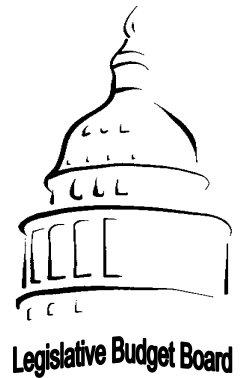


Senate Bill 1, General Appropriations Bill Summary of Differences Between House and Senate Versions

Prepared for Senate Bill 1 Conference Committee
April 19, 2005

All Funds 06-07 Recommendations House vs. Senate After Transfer of Programs to CSHB10

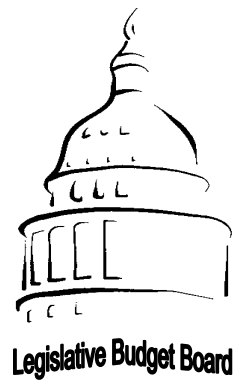
(in millions)



	House 2006-07	Senate 2006-07	Difference
Article I - General Government	\$ 3,067.2	\$ 3,177.8	\$ (110.6)
Article II - Health and Human Services	48,578.0	49,076.7	(498.7)
Article III - Agencies of Education			
Public Education	39,874.2	37,115.8	2,758.4
Higher Education	17,474.5	18,512.3	(1,037.8)
Article IV - Judiciary	450.5	453.4	(2.9)
Article V - Public Safety/Criminal Justice	8,405.4	8,543.1	(137.7)
Article VI - Natural Resources	2,220.4	2,286.4	(66.0)
Article VII - Business and Economic Development	18,499.8	18,610.3	(110.5)
Article VIII - Regulatory	697.8	545.0	152.8
Article IX - General Provisions	(1,961.4)	662.1	(2,623.5)
Article X - The Legislature	316.5	318.0	(1.5)
Total	\$ 137,622.9	\$ 139,300.9	\$ (1,678.0)

All Funds 06-07 Recommendations (including CSHB10 Transfers) House vs. Senate

(in millions)

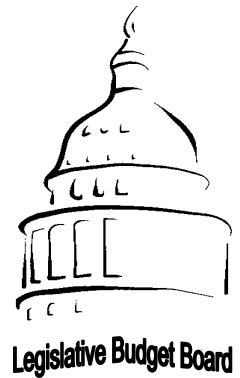


	House 2006-07	Senate 2006-07	Difference
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Article VIII - Regulatory	697.8	545.0	152.8
Article IX - General Provisions	(563.9)	662.1	(1,226.0)
Article X - The Legislature	316.5	318.0	(1.5)
Total	\$ 139,020.4	\$ 139,300.9	\$ (280.5)

GR 06-07 Recommendations

House vs. Senate After Transfer of Programs to CSHB10

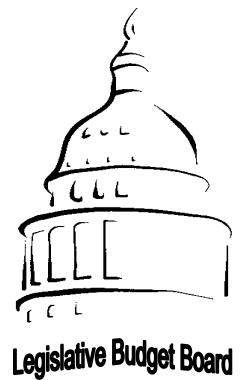
(in millions)



	House 2006-07	Senate 2006-07	Difference
Article I - General Government	\$ 1,647.3	\$ 1,674.3	\$ (27.0)
Article II - Health and Human Services	18,140.6	18,260.2	(119.6)
Article III - Agencies of Education			0.0
Public Education	28,954.7	26,144.0	2,810.7
Higher Education	10,461.9	10,985.9	(524.0)
Article IV - Judiciary	328.8	330.6	(1.8)
Article V - Public Safety/Criminal Justice	6,920.6	7,038.3	(117.7)
Article VI - Natural Resources	410.6	454.2	(43.6)
Article VII - Business and Economic Development	259.3	255.1	4.2
Article VIII - Regulatory	396.9	409.4	(12.5)
Article IX - General Provisions	(1,873.0)	354.3	(2,227.3)
Article X - The Legislature	312.9	314.4	(1.5)
Total	\$ 65,960.6	\$ 66,220.7	\$ (260.1)

GR 06-07 Recommendations (including CSHB10 Transfers) House vs. Senate

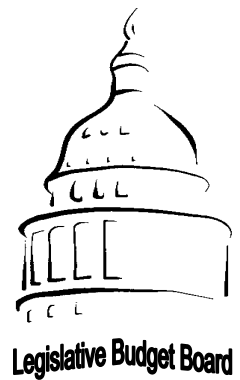
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	House 2006-07	Senate 2006-07	Difference
Article I - General Government	\$ 1,647.3	\$ 1,674.3	\$ (27.0)
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Higher Education	10,461.9	10,985.9	(524.0)
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Article V - Public Safety/Criminal Justice	6,920.6	7,038.3	(117.7)
Article VI - Natural Resources	410.6	454.2	(43.6)
Article VII - Business and Economic Development	259.3	255.1	4.2
Article VIII - Regulatory	396.9	409.4	(12.5)
Article IX - General Provisions	(539.5)	354.3	(893.8)
Article X - The Legislature	312.9	314.4	(1.5)
Total	\$ 67,294.1	\$ 66,220.7	\$ 1,073.4



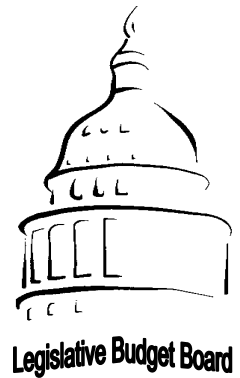
Major GR Differences: Health and Human Services



- Senate Medicaid funding is \$182.8 million higher than House. Both chambers increase funding over base bill but for different programs, services, and budget drivers.
- Senate CHIP funding is \$20.7 million higher than House. Senate adds additional funding for mental health benefits and restores rates to 2003 levels; House defers 8/07 payment.
- House funding for CPS reform is \$144.2 million higher than Senate. House funds Governor's proposal; Senate funds its version of Senate Bill 6.

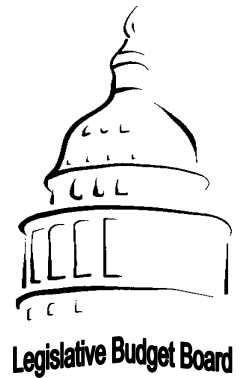


Major GR Differences: Health and Human Services (cont'd)



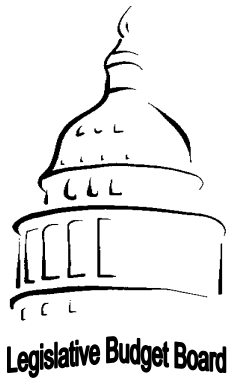
- Senate includes an additional \$21.0 million for APS reform.
- Senate funding to reduce non-Medicaid waiting lists is \$15.5 million higher than House.

Major GR Differences: Public Education



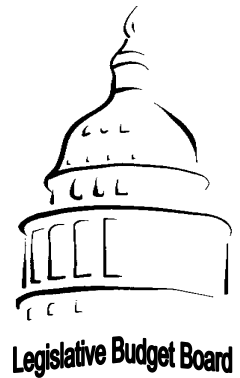
- House includes \$3 billion contingency appropriation for House Bill 2.
- House adds \$200 million for facilities; Senate adds \$150 million.
- Senate adds \$185.5 million for extending the Student Success Initiative into 6th and 7th grades.
- Senate adds \$57 million to increase TRS contribution rate to 6.12%.

Major GR Differences: Higher Education



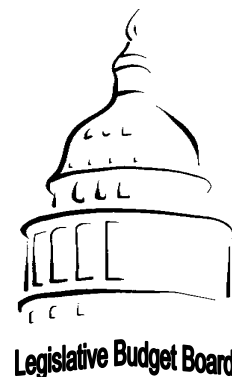
- Senate formula funding for general academic institutions is \$130 million above House. Senate uses new matrix; House uses existing matrix.
- Senate non-formula funding for general academics is \$72 million above House.
- For health related institutions, Senate is \$40 million higher in formula funding and \$35 million higher in non-formula funding.
- Senate is \$123 million higher for community colleges and \$6 million higher for TSTC.

Major GR Differences: Higher Education (cont'd)



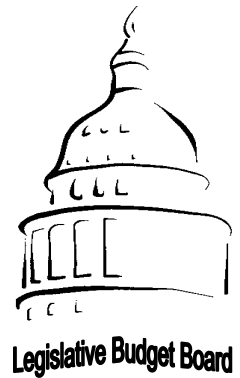
- Senate increases funding to Research Development Fund by \$19.5 million and adds \$9.7 million for the Advanced Research Program.
- Senate rolls several student financial aid programs into a single strategy and adds \$55 million; House funds TEXAS Grants and B-on-Time at 04-05 levels.

Major GR Differences: Criminal Justice



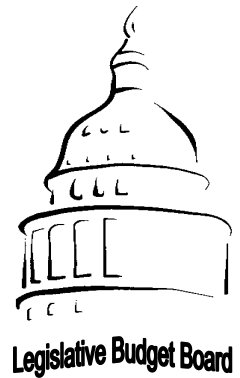
- Senate adds funding to TDCJ for correctional managed healthcare (\$35 million), utilities (\$15 million), parole substance abuse outpatient treatment (\$10 million), and indirect administration (\$6 million); House reduces funding for parole supervision (\$9.5 million) to reflect an annual supervision program.
- Senate adds funding to TABC for enforcement and DWI prevention (\$7.7 million above House) and restoration of 5% reduction (\$3.4 million)
- Senate pays for Criminal Intelligence Bureau at DPS (\$8.4 million) with GR; House uses Fund 006 and federal funds.

Major GR Differences: Employee Benefits



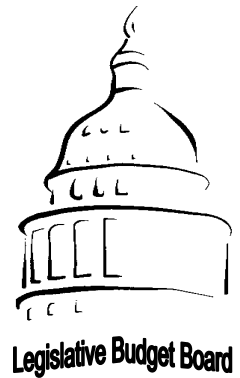
- Senate provides \$340 million for a state employee pay raise and \$5.4 million for Schedule C employees. All Funds increases are \$575 million and \$77.6 million, respectively.
- Senate increases ERS retirement to raise employer contribution (6.45%) to normal cost (\$26.1 million) and cover costs associated with CPS/APS reform (\$2.9 million) and Schedule C pay raise (\$0.9 million).
- Senate increases social security and ERS group insurance by \$8.5 million to cover CPS/APS reform and Schedule C pay raise.

Other Significant GR Differences



- Senate funding for disaster assistance is \$14.6 million higher than House.
- Senate spends \$44.5 million more than House for bond debt service.
- Senate includes \$9.0 million for Guardianship Alliance Program at the Office of Court Administration.
- Senate funds \$10.2 million for Skills Development with an alternative funding stream contingent on passage of legislation.
- Senate funds \$12.5 million more than House for a number of items for regulatory agencies contingent on agencies raising revenue to cover increases.

Significant Differences in GR-Dedicated



- Senate funds lottery advertising at 97% of the 04-05 base, which is \$64 million above House.
- Senate adds \$19 million for Coastal Erosion Control and other coastal management programs.
- House removes from Senate Bill 1 \$497.5 million in appropriations for indirect cost recovery.
- House funds the low-income discount program (Public Utility Commission) at 93% of the 04-05 base, which is \$146.4 million above Senate.