of the former federal Aid to Families with Dependent Children program that were in place on July 16, 1996. Within certain conditions, states may opt to extend eligibility until age 21.

STATE AGENCIES
Department of Family and Protective Services; Texas Juvenile Justice Department.

FIGURE 27
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

FIGURE 28
ESTIMATED FEDERAL FUNDS DISTRIBUTION
FISCAL YEAR 2016

Source: Federal Funds Information for States.

Sources: Health and Human Services Commission; Texas Workforce Commission.
CHILD SUPPORT ENFORCEMENT ADMINISTRATION

CFDA NUMBER 93.563

PURPOSE
Funds are available to enforce the support obligations owed by absent parents to their children; locate absent parents; establish paternity; and obtain child, spousal, and medical support.

DISTRIBUTION OF FUNDS
Funding is an open-ended entitlement. The federal government reimburses states for part of eligible program costs. Incentive payments are made to states based on performance in collection of support, and in establishing paternity and child support orders.

MATCH OR MAINTENANCE OF EFFORT
State match is 34 percent. This program does not have maintenance of effort requirements.

FEDERAL USES OR RESTRICTIONS
A state must provide child support enforcement services directly to individuals who are current or past recipients of federally funded foster care maintenance payments, Medicaid, or Temporary Assistance for Needy Families (TANF), and other individuals who request child support enforcement services. The state agency administering the program must attempt to establish paternity and a support obligation for children born out of wedlock. The agency must maintain a system for monitoring compliance with support obligations and must enforce obligations (including use of income withholding) within federally established timeframes. States are required to collect an annual fee of $25 from families that have never received TANF assistance (after the first $500 has been collected).

STATE AGENCY
Office of the Attorney General.

FIGURE 29
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

<table>
<thead>
<tr>
<th>Year</th>
<th>Award Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$148.2</td>
</tr>
<tr>
<td>2013</td>
<td>$170.9</td>
</tr>
<tr>
<td>2014</td>
<td>$159.1</td>
</tr>
<tr>
<td>2015</td>
<td>$100.0</td>
</tr>
<tr>
<td>2016</td>
<td>$196.7</td>
</tr>
</tbody>
</table>

SUBSTANCE ABUSE PREVENTION AND TREATMENT BLOCK GRANT

CFDA NUMBER 93.959

PURPOSE
Substance Abuse Prevention and Treatment Block Grant funds assist states in developing and implementing prevention, treatment, and rehabilitation activities to address alcohol and drug abuse.

DISTRIBUTION OF FUNDS
Funds are allocated based on weighted population factors and a measure that reflects differences in service costs among states.

MATCH OR MAINTENANCE OF EFFORT
At a minimum, states must maintain spending at the average level of expenditures for the two years before the grant year. The 2016 maintenance of effort requirement for Texas was approximately $36.7 million. No match is required.

FEDERAL USES OR RESTRICTIONS
At least 20 percent of the funds must be spent for primary preventive services, including the prevention of the use of alcoholic beverages and tobacco products by minors. States must expend at least 5 percent of the grant to increase, relative to fiscal year 1994, the availability of treatment services for pregnant women and women with dependent children. Administrative expenses are capped at 5 percent. States must conduct annual, random, unannounced inspections of tobacco retailers to ensure compliance with the state’s tobacco control laws for youth. States can be penalized for failure to meet targets for reducing the rate of violations of retail sales of tobacco to minors. States must provide tuberculosis services and early intervention services for substance abusers at risk for HIV disease. Funding typically cannot be used for inpatient hospital services; to make cash payments to recipients of health services; for purchasing or improving land, buildings, or medical equipment; or for other similar projects.

STATE AGENCY
Department of State Health Services.

FIGURE 30
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)


$135.0 $127.8 $139.7 $139.8 $144.7

SOURCE: Federal Funds Information for States.
DISABILITY DETERMINATIONS

CFDA NUMBER 96.001

PURPOSE
Funds for Disability Determinations support states’ processes for initial determinations of medical eligibility for Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI).

DISTRIBUTION OF FUNDS
The federal government allocates funding to states based on necessary costs related to the disability determination process.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
The federal government establishes the criteria to evaluate disability status. The determination of medical eligibility includes a review of the applicant’s medical records and an evaluation of the applicant’s functional capacity. Disability determination funds may not be used for actual disability payments to individuals; the federal government pays benefits directly to qualifying individuals.

ELIGIBILITY
The state is the recipient of funds to conduct disability determinations on behalf of the federal government.

STATE AGENCY
Health and Human Services Commission.

FIGURE 31
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

2012 $141.6
2013 $135.2
2014 $132.4
2015 $133.8
2016 $140.6

SOURCE: Department of Assistive and Rehabilitative Services.
SOCIAL SERVICES BLOCK GRANT (TITLE XX)

CFDA NUMBER 93.667

PURPOSE
Social Services Block Grants provide services directed toward one of the following goals: (1) prevent, reduce, or eliminate dependency; (2) achieve or maintain self-sufficiency; (3) prevent neglect, abuse, or exploitation of children and adults; (4) prevent or reduce inappropriate institutional care; or (5) secure admission or referral for institutional care when other forms of care are not appropriate.

DISTRIBUTION OF FUNDS
Funds are allocated based on each state’s share of the population.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
Funds cannot be used for cash payments for: costs of subsistence; provision of room and board; social services provided in or by employees of a hospital, nursing facility, or prison; child-care services unless such services meet state or local standards; or other services furnished by individuals or entities excluded from program participation. Funds may not be used to provide educational services that the state makes available to residents without cost and without regard to income.

States may transfer up to 10 percent of the annual block grant to the block grants for preventive health and health services, alcohol and drug abuse, mental health services, maternal and child health services, and low-income home energy assistance. Up to 10 percent of the Temporary Assistance for Needy Families block grant may be transferred to Title XX.

ELIGIBILITY

DEPARTMENT OF STATE HEALTH SERVICES (DSHS) – FAMILY PLANNING SERVICES
• Income: 185 percent of the Federal Poverty Level (FPL)
• Other: no income requirements for sexuality education classes or outreach activities for adolescents age 18 and younger

DSHS – ADULT MENTAL HEALTH SERVICES
• Age: 18 or older
• Income: less than 200 percent of the FPL
• Other: adults who have severe and persistent mental illnesses such as schizophrenia, major depression, bipolar disorder, or other severely disabling mental disorders that require crisis resolution or ongoing and long-term support and treatment

DEPARTMENT OF AGING AND DISABILITY SERVICES (DADS) – FAMILY CARE; HOME-DELIVERED MEALS PROGRAM; ADULT FOSTER CARE SERVICES; SPECIAL SERVICES TO PERSONS WITH DISABILITIES; AND RESIDENTIAL CARE
• Age: 18 or older
• Income: individual – $2,199; couple – $4,398
• Other: meets functional assessment score requirements

DADS – ADULT DAY CARE SERVICES
• Age: 18 or older
• Income: individual – $2,199; couple – $4,398
SOCIAL SERVICES BLOCK GRANT (TITLE XX) (CONTINUED)

CFDA NUMBER 93.667
- Other: medical diagnosis and physician’s order requiring care or monitoring by a licensed or registered nurse

DSHS – HOME DELIVERED MEALS PROGRAM
- Age: 18 or older
- Income: services are provided without regard to income
- Other: meets functional assessment score requirements

DSHS – NORTHSTAR BEHAVIORAL HEALTH WAIVER
- Age: 18 or older
- Income: less than 200 percent of the FPL
- Other: have a diagnosis of mental illness and exhibiting serious functional impairment; are at risk of disruption of a preferred living or child-care environment due to psychiatric symptoms; or are enrolled in a school system’s special education program due to a serious emotional disturbance

DSHS – MENTAL HEALTH STATE HOSPITALS
- Age: 18 or older
- Income: less than 200 percent of the FPL
- Other: The Waco Center for Youth is a psychiatric residential treatment facility that serves teenagers with emotional difficulties or behavioral problems.

DADS – SPECIAL SERVICES TO PERSONS WITH DISABILITIES–24-HOUR SHARED ATTENDANT CARE (AVAILABLE IN HOUSTON AREA ONLY)
- Age: 18 or older
- Income: individual – $2,199; couple – $4,398
- Other: meets functional assessment score requirements; client must reside in Houston

DADS – SPECIAL SERVICES TO PERSONS WITH DISABILITIES–EMERGENCY RESPONSE SERVICES
- Age: 18 or older
- Income: individual – $2,199; couple – $4,398
- Other: Client must live alone, be routinely alone for eight hours or more each day, or live with an incapacitated person who could not assist in an emergency. Client must have and be able to operate a telephone. Client meets functional assessment score requirements.

DADS – SPECIAL SERVICES TO PERSONS WITH DISABILITIES
- Age: 18 or older
- Income: individual – $2,199; couple – $4,398
- Other: Client must reside in the geographical area specified in the contract. Client meets functional assessment score requirements.
SOCIAL SERVICES BLOCK GRANT (TITLE XX) (CONTINUED)

CFDA NUMBER 93.667

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES (DFPS) – PROTECTIVE SERVICES FOR ADULTS AND CHILDREN AND MENTAL HEALTH AND INTELLECTUAL DISABILITIES INVESTIGATIONS

- Age: Protective services for adults are available to adults age 65 and older, disabled adults ages 18 to 64, and disabled individuals younger than age 18 who have been legally declared adults. For children, substitute care is extended to individuals older than age 18 if they are still in school.

- Other: Client eligibility is determined without regard to income. Child protective services are available when there is a suspicion of abuse or neglect.

STATE AGENCIES

Department of Aging and Disability Services; Department of Family and Protective Services; Department of State Health Services; Health and Human Services Commission.

FIGURE 32
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

FIGURE 33
ESTIMATED FEDERAL FUNDS DISTRIBUTION
FISCAL YEAR 2016

Source: Federal Funds Information for States.

Source: Legislative Budget Board.
ADDITION ASSISTANCE (TITLE IV, PART E)

CFDA NUMBER 93.659

PURPOSE
Adoption Assistance funds are available to assist states in subsidizing the adoption of certain children with special needs (e.g., children who are older; minority; members of sibling groups; or physically, mentally, or emotionally disabled).

DISTRIBUTION OF FUNDS
Funding is an open-ended entitlement. The federal government reimburses states for part of the cost of allowable services provided to eligible persons.

MATCH OR MAINTENANCE OF EFFORT
For adoption assistance, the federal-to-state match ratio is the Federal Medical Assistance Percentage (FMAP) (57.13 percent federal share in fiscal year 2016). The state match for training is 25 percent. Administrative costs are shared 50 percent each. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
Funds may be used for subsidy payments to adoptive parents of certain special needs children and training of professional staff and parents involved in adoptions. Subsidy payments cannot exceed the foster care maintenance payment that the child would have received in a foster family home. Parents adopting special needs children are eligible for reimbursement for certain nonrecurring costs for adoption of children with special needs and for adoption assistance payments.

ELIGIBILITY
- Income of Adoptive Parents: No means test applies to adoptive parents, but the amount of subsidy is agreed to by the agency and parents and may be readjusted only by joint agreement.
- Other: Federal law requires a gradual removal of adoption assistance eligibility from the 1996 federal Aid to Families with Dependent Children (AFDC) income requirements and the phase-in of a new applicable child standard. During this transition period from federal fiscal years 2010 to 2018, states must have two eligibility standards by which children may qualify: one for an applicable child and another for a nonapplicable child. The nonapplicable child standard is met if the home from which the child has been removed satisfies the 1996 AFDC income standards. The new applicable child standard replaces the income test with considerations including the child’s age, length of time in care, and certain sibling relationships. With certain exceptions, in federal fiscal year 2016, children age four or older before the end of the fiscal year must be considered in accordance to the applicable child standard. Federal law gradually replaces the qualification based on meeting the 1996 AFDC income requirements until federal fiscal year 2018, at which point eligibility will be considered only in accordance to the applicable child standard.
FIGURE 34
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

$98.4 $107.7 $114.0 $121.8 $131.7


SOURCE: Federal Funds Information for States.
HIV CARE FORMULA GRANTS

CFDA NUMBER 93.917

PURPOSE
HIV Care Formula grants improve the quality, availability, and organization of healthcare and support services for individuals with the Human Immunodeficiency Virus (HIV).

DISTRIBUTION OF FUNDS
Funds are distributed by formula based on a state’s share of individuals living with the HIV or acquired immune deficiency syndrome (AIDS) in the most recent calendar year.

MATCH OF MAINTENANCE OF EFFORT
States with more than 1 percent of the total U.S. AIDS cases reported during the previous year must provide nonfederal matching funds of $1 for each $2 of federal funding. Grantees must maintain nonfederal funding for HIV-related activities at a level that is not less than the expenditures for such activities during the fiscal year before receiving the grant. Texas’ maintenance of effort requirement in state fiscal year 2016 was an estimated $53.3 million.

FEDERAL USES OR RESTRICTIONS
The state must use 75 percent of grant funds remaining after set-aside for administration costs and clinical quality management programs on core medical services, such as outpatient and ambulatory healthcare, the AIDS Drug Assistance Program, oral healthcare, medical case management, and health insurance premiums. The remaining 25 percent of grant funds must be used for support services such as respite care, child-care services, and medical transportation. The amount of grant funds a state allocates to services provided to infants, children, and women must be at least equal to the proportion of these individuals in the state to the total state population of individuals with AIDS. The state must provide health and support services (including treatments) to prevent the perinatal transmission of HIV. Funds may be used to support HIV Care Consortia established within areas most affected by HIV disease. These entities provide comprehensive continuum of care for individuals with HIV disease and their families, and other services such as home-based and community-based care and therapeutics. The grant funds must not be used to purchase or improve buildings (except for minor remodeling), to make payments to recipients of services, or for administrative costs exceeding 10 percent of the grant award.

States must obligate 75 percent within 120 days of the budget period start date.

ELIGIBILITY
- Income: 200 percent of the Federal Poverty Level
- Other: medical diagnosis of HIV disease
HIV CARE FORMULA GRANTS (CONTINUED)

CFDA NUMBER 93.917

STATE AGENCY
Department of State Health Services.

FIGURE 35
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

$88.1 $83.9 $91.5 $105.0 $105.0


SOURCE: Federal Funds Information for States.
REFUGEE AND ENTRANT ASSISTANCE – STATE-ADMINISTERED PROGRAMS

CFDA NUMBER 93.566

PURPOSE
The Refugee and Entrant Assistance – State-administered Programs provide funds to states for assistance provided to refugees, asylees, and certain other legal immigrants for resettlement in the U.S. This assistance typically includes cash and medical assistance, and social services.

DISTRIBUTION OF FUNDS
Allocations vary according to each state’s share of total refugee and entrant arrivals during the previous three years. States are reimbursed for the cost of providing cash and medical assistance, social services, and associated administrative costs.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
Assistance is limited to refugees, asylees, Cuban and Haitian entrants, victims of severe forms of trafficking, certain Amerasians from Vietnam, and Iraqi and Afghan Special Immigrant Visa holders, as defined in federal statute. States must obligate funds for cash and medical assistance within the fiscal year of appropriation, and must liquidate the obligation by the end of the next fiscal year. States have an additional year to obligate and liquidate funds for social services. Funds for services for unaccompanied minors can be obligated and liquidated in the fiscal year of appropriation or the next fiscal year.

ELIGIBILITY
Services are provided only to refugees who have resided in the U.S. less than 36 months. Eligibility is restricted to the first eight months in the U.S., except for asylees, whose eligibility begins the month asylum is granted. The income limit for the first four months of cash assistance is 125 percent of the Federal Poverty Level (FPL). The income limit for the second four months of cash assistance is 165 percent of the FPL. The income limit for medical assistance is 200 percent of the FPL.

STATE AGENCIES
Health and Human Services Commission; Department of Family and Protective Services.

FIGURE 36
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(FIN MILLIONS)


$28.2 $40.4 $44.6 $56.0 $67.5

SOURCE: Federal Funds Information for States.

FIGURE 37
ESTIMATED FEDERAL FUNDS DISTRIBUTION
FISCAL YEAR 2016

<table>
<thead>
<tr>
<th>Source</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Benefits</td>
<td>0.8%</td>
</tr>
<tr>
<td>Health and Human Services Commission</td>
<td>65.9%</td>
</tr>
<tr>
<td>Department of State Health Services</td>
<td>22.1%</td>
</tr>
<tr>
<td>Department of Family and Protective Services</td>
<td>11.2%</td>
</tr>
</tbody>
</table>

SOURCE: Legislative Budget Board.
SPECIAL PROGRAMS FOR THE AGING – NUTRITION SERVICES

CFDA NUMBER 93.045

PURPOSE
The Nutrition Services Program of the Special Programs for the Aging provides funding for meals, nutrition education, and other nutrition services to reduce hunger and food insecurity, to promote socialization, and to promote the health and well-being of older individuals.

DISTRIBUTION OF FUNDS
Funds are allocated to states based on the state’s share of the national population that is age 60 and older.

MATCH OR MAINTENANCE OF EFFORT
The state share is 15 percent for nutrition services and 25 percent for administration. States must spend at least as much nonfederal funds for both services and administration as the average amount it spent cumulatively for federal Older Americans Act programs (including Special Programs for the Aging – Supportive Services and Senior Centers and the National Family Caregiver Support Program) for the three previous fiscal years. If the state spends less, its allotment is reduced by the same percentage as the state’s spending reduction. Texas’ state fiscal year 2016 maintenance of effort requirement for these programs was an estimated $4.4 million.

FEDERAL USES OR RESTRICTIONS
Meals may be served in a congregate setting or delivered to homebound individuals. Meals must meet certain federal dietary guidelines.

ELIGIBILITY
- Age: individuals age 60 and older and their spouses or individuals younger than age 60 who are disabled and reside with and accompany an older individual; services may be available to certain disabled and volunteering individuals younger than age 60
- Income: emphasis is placed on those with the greatest social or economic need

STATE AGENCY
Department of Aging and Disability Services.

FIGURE 38
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)


$40.7 $37.8 $41.1 $41.4 $43.1

SOURCE: Federal Funds Information for States.
SPECIAL EDUCATION GRANTS FOR INFANTS AND FAMILIES

CFDA NUMBER 84.181

PURPOSE
Special Education Grants for Infants and Families provide funds to states to assist them in implementing and maintaining a statewide, comprehensive, coordinated system to make early intervention services available to infants and toddlers with disabilities and their families.

DISTRIBUTION OF FUNDS
Awards are based on each state’s proportionate share of children, from birth to age two years, in the general population. No state may receive less than 0.5 percent of the total funds available to all states.

MATCH OR MAINTENANCE OF EFFORT
The state and local education agencies must not reduce financial support for special education and related services of less than the amount expended during the preceding fiscal year. Texas’ fiscal year 2016 maintenance of effort requirement for this program was $63.8 million. The program does not have matching requirements.

FEDERAL USES OR RESTRICTIONS
Funds can be used to implement and maintain a statewide early intervention system; fund direct early intervention services that are not provided by other public or private sources; expand and improve available services; provide a free appropriate public education to children with disabilities from age three to the beginning of the following school year; continue to provide early intervention services to children with disabilities from age three until they are eligible to enter kindergarten or elementary school; and initiate, expand, or improve collaborative efforts related to identifying, evaluating, referring, and following up on at-risk infants and toddlers.

Funds must be used to supplement, not supplant, state and local funds.

ELIGIBILITY
Infants and toddlers with disabilities from birth to age two and their families.

With the passage of the U.S. Individuals with Disabilities Education Act of 2004, states have the option to continue to serve children in accordance with this program after age two until the children enter or are eligible to enter kindergarten, only if the children are eligible for Preschool Grants and were previously served in this program.
SPECIAL EDUCATION GRANTS FOR INFANTS AND FAMILIES (CONTINUED)

CFDA NUMBER 84.181

STATE AGENCY
Texas Health and Human Services Commission.

FIGURE 39
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

$40.3
$38.7
$40.2
$40.3
$42.5


SOURCE: Federal Funds Information for States.
COMMUNITY MENTAL HEALTH SERVICES BLOCK GRANT

CFDA NUMBER 93.958

PURPOSE
The Community Mental Health Services Block Grant provides financial assistance to states and territories, enabling them to carry out the state’s plan for providing comprehensive community mental health services to adults with serious mental illnesses and to children with serious emotional disturbances. The block grant also helps states monitor the progress in implementing a comprehensive, community-based mental health system and provides technical assistance to states and the states’ mental health planning councils. The council assists states in planning and implementing a comprehensive community-based mental health system.

DISTRIBUTION OF FUNDS
After the disbursing federal agency sets aside a designated reserve for data collection, technical assistance, and program evaluation, each state receives an allotment based on a calculated Population-at-Risk Index.

MATCH OR MAINTENANCE OF EFFORT
Although the grant has no matching requirements, states must maintain spending at the average amount of expenditures for the previous two fiscal years. The maintenance of effort requirement for state fiscal year 2016 is an estimated $745.5 million.

FEDERAL USES OR RESTRICTIONS
Up to 5 percent of grant funds may be used for administrative costs. Funds may not be used for inpatient services, cash payments to recipients of health services, capital purchases or improvements, or the purchase of major medical equipment. Services must be provided by appropriate, qualified community programs, including community mental health centers, child mental health programs, psychosocial rehabilitation programs, mental health peer support programs, or mental health primary consumer-directed programs.

ELIGIBILITY
Adults with a serious mental illness and children with a serious emotional disturbance are eligible for assistance.

STATE AGENCY
Department of State Health Services.

FIGURE 40
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$35.1</td>
</tr>
<tr>
<td>2013</td>
<td>$32.7</td>
</tr>
<tr>
<td>2014</td>
<td>$36.6</td>
</tr>
<tr>
<td>2015</td>
<td>$36.7</td>
</tr>
<tr>
<td>2016</td>
<td>$40.9</td>
</tr>
</tbody>
</table>

SOURCE: Federal Funds Information for States
SURVEY AND CERTIFICATION OF HEALTH CARE PROVIDERS AND SUPPLIERS

CFDA NUMBER 93.777

PURPOSE
The Survey and Certification program determines whether healthcare service providers and suppliers comply with Medicaid and Medicare regulatory health and safety standards and conditions of participation.

DISTRIBUTION OF FUNDS
The federal government reimburses states for part of the costs for survey and certification activities.

MATCH OR MAINTENANCE OF EFFORT
Funds related to Medicare survey costs are not subject to matching requirements. For Medicaid-related costs, the state share ranges from 25 percent to 50 percent. Surveys performed by skilled professional medical personnel are reimbursed at the enhanced rate. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
Funds are provided for onsite inspection of healthcare service providers and suppliers (e.g., hospitals, nursing facilities, intermediate-care facilities for individuals with intellectual disabilities, and home health agencies).

STATE AGENCIES
Department of State Health Services; Department of Aging and Disability Services.

FIGURE 41
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

FIGURE 42
ESTIMATED FEDERAL FUNDS DISTRIBUTION
FISCAL YEAR 2016

SOURCE: Legislative Budget Board.
MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT

CFDA NUMBER 93.994

PURPOSE
The Maternal and Child Health Services Block Grant is intended to improve the health of mothers and children by investing in maternal and child health programs. These programs are intended to enable mothers to give birth to healthy babies and prevent children from being exposed to disabling diseases, injuries, and other health problems.

DISTRIBUTION OF FUNDS
States are allocated funds based on the relative share of funds received in accordance to eight antecedent programs in fiscal year 1981. When funding exceeds the amount appropriated in fiscal year 1983, the additional funds are allocated in proportion to the poverty-level population younger than age 18.

MATCH OR MAINTENANCE OF EFFORT
States must provide a $3 match for every federal $4 allocated. At a minimum, states must maintain spending at the level of expenditures in fiscal year 1989. Texas’ state fiscal year 2016 maintenance of effort requirement was an estimated $40.2 million.

FEDERAL USES OR RESTRICTIONS
States may use funds to develop systems of care for the provision of health services and related activities, including planning, administration, education, and evaluation consistent with the state’s annual application. States must use 30 percent of funds for preventive and primary care services for children, and at least 30 percent for services for children with special healthcare needs. States must establish and maintain a toll-free telephone number to provide information for parents and Medicaid providers. A 10 percent administrative cap applies. Prohibited uses include: (1) inpatient services other than those provided to children with special healthcare needs or to high-risk pregnant women and infants; (2) cash payments for health services; (3) capital purchases or improvements; (4) matching funds for other federal grants; and (5) funds for research or training to entities other than a public or nonprofit entity. Funds are available for expenditure for the current and subsequent fiscal year.

ELIGIBILITY
- Income: up to 185 percent of the Federal Poverty Level
- Other: cannot be eligible for Medicaid or covered by the Children’s Health Insurance Program

STATE AGENCY
Department of State Health Services.

FIGURE 43
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

<table>
<thead>
<tr>
<th>Year</th>
<th>Award Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$32.1</td>
</tr>
<tr>
<td>2013</td>
<td>$31.3</td>
</tr>
<tr>
<td>2014</td>
<td>$33.9</td>
</tr>
<tr>
<td>2015</td>
<td>$34.1</td>
</tr>
<tr>
<td>2016</td>
<td>$34.0</td>
</tr>
</tbody>
</table>

SOURCE: Federal Funds Information for States.
PROMOTING SAFE AND STABLE FAMILIES

CFDA NUMBER 93.556

PURPOSE
The Promoting Safe and Stable Families Program funds coordinate community-based family support and preservation services, time-limited reunification services, and adoption promotion and support services.

DISTRIBUTION OF FUNDS
States are allocated funds based on the state's number of children who received Supplemental Nutrition Assistance Program benefits in the previous three years.

MATCH OR MAINTENANCE OF EFFORT
The state share is 25 percent. States must not use funds to supplant the level of family preservation and support services existing in 1992. Texas' fiscal year 2016 maintenance of effort requirement was $4.3 million.

FEDERAL USES OR RESTRICTIONS
Funds must be spent for family preservation, family support services (such as respite or parenting skills training), time-limited family reunification services, and adoption promotion. Administrative expenditures are capped at 10 percent of the total allotment.

ELIGIBILITY
Families and children are eligible if services are needed to: assist them in stabilizing their lives; strengthen family functioning; prevent out-of-home placement of children; enhance child development; improve parenting skills; facilitate timely reunification for children; or promote appropriate adoptions.

STATE AGENCY
Department of Family and Protective Services.
IMMUNIZATION GRANTS

CFDA NUMBER 93.268

PURPOSE
Immunization Grants establish and maintain preventive health service programs to immunize individuals against vaccine-preventable diseases, including measles, rubella, poliomyelitis, diphtheria, pertussis, tetanus, hepatitis B, hepatitis A, varicella, mumps, haemophilus influenza type B, influenza, and pneumococcal pneumonia.

DISTRIBUTION OF FUNDS
The federal Centers for Disease Control and Prevention determine funding levels based on the extent of the problem, the establishment of measurable objectives to address the problem, and the development of a sound operational plan.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
Funds may be used for costs associated with planning, organizing, and conducting immunization programs directed toward vaccine-preventable diseases and for vaccine purchase. Funds may be used for assessment costs; surveillance and outbreak control; public information; compliance with compulsory school immunization laws; and vaccine storage, supply, and delivery. Upon request, vaccines are made available in lieu of cash. Vaccines purchased with grant funds may be provided to private practitioners who agree not to charge for vaccines. Funds may be used to supplement existing state or local immunization services and operations.

ELIGIBILITY
Children younger than age 18 who are uninsured, underinsured, or Medicaid-eligible are eligible for immunization.

STATE AGENCY
Department of State Health Services.

FIGURE 45
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

SOURCE: Federal Funds Information for States.
CHILD WELFARE SERVICES STATE GRANTS

CFDA NUMBER 93.645

PURPOSE
Child Welfare Services State Grants promote flexibility in the development of a coordinated child and family services program using community-based agencies.

DISTRIBUTION OF FUNDS
Each state receives a base amount of $70,000. Additional funds are allocated based on each state’s child population younger than age 21 and three-year average per capita income.

MATCH OR MAINTENANCE OF EFFORT
The state share is 25 percent. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
Funds may be used to protect and promote the welfare of all children; prevent the neglect, abuse, or exploitation of children; support at-risk families through services; promote the safety, permanence, and well-being of children in foster care and adoptive families; and provide training, professional development, and support to child welfare workers. States may spend no more than 10 percent of funds on administrative costs. The total amount of funds that may be used by the state as an expenditure for child care, foster care maintenance payments, or adoption assistance payments may not exceed the total amount of such expenditures for fiscal year 2005. The amount of state expenditures of nonfederal funding for foster care maintenance payments that may be used as a match may not exceed the amount of such expenditures made in fiscal year 2005.

ELIGIBILITY
Families and children (unmarried and younger than age 18) in need of child welfare services are eligible for assistance.

STATE AGENCY
Department of Family and Protective Services.

FIGURE 46
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(source: Federal Funds Information for States.)
SPECIAL PROGRAMS FOR THE AGING – SUPPORTIVE SERVICES AND SENIOR CENTERS

CFDA NUMBER 93.044

PURPOSE
The Supportive Services and Senior Centers Program of the Special Programs for the Aging provides funding to encourage states and area agencies on aging to develop and implement coordinated, community-based services for older individuals.

DISTRIBUTION OF FUNDS
Funds are allocated based on each state’s population that is age 60 and older.

MATCH OR MAINTENANCE OF EFFORT
The state share is 15 percent for supportive services or senior centers and 25 percent for administration. States must spend at least as much nonfederal funding for services and administration as the average amount it spent cumulatively for the federal Older Americans Act programs (including Special Programs for the Aging – Nutrition Services and the National Family Caregiver Support Program) for the three previous fiscal years. If the state spends less, its allotment is reduced by the same percentage as the state reduction. Texas’ state fiscal year 2016 maintenance of effort requirement for these programs was an estimated $4.4 million.

FEDERAL USES OR RESTRICTIONS
Funds may be used to provide services such as health, education, counseling, transportation, housing assistance, legal assistance, employment services, or services to assist older individuals in avoiding institutionalization. Funds may also be used to support multipurpose senior centers that coordinate and integrate services for older individuals. States must obligate nonadministrative funds by the end of the federal fiscal year in which they were awarded.

ELIGIBILITY
- Age: 60 and older
- Income: Services are targeted to individuals with the greatest economic and social needs and those residing in rural areas.

STATE AGENCY
Department of Aging and Disability Services.

FIGURE 47
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$22.5</td>
</tr>
<tr>
<td>2013</td>
<td>$20.1</td>
</tr>
<tr>
<td>2014</td>
<td>$20.1</td>
</tr>
<tr>
<td>2015</td>
<td>$20.1</td>
</tr>
<tr>
<td>2016</td>
<td>$20.0</td>
</tr>
</tbody>
</table>

Source: Federal Funds Information for States.
MATERNAL, INFANT, AND EARLY CHILDHOOD HOME VISITING PROGRAM

CFDA NUMBER 93.505

PURPOSE
The Maternal, Infant, and Early Childhood Home Visiting Program is intended to strengthen and improve maternal, infant, and early childhood programs pursuant to the U.S. Social Security Act, Title V; to improve coordination of services for at-risk communities; and to provide home visiting programs that may help improve outcomes for families residing in at-risk communities.

DISTRIBUTION OF FUNDS
In 2016, states are allocated funds based on the proportion of children younger than age 5 living in poverty in the state and the amount of competitive grant funds the state received in fiscal years 2013, 2014, and 2015. Formula grants and competitive grants are available. Texas has received both types of grants in recent years.

MATCH OR MAINTENANCE OF EFFORT
States are required to maintain nonfederal funding at an amount no less than in the most recently completed fiscal year. Texas’ state fiscal year 2016 maintenance of effort requirement is an estimated $2.5 million.

Funds must be used to supplement, not supplant, state and local funds.

FEDERAL USES OR RESTRICTIONS
States must use at least 75 percent of the funds on evidence-based home visiting program models. Funds are available for expenditure through the end of the second succeeding fiscal year after award.

ELIGIBILITY
Funds should be used to serve families residing in at-risk communities and low-income families. Services should be targeted to families with a pregnant woman younger than age 21; with a history of child abuse, substance abuse, or tobacco use; with children who have low student achievement or developmental delays or disabilities; or with a member currently or formerly serving in the U.S. Armed Forces.

STATE AGENCY
Health and Human Services Commission.

FIGURE 48
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

$13.0 $17.9 $16.1 $18.7 $18.7


NOTE: Fiscal year 2016 amount is estimated.
MEDICAID FRAUD CONTROL UNIT

CFDA NUMBER 93.775

PURPOSE
The objective of State Medicaid Fraud Control Units is to investigate and prosecute fraud in the administration of the Medicaid program, the provision of medical assistance, or the activities of Medicaid providers. Units also review complaints alleging abuse or neglect of patients in healthcare facilities receiving payments pursuant to the Medicaid program, and the units may review complaints of the misappropriation of patients’ private funds in such facilities.

DISTRIBUTION OF FUNDS
States are reimbursed for 75 percent of costs, computed against a quarterly maximum allowable of the higher of $125,000 or one-fourth of 1 percent of the sums expended by federal, state, and local government in carrying out the Medicaid State Plan.

MATCH OR MAINTENANCE OF EFFORT
The federal share is 75 percent. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
Units must be separate and distinct from the single state Medicaid agency, but the units must enter into an agreement with the Medicaid agency to address compliance with fraud control requirements. Units must employ sufficient professional, administrative, and support staff to carry out duties and responsibilities in an effective and efficient manner. Federal funding is not available for routine notification of providers that fraudulent claims may be punished; screening of claims, analysis of patterns of practice, or routine verification of services billed; cases that do not involve substantial allegations or other indications of fraud; or personnel not devoted full-time to the unit. Information concerning fraud must be made available to federal investigators, and safeguards must be in place to protect the privacy rights of individuals and to prevent the misuse of information in accordance to the state’s control.

STATE AGENCY
Office of the Attorney General.

FIGURE 49
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(in millions)


$15.8 $15.1 $15.0 $15.0 $18.0

NOTE: Fiscal year 2016 amount estimated.
**HIV PREVENTION ACTIVITIES**

**CFDA NUMBER 93.940**

**PURPOSE**
Federal funds for HIV Prevention Activities assist states and political subdivisions in meeting the costs of establishing and maintaining Human Immunodeficiency Virus (HIV) prevention programs.

**DISTRIBUTION OF FUNDS**
Funding is based on the number of people with a diagnosis of HIV. Additional funding is available to jurisdictions with at least 3,000 African American or Hispanic residents living with an HIV diagnosis.

**MATCH OR MAINTENANCE OF EFFORT**
None.

**FEDERAL USES OR RESTRICTIONS**
Funds may be used to support, develop, implement, and evaluate primary and secondary HIV prevention programs established by state and local health departments.

States must spend approximately 75 percent of core funding on HIV testing; prevention services with HIV-positive individuals and their partners; condom distribution for people at high risk of contracting HIV; and efforts to align policies to optimize HIV prevention, care, and treatment. In addition to the required core components, states must conduct: jurisdictional HIV prevention planning; capacity building and technical assistance; program planning, monitoring and evaluation; and quality assurance. The remaining funding can be allocated to recommended program components, which may include targeting high-risk populations, social marketing, media, and mobilization, and pre-exposure and postexposure prophylaxis services.

**STATE AGENCY**
Department of State Health Services.

---

**FIGURE 50**
**FEDERAL AWARDS TO TEXAS**
**FISCAL YEARS 2012 TO 2016**

<table>
<thead>
<tr>
<th>Year</th>
<th>Funding (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>17.7</td>
</tr>
<tr>
<td>2013</td>
<td>16.1</td>
</tr>
<tr>
<td>2014</td>
<td>16.0</td>
</tr>
<tr>
<td>2015</td>
<td>15.3</td>
</tr>
<tr>
<td>2016</td>
<td>15.4</td>
</tr>
</tbody>
</table>

*Source: Federal Funds Information for States.*
NUTRITION SERVICES INCENTIVE PROGRAM

CFDA NUMBER 93.053

PURPOSE
The Nutrition Services Incentive Program provides incentives to encourage and reward effective performance by states in the efficient delivery of nutritious meals to older individuals.

DISTRIBUTION OF FUNDS
Available federal funding is divided by the percentage of meals served in the preceding year by each state. States may choose to receive the grant in the form of cash, commodities, or a combination of the two.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
Food (commodities) or cash are available for congregate or home-delivered meals for the elderly. Funds may be used only to purchase food and may not be used for meal preparation, education, or administrative costs.

ELIGIBILITY
• Age: individuals age 60 and older and their spouses, or individuals younger than 60 who are disabled and reside with and accompany an older individual; services may be available to certain disabled and volunteering individuals younger than age 60
• Income: emphasis is placed on those with the greatest social or economic need

STATE AGENCY
Department of Aging and Disability Services.

FIGURE 51
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(SOURCE: Federal Funds Information for States.)
CHAFFEE FOSTER CARE INDEPENDENCE PROGRAM

CFDA NUMBER 93.674

PURPOSE
The Chafee Foster Care Independence Program provides funding that targets older foster youth transitioning to self-sufficiency.

It funds programs intended to assist foster youth who are likely to remain in foster care until age 18, youth who leave foster care for adoption or kinship guardianship after age 16, and youth younger than age 21 who have left foster care because they are age 18.

DISTRIBUTION OF FUNDS
State allotments are based on the state's ratio of the number of children in foster care and the total number of children in foster care nationally. State allotments are calculated from state submissions into the Adoption and Foster Care Analysis and Reporting System's national database.

MATCH OR MAINTENANCE OF EFFORT
The federal government pays 80 percent of the total amount of funds expended by the states (less any penalties) up to the amount of Chafee Foster Care Independence Program funds allotted to the state. The state must provide matching contributions to cover the additional 20 percent of the costs. The minimum payable amount to a state is $500,000.

No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
Grants may be used to assist youth in making the transition to self-sufficiency; for education, training and related services; to prepare for and obtain employment; to prepare for and enter post-secondary training and educational institutions; to provide personal and emotional support to youth through mentor programs; and to provide other appropriate support and services to current and former foster care recipients up to age 21.

ELIGIBILITY
Children and youth who are likely to remain in foster care until age 18, youth who left foster care to adoption or kinship guardianship after age 16, and former foster care recipients up to age 21.

STATE AGENCY
Department of Family and Protective Services.

FIGURE 52
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(SOURCE: Federal Funds Information for States.)
NATIONAL FAMILY CAREGIVER SUPPORT PROGRAM

CFDA NUMBER 93.052

Purpose
The National Family Caregiver Support program assists states in providing multifaceted systems of support services for family caregivers and grandparents or older individuals who are relative caregivers.

DISTRIBUTION OF FUNDS
Funds are allocated to states by formula, based on their shares of the national population age 70 and older. Amounts are reduced proportionately to satisfy minimum allotment requirements for states and territories (0.5 percent of appropriated amounts).

MATCH OF MAINTENANCE OF EFFORT
The state share is 25 percent and may be in the form of cash or in-kind contributions, including plant, equipment, or services. States must spend at least as much nonfederal funds for both services and administration as the average amount it spent cumulatively for the federal Older Americans Act programs (including Special Programs for the Aging – Nutrition Services and Special Programs for the Aging – Supportive Centers and Senior Centers) that were spent during the three previous fiscal years. If the state spends less, its allotment is reduced by the same percentage as the state reduction. Texas’ state fiscal year 2016 maintenance of effort requirement for these programs was an estimated $4.4 million.

FEDERAL USES OR RESTRICTIONS
Funds may be used to provide information to caregivers about available services, assistance to caregivers in gaining access to the services, individual counseling, caregiver training, respite care, and supplemental services to complement care provided by caregivers. States may use no more than 10 percent of the total federal and nonfederal funding to provide support services to grandparents and older individuals who are relative caregivers of a child. Funds may be used to supplement, not supplant, any federal, state, or local funding.

ELIGIBILITY
States must give priority for services to caregivers age 55 and older with the greatest social and economic need; family caregivers who provide care to persons with Alzheimer’s disease or related disorders with neurological and organic brain dysfunction; and grandparents or older individuals who are relative caregivers who provide care to individuals with severe disabilities (including children with severe disabilities).

STATE AGENCY
Department of Aging and Disability Services.

FIGURE 53
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)


$9.2 $8.8 $8.9 $8.9 $9.3

SOURCE: Federal Funds Information for States.
FRESH FRUIT AND VEGETABLE PROGRAM

CFDA NUMBER 10.582

PURPOSE
The Fresh Fruit and Vegetable Program pays for fresh fruit and vegetables to be provided without charge to elementary school children outside of the breakfast and lunch periods.

DISTRIBUTION OF FUNDS
Initial funding provides 1 percent of the total funds available to each state. Remaining funds are distributed based on the proportion of the state's population to the national population.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
Funds are available for produce served outside of the breakfast and lunch periods at certain low-income public and private nonprofit elementary schools.

ELIGIBILITY
The state selects low-income public and private nonprofit elementary schools for participation, based on a school's level of free and reduced-price school meal enrollment. Participating schools must publicize the program within the school and authorize all children enrolled at the school to participate in the program without cost.

STATE AGENCY
Texas Department of Agriculture.

FIGURE 54
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

Source: Federal Funds Information for States.
PROJECT GRANTS AND COOPERATIVE AGREEMENTS FOR TUBERCULOSIS CONTROL

CFDA NUMBER 93.116

PURPOSE
Project Grants and Cooperative Agreements for Tuberculosis (TB) Control assist states in carrying out activities intended to prevent TB transmission. These activities may include: finding all individuals with active TB and ensuring that they complete prescribed therapy; finding and screening persons who have had contact with TB patients and ensuring that appropriate evaluation and treatment is completed as needed; and conducting essential TB surveillance and public health laboratory activities.

DISTRIBUTION OF FUNDS
Funds are distributed based on a formula that considers the level of TB morbidity and case complexity in the geographic area. It may consider other factors relevant to TB in the area.

MATCH OR MAINTENANCE OF EFFORT
Although no statutory formulas or matching requirements apply, applicants must assume part of the project’s cost. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
Project funds may be used to support local personnel and individuals in direct assistance positions and to purchase equipment, supplies, and services related to project activities, particularly the core activities. Project funds may not be used to supplant state or local funds available for TB control, to support construction, or for inpatient care.

Funds may support screening in homeless shelters, drug treatment facilities, and designated correctional facilities. Funds may also support special projects such as monitoring drug-resistant and multi-drug-resistant TB patients, and binational TB projects in border jurisdictions.

STATE AGENCY
Department of State Health Services.

FIGURE 55
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(source: U.S. Department of Health and Human Services.)
ADOPTION AND LEGAL GUARDIANSHIP INCENTIVE PAYMENTS

CFDA NUMBER 93.603

PURPOSE
Adoption and Legal Guardianship Incentive Payments incentivize states to increase annually the number of children in foster care who find permanent homes through adoption or legal guardianship.

DISTRIBUTION OF FUNDS
Incentive payments are issued annually in the fiscal year subsequent to the earning year. Payment is based on the number of foster child adoptions, foster child guardianships, preadolescent adoptions and guardianships, and older child adoptions and guardianships multiplied by certain statutory dollar amounts.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
States must spend funds for services and activities pursuant to the U.S. Social Security Act, Title IV, Parts B and E. Incentive funds may not be used as nonfederal matching funding for certain other federal programs. Payments must be used to supplement and not supplant federal or nonfederal funding for services pursuant to Titles B or E.

ELIGIBILITY
Children must meet the dependent child eligibility requirements of the former federal Aid to Families with Dependent Children program that were in place on July 16, 1996. Within certain conditions, states may opt to extend eligibility until age 21.

STATE AGENCY
Department of Family and Protective Services.

FIGURE 56
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$8.7</td>
</tr>
<tr>
<td>2013</td>
<td>$8.4</td>
</tr>
<tr>
<td>2014</td>
<td>$9.8</td>
</tr>
<tr>
<td>2015</td>
<td>$9.5</td>
</tr>
<tr>
<td>2016</td>
<td>$7.4</td>
</tr>
</tbody>
</table>

PREVENTIVE HEALTH SERVICES SEXUALLY TRANSMITTED DISEASES CONTROL GRANTS

CFDA NUMBER: 93.977

PURPOSE
Preventive Health Services Sexually Transmitted Diseases Control Grants reduce morbidity and mortality by preventing cases and complications of sexually transmitted diseases (STD).

DISTRIBUTION OF FUNDS
Funding is based on specific project needs as documented by an applicant and agreed to by the federal Centers for Disease Control and Prevention. Project grants are awarded to state and local health departments.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
Grant funds may be used for STD surveillance activities, including reporting, screening, and follow-up; notification of sex partners to infectious cases of STD and follow-up systems; interstate epidemiological referral; professional education, information distribution, training, and clinical skills improvement activities; and studies or demonstrations to evaluate or test STD prevention activities.

Grant funds may not be used for supplanting funds that support existing STD control services provided; or unless specifically approved for that purpose, for performing diagnostic tests (other than gonorrhea screening tests) unless approved; maintaining central registries; providing diagnostic and treatment facilities and services; or purchasing automated data processing equipment.

STATE AGENCY
Department of State Health Services.
GUARDIANSHIP ASSISTANCE

CFDA NUMBER 93.090

PURPOSE
The Guardianship Assistance program provides payments for the care of children by relatives who have assumed legal guardianship of eligible children for whom they previously cared as foster parents. The assistance is intended to prevent long-term stays in foster care and to promote the healthy development of children through increased safety, permanency, and well-being.

DISTRIBUTION OF FUNDS
Funding is an open-ended entitlement. The federal government reimburses states for part of the cost of allowable services provided to eligible persons.

MATCH OR MAINTENANCE OF EFFORT
The federal state match ratio is the Federal Medical Assistance Percentage (FMAP) (57.13 federal share in fiscal year 2016). The state match for staff or provider training is 25 percent. Administrative costs are shared 50 percent state to 50 percent federal. This program does not have maintenance of effort requirements.

FEDERAL USES OR RESTRICTIONS
Funds may be used only in support of the care of children who meet the eligibility requirements and their siblings within certain circumstances specified by statute. Relatives assuming guardianship, of such children are eligible for nonrecurring expenses associated with obtaining legal guardianship up to $2,000.

ELIGIBILITY
Beneficiaries must meet the following requirements to be eligible for funds: (1) the child has been eligible for the U.S. Social Security Act, Title IV, Part E, Foster Care Maintenance Payments Program, while residing for at least six consecutive months in the home of the prospective relative guardian; (2) the state or tribe has determined that the permanency options of being returned home or adoption are not appropriate for the child; (3) the child demonstrates a strong attachment to the prospective relative guardian and the prospective guardian is committed to caring permanently for the child; and (4) for children age 14 or older, the child has been consulted regarding the kinship guardianship arrangement. Siblings of eligible children may also be beneficiaries if they are placed in the same kinship guardianship arrangement.

STATE AGENCY
Department of Family and Protective Services.
EMERGENCY FOOD ASSISTANCE PROGRAM – ADMINISTRATION

CFDA NUMBER 10.568

PURPOSE
Administration funds for the Emergency Food Assistance Program provide financial assistance to states for administrative expenses in supplementing the diets of low-income Americans, including elderly people, by providing them with emergency food and nutrition assistance at no cost.

DISTRIBUTION OF FUNDS
Funds are allocated based on a state’s share of persons in households with incomes of less than the Federal Poverty Level (60 percent) and unemployed persons (40 percent).

MATCH OR MAINTENANCE OF EFFORT
States must match administrative funds not passed through to local emergency feeding organizations on a one-to-one basis.

FEDERAL USES OR RESTRICTIONS
Administration funds may be used for activities related to processing, storage, transporting, and distributing commodities; determinations of eligibility, verification, and documentation; provision of information to persons receiving commodities concerning appropriate storage and preparation; publishing announcements concerning distribution; and record keeping, auditing, and other administrative procedures. States must pass through at least 40 percent of administrative funds to local emergency feeding organizations for their administrative expenses, or expend those funds on behalf of the organizations.

STATE AGENCY
Texas Department of Agriculture.

FIGURE 59
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

$4.0 $3.8 $4.0 $4.0 $4.4


SOURCE: Federal Funds Information for States.
EDUCATION

INTRODUCTION

In fiscal year 2016, the top 100 federal funding sources in the state budget include $5.4 billion for education. Most of this funding is distributed to the state on a formula basis. Federal grants awarded on a competitive basis directly to local educational agencies (LEA) are not included in this report.

Approximately 67 percent of the education grants in the top 100 are awarded by the U.S. Department of Education (ED). The U.S. Department of Agriculture is the source of most of the remaining funds. ED distributes most of the grants to states in July from the appropriations for that federal fiscal year, which begins the preceding October 1. For example, funds that the U.S. Congress appropriated in the Consolidated Appropriations Act of 2016 will finance programs for school year 2016–17.

Although most programs in the top 100 federal funding sources in the state budget fund educational or related services for kindergarten to grade 12, three programs affect agencies associated with institutions of higher education. The Smith–Lever Act Cooperative Extension Service program helps land grant institutions develop practical uses for agricultural and other research. Hatch Act Payments to Agricultural Experiment Stations support original agricultural and farm research at state agricultural experiment stations. Engineering grants support engineering education and research.

REAUTHORIZATION ISSUES

ELEMENTARY AND SECONDARY EDUCATION

The federal Every Student Succeeds Act (ESSA) was enacted in December 2015. ESSA reauthorized the Elementary and Secondary Education Act (ESEA) of 1965, which governs federal education programs for kindergarten to grade 12. ESSA programs are authorized for four federal fiscal years (2017 to 2020) and will be fully implemented beginning in school year 2017–18.

ASSESSMENTS AND ACCOUNTABILITY

Compared to its predecessor, the No Child Left Behind Act of 2001 (NCLB), ESSA gives states more discretion and decision-making ability in several policy areas, including accountability and standards. NCLB required schools to meet federal adequate yearly progress (AYP) accountability standards for all students and designated subgroups of students. Based on AYP results, NCLB required states to identify schools for improvement, corrective action, or restructuring.

ESSA eliminates federal AYP requirements. States no longer have to identify schools for improvement, corrective action, or restructuring based on AYP. ESSA requires states to establish a method for identifying schools in need of comprehensive support that includes the lowest 5 percent of all schools receiving ESEA, Title I, funds, high schools failing to graduate 67 percent or more of their students, and schools in which a subgroup of students consistently underperforms. States must identify schools in need of comprehensive support and improvement at least once every three years beginning in school year 2017–18. These LEAs, in partnership with principals, teachers, school leaders, parents, and other stakeholders, will locally develop and implement a plan to improve student outcomes. The plan must be approved by the LEA, the identified school, and the state education agency.

NCLB required states to test students in reading/language arts and math annually in grades three to eight and once in high school. States also had to administer science assessments at least once in each of the following grade-level groups: grades three to five, grades six to nine, and grades 10 to 12.

ESSA maintains NCLB’s testing requirements. However, ESSA authorizes states to measure student progress and school performance using metrics other than test scores. States may assess students using a single summative assessment or multiple formative assessments administered throughout the school year. Assessments may also include portfolios, projects or extended performance tasks. High schools may use nationally recognized, state-approved tests to assess students. Additionally, ESSA includes a parental rights clause stating that the legislation does not preempt any state law enabling parents to choose for their children not to participate in the assessments.
ESSA eliminates the NCLB requirement for states to ensure that all students are taught by highly qualified teachers. Furthermore, the new legislation does not include any teacher evaluation requirements.

PROGRAM CHANGES
ESSA makes changes to many grant programs as authorized by NCLB. Additionally, ESSA eliminates many programs and consolidates others, reassigning some of their functions to new or existing programs.

ESSA renames Improving Teacher Quality State Grants as Supporting Effective Instruction, phases out the hold harmless base allocation, and changes allocation formula weights. For fiscal year 2017, the formula weights will be based on the state’s share of students ages 5 to 17 that are living in poverty (65 percent) and its share of all students ages 5 to 17 (35 percent). Beginning in fiscal year 2018, the percentage based on the population of students living in poverty increases by 5 percent annually, and the allotment percentage based on the total student population decreases by 5 percent annually. For fiscal year 2020, these weights will equal 80 percent and 20 percent, respectively. Beginning in fiscal year 2023, the hold harmless provision will be eliminated, and grants will be distributed by formula.

ESSA eliminates the following programs: Striving Readers, Mathematics and Science Partnerships, Safe and Drug-Free Schools, and Advanced Placement. The School Improvement Grant is also eliminated. In place of this grant, ESSA increases funding for Title I grants to LEAs. Starting in federal fiscal year 2017, Texas must set aside 7 percent of its funding for school improvement. Texas’ Title I, Part A, allocations are estimated to increase from $1.4 billion for federal fiscal year 2016 to $1.5 billion for federal fiscal year 2020. This increase is due, in part, to increased federal funding authorization intended to offset the additional funds states must set aside for school improvement.

ESSA establishes new formula grants. The largest new program in ESSA, the Student Support and Academic Enrichment Grant, consolidates several programs into one block grant. Funds can be used to provide students with a well-rounded education; improve learning conditions and student health and safety; and increase technology use. Funding is based on a state’s portion of the previous year’s ESEA, Title I, Part A, funding. Based on this formula, Texas is estimated to receive $147.9 million for federal fiscal year 2017.

ESSA authorizes $250.0 million in annual funding for competitive Preschool Development Grants. ED and the U.S. Department of Health and Human Services (HHS) will jointly administer the program. These grants will help states develop and implement early childhood education plans, optimize partnerships among providers of the HHS Head Start program and other organizations, and increase parental choice. The grants require a 30 percent state match.

ESSA also includes a pilot program, Flexibility for Equitable Per-Pupil Funding, in which a total of 50 school districts nationwide can combine state, local, and federal funding for multiple programs (Titles I to IV). Districts can make their own formulas to distribute combined resources to schools with the most need.

MAINTENANCE OF EFFORT
ESSA continues maintenance of effort (MOE) and nonsupplanting requirements. However, pursuant to the legislation, LEAs that do not meet MOE requirements can avoid penalties if they met the requirement in each of the five preceding fiscal years. The U.S. Department of Education can also grant MOE waivers for “exceptional or uncontrollable circumstances” or a precipitous decrease in state resources.

EDUCATION FOR INDIVIDUALS WITH DISABILITIES
The federal Individuals with Disabilities Education Improvement Act of 2004 reauthorized the Individuals with Disabilities Education Act (IDEA). The 2004 legislation authorized set appropriation levels for IDEA, Part B, programs, except Special Education Preschool Grants, Part B, Section 619, to federal fiscal year 2011 and sums “as necessary” for 2012 and afterward. The legislation authorized funding for other parts to 2010. Although this legislation has not been reauthorized, the U.S. Congress provides funding for special education programs through its annual appropriation process.
CHILD NUTRITION

Federal authorization for the Summer Food Service Program for Children and Child Nutrition State Administrative Expenses expired at the end of federal fiscal year 2015. Congress is working toward reauthorizing these programs.

MAJOR EDUCATION PROGRAMS

Figure 60 shows education programs in the top 100 federal funding sources in the state budget.

<table>
<thead>
<tr>
<th>RANK</th>
<th>PROGRAM</th>
<th>FEDERAL FUNDS (IN MILLIONS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>National School Lunch Program</td>
<td>$1,492.9</td>
</tr>
<tr>
<td>4</td>
<td>Title I Grants to Local Educational Agencies</td>
<td>$1,378.9</td>
</tr>
<tr>
<td>6</td>
<td>Special Education Basic Grants to States</td>
<td>$1,029.1</td>
</tr>
<tr>
<td>8</td>
<td>School Breakfast Program</td>
<td>$603.5</td>
</tr>
<tr>
<td>20</td>
<td>Improving Teacher Quality Grants</td>
<td>$183.2</td>
</tr>
<tr>
<td>28</td>
<td>English Language Acquisition State Grants</td>
<td>$108.1</td>
</tr>
<tr>
<td>30</td>
<td>21st Century Community Learning Centers</td>
<td>$103.1</td>
</tr>
<tr>
<td>32</td>
<td>Career and Technical Education Basic Grants to States</td>
<td>$92.1</td>
</tr>
<tr>
<td>38</td>
<td>Migrant Education State Grant Program</td>
<td>$58.2</td>
</tr>
<tr>
<td>39</td>
<td>Adult Education Basic Grants to States</td>
<td>$57.7</td>
</tr>
<tr>
<td>42</td>
<td>Striving Readers Comprehensive Literacy Program</td>
<td>$56.0</td>
</tr>
<tr>
<td>46</td>
<td>Summer Food Service Program for Children</td>
<td>$46.1</td>
</tr>
<tr>
<td>52</td>
<td>School Improvement Grants</td>
<td>$40.5</td>
</tr>
<tr>
<td>58</td>
<td>Child Nutrition – State Administrative Expenses</td>
<td>$30.5</td>
</tr>
<tr>
<td>64</td>
<td>Grants for State Education Assessments and Related Activities</td>
<td>$22.9</td>
</tr>
<tr>
<td>66</td>
<td>Special Education Preschool Grants</td>
<td>$22.0</td>
</tr>
<tr>
<td>78</td>
<td>Mathematics and Sciences Partnerships Grants</td>
<td>$15.2</td>
</tr>
<tr>
<td>79</td>
<td>Smith–Lever Act Cooperative Extension Service</td>
<td>$13.4</td>
</tr>
<tr>
<td>89</td>
<td>Hatch Act Payments to Agricultural Experiment Stations</td>
<td>$8.7</td>
</tr>
<tr>
<td>94</td>
<td>Rural and Low-Income Schools Programs</td>
<td>$6.9</td>
</tr>
<tr>
<td>99</td>
<td>Engineering Grants</td>
<td>$5.6</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>$5,373.6</td>
</tr>
</tbody>
</table>

Sources: Federal Funds Information for States; Texas A&M Engineering Experiment Station; U.S. Department of Education.
NATIONAL SCHOOL LUNCH PROGRAM

CFDA NUMBER 10.555

PURPOSE
The National School Lunch Program provides cash reimbursement for nutritionally balanced meals served to children during the school day and for snacks served in afterschool educational or enrichment programs and encourages consumption of nutritional agricultural commodities.

DISTRIBUTION OF FUNDS
States receive federal letters of credit to reimburse public and private schools for each meal served. Participating schools are also provided commodity foods for distribution. The July 1, 2015, to June 30, 2016, basic cash reimbursement rates are $3.07 per free lunch, $2.67 per reduced-price lunch, and $0.29 per paid lunch. Higher reimbursement rates are in effect for some schools that have high percentages of low-income children and schools that meet updated meal pattern requirements.

MATCH OR MAINTENANCE OF EFFORT
State revenues for program purposes must not be less than 30 percent of the amount of Federal Funds provided to the state for the National School Lunch Program during school year 1980–81, which equals $14.6 million for Texas. However, if a state’s average per capita income in a school year is lower than the per capita income of all the states, then the state’s annual maintenance of effort requirement is reduced by a corresponding percentage. Because of this annual adjustment, Texas has historically had its maintenance of effort slightly reduced from the base requirement.

FEDERAL USES OR RESTRICTIONS
To participate, all schools must agree to serve free and reduced-price meals to eligible children. Schools cannot charge more than $0.40 for reduced-price meals.

ELIGIBILITY
All children enrolled in schools where the federal lunch program is operating may participate. Lunch is served free to children from families with income levels at or less than 130 percent of the Federal Poverty Level (FPL), and at a reduced price to children from families with income levels more than 130 but less than 185 percent of the FPL. Children from households certified to receive Supplemental Nutrition Assistance Program benefits are automatically eligible for free meals. Foster children, homeless children, runaway children, migrants, children receiving Temporary Assistance for Needy Families benefits, and children in Head Start programs may be automatically eligible for free meals.
NATIONAL SCHOOL LUNCH PROGRAM (CONTINUED)

CFDA NUMBER 10.555

STATE AGENCIES
Texas Education Agency; Texas Department of Agriculture; Texas Juvenile Justice Department; Texas Military Department; Texas School for the Deaf; Texas School for the Blind and Visually Impaired.

FIGURE 61
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

$1,208.1 $1,313.2 $1,352.1 $1,394.7 $1,492.9


SOURCE: Federal Funds Information for States.
TITLE I GRANTS TO LOCAL EDUCATIONAL AGENCIES

CFDA NUMBER 84.010

PURPOSE
The federal Elementary and Secondary Education Act, Title I, Grants assist local educational agencies (LEA) in improving educational services for disadvantaged children failing or most at risk of failing to meet state academic content and student academic achievement standards.

DISTRIBUTION OF FUNDS
States receive funds through four formulas that are based primarily on U.S. census poverty data and the cost of education in each state.

BASIC GRANTS
This formula is based on the number of children (ages 5 to 17) living at less than the Federal Poverty Level (FPL) multiplied by 40 percent of the state’s average per pupil expenditure.

CONCENTRATION GRANTS
These funds are distributed to LEAs receiving Basic Grants that have more than 6,500 students (ages 5 to 17) from low-income families enrolled or a poverty rate greater than 15 percent.

TARGETED GRANTS
Targeted funds are based on the weighted number of children (ages 5 to 17) living at less than the FPL (using a five-tiered weighting system) multiplied by 40 percent of the state’s average per-pupil expenditure.

EDUCATION FINANCE INCENTIVE GRANTS
Incentive funds are based on the number of children living in poverty (using a five-tiered weighting system) multiplied by the state’s effort factor (per-pupil expenditure relative to per capita income) multiplied by the state’s equity factor (variance in per-pupil expenditures).

The formulas for Basic, Concentration, Targeted and Education Finance Incentive funds include hold harmless provisions that guarantee a percentage of the previous year’s funding to LEAs, depending on the number of children at less than the FPL (95 percent if children living at less than the FPL make up at least 30 percent of enrollment; 90 percent if children living at less than the FPL make up at least 15 percent of enrollment; and 85 percent if children living at less than the FPL make up less than 15 percent of enrollment).

MATCH OR MAINTENANCE OF EFFORT
For LEAs, the combined fiscal effort per student, or the aggregate level of expenditures from local and state funds for the preceding fiscal year, must not be less than 90 percent of the combined fiscal effort or aggregate expenditures for the second preceding fiscal year. No match is required.

The Every Student Succeeds Act (ESSA) retains the maintenance of effort (MOE) requirement pursuant to the No Child Left Behind Act. However, if an LEA fails to meet the MOE, it can avoid penalty if it met the requirement in each of the five preceding years. The U.S. Department of Education can grant waivers to LEAs that do not meet the MOE due to exceptional circumstances or a precipitous decrease in state resources.
TITLE I GRANTS TO LOCAL EDUCATIONAL AGENCIES (CONTINUED)

CFDA NUMBER 84.010

FEDERAL USES OR RESTRICTIONS

State education agencies or LEAs must use funds only to supplement funds that, in the absence of such federal funding, would be made available from nonfederal sources for the education of pupils participating in Title I programs, and not to supplant such funds. States must reserve 4 percent of funds for school improvement purposes.

ESSA increases the funds states must reserve for school improvement. Beginning in fiscal year 2017, states must reserve the greater of 7 percent of its Title I, Part A, allocation or the amount the state reserved for school improvement plus the amount of federal School Improvement Grant funds it received for federal fiscal year 2016.

STATE AGENCY

Texas Education Agency.

FIGURE 61
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

Source: Federal Funds Information for States.
SPECIAL EDUCATION BASIC STATE GRANTS

CFDA NUMBER 84.027

PURPOSE
Special Education Basic State Grants assist states in meeting the costs of providing special education and related services to children with disabilities.

DISTRIBUTION OF FUNDS
Each state receives a base allocation equal to the amount received for federal fiscal year 1999. Additional funds are distributed with 85 percent based on the number of children ages three to 21 in each state’s general population and 15 percent based on the number of children ages three to 21 living at less than the Federal Poverty Level. Federal provisions also include minimum and maximum allocation requirements.

MATCH OR MAINTENANCE OF EFFORT
The state and local educational agencies must not reduce financial support for special education and related services to less than the amount expended the preceding fiscal year. For fiscal year 2016, the level of state financial support must at least equal the fiscal year 2015 level of support of $2.8 billion. No match is required.

FEDERAL USES OR RESTRICTIONS
Funds must be used to supplement, not supplant, state, local, and other federal funding. Funds may be used to cover the salaries of special education teachers and other related services personnel, education materials, and education-related services that allow children with disabilities to access education services.

ELIGIBILITY
Students ages three to 21 who have disabilities are eligible for services.

STATE AGENCY
Texas Education Agency.

FIGURE 62
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(SOURCES: Federal Funds Information for States.)
SCHOOL BREAKFAST PROGRAM

CFDA NUMBER 10.553

PURPOSE
The School Breakfast Program provides cash reimbursement for nutritionally balanced breakfast meals for children at public and private schools.

DISTRIBUTION OF FUNDS
States receive Letters of Credit to reimburse public and private schools for each breakfast served. The July 1, 2015, to June 30, 2016, basic cash reimbursement rates were $1.66 per free breakfast, $1.36 per reduced-price breakfast, and $0.29 per paid breakfast. Higher reimbursement rates are in effect for some schools with high percentages of low-income children.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
To participate, all schools must agree to serve free and reduced-price meals to eligible children regardless of race, sex, color, national origin, age, or disability, and to operate the program on a nonprofit basis. Schools cannot charge more than $0.30 for reduced-price breakfasts.

ELIGIBILITY
All children enrolled in schools where the program is operating may participate. Breakfast is served free to children from families with income levels at or less than 130 percent of the Federal Poverty Level (FPL), and at a reduced price to children from families with income levels greater than 130 percent but less than 185 percent of the FPL. Children from households certified to receive Supplemental Nutrition Assistance Program benefits are automatically eligible for free meals. Foster children, homeless children, runaway children, migrants, children receiving Temporary Assistance for Needy Families benefits, and children in Head Start programs may be automatically eligible for free meals.

STATE AGENCIES
Texas Education Agency; Texas Department of Agriculture; Texas Juvenile Justice Department; Department of State Health Services; Texas Military Department; Texas School for the Deaf.
IMPROVING TEACHER QUALITY GRANTS

CFDA NUMBER 84.367

PURPOSE
Improving Teacher Quality Grants are intended to increase student academic achievement through strategies such as improving teacher and principal quality and increasing the number of highly qualified teachers, principals, and assistant principals in schools. The Every Student Succeeds Act (ESSA) renames Improving Teacher Quality Grants to Supporting Effective Instruction.

DISTRIBUTION OF FUNDS
States receive a hold harmless base allocation equal to each state’s fiscal year 2001 Eisenhower Professional Development and Class Size Reduction Program funds award ($167.1 million for Texas). Additional funds are distributed with 35 percent based on each state’s population of children ages 5 to 17 and 65 percent based on each state’s number of children ages 5 to 17 from families with incomes at less than the Federal Poverty Level (FPL).

ESSA gradually eliminates the program’s 2001 hold harmless base allotment. Fiscal year 2001 base allotments are reduced by 14.29 percent yearly from fiscal years 2017 to 2022 and are eliminated in fiscal year 2023.

ESSA also shifts the percentages used in the annual allocation formula. Beginning in fiscal year 2018, the allotment percentage based on the total population of children ages 5 to 17 decreases by 5 percent annually, and the percentage based on the population of children ages 5 to 17 from families at less than the FPL increases by 5 percent annually until the allocation ratio reaches 20 percent based on population and 80 percent based on FPL, in fiscal year 2020.

MATCH OR MAINTENANCE OF EFFORT
For local educational agencies (LEA), the combined fiscal effort per student, or the aggregate level of expenditures from local and state funds for the preceding fiscal year, must not be less than 90 percent of the combined fiscal effort or aggregate expenditures for the second preceding fiscal year. No match is required.

ESSA keeps the maintenance of effort (MOE) requirement pursuant to the No Child Left Behind Act. However, if an LEA fails to meet the MOE, the LEA can avoid penalty if it met the requirement in each of the five preceding years. The U.S. Department of Education can grant waivers to LEAs that do not meet the MOE due to exceptional circumstances or a precipitous decrease in state resources.

FEDERAL USES OR RESTRICTIONS
Funds must supplement, not supplant, state and local funds that, in the absence of the program, would be used to support authorized activities.
IMPROVING TEACHER QUALITY GRANTS (CONTINUED)

CFDA NUMBER 84.367

STATE AGENCY
Texas Education Agency.

FIGURE 64
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

SOURCE: Federal Funds Information for States.
ENGLISH LANGUAGE ACQUISITION STATE GRANTS

CFDA NUMBER 84.365

PURPOSE
English Language Acquisition State Grants provide funds to ensure that English language learners (ELL), including immigrant children, develop English proficiency and meet the same state academic content and academic achievement standards that other children are expected to meet.

DISTRIBUTION OF FUNDS
States receive 80 percent of the funds based on the number of ELL students and 20 percent based on the number of immigrant children in the state.

MATCH OR MAINTENANCE OF EFFORT
For local educational agencies (LEA), the combined fiscal effort per student, or the aggregate level of expenditures from local and state funds for the preceding fiscal year, must not be less than 90 percent of the combined fiscal effort or aggregate expenditures for the second preceding fiscal year. No match is required.

ESSA retains the maintenance of effort (MOE) requirement pursuant to the No Child Left Behind Act. However, if an LEA fails to meet the MOE, the LEA can avoid penalty if it met the requirement in each of the five preceding years. The U.S. Department of Education can grant waivers to LEAs that do not meet the MOE due to exceptional circumstances or a precipitous decrease in state resources.

FEDERAL USES OR RESTRICTIONS
LEAs must use funds to increase the English proficiency of ELL students by providing high-quality language instruction; providing professional development to teachers and other educational personnel to improve assessments and instruction; and providing enhanced instructional opportunities. Funds may be used for identifying, acquiring, and upgrading curricula, instruction materials, educational software, and assessment procedures. Federal funding made available in accordance with this program must be used to supplement, not supplant, the level of federal, state, and local public funds that, in the absence of such availability, would have been expended for programs for ELL and immigrant children.

STATE AGENCY
Texas Education Agency.

FIGURE 65
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(SOURCE: Federal Funds Information for States.)
21ST CENTURY COMMUNITY LEARNING CENTERS

CFDA NUMBER 84.287

PURPOSE
21st Century Community Learning Centers provide academic enrichment opportunities to children, particularly students who attend high-poverty and low-performing schools, to meet state academic achievement standards in core subjects, expand enrichment activities that complement regular academic programs, and offer literacy and other educational services to the families of participating children.

DISTRIBUTION OF FUNDS
States receive funds based on the proportion of each state’s share of the federal Elementary and Secondary Education Act, Title I, Grants to Local Educational Agencies (LEA) funds in the previous fiscal year.

MATCH OR MAINTENANCE OF EFFORT
For LEAs, the combined fiscal effort per student, or the aggregate level of expenditures from local and state funds for the preceding fiscal year, must not be less than 90 percent of the combined fiscal effort or aggregate expenditures for the second preceding fiscal year. No match is required.

ESSA retains the maintenance of effort (MOE) requirement pursuant to the No Child Left Behind Act. However, if an LEA fails to meet the MOE, the LEA can avoid penalty if it met the requirement in each of the five preceding years. The U.S. Department of Education can grant waivers to LEAs that do not meet the MOE due to exceptional circumstances or a precipitous decrease in state resources.

FEDERAL USES OR RESTRICTIONS
Projects funded must establish or expand activities in community learning centers. Funds must supplement, not supplant, other federal, state, and local funds.

STATE AGENCY
Texas Education Agency.

FIGURE 66
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

Source: Federal Funds Information for States.
CAREER AND TECHNICAL EDUCATION BASIC GRANTS TO STATES

CFDA NUMBER 84.048

PURPOSE
Career and Technical Education Grants provide funds to develop the academic, career, and technical skills of secondary and post-secondary students who elect to enroll in career and technical education programs.

DISTRIBUTION OF FUNDS
States receive funds based on each state’s population in three age groups and per capita income (average of previous three years). The age groups are: ages 15 to 19 (weighted 50 percent); ages 20 to 24 (weighted 20 percent); and ages 25 to 65 (weighted 15 percent). The sum of the amounts resulting from the three age groups is weighted by 15 percent.

MATCH OR MAINTENANCE OF EFFORT
A 50 percent match is required from nonfederal sources for state administration costs. A state must maintain its level of spending for career and technical education (CTE) on either an aggregate or per-student basis for the second preceding fiscal year. For 2016, the maintenance of effort requirement is $2.5 billion.

FEDERAL USES OR RESTRICTIONS
Funds made available for CTE activities must supplement, not supplant, nonfederal funds expended to carry out CTE and technical preparation activities.

STATE AGENCIES
Texas Education Agency; Texas Higher Education Coordinating Board; Texas Juvenile Justice Department.

FIGURE 67
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

FIGURE 68
ESTIMATED FEDERAL FUNDS DISTRIBUTION
FISCAL YEAR 2016

SOURCE: Federal Funds Information for States.

SOURCE: Legislative Budget Board.
MIGRANT EDUCATION STATE GRANT PROGRAM

CFDA NUMBER 84.011

PURPOSE
Migrant Education State Grants provide high-quality and comprehensive education programs for migratory children and help ensure that migratory children meet state academic content standards and student academic achievement standards.

DISTRIBUTION OF FUNDS
States receive a hold harmless base allocation equal to fiscal year 2002 amounts. Additional funds are distributed based on a formula that includes the number of eligible migrant children (ages 3 to 21) residing within the state, unduplicated eligible migrant children (ages 3 to 21) who receive state-provided services during the summer, and 40 percent of each state’s average per-pupil expenditure.

The Every Student Succeeds Act modifies the hold harmless provision to equal 90 percent of the previous year’s funding for federal fiscal years 2017 to 2019.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
Federal funding received in accordance to this program must supplement, not supplant, the funding that would, in the absence of such federal funding, be made available from nonfederal sources for the education of pupils participating in programs assisted in accordance with this program.

STATE AGENCY
Texas Education Agency.

FIGURE 69
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

SOURCE: Federal Funds Information for States.
ADULT EDUCATION BASIC GRANTS TO STATES

CFDA NUMBER 84.002

PURPOSE
Adult Education Grants help adults become literate and obtain the knowledge and skills necessary for employment, acquire English language skills, obtain the educational skills necessary to become full partners in the educational development of their children, and complete secondary school education.

DISTRIBUTION OF FUNDS
After each state receives an initial allotment of $250,000, the remaining funds are allotted to states based on the ratio of individuals age 16 and older who do not have a high school diploma or the equivalent. No state may receive less than 90 percent of its allotment for the preceding fiscal year.

MATCH OR MAINTENANCE OF EFFORT
A nonfederal contribution of at least 25 percent of the total amount of funds expended for adult education and literacy activities in the state is required for a state to receive funds. The match can be cash or in-kind services. Nonfederal expenditures for adult education and literacy during the second year before the grant year must not be less than 90 percent of nonfederal expenditures in the third year before the grant year. Maintenance of effort may be calculated on a per student or total expenditure basis. The maintenance of effort requirement may be waived for one year if the reduction in expenditures was due to exceptional or uncontrollable circumstances. The maintenance of effort requirement for program year 2016 is $20.5 million.

FEDERAL USES OR RESTRICTIONS
Local activities include services or instruction in one or more of the following categories: adult education and literacy services, including workplace literacy services; family literacy services; and English literacy and civics education programs for immigrants and other populations with limited English proficiency. Funds must be used to supplement, not supplant, state and local funds.

ELIGIBILITY
Individuals who are at least age 16 are eligible for services if they are not enrolled nor required to be enrolled in secondary school pursuant to state law, and if they lack sufficient mastery of basic educational skills or do not have a secondary school diploma or high school equivalent; or if they are unable to speak, read, or write the English language.

STATE AGENCY
Texas Workforce Commission.

FIGURE 70
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

Source: Federal Funds Information to States.
STRIVING READERS COMPREHENSIVE LITERACY PROGRAM

CFDA NUMBER: 84.371

PURPOSE
The Striving Readers Comprehensive Literacy Program develops literacy skills for students from birth to grade 12, including English Language Learners and students with disabilities. States establish comprehensive programs that develop students’ literacy, preliteracy, reading, and writing skills.

The Every Student Succeeds Act (ESSA) eliminates the Striving Readers Program in fiscal year 2017. However, the program's purpose or similar purposes are authorized uses within other ESSA programs.

DISTRIBUTION OF FUNDS
States applied for discretionary grants through a competitive process. The U.S. Department of Education awarded grants to six state education agencies (SEA). SEAs must distribute 95 percent of funds to local educational agencies or certain early childhood education providers: 15 percent to serve students from birth to age five; 40 percent to serve students from kindergarten to grade five; and 40 percent to serve students in middle schools and high schools.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
Funds must be used for literacy-related services or activities, including professional development, screening, assessments, student interventions, and research-based methods to improve instruction. An SEA may use up to 5 percent of funds for leadership activities such as technical assistance, training, data collection, reporting, and administration.

STATE AGENCY
Texas Education Agency.

FIGURE 71
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

<table>
<thead>
<tr>
<th>Year</th>
<th>Award Amount (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$58.2</td>
</tr>
<tr>
<td>2013</td>
<td>$55.0</td>
</tr>
<tr>
<td>2014</td>
<td>$58.0</td>
</tr>
<tr>
<td>2015</td>
<td>$55.0</td>
</tr>
<tr>
<td>2016</td>
<td>$55.0</td>
</tr>
</tbody>
</table>

SOURCE: U.S. Department of Education.
SUMMER FOOD SERVICE PROGRAM FOR CHILDREN

CFDA NUMBER 10.559

PURPOSE
The Summer Food Service Program for Children assists states with conducting nonprofit food service programs for children in designated low-income areas during the summer months and when schools are closed.

DISTRIBUTION OF FUNDS
Program allocations are based on the number of eligible meals served and authorized administrative and operating costs. Administrative funds are awarded to states based on the program award for the previous fiscal year at the rate of 20 percent of the first $50,000; 10 percent of the next $100,000; 5 percent of the next $250,000; and 2.5 percent of any remaining funds expended in the previous fiscal year. Additional administrative funds may be awarded based on changes in the size of a state program at the discretion of the U.S. Secretary of Agriculture.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
Funds assist eligible institutions that provide free meals to children in designated low-income areas. The program primarily operates during the months of May to September. Authorized program operating costs include the cost of food used, nonfood supplies, and space for the food service. Authorized program administrative costs include activities related to planning, organizing, and administering the program. State administrative funds may be used for salaries, travel, and providing technical assistance to participating institutions.

ELIGIBILITY
- Age: children age 18 and younger, or disabled individuals older than age 18 who participate in school programs for the mentally or physically disabled
- Institution: an institution that conducts a regularly scheduled children’s program in designated low-income areas is eligible for participation; eligible institutions include public or private schools, summer camps, colleges, universities, and state and local governmental entities
- Location: open sites serve free meals to any child and must be located in a school attendance area in which at least half of the children are eligible for free or reduced-price meals; closed sites serve only enrolled children and may use a variety of methods to qualify for program participation
SUMMER FOOD SERVICE PROGRAM FOR CHILDREN (CONTINUED)

CFDA NUMBER 10.559

STATE AGENCY
Texas Department of Agriculture.

FIGURE 72
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

$47.2 $47.0 $50.0 $42.9 $46.1


SOURCE: Federal Funds Information for States.
SCHOOL IMPROVEMENT GRANTS

CFDA NUMBER 84.377

PURPOSE
School Improvement Grants provide funds to address the needs of schools in improvement, corrective action, and restructuring to improve school achievement.

The Every Student Succeeds Act (ESSA) eliminates School Improvement Grants in fiscal year 2017.

DISTRIBUTION OF FUNDS
States receive funds based on each state’s share of the federal Elementary and Secondary Education Act, Title I, Parts A, C, and D, Grants to Local Educational Agencies funds for the grant year.

Beginning in fiscal year 2017, ESSA requires states to reserve the greater of 7 percent of its Title I, Part A, allocation or the amount the state reserved for school improvement plus the amount of federal School Improvement Grant funds it received in fiscal year 2016.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
State education agencies or school districts must use funds only to supplement funds that, in the absence of such federal funding, would be made available from nonfederal sources, and not to supplant such funds.

STATE AGENCY
Texas Education Agency.

FIGURE 73
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

<table>
<thead>
<tr>
<th>Year</th>
<th>Funding (in Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$49.7</td>
</tr>
<tr>
<td>2013</td>
<td>$46.8</td>
</tr>
<tr>
<td>2014</td>
<td>$44.6</td>
</tr>
<tr>
<td>2015</td>
<td>$44.9</td>
</tr>
<tr>
<td>2016</td>
<td>$40.5</td>
</tr>
</tbody>
</table>

SOURCE: Federal Funds Information for States.
CHILD NUTRITION – STATE ADMINISTRATIVE EXPENSES

CFDA NUMBER 10.560

PURPOSE
Funds provide financial assistance to states for administrative expenses in supervising and giving technical assistance to local schools, school districts, and institutions for the child nutrition programs, and in distributing commodities donated by the U.S. Department of Agriculture to schools and child-care or adult-care institutions or facilities.

DISTRIBUTION OF FUNDS
Administrative funds for school nutrition programs are allocated based on an amount equal to no less than 1 percent and no more than 1.5 percent of the total funds the state uses for such programs (National School Lunch, School Breakfast, and School Milk programs) during the second preceding federal fiscal year. Funds to administer the Child and Adult Care Food Program are awarded to states based on an amount equal to the sum of 20 percent of the first $50,000; 10 percent of the next $100,000; 5 percent of the next $250,000; and 2.5 percent of any remaining funds expended within the state on the program during the second preceding fiscal year.

MATCH OR MAINTENANCE OF EFFORT
State administration funds for any of the school nutrition programs and the Child and Adult Care Food Program should not be less than the level of state funding in 1977. Texas’ maintenance of effort requirement is $199,124.

FEDERAL USES OR RESTRICTIONS
These funds may be used for salaries, travel expenses, and the purchase of supplies, equipment, and services associated with the administration of the state’s child nutrition program.

STATE AGENCY
Texas Department of Agriculture.

FIGURE 74
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

SOURCE: Federal Funds Information for States.
GRANTS FOR STATE EDUCATION ASSESSMENTS AND RELATED ACTIVITIES

CFDA NUMBER 84.369

PURPOSE
State Education Assessments Grants provide funds: to assist states in developing the assessments required pursuant to the No Child Left Behind Act of 2001; to support the administration of those assessments; and to carry out other activities related to ensuring that local educational agencies (LEA) are held accountable for results.

DISTRIBUTION OF FUNDS
States receive a base allocation of $3.0 million; remaining funds are allocated based on each state’s share of the student population ages 5 to 17.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
All of the funds must be allocated for state-level activities. Authorized uses include: (1) developing multiple measures to increase the reliability and validity of state assessment systems; (2) developing information and reporting systems intended to identify best educational practices, based on scientifically based research; (3) improving the dissemination of information on student achievement and school performance; (4) improving English language proficiency assessments; and (5) providing professional development aligned with state academic achievement standards and assessments to LEAs.

STATE AGENCY
Texas Education Agency.

![Figure 75: Federal Awards to Texas Fiscal Years 2012 to 2016](source: Federal Funds Information for States)
SPECIAL EDUCATION PRESCHOOL GRANTS

CFDA NUMBER 84.173

PURPOSE
Special Education Preschool Grants fund special education and related services for children ages three to five who have disabilities.

DISTRIBUTION OF FUNDS
States receive an amount equal to the amount received in fiscal year 1997. For any year in which the appropriation is greater than the previous year’s level, 85 percent of the additional funds are distributed based on the state’s percentage of the total number of children ages three to five in the general population. The remaining 15 percent is distributed based on the percentage of children ages three to five in each state who are living at less than the Federal Poverty Level.

MATCH OR MAINTENANCE OF EFFORT
State and local educational agencies must not reduce financial support for special education and related services to less than the amount expended during the preceding fiscal year. For fiscal year 2016, the level of state financial support must at least equal the fiscal year 2015 level of support of $2.8 billion. No match is required.

FEDERAL USES OR RESTRICTIONS
States have the option to serve children age two who will turn age three during the school year. Funds must be used to supplement, not supplant, state, local, and other federal funding.

ELIGIBILITY
Children ages three to five who have disabilities.

STATE AGENCY
Texas Education Agency.

FIGURE 76
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

IN MILLIONS

$22.3
$20.8
$20.8
$20.8
$20.8
$22.0


SOURCE: Federal Funds Information for States.
MATHEMATICS AND SCIENCES PARTNERSHIPS GRANTS

CFDA NUMBER 84.366

PURPOSE
The Mathematics and Sciences Partnerships Grants provide funds to increase the academic achievement of students in mathematics and science by enhancing the content knowledge and teaching skills of classroom teachers through collaborative partnerships.

The Every Student Succeeds Act (ESSA) eliminates the Mathematics and Science Partnerships Program in fiscal year 2017. However, the program’s purpose or similar purposes are authorized uses within other ESSA programs.

DISTRIBUTION OF FUNDS
If the U.S. Congress appropriates $100.0 million or more, states receive funds based on each state’s proportion of individuals ages 5 to 17 from families with incomes less than the Federal Poverty Level. No state receives less than 0.5 percent of the total appropriation. When federal appropriations are less than $100.0 million, funds are distributed competitively.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
Funds may be used for activities such as: developing more rigorous math and science curricula that are aligned with challenging state and local content standards; establishing distance learning programs for math and science teachers; and recruiting math, science, and engineering majors into the teaching profession through the use of signing and performance incentives, stipends, and scholarships. Funds must be used to supplement, not supplant, funds that would otherwise be used for activities authorized by this program.

ELIGIBILITY
A partnership must include, at a minimum: a state education agency; a math, science, or engineering department of an institution of higher education; and a high-need local educational agency. Other organizations may also be included in a partnership.

STATE AGENCY
Texas Education Agency.

FIGURE 77
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

SOURCE: Federal Funds Information for States.
SMITH–LEVER ACT COOPERATIVE EXTENSION SERVICE

CFDA NUMBER: 10.500

PURPOSE
The Smith–Lever Act Cooperative Extension Service Program provides funds to 1862 land-grant institutions. These funds are provided for: the development of practical applications of research knowledge and demonstrations of improved practices in agriculture; uses of solar energy with respect to agriculture, home economics, and rural energy; and related subjects.

DISTRIBUTION OF FUNDS
States are entitled to a share of the amount of funds available for the program in 1962. Of any remaining funds that the U.S. Congress appropriates, 20 percent is shared equally by states, and 40 percent is allocated by the ratios of each state's rural population to the national rural population. The remaining 40 percent is allocated by the ratios of each state's farm population to the national farm population.

MATCH OR MAINTENANCE OF EFFORT
States must match Federal Funds per dollar. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
Funds may be used for approved research, extension, and education objectives that address food and agricultural sciences. Funds may be used only for extension programs or activities in the institution's approved work plan. Funds may not be used to purchase, build, repair, or renovate buildings.

ELIGIBILITY
State-designated 1862 land-grant institutions are eligible for funding.

STATE AGENCY
Texas A&M AgriLife Extension Service.

FIGURE 78
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(Source: Federal Funds Information for States.)
HATCH ACT PAYMENTS TO AGRICULTURAL EXPERIMENT STATIONS

CFDA NUMBER: 10.203

PURPOSE
Hatch Act Payments support agricultural research at state agricultural experiment stations. Funds assist in the efficient production, marketing, distribution, and use of farm products. Payments also help to facilitate prosperity in agricultural and rural life.

DISTRIBUTION OF FUNDS
The national funding level uses the 1955 appropriation as the base year. If the U.S. Congress makes funds available greater than that base level, 20 percent is shared equally by states. Approximately half of the funds is allocated by the ratios of each state's rural and farm population to the national rural and farm populations. At least 25 percent is awarded to states for cooperative research among multiple state experiment stations.

MATCH OR MAINTENANCE OF EFFORT
States must match Federal Funds per dollar. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
Funds are used for original research, investigations, and experiments that contribute to the U.S. agricultural industry. Up to 25 percent of funds may be used for integrated cooperative research and extension activities that involve working with at least one other state's experiment station. Funds should be expended fully in the fiscal year of the appropriation but may be carried for one year.

ELIGIBILITY
State agricultural experiment stations are eligible for funding.

STATE AGENCY
Texas A&M AgriLife Research.

![Figure 79: Federal Awards to Texas Fiscal Years 2012 to 2016](chart.jpg)

Source: Federal Funds Information for States.
RURAL AND LOW-INCOME SCHOOL PROGRAM

CFDA NUMBER: 84.358

PURPOSE

The Rural and Low-Income School (RLIS) Program provides financial aid to rural districts for activities that improve teaching, learning, and student achievement.

DISTRIBUTION OF FUNDS

A state’s allotment is determined by the ratio of the number of students in average daily attendance in all local educational agencies (LEA) that are eligible to participate in the RLIS program to the number of such students in all states. The state education agency may distribute grants to LEAs by formula or competitively. LEAs are eligible if: (1) they are not eligible for the Small, Rural School Achievement program; (2) at least 20 percent of schoolchildren ages 5 to 17 are from families with incomes less than the Federal Poverty Level; and (3) all the LEA’s schools have been designated a Locale Code of 6, 7, or 8, as determined by the National Center for Education Statistics. The maximum grant award that LEAs can receive is $60,000.

The Every Student Succeeds Act (ESSA) increases the maximum allocation to $80,000. ESSA also establishes a hold harmless provision for LEAs that no longer qualify for funding due to amendments made by the legislation.

MATCH OR MAINTENANCE OF EFFORT

None.

FEDERAL USES OR RESTRICTIONS

Grantees may use funds for teacher recruitment, retention, or development; education technology; and parental involvement activities. Grantees may also use funds for activities authorized pursuant to the following provisions of the Elementary and Secondary Education Act as reauthorized by the No Child Left Behind Act: Title I, Part A; Title II, Parts A and D; Title III; Title IV, Parts A and B; and Title V, Part A. Federal funding must supplement, not supplant, other federal, state, and local funding. Up to 5 percent of funds may be used for administrative costs and technical assistance.

ESSA removes Title II, Part D (Educational Technology State Grants), and Title V (State Grants for Innovative Programs) from the list of programs for which LEAs can spend grant funds.

STATE AGENCY

Texas Education Agency.

FIGURE 80

FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)


$6.7 $6.4 $6.7 $6.7 $6.9

SOURCE: Federal Funds Information for States.
ENGINEERING GRANTS

CFDA NUMBER: 47.041

PURPOSE
U.S. National Science Foundation Engineering Grants are intended to improve the economy and the nationwide quality of life through engineering education and research.

DISTRIBUTION OF FUNDS
The National Science Foundation reviews grant proposals based on National Science Board and other criteria. Awards are competitive and may be made to institutions of higher education, state and local governments, nonprofit and for-profit organizations, and individuals.

MATCH OR MAINTENANCE OF EFFORT
Some of these grants have match or maintenance of effort requirements, and others have none.

FEDERAL USES OR RESTRICTIONS
Grants may be used to pay for research, salaries and wages, equipment, supplies, travel, publication, and other direct or indirect costs. Funds must be used for the purposes specified in each grant proposal.

STATE AGENCY
Texas A&M Engineering Experiment Station.

FIGURE 81
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)


$7.5 $9.2 $9.0 $6.9 $5.6

NOTE: Fiscal year 2016 award amount includes federal funding received from September 1, 2015, to March 31, 2016.

SOURCE: Texas A&M Engineering Experiment Station.
TRANSPORTATION

INTRODUCTION

Financing for the state’s transportation needs is partially supported by federal-aid highway and transit funds received from the U.S. Department of Transportation (DOT). Texas received federal highway funding authorizations for more than $3.7 billion for federal fiscal year 2016.

In December 2015, the President signed the Fixing America’s Surface Transportation (FAST) Act, a comprehensive, five-year federal transportation authorization, into law. The act authorizes more than $305.0 billion to fund surface transportation programs from federal fiscal years 2016 to 2020.


Provisions of the FAST Act that affect state transportation programs include authorization of funding levels; consolidation and establishment of programs; expanded eligibilities and modifications to transportation planning and compliance provisions.

SOURCE OF FEDERAL FUNDS

The federal Highway Trust Fund (HTF) was established as a user-supported fund intended to finance highways with taxes. Federal excise taxes are levied on gasoline, diesel, gasohol, special fuels (e.g., liquefied petroleum gas and natural gas), tires, truck and trailer sales, and heavy vehicle use (based on weight). Revenues are distributed into two accounts within the HTF, the Highway Account and the Mass Transit Account. The FAST Act extends the heavy vehicle use tax through federal fiscal year 2023. The legislation also extends motor fuel and nonmotor fuel excise taxes at the same rates through federal fiscal year 2022. Receipts from user fees are projected to fall short of outlays. Therefore, the FAST Act contains additional revenue provisions to maintain the HTF’s solvency through federal fiscal year 2020, including three transfers of $100.0 million in revenue from the Leaking Underground Storage Tank Trust Fund. Formulas for distributing federal-aid funds for apportioned highway programs, such as the Surface Transportation Block Grant (STBG) Program (formerly the Surface Transportation Program), National Highway Performance Program (NHPP), Congestion Mitigation and Air Quality Improvement Program, Metropolitan Planning Program, Highway Safety Improvement Program, and the new National Highway Freight Program (NHFP), use the motor fuel and other excise taxes attributed to each state as distribution factors. The Federal Highway Administration (FHWA) analyzes state-generated reports on motor fuel and alternative fuels consumed and taxed to develop final estimates of the user tax revenues attributable to each state. Figure 82 shows the transfer of state motor fuel taxes to the U.S. Department of Treasury for deposit into the HTF for distribution to states.

MAP-21 implemented a new approach to apportionment formulas that was significantly different from the methodology in the previous transportation authorization, Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). MAP-21 funding authorizations allocated a lump sum for all apportioned programs each year. The FAST Act maintains the majority of MAP-21’s process for apportioning federal-aid highway funds. Similarly to MAP-21, the FAST Act
The FAST Act authorizes $226.3 billion in budget authority for federal-aid highway programs from federal fiscal years 2016 to 2020. This amount includes $225.2 billion in contract authority starting at $43.1 billion for federal fiscal year 2016 and increasing approximately 2.0 percent annually to $47.1 billion for federal fiscal year 2020. The FAST Act also authorizes $1.1 billion from federal fiscal years 2016 to 2020 that is subject to appropriation. Rescissions are reductions of unobligated federal funding that was appropriated by previous legislation. The majority of funding in the top 100 federal funding sources in the state budget for transportation was formerly affected by rescissions authorized pursuant to SAFETEA-LU. However, subsequent MAP-21 legislation did not authorize funding rescissions. Figure 83 shows federal transportation rescissions applied from federal fiscal years 2006 to 2011. The FAST Act authorizes a rescission of $7.6 billion of unobligated contract authority for federal fiscal year 2020.

Federal highway and transit program funds are the most significant source of federal transportation funding received in Texas. In addition to highway construction and planning funds, the highway programs also provide Texas with the necessary funding to reduce transportation-related emissions and improve air quality in the state. The FAST Act amends programmatic, regulatory, and administrative provisions of the major highway construction and planning programs in MAP-21 and establishes the NHFP. Figure 84 shows FAST Act amendments to the five apportioned federal-aid highway programs pursuant to MAP-21.
### FIGURE 84
**FIXING AMERICA’S SURFACE TRANSPORTATION (FAST) ACT AMENDMENTS TO APPORTIONED HIGHWAY PLANNING AND CONSTRUCTION PROGRAMS, FISCAL YEARS 2016 TO 2020**

<table>
<thead>
<tr>
<th>PROGRAM</th>
<th>AMENDMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Highway Performance Program (NHPP)</td>
<td>• adds four new categories of eligible projects;</td>
</tr>
<tr>
<td></td>
<td>• adds critical infrastructure to considerations that states may include in asset management plans;</td>
</tr>
<tr>
<td></td>
<td>• revises performance measures reporting provisions; and</td>
</tr>
<tr>
<td></td>
<td>• enables states to bundle multiple bridge projects within one project agreement</td>
</tr>
<tr>
<td>Surface Transportation Block Grant Program (STBGP)</td>
<td>• changed name from Surface Transportation Program;</td>
</tr>
<tr>
<td></td>
<td>• eliminates the Moving Ahead for Progress in the 21st Century (MAP-21) Transportation Alternatives Program and requires STBGP funding to be set aside for transportation alternatives;</td>
</tr>
<tr>
<td></td>
<td>• adds three categories of eligible projects; and</td>
</tr>
<tr>
<td></td>
<td>• authorizes governors of border states to use STBGP funds for border infrastructure projects eligible pursuant to Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users</td>
</tr>
<tr>
<td>Highway Safety Improvement Program (HSIP)</td>
<td>• authorizes an annual set-aside of $3.5 million in HSIP funds for specified safety-related activities and clearinghouses;</td>
</tr>
<tr>
<td></td>
<td>• limits HSIP eligibility to projects listed in statute;</td>
</tr>
<tr>
<td></td>
<td>• adds four categories of eligible projects; and</td>
</tr>
<tr>
<td></td>
<td>• authorizes states to opt out of MAP-21’s model inventory roadway elements data collection requirements for gravel or other unpaved roads</td>
</tr>
<tr>
<td>Congestion Mitigation and Air Quality Improvement Program (CMAQ)</td>
<td>• expands project eligibilities;</td>
</tr>
<tr>
<td></td>
<td>• requires states with fine particulate matter emissions nonattainment or maintenance areas to set aside CMAQ funds to reduce emissions; and</td>
</tr>
<tr>
<td></td>
<td>• provides for exemptions from the fine particulate matter set-aside for certain states with low population density</td>
</tr>
<tr>
<td>Metropolitan Planning Program</td>
<td>• expands the requirements of MAP-21 metropolitan transportation plans and transportation improvement plans;</td>
</tr>
<tr>
<td></td>
<td>• changes selection criteria for metropolitan planning organizations; and</td>
</tr>
<tr>
<td></td>
<td>• expands the scope of the metropolitan planning process to include: improving transportation resiliency and reducing storm water effects on surface transportation; and enhancing travel and tourism</td>
</tr>
</tbody>
</table>

**SOURCE:** Federal Highway Administration.

The FAST Act requires FHWA to establish a National Highway Freight Network (NHFN), to include the Primary Highway Freight System (PHFS), critical rural and urban freight corridors, and the portions of the U.S. Interstate System not included in the PHFS. The FAST Act includes an estimated average of $1.2 billion per year for NHFP, which is focused on improving the efficient movement of freight on the NHFN. Funds are distributed to states by formula for eligible activities, such as construction, operational improvements, freight planning, and performance measurement.

This chapter shows programs as established, consolidated, and restructured pursuant to the FAST Act. The Highway Planning and Construction Program, including the NHFP, accounts for 95.4 percent of federal transportation funds in the top 100 federal funding sources in the state budget, and it includes seven programs. Figure 85 shows the distribution of the seven major sources of federal funding for highway planning and construction for federal fiscal year 2016.
FIGURE 85
ESTIMATED FEDERAL FUNDS DISTRIBUTION FOR HIGHWAY PLANNING AND CONSTRUCTION GRANTS
FISCAL YEAR 2016

Source: Federal Funds Information for States.

REIMBURSEMENT PROCESS

Federal transportation programs do not operate like many federal grant programs. Instead, the FHWA reimburses the state from amounts made available to states for the federal share of the cost of work completed on approved projects. The following process shows how the Texas Department of Transportation receives reimbursements:

1. contractor performs work and bills Texas Department of Transportation (TxDOT);
2. TxDOT processes bill and pays contractor;
3. TxDOT bills Federal Highway Administration (FHWA); and
4. FHWA processes bill and reimburses TxDOT.

Depending on the type of project, the time from the obligation of available federal funding to reimbursement can vary from a few days to several years. As a result, when projecting the receipt of upcoming federal revenues, budgeted amounts reflect unpaid obligations and anticipated payments on upcoming obligations based on the expected progress of work completed on approved projects. Contract authority bases the obligation of funds on amounts authorized in the FAST Act only. Annual federal appropriations for transportation include the formulas necessary for reimbursements that set or confirm obligation limitations established in the FAST Act.

APPORTIONMENT VS. OBLIGATION LIMITATION

FAST Act-authorized funds are distributed to states by apportionment, as prescribed by a statutory formula, or by allocation based on eligibility criteria or competition. When new apportionments or allocations are made, the amounts are added to the program’s unused balance from previous years. Due to more efficient fuel economy in vehicles and a reduction in gasoline consumption, the HTF has been prematurely depleted each year. The FAST Act provides for a onetime transfer of $70.0 billion from the General Fund of the U.S. Treasury to the HTF. The FAST Act retains limits on total obligations that can be incurred during a fiscal year to control the rate of annual federal expenditures. The FAST Act establishes an obligation limitation of $42.4 billion for fiscal year 2016, increasing each year to $46.4 billion for fiscal year 2020. The U.S. Congress may adjust the statutory
limitations in the annual federal appropriations act based upon updated revenue estimates. Each federal fiscal year, a state receives an overall obligation limitation that covers all of its programs, except those programs that are either exempt or receive special consideration. A state has the discretion to transfer program funds based upon its needs, as long as it does not exceed the limit. Any unobligated balance of apportionments or allocations that a state has remaining at the end of a fiscal year is carried over to the following fiscal year for use by the state, unless those funds are not obligated during the availability period, at which point the apportionment lapses.

**MAJOR TRANSPORTATION PROGRAMS**

The U.S. Department of Transportation recognizes the need for options at the state level. With the passage of the FAST Act, DOT implemented programs providing state and local entities expanded autonomy of environmental review of projects. The legislation also expands the types of projects that can be excluded from the federal environmental review process. The FAST Act established a pilot program to authorize certain states to use equally stringent environmental laws and regulations instead of the National Environmental Policy Act and other related regulations for environmental review. The goal is to reduce project delivery time and costs. The FAST Act maintains innovative financing options and public–private partnerships. Although the FAST Act reduces funding for the Transportation Infrastructure Finance and Innovation Act (TIFIA) Program compared to MAP-21 levels, the legislation makes many program reforms that provide states with funding discretion. TIFIA provides loans, loan guarantees, and lines of credit to state and local entities. The FAST Act authorizes eligibilities for public infrastructure associated with transit-oriented development, eliminates the MAP-21 requirement to redistribute uncommitted TIFIA funds, and authorizes states to use NHPP and STBG Program funds to support subsidy and administrative costs of TIFIA credit assistance for projects eligible in accordance with those programs.

The FAST Act reinforces MAP-21’s outcome-driven approach that tracks performance and makes states and metropolitan planning organizations accountable for improving the conditions and performance of their transportation systems. The FAST Act supports the performance management approach established in MAP-21 and includes new provisions to ensure that states meet performance targets in a timely manner.

**Figure 86** shows rankings and amounts for the federal transportation funds in the top 100 federal funding sources in the state budget in fiscal year 2016.
### FIGURE 86
TRANSPORTATION FEDERAL FUNDING SOURCES IN THE TOP 100, FEDERAL FISCAL YEAR 2016 (APPROPRIATED)

<table>
<thead>
<tr>
<th>RANK</th>
<th>PROGRAM</th>
<th>FEDERAL FUNDS (IN MILLIONS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Highway Planning and Construction – National Highway Performance Program</td>
<td>$1,992.6</td>
</tr>
<tr>
<td>7</td>
<td>Highway Planning and Construction – Surface Transportation Block Grant Program</td>
<td>$996.8</td>
</tr>
<tr>
<td>18</td>
<td>Highway Planning and Construction – Highway Safety Improvement Program</td>
<td>$190.7</td>
</tr>
<tr>
<td>21</td>
<td>Highway Planning and Construction – Congestion Mitigation and Air Quality Improvement</td>
<td>$164.0</td>
</tr>
<tr>
<td>31</td>
<td>National Highway Freight Program</td>
<td>$100.6</td>
</tr>
<tr>
<td>34</td>
<td>Airport Improvement Program</td>
<td>$76.0</td>
</tr>
<tr>
<td>49</td>
<td>Rural Areas Formula Grants</td>
<td>$41.8</td>
</tr>
<tr>
<td>59</td>
<td>Highway Planning and Construction – Railway-Highway Crossings Program</td>
<td>$28.4</td>
</tr>
<tr>
<td>61</td>
<td>Highway Planning and Construction – Metropolitan Planning Program</td>
<td>$24.4</td>
</tr>
<tr>
<td>71</td>
<td>Enhanced Mobility of Seniors and Individuals with Disabilities</td>
<td>$18.5</td>
</tr>
<tr>
<td>74</td>
<td>State and Community Highway Safety Grants</td>
<td>$17.8</td>
</tr>
<tr>
<td>75</td>
<td>Border Enforcement Grants</td>
<td>$17.2</td>
</tr>
<tr>
<td>76</td>
<td>National Priority Safety Programs</td>
<td>$16.3</td>
</tr>
<tr>
<td>90</td>
<td>Motor Carrier Safety Assistance Program</td>
<td>$8.4</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>$3,693.5</strong></td>
</tr>
</tbody>
</table>

Sources: Federal Aviation Administration; Federal Funds Information for States; Federal Highway Administration; Federal Motor Carrier Safety Administration; National Highway Traffic Safety Administration.
HIGHWAY PLANNING AND CONSTRUCTION – NATIONAL HIGHWAY PERFORMANCE PROGRAM

CFDA NUMBER: 20.205

PURPOSE
The purpose of the National Highway Performance Program (NHPP) is to maintain and improve the condition of the National Highway System (NHS). NHPP provides funding for the construction of new facilities on the NHS and ensures that federal highway construction funds are used to meet performance targets listed in each state’s asset management plan for the NHS.

DISTRIBUTION OF FUNDS
A state’s base apportionment is divided among the apportioned highway programs by formula. NHPP funding is 63.7 percent of the state’s base apportionment remaining after funding for the National Highway Freight Program, the Congestion Mitigation and Air Quality Program, and the Metropolitan Planning Program is deducted. A state’s NHPP formula funds are increased by the state’s share of the NHPP supplemental apportionment.

MATCH OR MAINTENANCE OF EFFORT
The federal share of costs is 90 percent for U.S. Interstate System projects and 80 percent for all other projects and activities. A 100 percent federal share is authorized for certain safety improvements, workforce development, and innovative project delivery methods. The FAST Act expanded the activities eligible for a 100 percent federal share to include innovative engineering or design approaches. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
States may use federal funding for construction, reconstruction, resurfacing, restoration, rehabilitation, preservation, or operational improvement of segments of the NHS. Projects may include the preservation and protection of tunnels and bridges, and the construction of certain transit facilities. Additional projects may include bikeways, pedestrian walkways, truck parking facilities, ferryboats, and ferry terminals. Technology assistance for NHS-related data collection, traffic monitoring, and intelligent transportation systems are also authorized.

The FAST Act added four eligible activities:
- installation of vehicle-to-infrastructure communication equipment;
- reconstruction, resurfacing, restoration, rehabilitation, or preservation of a bridge on a non-NHS federal-aid highway;
- a project to reduce the risk of failure of critical NHS infrastructure; and
- use of the state’s Surface Transportation Block Grant (STBG) Program funding to pay the subsidy and administrative costs for Transportation Infrastructure Finance and Innovation Act credit assistance for an eligible NHPP project or group of projects.

States may transfer up to 50 percent of their NHPP apportionments each fiscal year to the STBG, Congestion Mitigation and Air Quality Improvement Program, Highway Safety Improvement Program, National Highway Freight Program, and Transportation Alternatives.
HIGHWAY PLANNING AND CONSTRUCTION – NATIONAL HIGHWAY PERFORMANCE PROGRAM (CONTINUED)

CFDA NUMBER: 20.205

STATE AGENCY

Texas Department of Transportation.

FIGURE 87
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

SOURCES: Federal Funds Information for States; Federal Highway Administration.
HIGHWAY PLANNING AND CONSTRUCTION – SURFACE TRANSPORTATION BLOCK GRANT PROGRAM

CFDA NUMBER: 20.205

PURPOSE
The Fixing America’s Surface Transportation (FAST) Act converted the Surface Transportation Program (STP) into the Surface Transportation Block Grant (STBG) Program. STBG promotes discretion in state and local transportation decisions and provides flexible funding to best address state and local transportation needs. STBG provides funds for states and localities to use on any federal-aid highway, including the National Highway System (NHS); any tunnel and bridge projects on public roads; pedestrian and bicycle infrastructure; and transit capital projects, including intercity bus terminals.

DISTRIBUTION OF FUNDS
A state's base apportionment is divided among the apportioned highway programs by formula. The STBG apportionment is equal to 29.3 percent of the state's base apportionment remaining after National Highway Freight Program, Congestion Mitigation and Air Quality Program, and Metropolitan Planning Program funds are deducted. A state's STBG formula funds are increased by the state's share of the STBG supplemental apportionment.

MATCH OR MAINTENANCE OF EFFORT
The federal share of costs is 90 percent for interstate system projects and 80 percent for all other projects and activities. A 100 percent federal share is authorized for certain safety improvements, workforce development, and innovative project delivery methods. The FAST Act expanded the activities eligible for a 100 percent federal share to include innovative engineering or design approaches. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
Federal funding for STBG primarily is used for the construction, reconstruction, rehabilitation, resurfacing, restoration, preservation, maintenance, and operational improvements of federal-aid highways. Funds may also be used for certain capital transit costs, such as buses and bus facilities, bicycle trails, and pedestrian walkways. Capital and operating costs for traffic monitoring and management are also permitted.

Pursuant to the FAST Act, STBG continues all STP project eligibilities. The FAST Act also adds STBG-eligible projects. A State may now use STBG funds to establish and operate a state office to help develop, implement, and oversee public-private partnerships eligible to receive federal highway or transit funding, and to pay a stipend to unsuccessful bidders in certain circumstances. The U.S. Department of Transportation may also, at a state’s request, use the state’s STBG funding to pay the subsidy and administrative costs for Transportation Infrastructure Finance and Innovation Act credit assistance for an STBG-eligible project.

The FAST Act requires states to set aside funding for Transportation Alternatives, state planning, and research and funding for bridges not on federal-aid highways from the overall STBG funding amount.

States may transfer up to 50 percent of their STBG apportionment to the National Highway Performance Program, National Highway Freight Program, Highway Safety Improvement Program, and the Congestion Mitigation and Air Quality Improvement Program.
HIGHWAY PLANNING AND CONSTRUCTION – SURFACE TRANSPORTATION BLOCK GRANT PROGRAM (CONTINUED)

CFDA NUMBER: 20.205

STATE AGENCY

Texas Department of Transportation.

FIGURE 88
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

SOURCE: Federal Funds Information for States.
HIGHWAY PLANNING AND CONSTRUCTION – HIGHWAY SAFETY IMPROVEMENT PROGRAM

CFDA NUMBER: 20.205

PURPOSE
The Highway Safety Improvement Program (HSIP) provides funds to reduce traffic fatalities and serious injuries on all public roads. Funding is used to collect state traffic, road, and highway safety data on highway fatalities, injuries, and other state and federal safety priorities. States use this data to identify road hazards, make road repairs, or modify highway designs to be safer. States also use collected data to measure progress in implementing highway safety improvements.

DISTRIBUTION OF FUNDS
A state’s base apportionment is divided among the apportioned highway programs by formula. The HSIP apportionment is equal to 7.0 percent of the state’s remaining base apportionment after funds are deducted for the National Highway Freight Program, the Congestion Mitigation and Air Quality Program, and the Metropolitan Planning Program.

MATCH OR MAINTENANCE OF EFFORT
The federal share of costs is 90 percent. A 100 percent federal share is authorized for certain safety improvements and workforce development. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
States must develop and implement a Strategic Highway Safety Plan (SHSP) that defines state safety goals and describes a program of strategies to improve safety. The Moving Ahead for Progress in the 21st Century Act listed a limited range of eligible HSIP projects. However, states could use HSIP funds on any safety project (related to infrastructure or not) that was consistent with the state’s SHSP and corrected or improved highways, safety problems, and hazardous roads.

The Fixing America’s Surface Transportation Act limits HSIP eligibility to projects listed in statute, most of which are related to infrastructure safety. In addition, the FAST Act adds activities to the statutory projects, which include:

• installation of vehicle-to-infrastructure communication equipment;
• pedestrian hybrid beacons; and
• roadway improvements that separate pedestrians from motor vehicles.

States may transfer up to 50 percent of their HSIP apportionments to the National Highway Performance Program, National Highway Freight Program, Surface Transportation Block Grant, Transportation Alternatives, and the Congestion Mitigation and Air Quality Improvement Program.
STATE AGENCY

Texas Department of Transportation.

FIGURE 89
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

$87.3 $183.8 $202.5 $202.5 $190.7


SOURCE: Federal Funds Information for States.
HIGHWAY PLANNING AND CONSTRUCTION – CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM

CFDA NUMBER: 20.205

PURPOSE
The Congestion Mitigation and Air Quality Improvement (CMAQ) Program provides a flexible funding source to state and local governments for transportation projects to reduce congestion, and programs to help meet the requirements of the federal Clean Air Act.

DISTRIBUTION OF FUNDS
A state’s base apportionment is divided among the apportioned highway programs by formula. The CMAQ apportionment is equal to the amount of the state’s base apportionment remaining after funding for the National Highway Freight Program is deducted, multiplied by the ratio of the state’s CMAQ apportionment for federal fiscal year 2009 and the state’s total Highway Planning and Construction apportionment for federal fiscal year 2009.

MATCH OR MAINTENANCE OF EFFORT
The federal share of costs is 90 percent for federal Interstate System projects and 80 percent for other projects and activities. A 100 percent federal share is authorized for workforce development and certain safety improvements. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
Federal funding may be used to establish traffic monitoring, management, and control facilities, if they contribute to attainment of an air quality standard. New CMAQ projects made eligible by the Fixing America’s Surface Transportation (FAST) Act include public transit, bicycle and pedestrian facilities, travel-demand management strategies, alternative fuel vehicles, and facilities serving electric or natural gas-fueled vehicles. The FAST Act also includes explicit eligibility for installation of voice-to-infrastructure communication equipment.

The FAST Act requires states with areas that do not meet National Ambient Air Quality Standards for ozone, carbon monoxide, or particulate matter (nonattainment areas) and former nonattainment areas that are now in compliance (maintenance areas) to set aside a portion of their CMAQ funds to address particulate matter emissions in these areas. The FAST Act added diesel retrofits, port-related equipment, and alternative fuel vehicle purchases as acceptable uses of CMAQ set-aside funds to mitigate particulate matter emissions. The legislation also added exemptions from the particulate matter set-aside for states with low population density that meet certain criteria.

States may transfer up to 50 percent of their CMAQ apportionment to the National Highway Performance Program, National Highway Freight Program, Surface Transportation Block Grant Program, Transportation Alternatives, and the Highway Safety Improvement Program.
HIGHWAY PLANNING AND CONSTRUCTION – CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM (CONTINUED)

CFDA NUMBER: 20.205

STATE AGENCY
Texas Department of Transportation.

FIGURE 90
FEDERAL AWARDS TO TEXAS FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

$105.4 $150.2 $164.5 $164.5 $164.0


SOURCE: Federal Funds Information for States.
HIGHWAY PLANNING AND CONSTRUCTION – NATIONAL HIGHWAY FREIGHT PROGRAM

CFDA NUMBER: 20.205

PURPOSE
The Fixing America’s Surface Transportation (FAST) Act established the National Highway Freight Program (NHFP) to improve the efficient movement of freight on the National Highway Freight Network (NHFN).

DISTRIBUTION OF FUNDS
A state’s base apportionment is divided among apportioned highway programs by formula. A state’s NHFP funding equals the total authorized national NHFP funding for the fiscal year, multiplied by the ratio of the state’s base apportionment to the total national base apportionment. NHFP funding was apportioned to states beginning in fiscal year 2016.

MATCH OR MAINTENANCE OF EFFORT
The federal share of costs is 90 percent for federal Interstate System projects and 80 percent for all other projects and activities. A 100 percent federal share is authorized for certain safety improvements. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
Beginning in December 2017, a state may not obligate NHFP funds unless it has developed a state freight plan. Eligible projects must contribute to the efficient movement of freight on the NHFN. Projects can include:

- planning, feasibility analysis, preliminary engineering and design work, and other preconstruction activities;
- construction, reconstruction, rehabilitation, and operational improvements directly related to improving system performance;
- highway and bridge projects to improve the flow of freight on the NHFN;
- building additional road capacity to address areas of constriction for highway freight; and
- enhancement of the resiliency of critical highway infrastructure to improve the flow of freight.

States may transfer up to 50 percent of their NHFP apportionment each fiscal year to the National Highway Performance Program, Surface Transportation Block Grant Program, Congestion Mitigation and Air Quality Improvement Program, Highway Safety Improvement Program, and Transportation Alternatives.
HIGHWAY PLANNING AND CONSTRUCTION – NATIONAL HIGHWAY FREIGHT PROGRAM (CONTINUED)

CFDA NUMBER: 20.205

STATE AGENCY
Texas Department of Transportation.

FIGURE 91
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

SOURCE: Federal Highway Administration.
AIRPORT IMPROVEMENT PROGRAM

CFDA NUMBER 20.106

PURPOSE
The Airport Improvement Program (AIP) provides funding to assist public-use airports with planning, maintenance, and development to meet the needs of civil aeronautics. AIP also invests in transportation, environmental protection, and airport infrastructure to promote long-term economic benefits.

DISTRIBUTION OF FUNDS
The distribution system for AIP grants is based on a combination of formula-based entitlements and discretionary funds. The method for calculating entitlement and discretionary funding amounts varies based on whether the total AIP funding authorized for a fiscal year is less than $3.2 billion. Irrespective of calculation method, each fiscal year entitlements are first apportioned to states and defined airport types, including primary airports (commercial service airports with more than 10,000 passengers boarding per year), cargo service airports, nonprimary airports, and airports located in Alaska. The remaining funds are discretionary funds. Funding is usually provided directly to individual airports.

Texas participates in the State Block Grant Program (SBGP). In accordance with this program, the Federal Aviation Administration (FAA) provides block funding directly to states for projects at qualifying airports. Qualifying airports include all nonprimary airports in a state that are eligible to receive AIP funds. SBGP grants may include the state apportionment, nonprimary entitlement funds, cargo entitlement funds, and discretionary funds. The state issues subgrants for improvements to recipient airports.

MATCH OR METHOD OF FINANCE
The federal share of project costs is 90 percent. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
SBGP authorizes states to assume the FAA’s administrative responsibilities for nonprimary airports. Each state’s SBGP is governed by a memorandum of agreement between the FAA and the state that outlines the responsibilities of both entities. The state must ensure that projects administered in accordance with SBGP comply with federal requirements.

A state must use SBGP funds for airport development and planning and airport noise compatibility programs. Eligible projects include runway, taxiway, and apron construction; airfield lighting signage and drainage; land acquisition; weather observation stations; and safety area improvements.
AIRPORT IMPROVEMENT PROGRAM (CONTINUED)

CFDA NUMBER 20.106

STATE AGENCY
Texas Department of Transportation.

FIGURE 92
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(NMILLIONS)


$22.2 $41.7 $56.5 $76.0 $76.0

NOTE: Fiscal year 2016 award is estimated.
SOURCE: Federal Aviation Administration.
RURAL AREAS FORMULA GRANTS

CFDA NUMBER 20.509

PURPOSE
Rural Areas Formula Grants provide funds to support public transportation in communities with populations of less than 50,000. The program operates on the following goals:

• enhancing the access of people in rural areas to healthcare, shopping, education, employment, public services, and recreation;

• assisting in the maintenance, development, improvement, and use of public transportation systems in rural areas;

• encouraging and facilitating the most efficient use of all federal funding used to provide passenger transportation in rural areas through the coordination of programs and services;

• assisting in the development and support of intercity bus transportation; and

• providing for the participation of private transportation providers in rural transportation to the maximum extent feasible.

DISTRIBUTION OF FUNDS
Funds are apportioned to states by a statutory formula based on the latest census figures of areas with a population of less than 50,000 as follows:

• 83.15 percent based on land area and population in rural areas; and

• 16.85 percent based on land area, vehicle revenue miles, and low-income individuals in rural areas.

MATCH OR MAINTENANCE OF EFFORT
The federal participation share for capital and project administration is 80 percent (except that projects needed to meet federal Americans with Disabilities Act requirements or federal Clean Air Act requirements, or bicycle access projects may be funded at 90 percent). The federal participation share for operating assistance is 50 percent of net operating costs. The local share of 50 percent may be provided from: an undistributed cash surplus; a replacement or depreciation cash fund or reserve; or new capital. Although no aggregate state-level maintenance of effort is required, local entities receiving funds may be required to provide sufficient funds to ensure ongoing project viability.

The Fixing America’s Surface Transportation Act made changes regarding revenue and services that can qualify as a local match.

FEDERAL USES OR RESTRICTIONS
Funds may be used for capital, operating, and administrative expenses. States are required to spend 15 percent of the apportionment to support rural intercity bus service unless the governor certifies that the intercity bus needs of the state are adequately met.
RURAL AREAS FORMULA GRANTS (CONTINUED)

CFDA NUMBER 20.509

STATE AGENCY

Texas Department of Transportation.

FIGURE 93
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

$34.0 $40.0 $40.9 $40.9 $41.8


SOURCE: Federal Funds Information for States.
HIGHWAY PLANNING AND CONSTRUCTION – RAILWAY–HIGHWAY CROSSINGS PROGRAM

CFDA NUMBER 20.205

PURPOSE
The Railway–Highway Crossings Program provides funds for safety improvements to reduce the number of fatalities, injuries, and crashes at public railway–highway grade crossings.

DISTRIBUTION OF FUNDS
The program is funded through a set-aside from each state’s apportionment for the Highway Safety Improvement Program (HSIP). The Federal Highway Administration apportions program funds among states based on the following factors:

- 50 percent is based on the formula factors for the Surface Transportation Program, as in effect the day before enactment of the Moving Ahead for Progress in the 21st Century Act; and
- 50 percent is based on the state’s share of the number of public railway–highway crossings.

Each state receives a minimum of 0.5 percent of the program funds.

MATCH OR MAINTENANCE OF EFFORT
The federal share is 90 percent. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
Each state is required to set aside 50 percent of its apportionment for the installation of protective devices at railway–highway crossings. Also, each state is required to conduct and systematically maintain a survey of all highway–railroad crossings that may require separation, relocation, or protective devices, and to implement a schedule of projects for this purpose. Railroads participating in a hazard elimination project may be responsible for compensating the state transportation department, but the amount may not exceed 10 percent of the project cost. States may use up to 2 percent of Railway–Highway Crossings funds for compilation and data analysis of the state’s annual report to the federal government.

The Fixing America’s Surface Transportation Act continues all previous program eligibilities. It also extends eligibility to include the relocation of highways to eliminate railway–highway grade crossings and projects to eliminate hazards posed by blocked crossings due to idling trains.

Funds set aside for the Railway–Highway Crossings Program may not be transferred to other apportioned programs. However, if a state demonstrates to the U.S. Department of Transportation that it has met all its needs for installation of protective devices at railway–highway crossings, the state may use program funds for any purpose eligible in accordance with HSIP.
HIGHWAY PLANNING AND CONSTRUCTION – RAILWAY–HIGHWAY CROSSINGS PROGRAM (CONTINUED)

CFDA NUMBER 20.205

STATE AGENCY

Texas Department of Transportation.

FIGURE 94
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

<table>
<thead>
<tr>
<th>Year</th>
<th>Award Amount (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$15.8</td>
</tr>
<tr>
<td>2013</td>
<td>$17.2</td>
</tr>
<tr>
<td>2014</td>
<td>$17.5</td>
</tr>
<tr>
<td>2015</td>
<td>$17.5</td>
</tr>
<tr>
<td>2016</td>
<td>$28.4</td>
</tr>
</tbody>
</table>

SOURCE: Federal Funds Information for States.
HIGHWAY PLANNING AND CONSTRUCTION – METROPOLITAN PLANNING PROGRAM

CFDA NUMBER: 20.205

PURPOSE
The Metropolitan Planning Program (MPP) establishes a cooperative, continuous, and comprehensive framework for making transportation investment decisions in metropolitan areas. MPP provides funds to states for distribution to Metropolitan Planning Organizations (MPO) to develop metropolitan-area transportation plans and transportation improvement programs.

DISTRIBUTION OF FUNDS
A state’s base apportionment is divided among apportioned highway programs by formula. The MPP apportionment is equal to the amount of the state’s base apportionment remaining after National Highway Freight Program (NHFP) funding is deducted, plus the state’s NHFP apportionment, multiplied by the ratio of the state’s MPP apportionment for federal fiscal year 2009 divided by the state’s total Highway Planning and Construction apportionment for federal fiscal year 2009. Total MPP funding equaled $329.0 million for fiscal year 2016.

MATCH OR MAINTENANCE OF EFFORT
The federal share of costs is 80 percent. A 100 percent federal share is authorized for innovative project delivery methods. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
States are required to establish statewide transportation plans. Federal funding may be used for the development of metropolitan-area transportation plans, and for studies related to transportation management, operations, capital requirements, and economic feasibility. States must distribute funds to MPOs using a formula developed in consultation with the MPOs and approved by the U.S. Department of Transportation.

The Fixing America’s Surface Transportation Act requires long-range statewide and metropolitan plans to include facilities that support intercity transportation, including intercity buses. The act expands the scope of the planning process to include projects and strategies to improve transportation system resilience and reliability; reduce or mitigate surface transportation’s effects on storm water; and enhance travel and tourism. Statewide transportation plans must include performance measures and targets.

States may not transfer MPP funds to other apportioned programs.
HIGHWAY PLANNING AND CONSTRUCTION – METROPOLITAN PLANNING PROGRAM (CONTINUED)

CFDA NUMBER: 20.205

STATE AGENCY
Texas Department of Transportation.

FIGURE 95
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

$20.9 $21.7 $23.7 $23.7 $24.4


SOURCE: Federal Funds Information for States.
ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES

CFDA NUMBER: 20.513

PURPOSE
The Enhanced Mobility of Seniors and Individuals with Disabilities Program provides financial assistance to meet the needs of seniors, ages 65 and older, and individuals with disabilities where public transportation services are unavailable, insufficient, or inappropriate.

DISTRIBUTION OF FUNDS
The U.S. Department of Transportation (DOT) apportions funds based on the relative share of seniors and individuals with disabilities in each of three community types. DOT apportions 60 percent of funds directly to large urbanized areas with populations greater than 200,000. States are apportioned 20 percent of funds for use in small urbanized areas with populations ranging from 50,000 to 200,000. In addition, 20 percent of funds are apportioned to states for use in rural areas with populations of less than 50,000. State or local government entities that operate public transportation services may also be eligible for grant funds.

MATCH OR MAINTENANCE OF EFFORT
The federal share of eligible capital costs is 80 percent. The federal share of eligible operating costs is 50 percent. Administrative costs are funded at 100 percent.

FEDERAL USES OR RESTRICTIONS
Recipients can use up to 10 percent of their apportionments for administrative costs. At least 55 percent of program funds must be used for capital projects. These projects can include buses and vans; wheelchair lifts, ramps, and securement devices; transit-related information technology systems including systems for scheduling, routing, and one-call notification; and mobility management programs. The remaining 45 percent may be used for capital planning and operating expenses for new public transportation services or transportation alternatives intended to assist individuals with disabilities and seniors in addition to those required by the Americans with Disabilities Act.

The Fixing America’s Surface Transportation Act established a discretionary pilot program for innovative coordinated access and mobility. Funds are provided to assist in financing projects that improve the coordination of transportation services and nonemergency medical transportation services for individuals with disabilities and seniors.
ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES (CONTINUED)

CFDA NUMBER: 20.513

STATE AGENCIES

Texas Department of Transportation.

FIGURE 96
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

SOURCE: Federal Funds Information for States.
STATE AND COMMUNITY HIGHWAY SAFETY GRANTS

CFDA NUMBER 20.600

PURPOSE
State and Community Highway Safety Grants support state efforts to reduce traffic accidents and resulting deaths, injuries, and property damage.

DISTRIBUTION OF FUNDS
State and Community Highway Safety Grants are distributed to states based upon the following formula:
- 75 percent is based on the ratio of the state's population in the latest federal census to the total population of all states; and
- 25 percent is based on the ratio of the public road miles in the state to total public road miles in all states.

At least 40 percent of a state's apportionment must be used by the state's political subdivisions to carry out local highway safety programs.

MATCH OR MAINTENANCE OF EFFORT
The federal share of costs is 80 percent. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
To qualify for funding, states must submit an annual highway safety plan to the National Highway Traffic Safety Administration for approval. States may not use funds to purchase, operate, or maintain an automated traffic enforcement system. Funds are to be used for nonconstruction costs of highway safety programs. Typical activities funded through this program include:
- developing or upgrading traffic record systems;
- collecting and analyzing data;
- conducting traffic engineering studies and analyses;
- developing technical guides and materials for states and local highway agencies;
- developing work zone safety programs;
- encouraging use of seat belts and child safety seats;
- developing public outreach campaigns about roadway safety;
- developing programs to reduce injuries and deaths resulting from accidents involving motor vehicles and motorcycles;
- developing programs to reduce the number of drivers who speed or drive while impaired; and
- implementing programs to improve traffic safety for teenage drivers.

Beginning in federal fiscal year 2017, the Fixing America's Surface Transportation (FAST) Act expands Highway Safety Grant Program requirements to include increasing driver awareness of commercial motor vehicles to prevent injuries and fatalities. The FAST Act also extends the Teen Traffic Safety Program to include support for school-based education classes that improve students’ knowledge about safe driving and State Graduated Driver Licensing Grant requirements.
STATE AND COMMUNITY HIGHWAY SAFETY GRANTS (CONTINUED)

CFDA NUMBER 20.600

STATE AGENCIES
Texas Department of Transportation; Texas A&M Engineering Extension Service; Texas A&M Transportation Institute.

FIGURE 97
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

FIGURE 98
ESTIMATED FEDERAL FUNDS DISTRIBUTION
FISCAL YEAR 2016

Source: Federal Funds Information for States.

Source: Legislative Budget Board.
BORDER ENFORCEMENT GRANTS

CFDA NUMBER: 20.233

PURPOSE

Border Enforcement Grants (BEG) are used primarily for enforcement activities related to foreign motor carriers that engage in international commerce by crossing the U.S. borders with Mexico or Canada.

Pursuant to the Fixing America’s Surface Transportation Act, Border Enforcement, New Ent rant grants, and Performance and Registration Information Systems Management grants will become part of the Motor Carrier Safety Assistance Program beginning in federal fiscal year 2017. Participation in the BEG program will be optional; however, any state that chooses not to participate will forfeit funding based on border enforcement activities.

DISTRIBUTION OF FUNDS

Distribution to states is competitive. A cross-disciplined panel reviews all applications. The amount a state is awarded is based on application reviews, the recommendations of the panel, and the amount of BEG funding available. The review panel prioritizes funding requests based on several factors including, but not limited to, the following:

• an independent assessment of the technical and programmatic merit of an application;

• an assessment of authorized costs, the cost realism of the budget estimate, appropriateness and reasonableness of resources, and reasonableness and feasibility of the schedule relative to the application timeline;

• a risk assessment on each applicant’s organization;

• consideration of indicators for predicting future performance, including a state’s past performance and use of BEG award funds; and

• an application’s merit, budget, risk assessment, and past performance.

MATCH OR MAINTENANCE OF EFFORT

None.

FEDERAL USES OR RESTRICTIONS

Funds may only be used to carry out commercial motor vehicle safety programs and related enforcement activity and projects. Funds are available for expenditure in the federal fiscal year for which they are allocated and for the subsequent federal fiscal year.

ELIGIBILITY

Funding is available to states or entities that share a land border with another country.
BORDER ENFORCEMENT GRANTS (CONTINUED)

CFDA NUMBER: 20.233

STATE AGENCY
Texas Department of Public Safety.

FIGURE 99
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)


$17.9 $18.3 $15.2 $18.1 $17.2

NATIONAL PRIORITY SAFETY PROGRAMS

CFDA NUMBER: 20.616

PURPOSE
National Priority Safety Programs provide funding to states through Occupant Protection, State Traffic Safety Information System Improvements, Impaired Driving Countermeasures, Distracted Driving, Motorcyclist Safety, and State Graduated Driver Licensing grants to address national priorities for reducing highway injuries and deaths.

The Fixing America's Surface Transportation (FAST) Act established the 24–7 Sobriety Program and Nonmotorized Safety grants. These grants will be allocated to states beginning in fiscal year 2017.

DISTRIBUTION OF FUNDS
Each program is authorized in the U.S. Code, Chapter 23, Section 405. Consequently, not all programs use the same method to allocate funds to states. With the exception of the State Graduated Driver Licensing Incentive Grant, all programs allocate funds in proportion to a state's relative share of State and Community Highway Safety Grants funding in federal fiscal year 2009.

Annual funding for State Graduated Driver Licensing Grants is allocated based on the relative proportionate share of State and Community Highway Safety Grant funds a state receives for that federal fiscal year.

MATCH OR MAINTENANCE OF EFFORT
The federal share for each program is 80 percent. Occupant Protection, State Traffic Safety Information System Improvements, and Impaired Driving Countermeasures grants have maintenance of effort (MOE) requirements. For each of these programs, a state must maintain aggregate expenditures from state and local sources at or greater than the average of such expenditures for fiscal years 2010 and 2011.

The FAST Act amended the MOE requirement to apply only to state-level expenditures. In accordance with the new requirement, a state's lead agency for occupant protection programs, impaired driving, and traffic safety information systems must maintain its aggregate expenditures for those programs at or greater than the average of such expenditures in fiscal years 2014 and 2015.

FEDERAL USES OR RESTRICTIONS
Activities grant funds can be used for the following:

- carrying out a program to educate the public about proper use and installation of child safety seats and to distribute child safety seats to low-income families;
- making data program improvements to core highway safety databases;
- conducting high-visibility enforcement efforts;
- educating the public about the dangers of texting or using cell phones while driving;
- improving motorcyclist safety training curricula; and
- carrying out traffic safety programs for teenagers.
Each program has its own eligibility criteria that states must meet. For most of the National Priority Safety Programs, states may qualify for a grant based on the existence of a conforming state statute. To qualify for a grant on this basis, the statute must be enacted by the application due date, must be in effect, and must be enforced, without interruption, by the beginning of and throughout the federal fiscal year of the grant award. The enacted law must be in effect, authorizing citations and fines to be issued. A state where the law is either not in effect, or contains a grace period, warning period, or expiration provision during the grant year will not qualify for a grant for that federal fiscal year.

The FAST Act added discretion for states that do not meet the full qualifications required for Alcohol–Ignition Interlock Law Grants, Distracted Driving Grants, and State Graduated Driver Licensing Grants. This discretion is intended to enable more states to qualify for funding.

Texas Department of Transportation.

**FIGURE 100**

**FEDERAL AWARDS TO TEXAS**

**FISCAL YEARS 2012 TO 2016**

(In Millions)

2012 $0.0, 2013 $9.0, 2014 $18.3, 2015 $17.0, 2016 $16.3

**SOURCE:** National Highway Traffic Safety Administration.
MOTOR CARRIER SAFETY ASSISTANCE PROGRAM

CFDA NUMBER 20.218

PURPOSE
The Motor Carrier Safety Assistance Program (MCSAP) provides financial assistance to states to reduce the number and severity of accidents and hazardous materials incidents involving commercial motor vehicles (CMV) through consistent, uniform, and effective CMV safety programs.

Starting in fiscal year 2017, the Fixing America’s Surface Transportation (FAST) Act consolidates MCSAP Basic and Incentive Grants, Border Enforcement Grants, and New Entrant Grants into a single, formula-driven program.

DISTRIBUTION OF FUNDS
MCSAP provides funding to states through basic and incentive grants. The majority of funding is allocated to states through basic grants. Basic grant funds are allocated each year among the states according to a formula based on four equally weighted (25 percent) factors: (1) all vehicle miles traveled; (2) calendar year 1997 road miles for all highways; (3) U.S. Census Bureau annual estimates for population; and (4) special fuel consumption (net consumption after reciprocity adjustment) as defined by the Federal Motor Carrier Safety Administration (FMCSA).

A state’s lead agency may qualify for incentive funds if it demonstrates that its CMV safety program has improved in any of the following categories:
- reducing the number of fatal accidents involving large trucks;
- reducing the rate of fatal accidents involving large trucks or maintaining a rate of fatal accidents involving large trucks that is among the lowest 10 percent for MCSAP recipients and is not higher than the rate the state most recently achieved;
- uploading CMV accident reports in accordance with FMCSA policy guidelines;
- verifying commercial drivers licenses during all roadside inspections; and
- uploading CMV inspection data in accordance with FMCSA policy guidelines.

The FAST Act requires FMCSA to recommend a new formula to allocate the consolidated MCSAP, Border Enforcement, and New Entrant grant. An interim funding formula will be used to allocate funds to states for fiscal year 2017 and until FMCSA establishes a formula.

MATCH OR MAINTENANCE OF EFFORT
The federal share of costs is 80 percent. States must maintain funding equal to the average expenditures of the state’s lead agency for carrying out CMV safety programs for fiscal years 2004 and 2005.

Beginning in fiscal year 2017, the federal share for the combined grant will increase to 85 percent of costs. The FAST Act authorizes FMCSA to waive or modify maintenance of effort requirements for one fiscal year at a state’s request.

FEDERAL USES OR RESTRICTIONS
A state is eligible to apply for basic and incentive grant funding by submitting a commercial vehicle safety plan. Funds may be used to assist states with implementing programs for the adoption and uniform enforcement of safety rules, regulations, and standards compatible with FMCSA regulations and Federal Hazardous Materials regulations for interstate and intrastate motor carriers and drivers.
**MOTOR CARRIER SAFETY ASSISTANCE PROGRAM (CONTINUED)**

**CFDA NUMBER 20.218**

**STATE AGENCIES**

Texas Department of Public Safety.

![Figure 101](image)

**FIGURE 101**
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(In Millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$8.2</td>
<td>$8.1</td>
<td>$8.4</td>
<td>$8.4</td>
<td>$8.4</td>
</tr>
</tbody>
</table>

Source: Federal Funds Information for States.
LABOR

INTRODUCTION
Nine labor programs, totaling $1.1 billion are included in the top 100 federal funding sources in the state budget. The Child Care and Development Block Grant and Child Care Mandatory and Matching Funds are distributed by the U.S. Department of Health and Human Services. Vocational Rehabilitation State Grants are distributed by the U.S. Department of Education. Five grants originate from the U.S. Department of Labor.

REAUTHORIZATION ISSUES
Three of the labor programs included in the top 100 federal funding sources in the state budget were authorized through the Workforce Innovation and Opportunity Act (WIOA) of 2014. These programs are WIOA – Youth, WIOA – Adult, and WIOA – Dislocated Workers. WIOA provides funds for these programs through federal fiscal year 2020. These programs have been funded annually through the congressional appropriations process. WIOA changed the way by which services are provided to eligible individuals. WIOA also reauthorized the Vocational Rehabilitation program. WIOA provides funds for the Vocational Rehabilitation program through federal fiscal year 2020.

The Child Care and Development Block Grant (CCDBG) Act of 2014 authorized the Child Care and Development Block Grant and the Child Care Mandatory and Matching Funds and provided funding through federal fiscal year 2020. Even though the authorization for both programs had expired, it had been funded annually through the congressional appropriations process.

CCDBG requires states to reserve a certain amount of funds each year for activities that are intended to improve the quality of, options for, and access to childcare. In federal fiscal year 2016, Texas was required to reserve 7 percent of funds for this purpose. This reservation increases every two fiscal years after the date of enactment until the fifth fiscal year after enactment. Beginning in federal fiscal year 2016, Texas is required to reserve an additional 3 percent of funds to improve the supply and quality of child-care programs.

The Trade Adjustment Assistance Reauthorization Act of 2015 reauthorized the Trade Adjustment Assistance program through 2021.

OTHER ISSUES
The Vocational Rehabilitation program was transferred from the Department of Assistive and Rehabilitative Services to the Texas Workforce Commission on September 1, 2016. This transfer is due to the consolidation of the health and human services agencies by the Eighty–fourth Legislature, 2015. Figure 102 shows rankings and amounts for the labor funds in the top 100 federal funding sources in the state budget for federal fiscal year 2016.

FIGURE 102
LABOR FEDERAL FUNDING SOURCES IN THE TOP 100, FEDERAL FISCAL YEAR 2016 (APPROPRIATED)

<table>
<thead>
<tr>
<th>RANK</th>
<th>PROGRAM</th>
<th>FEDERAL FUNDS (IN MILLIONS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>Child Care and Development Block Grant</td>
<td>$286.8</td>
</tr>
<tr>
<td>14</td>
<td>Vocational Rehabilitation</td>
<td>$243.1</td>
</tr>
<tr>
<td>15</td>
<td>Child Care Mandatory and Matching Funds</td>
<td>$221.8</td>
</tr>
<tr>
<td>25</td>
<td>Unemployment Insurance Administration</td>
<td>$130.5</td>
</tr>
<tr>
<td>40</td>
<td>Workforce Innovation and Opportunity Act – Youth</td>
<td>$57.7</td>
</tr>
<tr>
<td>41</td>
<td>Workforce Innovation and Opportunity Act – Dislocated Workers</td>
<td>$55.7</td>
</tr>
<tr>
<td>43</td>
<td>Workforce Innovation and Opportunity Act – Adult</td>
<td>$54.9</td>
</tr>
<tr>
<td>45</td>
<td>Employment Services</td>
<td>$49.3</td>
</tr>
<tr>
<td>93</td>
<td>Trade Adjustment Assistance</td>
<td>$7.0</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>$1,106.8</td>
</tr>
</tbody>
</table>

SOURCES: Federal Funds Information for States; U.S. Department of Labor.
CHILD CARE AND DEVELOPMENT BLOCK GRANT

CFDA NUMBER 93.575

PURPOSE
The Child Care and Development Block Grant (CCDBG) provides low-income families with financial assistance for childcare, improves the quality and availability of childcare, and establishes and expands child development programs.

DISTRIBUTION OF FUNDS
States are allocated funds based on the number of children younger than age five and state per capita income.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
Administrative expenses are capped at 5 percent. For fiscal year 2016 at least 7 percent of the combined totals of the CCDBG and the Child Care Mandatory and Matching Funds provided to a state must be used to improve child-care quality and availability, including activities such as consumer education, resource and referral services, provider grants and loans, monitoring and enforcement of requirements, training and technical assistance, and improved compensation for child-care staff. This amount increases to 8 percent for the 2017–18 biennium. States must establish a sliding-fee scale for family cost sharing. Funds must be used to supplement, not supplant, state general revenue funds for child-care assistance.

ELIGIBILITY
- Age: children younger than age 13 (or up to age 19, if disabled or within court supervision)
- Income: household income must not exceed 85 percent of the state median income (SMI); for fiscal year 2016, $59,089 is 85 percent of the SMI for a family of four in Texas
- Other: child must reside with a parent who is working or attending job training or an educational program, or is in need of or receiving protective services
CHILD CARE AND DEVELOPMENT BLOCK GRANT (CONTINUED)

CFDA NUMBER 93.575

STATE AGENCIES
Texas Workforce Commission; Department of Family and Protective Services.

FIGURE 103
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)


$243.0 $237.7 $252.1 $251.9 $266.8

SOURCE: Federal Funds Information for States.

FIGURE 104
ESTIMATED FEDERAL FUNDS DISTRIBUTION
FISCAL YEAR 2016

<table>
<thead>
<tr>
<th>Employee Benefits</th>
<th>Texas Workforce Commission</th>
<th>Department of Family and Protective Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.3%</td>
<td>86.1%</td>
<td>11.6%</td>
</tr>
</tbody>
</table>

SOURCE: Legislative Budget Board.
VOCATIONAL REHABILITATION GRANTS

CFDA NUMBER 84.126

PURPOSE
Vocational Rehabilitation Grants assist persons with disabilities to become gainfully employed. A range of services is authorized, including counseling and vocational services.

DISTRIBUTION OF FUNDS
States are allocated funds based on population, weighted by per capita income.

MATCH OR MAINTENANCE OF EFFORT
The state share is 21.3 percent for vocational rehabilitative services. The federal share for expenditures made for the construction of a rehabilitation facility may not be more than 50 percent. At a minimum, states must maintain spending at the level of expenditures for the fiscal year two years earlier. The maintenance of effort requirement for state fiscal year 2016 was an estimated $65.8 million.

FEDERAL USES OR RESTRICTIONS
Funds provide vocational rehabilitation services including assessment, counseling, vocational and other training, job placement, reader services for the blind, interpreter services for the deaf, medical and related services, prosthetic and orthotic devices, rehabilitation technology, transportation to secure vocational rehabilitation services, maintenance during rehabilitation, and other goods and services necessary for an individual with a disability to achieve employment.

ELIGIBILITY
- Age: individuals who will be of working age when services are completed
- Income: services are available regardless of income; economic resources guidelines apply to some purchased services
- Other: the presence of a physical or mental impairment that constitutes or results in a substantial impediment to employment and the need for vocational rehabilitation services

STATE AGENCY
Department of Assistive and Rehabilitative Services, transferred to Texas Workforce Commission for state fiscal year 2017.

FIGURE 105
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)


$238.2 $237.1 $238.1 $241.9 $243.1

SOURCE: Federal Funds Information for States.
CHILD CARE MANDATORY AND MATCHING FUNDS

CFDA NUMBER 93.596

PURPOSE
Child Care Mandatory and Matching Funds assist states in providing childcare to low-income families. Funds may be used to assist parents trying to achieve independence from public assistance, promote parental choice, encourage states to provide consumer education information, and assist states in implementing state regulatory standards (i.e., licensing, safety) relating to childcare.

DISTRIBUTION OF FUNDS
This grant program has two funding sources. For matching funds, allocations are based on the proportion of children younger than age 13 residing in a state. For mandatory funds, allocations are based on historical expenditures for certain former U.S. Social Security Act, Title IV, Part A, child-care programs.

MATCH OR MAINTENANCE OF EFFORT
For matching funds, at a minimum, states must maintain spending at the level of expenditures for the former programs in federal fiscal years 1994 or 1995, whichever is greater. Texas’ required maintenance of effort (MOE) for matching funds is $34,681,421. The federal-to-state match ratio is the Federal Medical Assistance Percentage (57.13 percent federal share for federal fiscal year 2014). Federal regulations authorize states to count prekindergarten expenditures for low-income families for up to 20 percent of the MOE and 30 percent of the state match, as long as certain provisions are met. State match may also include local public funds and donated private funds. For mandatory funds, no match or MOE is required.

FEDERAL USES OR RESTRICTIONS
At least 70 percent of the total grant amount must be used to provide child-care assistance to families who are receiving Temporary Assistance for Needy Families (TANF), attempting through work activities to transition off TANF, or are at risk of becoming dependent on TANF. Administrative costs are capped at 5 percent. At least 4 percent of the combined totals of the Child Care and Development Block Grant and the Child Care Mandatory and Matching Funds provided to a state must be used to improve quality and availability of childcare, including activities such as consumer education, resource and referral services, provider grants and loans, monitoring and enforcement of requirements, training and technical assistance, and improved compensation for child-care staff. Beginning in fiscal year 2017, states are required to spend at least 3 percent of the combined award on activities to improve the quality of infant and toddler care. Except for minor remodeling or upgrading to meet child-care standards, no funds shall be expended on capital improvements. States must establish a sliding-fee scale for family cost sharing.

ELIGIBILITY
- Age: children younger than age 13 (or up to age 19, if disabled or within court supervision)
- Income: household income must not exceed 85 percent of the state median income (SMI); for fiscal year 2016, $59,089 is 85 percent of SMI for a family of four in Texas
- Other: child must reside with a parent who is working or attending job training or an educational program, or is in need of or receiving protective services
CHILD CARE MANDATORY AND MATCHING FUNDS (CONTINUED)

CFDA NUMBER 93.596

STATE AGENCY

Texas Workforce Commission.

FIGURE 106
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(.in millions)

$217.8 $220.4 $221.1 $223.0 $221.8


SOURCE: Federal Funds Information for States.
UNEMPLOYMENT INSURANCE ADMINISTRATION

CFDA NUMBER 17.225

PURPOSE
Unemployment Insurance Administration funds are direct payments to states for operating unemployment insurance programs, trade adjustment assistance, disaster unemployment assistance, and unemployment compensation for federal employees and former service members. Funds are not used for payments to unemployed individuals.

DISTRIBUTION OF FUNDS
Program operations are initially funded according to nationally developed workload projections based on economic assumptions. Additional quarterly funds are then made available based on actual workloads.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
State workforce agencies may use funds only to administer federally approved unemployment compensation or other approved workforce programs.

ELIGIBILITY
State workforce agencies administering federally approved unemployment insurance programs are eligible for funding.

STATE AGENCY
Texas Workforce Commission.

FIGURE 107
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

Source: Federal Funds Information for States.
WORKFORCE INNOVATION AND OPPORTUNITY ACT – YOUTH

CFDA NUMBER 17.259

PURPOSE
The Workforce Innovation and Opportunity Act (WIOA) – Youth program assists low-income youth ages 14 to 24 to acquire the educational and occupational skills, training, and support needed to achieve academic and employment success and to successfully transition to careers and productive adulthood.

DISTRIBUTION OF FUNDS
Funds are allocated based equally on: the state’s share of unemployed persons who reside in areas of substantial unemployment (unemployment rates of 6.5 percent or more); the state’s share of unemployed in excess of 4.5 percent of the civilian labor force or 4.5 percent of the civilian labor force in areas of substantial unemployment (whichever is higher); and the state’s share of economically disadvantaged youth. The formula includes hold harmless provisions (guaranteeing states a percentage of prior-year funding), minimum allotments for small states, and a ceiling (130 percent of the state’s relative share of the previous year’s allotment).

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
Funds are distributed to local workforce development boards. Up to 15 percent may be reserved for statewide workforce investment activities. Funds may be used for youth employment and training activities that will provide eligible youth assistance in achieving careers and academic and employment success. In addition to employment and training activities, funds may be used to provide mentoring opportunities, supportive services, incentives for recognition and achievement, and opportunities for leadership, development, and decision making. At least 75 percent of funds must be used for out-of-school youth. Boards must expend at least 20 percent of youth funds on work experience. Funds must be expended by the end of the second program year after the program year in which the funds are received. No funds may be used to develop or implement education curriculum for school systems in the state. No more than 5 percent of funds may be used for administrative costs.

ELIGIBILITY
- Age: 14 to 24
- Income: 95 percent of youth served must have household income less than 100 percent of Federal Poverty Level or 70 percent of the lower living standard income level established by the U.S. Secretary of Labor; receive Temporary Assistance for Needy Families, Supplemental Security Income, or Supplemental Nutrition Assistance Program benefits; qualify as a homeless individual; or be in foster care
- Other: individuals not meeting income requirements must be: deficient in basic literacy skills; a school dropout; homeless; a runaway; a foster child; pregnant or a parent; an offender; or require additional assistance to complete education or secure and hold employment
WORKFORCE INNOVATION AND OPPORTUNITY ACT – YOUTH
(CONTINUED)

CFDA NUMBER 17.259

STATE AGENCY
Texas Workforce Commission.

FIGURE 109
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)


$55.7 $52.5 $52.5 $54.9 $57.7

SOURCE: Federal Funds Information for States.
WORKFORCE INNOVATION AND OPPORTUNITY ACT – DISLOCATED WORKERS

CFDA NUMBER 17.278

PURPOSE
The Workforce Innovation and Opportunity Act (WIOA) – Dislocated Workers program goals are to reemploy dislocated workers, improve the quality of the workforce, and enhance the productivity and competitiveness of the economy by providing activities that increase the employment, retention, earnings, and occupational skill attainment of participants.

DISTRIBUTION OF FUNDS
Of the total funds appropriated for WIOA – Dislocated Workers, 80 percent is distributed based equally on the state’s share of unemployed persons, the state’s share of unemployed persons greater than 4.5 percent of the civilian labor force, and the state’s share of persons unemployed 15 or more weeks. The remaining 20 percent is available at the discretion of the U.S. Secretary of Labor to respond to mass layoffs, plant or military base closings, and natural disasters, or for technical assistance and demonstration projects.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
Funds are distributed to local workforce development boards. Up to 15 percent may be reserved for statewide workforce investment activities. Up to 25 percent may be reserved for statewide rapid response activities.

Two levels of service are available to job seekers. Career services provided included basic career services, individualized career services, and follow-up services. Training services are provided to equip individuals to enter the workforce and retain employment. Most services for dislocated workers will be provided through the American Job Centers, also known as CareerOneStop Centers. WIOA authorizes funds to be used to provide career services, including eligibility determination, outreach, intake, and orientation. Other services include comprehensive assessments, development of individual employment plans, counseling, and career planning. Participants also receive training series linked to job opportunities in their communities.

States may transfer up to 20 percent of funding for the WIOA – Dislocated Workers program to the WIOA – Adult program.

ELIGIBILITY
Beneficiaries include: workers who have lost their jobs, including those dislocated as a result of plant closings or mass layoffs and who are unlikely to return to their previous industry or occupation; formerly self-employed individuals; displaced homemakers who have been dependent on income of another family member but are no longer supported by that income; and spouses of members of the Armed Forces in certain circumstances. Priority is given to veterans and public assistance recipients.
WORKFORCE INNOVATION AND OPPORTUNITY ACT – DISLOCATED WORKERS (CONTINUED)

CFDA NUMBER 17.278

STATE AGENCY
Texas Workforce Commission.

FIGURE 108
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

$65.0
$58.3
$58.0
$55.6
$55.7


SOURCE: Federal Funds Information for States.
WORKFORCE INNOVATION AND OPPORTUNITY ACT – ADULT

CFDA NUMBER 17.258

PURPOSE
The Workforce Innovation and Opportunity Act (WIOA) – Adult program promotes a revitalized workforce investment system by providing information, advice, job search assistance, and training to job seekers primarily through CareerOneStop Centers.

DISTRIBUTION OF FUNDS
Funds are allocated based equally on: the state’s share of unemployed persons who reside in areas of substantial unemployment (unemployment rates of 6.5 percent or more); the state’s share of unemployed in excess of 4.5 percent of the civilian labor force or 4.5 percent of the civilian labor force in areas of substantial unemployment (whichever is higher); and the state’s share of economically disadvantaged adults. The formula includes hold-harmless provisions (guaranteeing states a percentage of prior-year funding), minimum allotments for small states, and a ceiling (130 percent of the state’s relative share of the previous year’s allotment).

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
Funds are distributed to local workforce development boards. Up to 15 percent may be reserved for statewide workforce investment activities.

Two levels of service are available to job seekers. Career services provided include basic career services, individualized career services, and follow-up services. Training services are provided to equip individuals to enter the workforce and retain employment. Most services for adults will be provided through the American Job Centers, also known as CareerOneStop Centers. WIOA authorizes funds to be used to provide career services, including eligibility determination, outreach, intake, and orientation. If the individual is eligible, training services will be provided, such as occupational training, work-based training, and basic skills training.

Funds must be expended by the end of the second program year after the program year in which the funds are received.

States may transfer up to 20 percent of funding for the WIOA – Adult program to the WIOA – Dislocated Workers program.

ELIGIBILITY
Adults age 18 and older are eligible. Priority for employment and training activities must be given to recipients of public assistance and other low-income individuals. States and local areas establish procedures for applying the priority requirements.
WORKFORCE INNOVATION AND OPPORTUNITY ACT – ADULT
(CONTINUED)

CFDA NUMBER 17.258

STATE AGENCY
Texas Workforce Commission.

FIGURE 110
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

$52.4
$50.1
$50.1
$52.3
$54.9


SOURCE: Federal Funds Information for States.
EMPLEYMENT SERVICES

CFDA NUMBER 17.207

PURPOSE
The Employment Services program provides a variety of placement services without charge to job seekers or to employers seeking qualified individuals to fill job openings.

DISTRIBUTION OF FUNDS
Two-thirds of available funds are allotted based on each state’s share of the civilian labor force. One-third is based on the state’s share of unemployed persons. Both shares are based on data available for the most recent calendar year.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
Funds provide services related to a labor exchange system, such as job search assistance; referral and placement assistance; recruitment services; skills assessment; and career guidance. Of the total sums allotted to each state, 10 percent is reserved for use by the governor to provide performance incentives, services for groups with special needs, and the extra costs of exemplary models for delivering job services.

ELIGIBILITY
Employers seeking workers and persons seeking employment are eligible to receive assistance. Priority is given to veterans. Specialized services may be provided to individuals with disabilities, migrant and seasonal farm workers, released offenders, youth, minorities, and older workers.

STATE AGENCY
Texas Workforce Commission.
TRADE ADJUSTMENT ASSISTANCE

CFDA NUMBER 17.245

PURPOSE
The Trade Adjustment Assistance (TAA) program provides benefits and employment services to workers who lose their manufacturing or service jobs, or whose hours of work and wages are reduced as a result of increased imports or a shift in production to foreign countries.

DISTRIBUTION OF FUNDS
A group of workers, a recognized union representative, an official of the workers’ firm, or a duly authorized representative may petition the U.S. Department of Labor for TAA. The U.S. Secretary of Labor issues certifications based on whether the petitioning group meets requirements using criteria that examine: (1) the number or proportion of workers separated (or threatened to become separated); (2) decreases in sales or production; and (3) increases of imports like or directly competitive with articles produced by the workers’ employer. The amount of distributed funds depends on the number of workers approved for benefits in accordance to Secretary of Labor certifications.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
Individual workers covered by a certification of eligibility can apply for individual determinations of eligibility to receive benefits. Services provided include testing and counseling; job search assistance allowances and relocation; training; and payment of weekly trade readjustment allowances. Unemployment compensation and extended benefits must be exhausted before claimants may receive trade readjustment allowances. No more than 10 percent of a state’s allocation may be used for administration, and at least 5 percent must be used for case management and employment services.

ELIGIBILITY
State workforce agencies administer TAA benefits on behalf of the federal government. To be eligible for trade readjustment allowance payments, individuals’ unemployment or underemployment must have begun on or after the date specified in the secretary’s certification, and must begin before expiration of the two-year period beginning on the date the secretary issued the group’s certification or before the termination date (if any) specified in the certification. The individual must be enrolled in a qualified job training program, have completed certain training, or be granted a waiver.
TRADE ADJUSTMENT ASSISTANCE (CONTINUED)

CFDA NUMBER 17.245

STATE AGENCY

Texas Workforce Commission.

FIGURE 112
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)


$46.7

$15.6

$7.0

$13.0

$8.6

Source: U.S. Department of Labor.
HOUSING AND COMMUNITY DEVELOPMENT

INTRODUCTION
The top 100 federal funding sources in the state budget include $257.7 million for housing and community development. Federal funding for most housing and community-related projects in this section are provided by the U.S. Department of Housing and Urban Development and the U.S. Department of Health and Human Services (HHS). These grants provide funds for projects and programs that are intended to improve the living conditions of low-income individuals.

REAUTHORIZATION ISSUES
Federal authorizations for six of the seven housing and community development programs in the top 100 federal funding sources in the state budget have expired. The Community Development Block Grant and HOME Investment Partnership programs expired September 30, 1994. The Quality Housing and Work Responsibility Act of 1998 authorized funding for Section 8 Housing Choice Vouchers through federal fiscal year 2003. The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 authorized funding of the Emergency Solutions Grant Program through federal fiscal year 2011. The two programs distributed by HHS, Community Services Block Grants and the Low-Income Home Energy Assistance Program, expired September 30, 2003, and September 30, 2007, respectively. The U.S. Congress continues to provide funding for these programs through its annual appropriation process. In 2010, Congress reauthorized the Museum and Library Services Act to provide funds for Library Grants to States through federal fiscal year 2016.

Figure 113 shows rankings and amounts for the federal housing and community development funds in the top 100 federal funding sources in the state budget for federal fiscal year 2016.

<table>
<thead>
<tr>
<th>RANK</th>
<th>PROGRAM</th>
<th>FEDERAL FUNDS (IN MILLIONS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>27</td>
<td>Low-Income Home Energy Assistance Program</td>
<td>$114.3</td>
</tr>
<tr>
<td>36</td>
<td>Community Development Block Grant</td>
<td>$61.0</td>
</tr>
<tr>
<td>53</td>
<td>Community Services Block Grant</td>
<td>$34.2</td>
</tr>
<tr>
<td>63</td>
<td>HOME Investment Partnerships Program</td>
<td>$22.9</td>
</tr>
<tr>
<td>82</td>
<td>Library Grants to States</td>
<td>$10.7</td>
</tr>
<tr>
<td>88</td>
<td>Emergency Solutions Grant Program</td>
<td>$8.8</td>
</tr>
<tr>
<td>98</td>
<td>Section 8 Housing Choice Vouchers</td>
<td>$5.8</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>$257.7</td>
</tr>
</tbody>
</table>

Sources: Federal Funds Information for States; Texas Department of Housing and Community Affairs.
LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM

CFDA NUMBER 93.568

PURPOSE
Low-Income Home Energy Assistance Program (LIHEAP) funds are available to states and other jurisdictions to assist eligible households to meet the costs of home energy, cooling, and heating.

DISTRIBUTION OF FUNDS
Three formulas are used to determine the allocation of LIHEAP funds. When the total federal appropriation is at or less than $1.975 billion, states are allocated funds based on each state’s 1981 relative share. This allocation method is known as the Tier I formula. When the total federal appropriation is greater than $1.975 billion, states receive allocations based on each state’s share of expenditures by low-income households for home heating and cooling as a percentage of national totals. As part of the hold harmless rule, no state receives fewer funds than its 1981 relative share. This allocation method is known as the Tier II formula. When the total federal appropriation is equal to or greater than $2.25 billion, an additional hold harmless rate takes effect. This allocation method is known as the Tier III formula. In addition to the formula allocations, the U.S. Department of Health and Human Services also distributes an emergency and contingency allocation that is discretionary and typically reserved for instances of severe weather and disasters. The federal fiscal year 2016 national appropriation was $3.2 billion; therefore, the Tier III formula was used.

MATCH OR MAINTENANCE OF EFFORT
No match is required; however, states can earn additional LIHEAP Leveraging Incentive Grants based on nonfederal resources that provide additional benefits and services to LIHEAP-eligible households. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
Up to 10 percent of funds may be used for administrative purposes, and up to 15 percent of funds may be used to provide low-cost residential weatherization and other cost-effective, energy-related home repairs. Funds may be used to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance, including needs assessments, counseling, and assistance with energy vendors.

ELIGIBILITY
States may provide LIHEAP assistance to households with incomes that do not exceed the greater of 150 percent of the federal poverty level ($36,450 for a family of four in 2016) or 60 percent of the state median income ($41,710 for a family of four in 2016).
LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (CONT.)

CFDA NUMBER 93.568

STATE AGENCY
Texas Department of Housing and Community Affairs.

FIGURE 114
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

$129.8 $127.1 $128.7 $117.5 $114.3


SOURCE: Federal Funds Information for States.
COMMUNITY DEVELOPMENT BLOCK GRANT

CFDA NUMBER 14.228

PURPOSE
The Community Development Block Grant (CDBG) program provides funds to states to develop viable urban communities. Funds help to provide housing and suitable living environments, and to expand economic opportunities, principally for persons of low or moderate income.

Additionally, CDBG funds aid in the prevention or elimination of slums or blight by meeting community development needs that have a particular urgency. This urgency includes existing conditions that pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available.

DISTRIBUTION OF FUNDS
Metropolitan cities with populations equal to or greater than 50,000 and urban counties with populations equal to or greater than 200,000 receive CDBG funds directly from the U.S. Department of Housing and Urban Development. Recipient cities and counties are called entitlement areas. Areas that are not metropolitan cities or part of an urban county are referred to as nonentitlement areas. States receive allotments for distribution to nonentitlement areas based on the greater of the amounts calculated in accordance to two formulas. The first formula is based on each state’s percentage share of the total of three weighted factors: nonentitlement population (25 percent), nonentitlement population less than the federal poverty level (50 percent), and the number of housing units in nonentitlement areas with one person or more per room (25 percent). The factors in the second formula are population, poverty, and age of housing, weighted 20 percent, 30 percent, and 50 percent, respectively.

MATCH OR MAINTENANCE OF EFFORT
For state administration of the program, after an initial allowance of $100,000 with no match, states may take an additional allowance of up to 3 percent of the grant amount but must match expenditures dollar for dollar. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
States must use no less than 70 percent of the funds for activities that benefit individuals whose income is at or less than 80 percent of the area median income. Funds may be used for activities that include: acquisition, rehabilitation, or construction of certain public works facilities and improvements, such as streets, water and sewer facilities, neighborhood centers, recreation facilities, and other public works; demolition and clearance; rehabilitation of public and private buildings including housing; code enforcement; relocation payments and assistance; administrative expenses; economic development; planning activities; and certain public services with some restrictions.
COMMUNITY DEVELOPMENT BLOCK Grant (Cont.)

CFDA NUMBER 14.228

STATE AGENCY
Texas Department of Agriculture.

FIGURE 115
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(Note: Amounts do not include federal funding allocated to Texas for costs related to natural disasters.
Source: Federal Funds Information for States.)
COMMUNITY SERVICES BLOCK GRANT

CFDA NUMBER 93.569

PURPOSE
Community Services Block Grants provide financial assistance to states for use in poverty-stricken areas to help reduce the causes of poverty, coordinate governmental and nongovernmental programs, and provide emergency services to the poor.

DISTRIBUTION OF FUNDS
States receive the same share of funds received in 1981 pursuant to the Economic Opportunity Act of 1964. If the federal appropriation exceeds $345.0 million, all states receive no less than one-half of 1 percent of the total appropriation.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
Funds may be used for programs and other activities that assist low-income individuals and families to attain self-sufficiency, provide emergency assistance, support positive youth development, promote civic engagement, and improve planning and coordination among multiple resources that address poverty conditions in communities. States must use at least 90 percent of funds for grants to locally based community action agencies and organizations that serve low-income families. States may use up to $55,000 or 5 percent of their allotment, whichever is greater, for administrative costs. States typically have the current and subsequent fiscal years to obligate funds.

ELIGIBILITY
Households with income at or less than 125 percent of the federal poverty level are eligible for assistance.

STATE AGENCY
Texas Department of Housing and Community Affairs.

FIGURE 116
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

$32.4 $30.4 $32.0 $32.3 $34.2


SOURCE: Federal Funds Information for States.
HOME INVESTMENT PARTNERSHIPS PROGRAM

CFDA NUMBER 14.239

PURPOSE
HOME Investment Partnerships Program (HOME) State Grants increase the supply of affordable housing for low-income individuals. Funds are provided to states and units of local government to develop and implement strategies and programs to achieve adequate supplies of affordable housing.

DISTRIBUTION OF FUNDS
Out of the HOME funds appropriated each year, 40 percent is allocated to states, and the remaining 60 percent is allocated to units of general local government. All states are eligible for HOME funds and receive either a formula allocation or $3.0 million, whichever is greater. States’ formula allocations are calculated based on the sum of the shares of six factors: the first and sixth factors are weighted 0.1; the other four factors are weighted 0.2. The following factors are used to calculate the allocations:

- rental units where the household head’s income is at or less than the federal poverty level;
- occupied rental units with at least one of four issues – overcrowding (more than one person per room in the unit), incomplete kitchen facilities, incomplete plumbing, or high rent costs (more than 30 percent of household income is used for rent);
- rental units described with one of four those issues are multiplied by the ratio of the cost of producing housing for a jurisdiction divided by the national cost;
- rental units that were built before 1950 and are occupied by poor households;
- number of families at or less than the federal poverty level; and
- population of a jurisdiction multiplied by a net per-capita income.

For 20 percent of the funds, the shares are the ratio of the weighted factor for the entire state to the corresponding factor for the total for all states. For 80 percent of the funds, the shares are the ratio of the weighted factor for all units of general local government within the state that do not receive a formula allocation directly from the federal agency, to the corresponding factor for the total for all states.

MATCH OR MAINTENANCE OF EFFORT
A match of 25 percent of the HOME funds is required from states. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
HOME funds can be used for housing rehabilitation, tenant-based rental assistance, assistance to home buyers, acquisition of housing, new housing construction, and necessary and reasonable activities related to the development of nonluxury housing. Funds may not be used for public housing modernization, matching funds for other federal programs, reserve accounts, or operating subsidies for rental housing.

ELIGIBILITY
For rental housing, at least 90 percent of HOME funds must benefit low-income and very low-income families whose incomes are at or less than 60 percent of the area median income. The remaining 10 percent must benefit families at less than 80 percent of the area median income. Assistance to homeowners and homebuyers must be to families at less than 80 percent of the area median income.
HOME INVESTMENT PARTNERSHIPS PROGRAM (CONT.)

CFDA NUMBER 14.239

STATE AGENCY
Texas Department of Housing and Community Affairs.

FIGURE 117
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

$24.3 $24.0 $24.5 $21.6 $22.9


SOURCE: Federal Funds Information for States.
LIBRARY GRANTS TO STATES

CFDA NUMBER 45.310

PURPOSE
The Library Grants to States program provides funds to state library administrative agencies to promote improvement in library services. These funds facilitate access to resources in all types of libraries for the purpose of cultivating educated and informed communities.

DISTRIBUTION OF FUNDS
States receive a minimum allotment set by the U.S. Congress ($680,000 for federal fiscal year 2016), and an additional amount based on the most recent population estimates available on the first day of the federal fiscal year from the U.S. Census Bureau.

MATCH OR MAINTENANCE OF EFFORT
The state match is 34 percent. State expenditures for library programs and services in the year before the award year may not be less than the average of the total expenditures for the second, third, and fourth years preceding the award year. The maintenance of effort required for the fiscal year 2016 award is $8.5 million.

FEDERAL USES OR RESTRICTIONS
State library administrative agencies may expend funds, either directly or through subgrants, for the following purposes:

• expand services for learning and access to information in multiple formats;

• develop library services that provide users access to information through local, state, regional, national, and international electronic networks;

• provide electronic and other linkages between and among all types of libraries;

• develop public and private partnerships with other agencies and community-based organizations;

• target library services that help increase access for persons with diverse geographic, cultural, and socioeconomic backgrounds; persons with disabilities; and persons with limited functional literacy or information skills;

• target library and information services to help increase access and ability to use information resources for persons who have difficulty using libraries and for underserved urban and rural communities, including children from birth to age 17 from families with incomes at less than the poverty line; and

• provide training and professional development to enhance the skills of the library workforce and leadership, and to enhance recruitment of individuals to become professionals in the field of library and information services.
LIBRARY GRANTS TO STATES (CONT.)

CFDA NUMBER 45.310

STATE AGENCY
Texas State Library and Archives Commission.

FIGURE 118
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

$10.4 $10.0 $10.5 $10.7 $10.7


SOURCE: Federal Funds Information for States.
EMERGENCY SOLUTIONS GRANT PROGRAM

CFDA NUMBER 14.231

PURPOSE
Emergency Solution Grant Program funds are available to states and other jurisdictions for homelessness prevention, to increase the number and quality of emergency shelters, and to provide street outreach to and assist with the rapid rehousing of homeless individuals and families.

DISTRIBUTION OF FUNDS
Metropolitan cities with a population equal to or greater than 50,000 and urban counties with populations greater than or equal to 200,000 receive funds directly from the U.S. Department of Housing and Urban Development. The percentage of funds allocated to states, metropolitan cities, and urban counties is equal to the percentage of the total amount available through the Community Development Block Grant for the previous federal fiscal year.

MATCH OR MAINTENANCE OF EFFORT
States must match all but $100,000 of their awards. States must pass on the benefits of that $100,000 exception to subrecipients that are least capable of providing matching amounts. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
States must subgrant all of their Emergency Solutions Grant Program funds, except funds for administrative costs, to units of local government or private nonprofit organizations. Funds can be used to carry out five eligible program components including street outreach, the provision of adequate emergency shelter, homelessness prevention, rapid rehousing of homeless individuals and families, and Homeless Management Information System database costs. States may use up to 7.5 percent of their grant allocations for administrative costs. States are required to share administrative funds with grant subrecipients that are units of local government and may share these funds with subrecipients that are nonprofit organizations.

ELIGIBILITY
Homeless individuals and families are eligible to receive street outreach and emergency shelter services. Individuals and families seeking homelessness prevention assistance or rapid rehousing assistance must be at risk of homelessness.

STATE AGENCY
Texas Department of Housing and Community Affairs.

![Figure 119: Federal Awards to Texas, Fiscal Years 2012 to 2016](chart)

Source: Federal Funds Information for States.
SECTION 8 HOUSING CHOICE VOUCHERS

CFDA NUMBER: 14.871

PURPOSE
Section 8 Housing Choice Vouchers help low-income families secure decent, safe, and affordable rental housing. Section 8 refers to the U.S. Code, Title 42, Section 1437f, regarding low-income housing assistance.

DISTRIBUTION OF FUNDS
From amounts that the U.S. Congress appropriates, the U.S. Department of Housing and Urban Development (HUD) distributes funds to public housing agencies (PHA). An annual contributions contract between HUD and PHAs determines how much funding is available. PHAs then make direct payments to property owners on behalf of voucher beneficiaries.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
PHAs pay property owners directly. Typically, payments are the difference between the local payment standard and 30 percent of the tenant-beneficiary’s adjusted income. Beneficiaries must meet income and other eligibility requirements to enter the program. Contracts, leases, and vouchers specify the obligations of PHAs, property owners, and tenants.

ELIGIBILITY
Program administrators must be public housing agencies and may include states, counties, municipalities, and other government bodies. Beneficiaries must have family incomes no greater than 50 percent of the area’s median income. At least 75 percent of households in the program must have incomes no greater than 30 percent of the area’s median income.

STATE AGENCY
Texas Department of Housing and Community Affairs.

FIGURE 120
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

Source: Texas Department of Housing and Community Affairs.
INTRODUCTION

Homeland security and defense funding in Texas is supported with federal aid provided by the U.S. Department of Homeland Security (DHS), the U.S. Department of Defense, and the U.S. Centers for Disease Control and Prevention (CDC). In 2002, the enactment of the federal Homeland Security Act established the DHS. The establishment of the agency placed several agencies, such as the Office of Domestic Preparedness and the Federal Emergency Management Agency (FEMA), within DHS supervision. Congressional appropriations that previously were allocated to these individual agencies are now administered by the DHS.

The Consolidated Appropriations Act of 2012 consolidated several grants into the Homeland Security Grant Program (HSGP): (1) State Homeland Security Program; (2) Urban Areas Security Initiative; and (3) Operation Stonegarden. The U.S. Congress eliminated funding for the Citizen Corps Program and the Metropolitan Medical Response System, but states and urban areas can continue to fund these programs with their allocations of HSGP funds.

Health-related homeland security grant programs, formerly known as the National Bioterrorism Hospital Preparedness Program and the Public Health Emergency Preparedness program, have been consolidated into one program. The consolidated program is administered by CDC and is called the Hospital Preparedness Program and Public Health Emergency Preparedness Aligned Cooperative Agreements.

NATURAL DISASTER FUNDING

FEMA’s Hazard Mitigation Grant Program (HMGP) and Public Assistance Grant Program (PAGP) are reimbursement-based federal funding sources. Reimbursements vary depending on each disaster; therefore, this report does not include those amounts.

States and local governments receive HMGP funds to make long-term infrastructure repairs, which would mitigate the effects of disasters. PAGP provides assistance to state and local entities for debris removal; emergency protective measures; and the repair, replacement, or restoration of disaster-damaged, publicly owned facilities.

In January 2013, the enactment of the Sandy Recovery Improvement Act (SRIA) of 2013 amended parts of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, the statute that authorizes many disaster relief programs. SRIA authorizes FEMA to change how PAGP and HMGP are administered to provide applicants quicker access to federal funding. FEMA may authorize permanent work grants to be based off fixed estimates regarding PAGP. An independent FEMA-funded project estimate validation may be requested when disaster project costs exceed $5.0 million. FEMA may implement a sliding-cost share scale for debris removal projects. To distribute HMGP, FEMA may offer up to 25 percent of estimated costs for hazard mitigation to states in advance, before recipients incur costs.

MAJOR SECURITY AND DEFENSE PROGRAMS

Figure 121 shows the largest federal funding sources for security and defense programs for federal fiscal year 2016.

<table>
<thead>
<tr>
<th>RANK</th>
<th>PROGRAM</th>
<th>FEDERAL FUNDS (IN MILLIONS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>33</td>
<td>Homeland Security Grants Program</td>
<td>$84.9</td>
</tr>
<tr>
<td>37</td>
<td>National Guard Military Operations and Maintenance Projects</td>
<td>$59.3</td>
</tr>
<tr>
<td>44</td>
<td>Hospital Preparedness Program and Public Health Emergency Preparedness Aligned Cooperative Agreements</td>
<td>$53.9</td>
</tr>
<tr>
<td>65</td>
<td>State and Local Homeland Security National Training Program</td>
<td>$22.1</td>
</tr>
<tr>
<td>68</td>
<td>Emergency Management Performance Grant Program</td>
<td>$20.4</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>$240.6</td>
</tr>
</tbody>
</table>

HOMELAND SECURITY AND DEFENSE

HOMELAND SECURITY GRANTS PROGRAM

CFDA NUMBER 97.067

PURPOSE
Grant funds provide federal funding for state and local homeland security programs that pay for equipment, training, and planning to prepare and respond to terrorist threats and other hazards. The Homeland Security Grant Program (HSGP) includes three related state grants.

STATE HOMELAND SECURITY PROGRAM
The State Homeland Security Program (SHSP) provides funds to enhance the capability of state and local jurisdictions to prepare for and respond to terrorist acts, including events of terrorism involving weapons of mass destruction and biological, nuclear, radiological, incendiary, chemical, and explosive devices.

URBAN AREAS SECURITY INITIATIVE
The Urban Area Security Initiatives (UASI) provides financial assistance to select state metropolitan areas designated as high-security risk areas. UASI funds are intended to address the unique equipment, training, and planning needs of large urban areas and to assist them in building an enhanced and sustainable capacity to prevent, respond, and recover from threats or acts of terrorism.

OPERATION STONEGARDEN
Operation Stonegarden (OPSG) provides financial support for enhanced cooperation and coordination among state, federal, and local law enforcement agencies to secure the nation’s borders along international boundaries and travel corridors in states bordering Mexico and Canada, and in states and territories with international water borders.

DISTRIBUTION OF FUNDS
The U.S. Congress enacted formula and distribution changes for HSGP in fiscal year 2012. New risk criteria, based upon ongoing intelligence analysis and threat assessments, are now considered for the majority of SHSP, UASI, and OPSG funding. Risk is evaluated at the federal level using an analytical model developed by the U.S. Department of Homeland Security (DHS). DHS defines risk as the product of three principal variables:

- threat – the likelihood of an attack occurring;
- vulnerability – the relative exposure to an attack; and
- consequence – the expected effects of an attack.

The threat analysis includes threats from domestic violent extremists, from international terrorist groups, and from domestic individuals inspired by terrorists abroad.

SHSP receives a base allocation of 0.35 percent of the total federal HSGP appropriation; the remaining funds are awarded based on each state’s risk criteria and anticipated effectiveness of proposed projects. UASI allocations are distributed according to the U.S. Department of Homeland Security’s determination of vulnerability of metropolitan areas, in accordance with the federally determined risk factors and risk assessments provided by states. UASI-eligible cities in Texas for fiscal year 2016 include Dallas/Fort Worth/Arlington and Houston. The U.S. Congress reduced funding in fiscal year 2015 to 85 percent of nationwide risk, resulting in a decrease from 39 urban areas eligible for fiscal year 2014 to 29 areas for fiscal year 2016.

OPSG funding is only available to states bordering Canada and Mexico or states with international water borders. OPSG funds are allocated using a U.S. Customs and Border Protection (CBP) sector-specific border risk methodology. The CBP methodology prioritizes border sector risk according to the following factors: vulnerability, threat, border-specific intelligence, border miles, and feasibility of operations along the U.S. border.
HOMELAND SECURITY GRANTS PROGRAM (CONT.)

CFDA NUMBER 97.067

MATCH OR MAINTENANCE OF EFFORT

None.

FEDERAL USES OR RESTRICTIONS

States are required to ensure that at least 25 percent of SHSP funds and 25 percent of UASI funds are dedicated toward Law Enforcement Terrorism Prevention Program activities. States must obligate at least 80 percent of their SHSP and UASI funds to local governments.

Although no longer funded as distinct grant programs, all activities and costs authorized pursuant to the fiscal year 2011 Citizen Corps Program and fiscal year 2011 Metropolitan Medical Response System grant program are authorized costs in accordance with the fiscal year 2016 HSGP.

STATE AGENCIES

Trusted Programs within the Office of the Governor.

FIGURE 122
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

NOTE: Texas Department of Public Safety was the State Administering Agency for fiscal years 2012 to 2015.

NATIONAL GUARD MILITARY OPERATIONS AND MAINTENANCE PROJECTS

CFDA NUMBER 12.401

PURPOSE
This program provides funding for the real property operations, maintenance, and minor construction of Army National Guard and Air National Guard facilities.

DISTRIBUTION OF FUNDS
This program has no statutory formula. Funds are available to all 50 states and U.S. territories. The National Guard Bureau reviews and approves requests for project and activity execution each year.

MATCH OR MAINTENANCE OF EFFORT
Required state matching amounts vary from 0 to 50 percent in each cooperative agreement. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
Grants are for 12 months. Operations and maintenance projects are restricted to Army and Air National Guard activities that are approved by the National Guard Bureau and executed in accordance with National Guard Regulations.

STATE AGENCY
Texas Military Department.

FIGURE 123
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

SOURCE: Texas Military Department.
HOSPITAL PREPAREDNESS PROGRAM AND PUBLIC HEALTH EMERGENCY PREPAREDNESS ALIGNED COOPERATIVE AGREEMENTS

CFDA NUMBER: 93.074

PURPOSE
Hospital Preparedness Program (HPP) funds support activities for countering potential terrorist threats to civilian populations through planning and preparation for improved hospital capacity to respond to bioterrorism and health hazards; maintaining emergency reserves of medical supplies; purchasing equipment; and researching new treatments and diagnostic tools.

Grant funds for the Public Health Emergency Preparedness (PHEP) cooperative agreement are available for statewide coordination and planning for bioterrorism; surveillance and epidemiology capacity to local health departments; laboratory capacity and diagnostic capability to major public health laboratories across the state; critical communication networks; and education and training for bioterrorism preparedness.

DISTRIBUTION OF FUNDS
HPP funds are allocated in the form of cooperative agreements, according to a formula that includes a base allocation of $0.5 million plus an amount equal to the state’s proportional share of the national population. For PHEP funds, each state receives a base amount of $3.0 million, and an amount equal to the state’s proportional share of the national population. The minimum amount for states is $4,028,371.

MATCH OR MAINTENANCE OF EFFORT
The federal matching and maintenance of effort (MOE) requirements must be accounted for and reported separately. The state match for the HPP and PHEP programs is 10 percent.

For the MOE, states must spend at least as much nonfederal funding as the average amount it spent for the two previous fiscal years. According to the Texas Department of State Health Services, no state funds have been expended for healthcare preparedness and public health security for MOE purposes. As such, no MOE amount is reportable.

FEDERAL USES OR RESTRICTIONS
Funds may be used for certain preparedness goals in the National Health Security Strategy, including integration, public health, coordination, and continuity of operations. State agencies administering HPP funds are encouraged to use 75 percent or more of funds to facilitate the maintenance of health capabilities, to build state and community preparedness, and to benefit eligible healthcare entities.

Funds in the PHEP program may not be used for research. To receive PHEP funds, the state must be a participant in the Emergency System of Advance Registration of Volunteer Health Professionals. Funds must be used to supplement and not supplant other federal, state, and local public funds provided for these activities.
HOSPITAL PREPAREDNESS PROGRAM AND PUBLIC HEALTH EMERGENCY PREPAREDNESS ALIGNED COOPERATIVE AGREEMENTS (CONTINUED)

CFDA NUMBER: 93.074

STATE AGENCY
Department of State Health Services.

FIGURE 124
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)


$63.9 $59.6 $53.3 $70.5 $53.9

SOURCE: Federal Funds Information for States.
STATE AND LOCAL HOMELAND SECURITY NATIONAL TRAINING PROGRAM

CFDA NUMBER: 97.005

PURPOSE
The Homeland Security National Training Program (HSNTP) provides grants through two programs: (1) the National Domestic Preparedness Consortium (NDPC); and (2) Continuing Training Grants (CTG). The HSNTP grants provide funding for the training needs of state and local emergency responders through cooperative agreements. HSNTP training programs focus on national preparedness gaps, correlate training needs with exercise activities and outcomes, incorporate the core capabilities identified in the National Preparedness Goal, and make training available nationwide. Key focus areas for the CTG program include: (1) cybersecurity; (2) economic recovery; (3) hazardous materials; and (4) rural preparedness.

DISTRIBUTION OF FUNDS
Funds are made available nationally through cooperative grant agreements with the Federal Emergency Management Administration (FEMA).

To receive funding in accordance with the NDCP program, nonfederal organizations must be members of the consortium. The Texas A&M Engineering Extension Service is one of five eligible applicants nationally for federal fiscal year 2016.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
Funds may be used for the development and delivery of all-hazards training for emergency responders. FEMA may transfer any course material to another organization to ensure program sustainability.

ELIGIBILITY
In accordance with the CTG program, state and local units of government, public higher education, nonprofit organizations, and tribal entities with existing programs or demonstrable expertise relevant to provide first-responder preparedness and response training may apply for funding.

STATE AGENCY
Texas A&M Engineering Extension Service.

![Figure 125: Federal Awards to Texas Fiscal Years 2012 to 2016](source: Texas A&M Engineering Extension Service.)
EMERGENCY MANAGEMENT PERFORMANCE GRANT PROGRAM

CFDA NUMBER 97.042

PURPOSE
Funds from Emergency Management Performance Grant (EMPG) Program may be used to assist state and local governments in preparing for all hazards, as authorized by the Post-Katrina Emergency Reform Act and the Robert T. Stafford Disaster Relief and Emergency Assistance Act. The EMPG program supports the National Preparedness Goal’s associated mission areas and core capabilities. Key activities include: (1) a whole-community approach to security and emergency management; (2) strengthening and updating emergency programs; and (3) completing State Preparedness Reports, including the Threat and Hazard Identification and Risk Assessment process.

DISTRIBUTION OF FUNDS
Each state receives a base amount of 0.75 percent of the total available grant funding. Additional funds are distributed based on population.

MATCH OR MAINTENANCE OF EFFORT
The state share is 50 percent in cash or in kind contributions. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
EMPG funds may be used for necessary and essential expenses involved in the development, maintenance, and improvement of state and local emergency management programs. EMPG may be used to deliver federal assistance for specified program activities subject to terms and conditions established by the director of the Federal Emergency Management Administration.

STATE AGENCY
Texas Department of Public Safety.

FIGURE 126
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

$19.1 $18.8 $20.0 $20.2 $20.4


SOURCE: Federal Funds Information for States.
JUSTICE

INTRODUCTION

The U.S. Department of Justice distributes all funding for the justice programs included in the top 100 federal funding sources in the state budget (see Figure 126). These grants are intended to increase public safety and improve the fair administration of justice through innovative state-level leadership and programs. Authorization for several of these programs has expired; however, the U.S. Congress continues to fund these programs annually through the appropriation process.


Figure 127 shows rankings and amounts for the federal justice funds in the top 100 federal funding sources in the state budget for federal fiscal year 2016.

<table>
<thead>
<tr>
<th>RANK</th>
<th>PROGRAM</th>
<th>FEDERAL FUNDS (IN MILLIONS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>19</td>
<td>Crime Victim Assistance</td>
<td>$189.8</td>
</tr>
<tr>
<td>62</td>
<td>Crime Victim Compensation</td>
<td>$24.1</td>
</tr>
<tr>
<td>80</td>
<td>Byrne Memorial Justice Assistance Grant</td>
<td>$13.4</td>
</tr>
<tr>
<td>83</td>
<td>STOP Violence Against Women Formula Grants</td>
<td>$10.2</td>
</tr>
<tr>
<td>87</td>
<td>State Criminal Alien Assistance Program</td>
<td>$8.9</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>$246.4</td>
</tr>
</tbody>
</table>

Sources: Federal Funds Information for States; U.S. Department of Justice.
CRIME VICTIM ASSISTANCE

CFDA NUMBER 16.575

PURPOSE
Crime Victim Assistance formula grants aid states in supporting community-based organizations that provide direct services to victims and survivors of domestic violence, sexual assault, child abuse, drunk driving, homicide, and other crimes.

DISTRIBUTION OF FUNDS
Each state receives a base amount of $500,000 from the federal Crime Victims Fund. Any remaining funds are distributed based on population.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
Crime Victim Assistance funds are awarded to domestic violence shelters, rape crisis centers, child abuse programs, victim service units in law enforcement agencies, prosecutors’ offices, hospitals, and social service agencies. Funds support programs that provide services that include:

- crisis intervention;
- counseling;
- emergency shelters;
- criminal justice advocacy; and
- emergency transportation.

Priority must be given to programs aiding victims of sexual assault, spousal abuse or child abuse, and to programs serving previously underserved victims of violent crimes. States must also set aside additional funds for underserved victims of violent crimes, as determined by states. States cannot supplant state funds and may use up to 5 percent of a grant for administrative and training purposes.

STATE AGENCY
Trusteed Programs within the Office of the Governor.

FIGURE 128
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

SOURCE: Federal Funds Information for States.
CRIME VICTIM COMPENSATION

CFDA NUMBER 16.576

PURPOSE
The federal Crime Victim Compensation Program provides funds to help pay for some of the expenses resulting from crimes involving violence or abuse.

DISTRIBUTION OF FUNDS
Formula grant funds are based on 60 percent of state funds spent on crime victim compensation two years before the federal grant, other than amounts awarded for property damage. If insufficient funds are available to distribute on that basis, states receive the same percentage of available funds as they received from the federal Crime Victims Fund in the preceding grant year.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
Crime Victim Compensation funds may be used to reimburse victims for crime-related expenses attributable to a compensable crime, such as medical expenses and lost wages resulting from a physical injury, expenses for mental health counseling and care, and funeral and burial expenses. Awards to victims typically are contingent upon their reasonable cooperation with law enforcement requests.

States may retain up to 5 percent of a total grant award for administrative and training purposes; however, these administrative funds cannot supplant state funds. States have three years beyond the award year to expend funds.

ELIGIBILITY
Any person who has been the victim of a crime that results in death, physical, or personal injury and is determined eligible pursuant to the state victim compensation statute is eligible for assistance.

STATE AGENCY
Office of the Attorney General.

FIGURE 129
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(SOURCE: Federal Funds Information for States.)
JUSTICE

BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT

CFDA NUMBER 16.738

PURPOSE
The Byrne Memorial Justice Assistance Grant (JAG) program provides states, tribes, and local governments the opportunity to prioritize and place justice funds where they are needed most. The program supports a range of activities that prevent and control crime based on local needs and conditions.

DISTRIBUTION OF FUNDS
States receive a base amount of 0.25 percent of the total amount available for the program. Remaining funds are allocated based on the state’s relative share of total U.S. population and the three-year average of violent crime statistics. Of the total state allocation, 60 percent is awarded to the state, and 40 percent is awarded directly to eligible units of local government. In addition, each state’s award has a variable pass-through to local government requirement based on the state’s crime expenditures. For federal fiscal year 2016, the variable pass-through percentage for Texas is 64.9 percent.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
JAG priority areas include reducing gun violence and increasing the number of body-worn cameras available for law enforcement officers. Funds may be used to support multiple purpose areas that include: law enforcement programs; prosecution and court programs; prevention and education programs; corrections and community corrections programs; drug treatment programs; planning, evaluation, and technology improvement programs; and crime victim and witness programs, other than compensation. Funds can be used to pay for personnel, overtime, and equipment, but shall not be used to supplant state and local funds or for land acquisition and construction other than penal or correctional facilities.

STATE AGENCY
Trusted Programs within the Office of the Governor.

NOTE: Amounts do not include direct local appropriations from the U.S. Department of Justice.
SOURCE: Federal Funds Information for States.
STOP VIOLENCE AGAINST WOMEN FORMULA GRANTS

CFDA NUMBER 16.588

PURPOSE
The STOP (Services, Training, Officers, Prosecutors) Violence Against Women Program promotes a coordinated, multidisciplinary approach to improving the criminal justice system’s response to violent crimes against women by encouraging the development of effective victim-centered law enforcement and prosecution strategies, and victim services and advocacy in cases involving violent crimes against women.

DISTRIBUTION OF FUNDS
Each state is awarded a base amount of $600,000. Any funds remaining after the base allocations have been distributed are awarded to states based on population.

MATCH OR MAINTENANCE OF EFFORT
The state match is 25 percent. States may satisfy this match requirement through in-kind services. No federal maintenance of effort is required, but states may require subgrantees to maintain certain funding levels to ensure sufficient matching funds.

FEDERAL USES OR RESTRICTIONS
States must allocate a minimum of 25 percent of each year’s grant award to prosecution and 25 percent to law enforcement. States must also allocate a minimum of 30 percent to victim services and a minimum of 5 percent to courts. States may spend remaining funds at their discretion, provided they fulfill statutorily designated purposes. Funds may be used to provide personnel, training, technical assistance, data collection, and equipment for apprehension, prosecution, and adjudication of persons committing violent crimes against women. Funds may not be used to supplant funding that would otherwise be available for such activities.

STATE AGENCY
Trusteed Programs within the Office of the Governor.

FIGURE 131
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$8.7</td>
</tr>
<tr>
<td>2013</td>
<td>$8.2</td>
</tr>
<tr>
<td>2014</td>
<td>$9.1</td>
</tr>
<tr>
<td>2015</td>
<td>$9.2</td>
</tr>
<tr>
<td>2016</td>
<td>$10.2</td>
</tr>
</tbody>
</table>

SOURCE: Federal Funds Information for States.
STATE CRIMINAL ALIEN ASSISTANCE PROGRAM

CFDA NUMBER 16.606

PURPOSE
State Criminal Alien Assistance Program (SCAAP) funds are provided to assist states and units of local government that incur costs for incarcerating undocumented criminal aliens convicted of one felony or two misdemeanor offenses. Funds also are provided to expedite the transfer of custody for certain deportable aliens.

DISTRIBUTION OF FUNDS
A per diem rate for each jurisdiction is calculated using state and local government applicants’ financial data. The formula takes into account inmate data, including qualifying undocumented criminal aliens and total inmate days, and salary costs. Final SCAAP payments are adjusted by the annual appropriation.

MATCH OR MAINTENANCE OF EFFORT
None.

FEDERAL USES OR RESTRICTIONS
Beginning in federal fiscal year 2007, SCAAP funds must be used for correctional purposes only. Acceptable uses of SCAAP funds are limited to:

- salaries for corrections officers;
- overtime costs;
- corrections workforce recruitment and retention;
- construction of corrections facilities;
- training and education for offenders;
- training for corrections officers related to offender population management;
- consultants involved with offender population;
- medical and mental health services;
- vehicle rental or purchase for transport of offenders;
- prison industries;
- prerelease and reentry programs;
- technology involving offender management and interagency information sharing; and
- disaster preparedness continuity of operations for corrections facilities.
STATE CRIMINAL ALIEN ASSISTANCE PROGRAM (CONTINUED)

CFDA NUMBER 16.606

STATE AGENCY
Texas Department of Criminal Justice.

FIGURE 132
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

NOTE: State Criminal Alien Assistance Program awards reimburse for the previous year’s expenses. Fiscal year refers to the date funds were received rather than the award year.

SOURCE: U.S. Department of Justice.
NATURAL RESOURCES

INTRODUCTION
The top 100 federal funding sources in the state budget include four natural resource programs that total $77.5 million for federal fiscal year 2016. Federal funding for these programs accounts for less than 1 percent of the top 100 federal funding sources in the budget.

Funds from two of the programs, Sport Fish Restoration and Wildlife Restoration, are distributed to states by the U.S. Department of Interior’s Fish and Wildlife Service. Sources of federal funding for the Sport Fish Restoration program include federal excise taxes on fishing equipment and motorboat and small engine fuels, import duties, and trust fund interest. For the Wildlife Restoration program, funding sources include federal excise taxes on archery equipment, firearms, and ammunition. Both of these programs are permanently authorized.

The U.S. Environmental Protection Agency (EPA) distributes funding for two programs, Nonpoint Source Implementation Grants and Performance Partnership Grants (PPG). For PPGs, the EPA allows states to combine various grants into one grant to address their most important environmental issues.

Figure 133 shows rankings and amounts for the federal justice funds in the top 100 federal funding sources in the state budget for federal fiscal year 2016.

<table>
<thead>
<tr>
<th>RANK</th>
<th>PROGRAM</th>
<th>FEDERAL FUNDS (IN MILLIONS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>57</td>
<td>Wildlife Restoration</td>
<td>$31.9</td>
</tr>
<tr>
<td>67</td>
<td>Performance Partnership Grants</td>
<td>$21.4</td>
</tr>
<tr>
<td>72</td>
<td>Sport Fish Restoration</td>
<td>$18.1</td>
</tr>
<tr>
<td>96</td>
<td>Nonpoint Source Implementation Grants</td>
<td>$6.1</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>$77.5</td>
</tr>
</tbody>
</table>

SOURCES: U.S. Fish and Wildlife Service; Texas Commission on Environmental Quality; Texas State Soil and Water Conservation Board; Texas A&M Forest Service.
WILDLIFE RESTORATION

CFDA NUMBER 15.611

PURPOSE
The Wildlife Restoration Program funds activities that support the restoration, conservation, management, and enhancement of wild birds and mammals and their habitats. The program also helps to fund programs that provide facilities and services for conducting hunter safety programs.

DISTRIBUTION OF FUNDS
Each state receives one award for the Wildlife Restoration Program based on two separate allocations made from the federal Wildlife Restoration Account. One of these allocations is made from an account for hunter safety within the Wildlife Restoration Account, and it is distributed based upon a state’s percentage share of population from the most recent census. In accordance with this allocation, states receive from 1 percent to 3 percent of all hunter safety funds. The second allocation is made from the remaining funds in the Wildlife Restoration Account after hunter safety funds have been deducted. Each state’s allocation is then based on two equally weighted factors: each state’s total land area, and each state’s total number of hunting license holders. In accordance with this allocation, states receive from 0.5 percent to 5 percent of each year’s total program apportionment.

MATCH OR MAINTENANCE OF EFFORT
States receive federal reimbursement for up to 75 percent of a project’s expense. The state must provide at least 25 percent of the project cost from a nonfederal source. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
Funds are for conservation and management of wild birds and mammals and habitat restoration, selection, rehabilitation, and improvement. Projects should also provide public access to wildlife resources and hunter education. Authorized activities include land acquisition, development (including shooting ranges), research, and coordination. States are not authorized to use funds for law enforcement or public relations activities.

STATE AGENCY
Texas Parks and Wildlife Department.

FIGURE 134
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

<table>
<thead>
<tr>
<th>Year</th>
<th>Award Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$16.7</td>
</tr>
<tr>
<td>2013</td>
<td>$23.8</td>
</tr>
<tr>
<td>2014</td>
<td>$35.0</td>
</tr>
<tr>
<td>2015</td>
<td>$37.3</td>
</tr>
<tr>
<td>2016</td>
<td>$31.9</td>
</tr>
</tbody>
</table>

PERFORMANCE PARTNERSHIP GRANTS

CFDA NUMBER 66.605

PURPOSE
Performance Partnership Grants (PPG) are designed to take advantage of the unique capacities of states, tribes, and interstate agencies and provide greater opportunity to direct resources to the most pressing environmental problems in their states. PPGs promote innovative strategies for solving water, air, and waste problems while improving environmental performance, and administrative savings, and strengthening partnerships with the U.S. Environmental Protection Agency.

DISTRIBUTION OF FUNDS
States can combine two or more of the following grants into a PPG:

- Air Pollution Control;
- Water Pollution Control;
- Nonpoint Source Management;
- Wetlands Program Development;
- Public Water System Supervision;
- Underground Water Source Protection;
- Hazardous Waste Management;
- Underground Storage Tanks;
- Radon Assessment and Mitigation;
- Lead-based Paint Activities;
- Toxic Substances Compliance Monitoring;
- Pollution Prevention Incentives for States;
- Pesticide Cooperative Enforcement;
- Pesticides Program Implementation;
- Pesticide Applicator Certification and Training;
- Environmental Information Exchange Network;
- Brownfields State and Tribal Response Program; and
- General Assistance Grants to Indian Tribes.

The PPG program combines formula funding and competitive grants that are awarded individually to states. States must first be selected in the competitive processes for each grant award to include those grants in their PPGs. Each state’s total PPG award is based on those individual grant awards.
PERFORMANCE PARTNERSHIP GRANTS (CONTINUED)

CFDA NUMBER 66.605

MATCH OR MAINTENANCE OF EFFORT

The match is not set for the PPG program. Each state’s match is the sum of the minimum state shares for each of the grant programs in each state’s PPG. Each of the 18 grants has its own requirements. The federal fiscal year 2016 maintenance of effort (MOE) requirement for the Water Pollution Control grant was $3.6 million. The federal fiscal year 2016 MOE requirement for the Air Pollution Control grant was $5.2 million.

FEDERAL USES OR RESTRICTIONS

Recipients may use PPGs to fund activities that are within the cumulative eligibilities of the 18 grants.

STATE AGENCY

Texas Commission on Environmental Quality.

FIGURE 135
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

(IN MILLIONS)

<table>
<thead>
<tr>
<th>Year</th>
<th>Award Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$20.8</td>
</tr>
<tr>
<td>2013</td>
<td>$27.3</td>
</tr>
<tr>
<td>2014</td>
<td>$23.1</td>
</tr>
<tr>
<td>2015</td>
<td>$22.2</td>
</tr>
<tr>
<td>2016</td>
<td>$21.4</td>
</tr>
</tbody>
</table>

SOURCE: Texas Commission on Environmental Quality.
SPORT FISH RESTORATION

CFDA NUMBER 15.605

PURPOSE
Sport Fish Restoration funds support activities intended to restore, conserve, manage, or enhance sport fish populations; to manage the public use of resources; and to provide boating access to public waters.

DISTRIBUTION OF FUNDS
Allocations for the Sport Fish Restoration program are based on two factors: (1) each state’s total number of licensed anglers; and (2) each state’s total land and inland and coastal water areas. These factors are weighted at 60 percent and 40 percent, respectively, and states receive from 1 percent to 5 percent of each year’s total apportionment.

MATCH OR MAINTENANCE OF EFFORT
The program is cost-reimbursed, which means the state covers the full amount of an approved project and then applies for reimbursement for federal assistance for up to 75 percent of the project’s expenses. Each state must provide at least 25 percent of the project costs from a nonfederal source. No maintenance of effort is required.

FEDERAL USES OR RESTRICTIONS
States may use funds for activities including:
- land acquisition;
- boating access, development, and maintenance;
- aquatic research and education projects;
- lake construction and maintenance;
- sport fisheries research, management, and program coordination;
- hatchery construction;
- habitat enhancement;
- administration; and
- technical assistance.

Funds may not be used for law enforcement or public relations-related activities.
SPORT FISH RESTORATION (CONTINUED)

CFDA NUMBER 15.605

STATE AGENCY
Texas Parks and Wildlife Department.

FIGURE 136
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

IN (MILLIONS)

Source: U.S. Fish and Wildlife Service.
NONPOINT SOURCE IMPLEMENTATION GRANTS

CFDA NUMBER 66.460

PURPOSE
Amendments to the Clean Water Act, Section 319(h), in 1987 established the Nonpoint Source Management Program. Nonpoint source water pollution results from runoff of natural and human-made pollutants, and is not attributable to a single polluter. Through Nonpoint Source Implementation Grants, the program assists states in developing management programs to prevent or reduce nonpoint source pollution.

DISTRIBUTION OF FUNDS
The total funds available in the Nonpoint Source Implementation Grants are multiplied by each state’s applicable percentage, which is determined by weighted factors such as population, cropland acreage, pasture and rangeland acreage, forest harvest acreage, wellhead protection areas, critical aquatic habitats, mined acres, and pesticide use. States are awarded up to 15 percent of the total appropriation. Up to 10 percent of the funds the state receives each year can be used for administrative costs.

MATCH OR MAINTENANCE OF EFFORT
Nonpoint Source Implementation Grants are administered as reimbursements. States are required to provide at least 40 percent of project costs from nonfederal sources. In addition, states must maintain their aggregate expenditures from all other sources for programs to control pollution added to navigable waters in the state and to improve the quality of such waters at or more than the average level of expenditures in fiscal years 1985 and 1986.

FEDERAL USES OR RESTRICTIONS
States must have an assessment report and management plan approved by the U.S. Environmental Protection Agency. The state must make satisfactory progress on reducing pollutant loadings.

Nonpoint Source Implementation Grant funds may be used for nonregulatory programs for enforcement, technical and financial assistance, education, training, demonstration projects, eligible nonpoint source monitoring and planning activities.

STATE AGENCIES
Texas Commission on Environmental Quality; Texas State Soil and Water Conservation Board; Texas A&M Forest Service.

FIGURE 137
FEDERAL AWARDS TO TEXAS
FISCAL YEARS 2012 TO 2016

FIGURE 138
ESTIMATED FEDERAL FUNDS DISTRIBUTION
FISCAL YEAR 2016

SOURCES: Texas Commission on Environmental Quality; Texas State Soil and Water Conservation Board; Texas A&M Forest Service.

SOURCE: Legislative Budget Board.