

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 1333
By: Junell (Ellis, Rodney)
Finance
5/8/2001
Committee Report (Substituted)

DIGEST AND PURPOSE

Each legislative session, state agencies project the costs of fulfilling their functions and for providing important services. The greater portion of the state's general revenue budget is based on projected public school enrollment, caseloads in the Medicaid program, and the prison population. Actual caseloads in Medicaid and the prison population have exceeded projections made during the 76th legislative session and several other agencies need additional funding as well. C.S.H.B. 1333 transfers unencumbered amounts to provide emergency appropriations to the Texas Department of Health, Texas Department of Criminal Justice, and the State Office of Risk Management. The bill also provides additional funding to certain other state agencies.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. TEXAS DEPARTMENT OF HEALTH: HIGHER THAN EXPECTED MEDICAID COSTS AND LESS FAVORABLE FEDERAL PERCENTAGE MATCH RATE. (a) Provides that the unencumbered amounts listed below that were appropriated by Chapter 1589, Acts of the 76th Legislature, Regular Session, 1999 (the General Appropriations Act), from the general revenue fund to the respective agencies for one or both fiscal years of the fiscal biennium ending August 31, 2001, totaling \$337,777,000, are transferred to the Texas Department of Health for the remainder of the fiscal year ending August 31, 2001, for the purpose of providing services under the state Medicaid program:

- (1) various agencies identified by the comptroller of public accounts: \$154,700,000;
- (2) the Texas Education Agency for student success: \$10,200,000;
- (3) the Texas Education Agency that may be spent for the Foundation School Program, from recovery of fiscal year 2000 overpayments to school districts: \$100,000,000;
- (4) the Texas Public Finance Authority that may be spent for bond debt service, appropriated in Article II of the General Appropriations Act: \$2,000,000;
- (5) the Texas Public Finance Authority that may be spent for bond debt service, appropriated in Article V of the General Appropriations Act: \$14,000,000;
- (6) the State Soil and Water Conservation Board that may be spent for financial and technical assistance: \$2,000,000;
- (7) the State Soil and Water Conservation Board that may be spent for pollution

abatements: \$400,000;

(8) the Texas Historical Commission that may be spent for archeological protection: \$500,000;

(9) the Texas Historical Commission that may be spent for the evaluation and interpretation of resources: \$500,000;

(10) The University of Texas at Austin that may be spent for the TxPharm program: \$478,000;

(11) Texas Southern University that may be spent for the TxPharm program: \$549,000;

(12) the University of Houston that may be spent for the TxPharm program: \$460,000;

(13) the Texas Higher Education Coordinating Board that may be spent for Texas Excellence access and success grants: \$39,000,000;

(14) the Texas Education Agency for support programs: \$1,100,000;

(15) the Texas Education Agency for improving educator performance: \$8,000,000;

(16) the General Services Commission that may be spent for property acquisition, repair, and renovation: \$2,790,000

(17) the General Services Commission that may be spent for computer acquisition: \$1,100,000

(b) Provides that the sum of \$92,300,000, originally derived as interest from the suspense account of the comptroller of public accounts as described by S.B. 848, by the 77th Legislature in Regular Session, 2001 is appropriated from the general revenue fund to the Texas Department of Health for the remainder of the fiscal year ending August 31, 2001, for the purpose of providing services under the state Medicaid program.

(c) Provides that from the amounts appropriated by Chapter 396, Acts of the 76th Legislature, Regular Session, 1999 (Senate Bill No. 4), from the general revenue fund to the Texas Education Agency for one or both fiscal years of the fiscal biennium ending August 31, 2001, that may be spent for various purposes, the unencumbered amount of \$47,500,000 is transferred to the Texas Department of Health for the remainder of the fiscal year ending August 31, 2001, for the purpose of providing services under the state Medicaid program.

(d) Provides that in addition to amounts previously appropriated for the current fiscal biennium, the sum of \$6,100,000 in earned federal funds is appropriated from the Rehabilitation Commission Federal Fund to the Texas Department of Health for the remainder of the fiscal year ending August 31, 2001, for the purpose of providing services under the state Medicaid program.

(e) Provides that in addition to amounts previously appropriated for the current fiscal biennium, the sum of \$6,267,000 in earned federal funds is appropriated from the general revenue fund to the Texas Department of Health for the remainder of the fiscal year ending August 31, 2001, for the purpose of providing services under the state Medicaid program.

(f) Requires that funds described by Subsections (a), (b), (c), (d), and (e) of this section be expended only for the purpose described by Subsections (a), (b), (c), (d), and (e) of this

section and only if certain requirements are met.

(g) Provides that the unexpended balance of funds described by Subsections (a), (b), and (c) of this section remaining at the end of the state fiscal year that ends August 31, 2001, is appropriated from the general revenue fund to the Texas Department of Health for the state fiscal year beginning September 1, 2001, for the purpose of providing services under the state Medicaid program, but the amounts appropriated by this subsection may be expended by the department only with the prior approval of the Legislative Budget Board.

SECTION 2. TEXAS DEPARTMENT OF CRIMINAL JUSTICE: CAPACITY; CAREER LADDER ADJUSTMENTS. (a) Provides that the unencumbered amounts listed below that were appropriated by Chapter 1589, Acts of the 76th Legislature, Regular Session, 1999 (the General Appropriations Act), from the general revenue fund to the respective agencies for one or both fiscal years of the fiscal biennium ending August 31, 2001, totaling \$65,519,000, are transferred to the Texas Department of Criminal Justice for the remainder of the fiscal year ending August 31, 2001, with \$29,819,000 of that amount transferred for the purpose of providing for expenditures relating to the operation of additional prison capacity and to contracts with counties for additional temporary capacity, and \$35,700,000 of that amount transferred for the purpose of providing for expenditures relating to correctional officer, sergeant, and food service and laundry manager career ladder salary adjustments:

- (1) various agencies identified by the comptroller of public accounts, subject to Section 8 of this Act: \$33,377,000;
- (2) the Texas Natural Resource Conservation Commission that may be spent for water resource assessment and planning: \$1,400,000;
- (3) the Texas Youth Commission that may be spent for various purposes: \$1,000,000;
- (4) the Department of Information Resources in Article IX that may be spent for Year 2000 Conversion: \$12,800,000;
- (5) the State Preservation Board that may be spent for various purposes: \$6,500,000;
- (6) the Comptroller of Public Accounts, Fiscal Programs, that may be spent for Tort Claims & Federal Court Judgments: \$5,000,000
- (7) the Texas Natural Resource Conservation Commission for various purposes for which the commission received an appropriation from general revenue: \$5,442,000;

(b) Provides that, in addition to amounts previously appropriated for the current fiscal biennium, the sum of \$2,781,000 is appropriated from the criminal justice planning account to the Texas Department of Criminal Justice for the remainder of the fiscal year ending August 31, 2001, for the purpose of providing for expenditures relating to the operation of additional prison capacity and to contracts with counties for additional temporary capacity.

(c) Provides that in addition to amounts previously appropriated for the current fiscal biennium, the sum of \$41,000,000 is appropriated from the fugitive apprehension account to the Texas Department of Criminal Justice for the remainder of the fiscal year ending August 31, 2001, for the purpose of providing for expenditures relating to the operation of additional prison capacity and to contracts with counties for additional temporary capacity.

SECTION 3. STATE OFFICE OF RISK MANAGEMENT: PAYMENT OF WORKERS' COMPENSATION CLAIMS. Provides that from the amounts appropriated by Chapter 1589, Acts of the 76th Legislature, Regular Session, 1999 (the General Appropriations Act), from the general revenue fund for one or both fiscal years of the fiscal biennium ending August 31, 2001, to the Office of

the Governor that may be spent for disaster grants and emergency and deficiency grants, the unencumbered amount of \$6,300,000 is transferred to the State Office of Risk Management for the remainder of the fiscal year ending August 31, 2001, for the purpose of paying higher than expected workers' compensation claims.

(b) Provides that the sum of \$6,700,000, originally derived as interest from the suspense account of the comptroller of public accounts as described by S.B. 848, Acts of the 77th Legislature, Regular Session, 2001, is appropriated for the general revenue fund to the State Office of Risk Management for the remainder of the fiscal year ending August 31, 2001, for the purpose of paying higher than expected workers' compensation claims.

SECTION 4. ADJUTANT GENERAL'S DEPARTMENT: PAYMENT OF UTILITY COSTS.

Provides that from the amounts appropriated by Chapter 1589, Acts of the 76th Legislature, Regular Session, 1999 (the General Appropriations Act), from the general revenue fund for one or both fiscal years of the fiscal biennium ending August 31, 2001, to the General Services Commission that may be spent for computer acquisition, the unencumbered amount of \$600,000 is transferred to the adjutant general's department for the remainder of the state fiscal year ending August 31, 2001, for the purposes of paying utility costs.

SECTION 5. TEXAS NATURAL RESOURCE CONSERVATION COMMISSION: PURPOSES FOR WHICH GENERAL REVENUE HAS BEEN APPROPRIATED. Provides that in addition to amounts previously appropriated for the current fiscal biennium, the sum of \$5,442,000 is appropriated from the low-level radioactive waste account to the Texas Natural Resource Conservation Commission for the remainder of the fiscal year ending August 31, 2001, for any necessary purposes for which the commission received an appropriation from general revenue for the fiscal year ending August 31, 2001.

SECTION 6. TEXAS DEPARTMENT OF TRANSPORTATION: APPROPRIATION

TRANSFER. Provides the unencumbered amount of \$50,000,000 that was appropriated by Chapter 1589, Acts of the 76th Legislature, Regular Session, 1999 (the General Appropriations Act), from State Highway Fund No. 006 to the Texas Department of Transportation in Highway Construction strategy A.1.3. for the fiscal year ending August 31, 2001, is transferred to the Texas Department of Transportation's Plan/Design/Manage strategy A.1.1. for the remainder of the fiscal year ending August 31, 2001, for the purpose of funding planning and design contracts.

SECTION 7. DEPARTMENT OF PROTECTIVE AND REGULATORY SERVICES:

MANAGING HIGHER CASELOAD. Provides from the amounts appropriated by Chapter 1589, Acts of the 76th Legislature, Regular Session, 1999 (the General Appropriations Act), from the general revenue fund for one or both fiscal years of the fiscal biennium ending August 31, 2001, to the Office of Court Administration that may be spent for the Judicial Committee on Information Technology, the unencumbered amount of \$1,000,000 is transferred to the Department of Protective and Regulatory Services for the remainder of the fiscal year ending August 31, 2001, for the purposes of allowing the department to manage a higher than expected caseload.

SECTION 8. TRANSFERS FROM AGENCIES IDENTIFIED BY COMPTROLLER. Requires the comptroller, after the comptroller has identified the various agencies from which amounts are to be transferred for purposes of this Act, to submit to the Legislative Budget Board and the governor a detailed listing of the appropriations proposed to be transferred. Authorizes the budget board and the governor to modify or reject the comptroller's proposal and to direct the comptroller to make those transfers approved by the budget board and the governor.

(b) Provides that transfers made in accordance with this section are emergency transfers made under the authority of Section 69, Article XVI, Texas Constitution.

SECTION 9. CERTAIN APPROPRIATIONS FOR FISCAL YEAR BEGINNING SEPTEMBER

1, 2001. Provides that the following amounts are appropriated from the general revenue fund to the listed agencies for the described purposes for the state fiscal year beginning September 1, 2001:

- (1) \$2,781,375 to the Office of the Governor for the purposes for which the criminal justice planning account may be appropriated;
- (2) \$13,000,000 to the Office of the Governor for the purpose of making emergency and deficiency grants and disaster grants;
- (3) \$39,000,000 to the Texas Higher Education Coordinating Board for the purpose of making Texas Excellence access and success grants;
- (4) \$500,000 to the Texas Historical Commission for archeological heritage protection;
- (5) \$500,000 to the Texas Historical Commission to evaluate and interpret resources;
- (6) \$6,500,000 to the State Preservation Board for the purpose of implementing Chapter 443, Government Code; and
- (7) \$2,790,000 to the General Services Commission for property acquisition, repair, and renovation;
- (8) \$1,700,000 to the General Services Commission for computer acquisition; and
- (9) \$118,231 to the Texas Natural Resource Conservation Commission for low-level radioactive waste assessment.

SECTION 10. TEXAS DEPARTMENT OF ECONOMIC DEVELOPMENT: DEFENSE-RELATED JOBS CREATION. (a) Provides from the amounts appropriated by Chapter 1589, Acts of the 76th Legislature, Regular Session, 1999 (the General Appropriations Act) from Smart Jobs Fund No. 891 to the Texas Department of Economic Development in connection with the smart jobs program, the department is authorized to expend the unencumbered amount of \$4,000,000 during the remainder of the fiscal year ending August 31, 2001, for the purpose of awarding grants in communities in this state in connection with the creation of qualified defense-related jobs.

(b) Provides that the unexpended balance of funds described by Subsection (a) of this section remaining at the end of the fiscal year ending August 31, 2001, is appropriated from Smart Jobs Fund No. 891 to the Texas Department of Economic Development for the fiscal year beginning September 1, 2001, for the purpose of awarding grants in communities in this state in connection with the creation of qualified defense-related jobs.

SECTION 11. EFFECTIVE DATE. Provides that this Act takes effect immediately.