

SUBJECT: Supplemental and disaster-related appropriations

COMMITTEE: Appropriations — committee substitute recommended

VOTE: 24 ayes — Zerwas, Longoria, C. Bell, G. Bonnen, Capriglione, Cortez, S. Davis, Hefner, Howard, Jarvis Johnson, Miller, Minjarez, Muñoz, Rose, Schaefer, Sheffield, Sherman, Stucky, Toth, J. Turner, VanDeaver, Walle, Wilson, Wu

0 nays

3 absent — Buckley, M. González, Smith

SENATE VOTE: On final passage, March 13 — 31-0

WITNESSES: For — Larry Gonzales, Autism Speaks; Cyrus Reed, Lone Star Chapter Sierra Club; Kevin Crow, NEC; Ashley McConkey, Texas Public Employees Association; Timothy Lee, Texas Retired Teachers Association; (*Registered, but did not testify*: Lauren Spreen, Apache Corporation; Bill Kelly and Jamaal Smith, City of Houston Mayor's Office; David Sinclair, Game Warden Peace Officers Association; Christine Yanas, Methodist Healthcare Ministries of South Texas, Inc.; Paige Williams, Texas Classroom Teachers Association; Windy Johnson, Texas Conference of Urban Counties; Knox Kimberly, Upbring; Thomas Parkinson)

Against — (*Registered, but did not testify*: Trayce Bradford)

On — Courtney Phillips and Trey Wood, Health and Human Services Commission; Amy Borgstedte and Sarah Keyton, Legislative Budget Board; Nim Kidd, Texas Division of Emergency Management, Texas Emergency Management Council; Talmadge Heflin, Texas Public Policy Foundation; Paula Everett, Texas State Employees Union; Brian Guthrie, Teacher Retirement System; (*Registered, but did not testify*: Rob Coleman and Tom Currah, Comptroller of Public Accounts; Porter Wilson, Employees Retirement System of Texas; Al Mckenzie and Mike Morath,

Texas Education Agency; George Gooch, Texas Health Services Authority; Michael Openshaw)

DIGEST:

CSSB 500 would appropriate \$9.3 billion in all funds to several state agencies, including \$4.3 billion from the Economic Stabilization Fund (ESF), \$2.7 billion in general revenue, and \$2.3 billion in federal funds. Funds would be appropriated for Hurricane Harvey relief and recovery, the Medicaid shortfall, state employee and teacher retirement, and other purposes. Unless otherwise noted, appropriations would be made for fiscal 2019.

The bill would require any state agency or public institution of higher education that received reimbursement from the federal government, an insurer, or another source to reimburse the ESF in an amount equal to the lesser of the amount appropriated from the fund and spent for that expenditure or the amount reimbursed by the other source for that expenditure.

CSSB 500 also would decrease fiscal 2018-19 appropriations for certain programs in the Public Finance Authority, Facilities Commission, Texas Education Agency, Health and Human Services Commission, Department of Family and Protective Services, and General Land Office.

The bill would take immediate effect. Appropriations made from the ESF would take effect only if the bill passed by a two-thirds record vote of the membership of each house.

Hurricane Harvey

CSSB 500 would appropriate \$2.8 billion in all funds for Hurricane Harvey response and recovery and disaster prevention projects, including funds for the Texas Education Agency (TEA), higher education institutions, natural resources agencies, and other affected agencies.

Foundation School Program. CSSB 500 would appropriate \$905.5 million from the ESF to the TEA for the Foundation School Program

(FSP) to account for hurricane-related expenses. These expenses for fiscal 2019 would include disaster remediation, costs related to student relocations to other school districts, adjustments to school district property values, and reductions of recapture payments owed to the state by certain property-wealthy school districts that incurred disaster remediation costs.

For fiscal 2020, the bill also would appropriate \$636 million from the ESF to TEA for increased state costs under the FSP resulting from reduced property values associated with the hurricane.

Higher education institutions. CSSB 500 would appropriate from the ESF \$26.1 million to several components of the University of Houston System; \$13.1 million to Lone Star College; and \$9.5 million for Lamar University, Lamar Institute of Technology, and Lamar state colleges for hurricane-related expenses and property damage. The bill also would appropriate \$2.5 million from the ESF to Texas A&M Forest Service.

The bill would appropriate \$10.2 million from the ESF to the University of Texas at Austin for storm damage prevention and compliance and the mitigation of damages to its Marine Science Institute related to Hurricane Harvey. This appropriation would be for the two-year period beginning on the effective date of the bill.

Matching funds for FEMA programs. CSSB 500 would appropriate \$273 million from the ESF to the Texas Division of Emergency Management (TDEM) in the Department of Public Safety (DPS) for matching funds for projects sponsored by political subdivisions and approved for the Hazard Mitigation Grant program administered by the Federal Emergency Management Agency (FEMA). TDEM could provide matching funds only if political subdivisions had already applied available funds from the federal Community Development Block Grant program toward FEMA matching requirements.

The bill also would appropriate \$400 million from the ESF to TDEM for matching funds for projects sponsored by political subdivisions and approved for the Public Assistance grant program administered by FEMA.

Under the loan program, political subdivisions would have to demonstrate that reimbursements from the federal government and insurance had been exhausted, and the program would have to include criteria that demonstrated the need for financial assistance.

Both appropriations would be contingent on legislation authorizing a zero- or low-interest disaster recovery loan program administered by TDEM, and the appropriations would be for the two-year period beginning on the bill's effective date.

Funding transfer replacement. The bill would appropriate from the ESF \$110 million to the Health and Human Services Commission, \$38.6 million to the Texas Department of Criminal Justice, and \$97 million to DPS to replace funds transferred to disaster assistance programs related to Hurricane Harvey.

General Land Office. The bill would appropriate \$23.6 million from the ESF to the General Land Office (GLO) for the removal of vessels and the repair or replacement of structures and equipment damaged by the hurricane. An additional \$2 million in general revenue dedicated funds would be appropriated for the removal of abandoned vessels.

CSSB 500 would appropriate \$4.2 million from the ESF to the GLO for FTEs assigned to build emergency short-term housing related to Hurricane Harvey if federal grants for this purpose were not received by the effective date of the bill.

The bill would appropriate \$200 million from the ESF to the GLO to provide state matching funds for studies and projects planned by the Army Corps of Engineers. The funds would be for the two-year period beginning on the effective date of the bill.

Texas Parks and Wildlife Department. The bill would appropriate \$17 million from the ESF to the Texas Parks and Wildlife Department to repair structures or equipment damaged by the hurricane. The appropriation would be for the two-year period beginning on the bill's

effective date.

Texas Workforce Commission. The bill would appropriate \$8.9 million from the ESF to the Texas Workforce Commission for vocational rehabilitation services expenses related to the hurricane.

General Government — Art. 1

State employee pensions. The bill would appropriate \$148.7 million in general revenue to the Employees Retirement System as a state contribution to the pension system. The appropriation would be for fiscal 2020-21.

Texas Tomorrow Fund. CSSB 500 would appropriate \$211 million from the ESF to the Comptroller of Public Accounts for deposit into the Texas Tomorrow Fund.

Innovative proving ground. The bill would appropriate \$50 million from the ESF to the Trusteed Programs within the Office of the Governor to engage public institutions of higher education with private-sector industries to establish and equip a proving ground site and commercialize and manufacture critical emergency technologies for infrastructure networks, public safety, and national defense. The appropriation would be for the two-year period beginning on the bill's effective date.

Bond debt service payments. CSSB 500 would reduce the appropriation to the Public Finance Authority for bond debt service payments by a total of \$35.1 million in general revenue.

Lease payments. The bill would reduce the appropriation to the Facilities Commission for lease payments by \$17.6 million in general revenue.

State records storage. The bill would appropriate \$4.4 million in general revenue for the renovation of the Promontory Point Drive facility in Austin for the storage of public records. The funds would be for the two-year period beginning on the bill's effective date.

Health and Human Services — Art. 2

Medicaid funding. CSSB 500 would appropriate \$2.1 billion in general revenue and \$2.3 billion in federal funds to the Health and Human Services Commission (HHSC) in supplemental funding for Medicaid client services.

Out of the money appropriated to HHSC for Medicaid client services, the bill would require the agency to transfer \$5.5 million from Goal A, Medicaid client services, to Strategy D.2.3., Community Mental Health Crisis Services. In addition, HHSC would have to reserve out of its appropriations an amount sufficient to reimburse providers for covering intensive behavioral intervention as a Medicaid benefit for individuals under 20 years old with autism spectrum disorder.

State hospitals. The bill would reduce the appropriation to HHSC from the ESF for state hospital facility capital repairs and renovations by \$2 million. The bill also would appropriate \$2 million from the ESF to HHSC for preplanning activities for construction of new state hospitals in the Dallas and Panhandle regions.

The bill would appropriate \$37.5 million in general revenue to HHSC for mental health state hospital services.

Children's hospitals. CSSB 500 would appropriate \$100 million in general revenue to HHSC for a rate increase for children's hospitals for fiscal 2020-21.

Health insurance provider fee. CSSB 500 would appropriate \$63.8 million in general revenue to HHSC to provide funding for the health insurance providers fee under Medicaid client services.

Women's health. The bill would appropriate \$14 million in general revenue to address the shortfall in the Healthy Texas Women program.

State-supported living centers. The bill would appropriate \$7.2 million in general revenue to HHSC for state supported living centers.

Certain transfers. The bill would require HHSC to transfer \$6.1 million from Goal A, Medicaid Client Services, to Strategy B.1.1., Medicaid Contracts and Administration, for contingency contracts.

Early childhood intervention. The bill would appropriate \$3.5 million in general revenue to HHSC for early childhood intervention.

Department of Family and Protective Services. CSSB 500 would appropriate funds to the Department of Family and Protective Services for the following needs:

- \$83.5 million in general revenue for foster care payments;
- \$6.8 million in general revenue for relative caregiver payments;
- \$23 million from the federal Child Care and Development Block Grant funds for day care payments;
- \$2.1 million in general revenue and \$218,512 in federal funds for temporary emergency care placements; and
- \$8.8 million in general revenue for community-based care in a seven-county area including Tarrant County.

The bill also would reduce by \$8.5 million funds from the federal Temporary Assistance for Needy Families to HHSC for relative caregiver payments.

Trauma infrastructure. CSSB 500 would appropriate \$30 million from the ESF to the Department of State Health Services (DSHS) for increasing trauma capacity and improving trauma response infrastructure. Out of the appropriations to the department, the bill would require \$5 million to be used for certain regional advisory councils and \$25 million to be used for hospitals. These appropriations would be for fiscal 2020-21.

Newborn screenings. CSSB 500 would appropriate \$7.9 million in general revenue to DSHS for X-ALD newborn screenings for fiscal 2020-

21.

Public and Higher Education — Art. 3

Foundation School Program. CSSB 500 would reduce appropriations to TEA for the FSP by \$643.3 million in general revenue.

Post-disaster school safety. The bill would appropriate \$10.9 million from the ESF to TEA for post-disaster recovery, contingent on the passage of certain legislation. TEA would be directed to allocate the amount to school districts that are recovering from a school shooting that occurred during the state fiscal biennium ending August 31, 2019, and that had a student enrollment of fewer than 4,800 for the 2017-18 school year. The appropriation would be for the two-year period beginning on the effective date of the bill.

Retired teacher pensions. CSSB 500 would appropriate \$684 million in general revenue to the Teacher Retirement System as a state contribution to the pension system. The bill would appropriate \$658.2 million from the ESF to provide a one-time additional payment to certain retirees. The payment would be contingent on the system's compliance with Government Code requirements for the amortization period of the unfunded actuarial liabilities. The appropriation would be for the fiscal biennium ending August 31, 2021.

Higher education research. The bill would appropriate \$182.5 million from the ESF to the Higher Education Coordinating Board for the Texas Research Incentive Program. The appropriation would be for the two-year period beginning on the effective date of the bill.

Wildfires. CSSB 500 would appropriate \$54.9 million from the ESF to the Texas A&M Forest Services to pay for expenses related to wildfires.

College facilities. The bill would appropriate \$29.6 million from the ESF to the Texas State Technical College System Administration for abatement and demolition of certain facilities on the system's Waco

campus. The bill would appropriate \$16 million from the ESF to Texas Southern University for maintenance of the university's central thermal plan and site/steam tunnels. Both of these appropriations would be for the two-year period beginning on the effective date of the bill.

Other provisions. CSSB 500 would appropriate \$1.2 million in general revenue to Kilgore College for state contributions for health benefits. It would appropriate \$37,657 in general revenue to TEA for the adult high school diploma and industry certification charter school pilot program.

The Judiciary — Art. 4

Visiting judges program. CSSB 500 would appropriate \$400,000 in general revenue to the Comptroller's Judiciary Section for visiting judge assignments to fill district court vacancies.

Longevity pay. The bill would appropriate \$546,589 in general revenue to the Comptroller's Judiciary Section to reimburse counties for longevity pay made to eligible district attorneys.

Public Safety and Criminal Justice — Art. 5

Correctional managed health care and correctional officer overtime. CSSB 500 would appropriate to the Texas Department of Criminal Justice \$160 million in general revenue for correctional managed health care and \$30 million in general revenue for overtime for correctional officers.

DPS crime labs. CSSB 500 would appropriate \$5.8 million in general revenue to DPS for crime lab operations.

Natural Resources — Art. 6

Reduction. The bill would reduce fiscal 2018-19 appropriations to the General Land Office (GLO) for rebuilding housing by \$48.6 million in general revenue.

Expedited air permits. CSSB 500 would appropriate to the Texas Commission on Environmental Quality (TCEQ) all fee revenues collected from expedited permit review surcharges in excess of the estimated amount of those revenues in the comptroller's fiscal 2018-19 biennial revenue estimate. This revenue would be used to support the expedited processing of permit applications.

Rio Grande River Compact. The bill would appropriate \$1.4 million in general revenue to TCEQ for legal fees related to ongoing litigation under the Rio Grande River Compact.

Capital budget increase. CSSB 500 would increase the total amount TCEQ was authorized to spend for capital budget items for fiscal 2019 by \$1.7 million. This funding would be used for security upgrades and to replace carpet in TCEQ facilities.

Tramway construction. The bill would appropriate \$15 million from the ESF to the Texas Parks and Wildlife Department for the two-year period beginning on the effective date of the bill for necessary construction related to the Wyler Aerial Tramway and related tramway systems.

Business and Economic Development — Art. 7

Transportation Infrastructure Fund. CSSB 500 would appropriate \$250 million from the ESF to the Texas Department of Transportation for fiscal 2020-21 to provide grants for transportation infrastructure projects in areas affected by increased oil and gas production.

Regulatory — Art. 8

Prescription Monitoring Program. The bill would appropriate \$6.1 million in general revenue to the Board of Pharmacy for statewide integration and upgrades to the Prescription Monitoring Program database. The appropriation would be for a two-year period beginning on the bill's effective date.

**SUPPORTERS
SAY:**

CSSB 500 would meet the state's current pressing needs in a responsible way by using general revenue and the Economic Stabilization Fund (ESF) where appropriate. Appropriations would be made from the ESF for one-time or disaster-related spending and from general revenue for other items. After appropriations in CSSB 500 and the proposed House budget for fiscal 2020-21, the projected ending balance for the ESF would be \$8.4 billion, well above the \$7.5 billion minimum sufficient balance.

Hurricane Harvey

CSSB 500 would use the ESF responsibly to mitigate damage from Hurricane Harvey, which devastated large areas of Texas in August 2017 and was among the costliest storms in American history. It would be appropriate to use the state's rainy day fund for these disaster-related needs. Requiring agencies and institutions of higher education to pay back the ESF if they later receive reimbursements from other sources, such as from the federal government or from insurance, would ensure that the ESF funds were used only when no other funding source was available. Several of the appropriations in CSSB 500 would repay agencies whose available cash was used when Harvey-related expenses needed to be paid after the storm and would provide matching funds for certain Federal Emergency Management Agency programs.

Public schools and higher education institutions. The bill would help school districts with increased costs resulting from student relocations and lowered revenue from local property taxes due to values that declined in damaged areas. It is estimated that one out of five public school students was impacted by the hurricane. These funding reimbursements would be similar to those made by the Legislature after previous hurricanes. The bill would provide immediate funding for higher education institutions, some of which are still waiting for disaster assistance from the federal government or insurance payments in order to repair damaged facilities.

General Land Office. The bill would provide funds from the ESF to the General Land Office (GLO) to be used as matching funds for Army Corps of Engineers studies and projects. This would cover the portion of the

state's share of funding that could be handled in this biennium for needed engineering projects related to Hurricane Harvey and disaster recovery and mitigation.

The bill also would provide funds to the GLO for coastal projects and necessary repairs resulting from Hurricane Harvey. The Federal Emergency Management Agency is expected to reimburse some of these funds after the work is completed.

General Government — Art. 1

State employee pensions. CSSB 500 would make efforts to improve the stability of the Employees Retirement System by increasing the state's contribution rate for fiscal 2020-21, making it more likely that the state could meet its future obligations.

Texas Tomorrow Fund. The bill would provide the funds necessary to cover a projected shortfall in the state's original prepaid tuition plan in fiscal 2020-21. The shortfall is due to investment earnings that have failed to keep up with higher-than-expected tuition increases. The bill would appropriate the necessary amount to cover constitutionally guaranteed payments for fiscal 2020-21 and, as a one-time payment, would be an appropriate use of the ESF.

Trusted Programs within the Office of the Governor. CSSB 500 would provide funds to establish an innovative proving ground with unique instrumentation to engage Texas' institutions of higher education with private-sector industries to address emerging needs in transportation, public safety, and national defense. The funds could be used to collaborate with the Army Futures Command to encourage additional research and development opportunities in the state.

Bond debt service payments. CSSB 500 would reduce appropriations to the Public Finance Authority and the Facilities Commission for bond debt service and lease payments, reflecting projections that indicate bond debt services payments will be lower than expected due to lower interest rates

and delays in bond issuances.

State records storage. The bill would allow the Library and Archives Commission to address increasing demand for storage space at the State Records Center, which is estimated to reach capacity in December 2019. The funds would allow the commission to purchase and install shelving and other infrastructure to expand storage capacity in the short term as part of a broader 20-year growth plan.

Health and Human Services — Art. 2

Medicaid funding. The Health and Human Services Commission (HHSC) needs the supplemental appropriation in CSSB 500 to cover a Medicaid shortfall in cost growth. If the shortfall is not addressed, HHSC may run out of cash flow as early as May 2019. The Legislature typically does not fund cost growth in the main appropriations bill because it is hard to predict fluctuating costs associated with rate changes, medical inflation, utilization, and acuity.

State hospitals. Supplemental funds to HHSC are needed to continue improving state hospital facilities as laid out in the three-phase statewide plan. Using ESF funds would be appropriate for these one-time expenses.

Children's hospitals. HHSC needs the \$100 million in supplemental funding to cover the shortfall in children's hospitals. These hospitals rely on Medicaid funding and are the first line of critical care for children with conditions such as cancer, organ failures, and other chronic, life-threatening illnesses.

State-supported living centers. The \$7.2 million in supplemental funding to HHSC would ensure individuals with intellectual and developmental disabilities continued receiving services at state-supported living centers in settings that best suited their needs.

Women's health. Appropriations for the Healthy Texas Women program would be essential for covering increased caseloads.

Early childhood intervention. The \$3.5 million in supplemental funding to HHSC would help retain early childhood intervention (ECI) program providers and fund unanticipated caseload growth. The additional funding would ensure providers received stable payments and continued serving children statewide with disabilities or developmental delays.

Department of Family and Protective Services. The Department of Family and Protective Services needs supplemental appropriations to cover a shortfall in foster care, relative caregiver payments, and day care. Funds for these items have already been expended and should be promptly reimbursed.

Trauma infrastructure. The Department of State Health Services (DSHS) needs the supplemental funds to enhance trauma capacity in South Texas, the Beaumont area, rural hospitals statewide, and regional advisory councils. Trauma hospitals need continued state funding to ensure every Texan has access to lifesaving care.

Newborn screenings. DSHS needs the supplemental appropriations to ensure newborns are screened for X-ALD in a timely manner. Identifying and treating serious genetic disorders early can help prevent complications such as developmental delays, illness, or even death.

Public and Higher Education — Art. 3

Foundation School Program. The \$643.3 million in general revenue savings to the Foundation School Program reflects higher-than-anticipated growth in local school property values and lower-than-anticipated student enrollment.

Post-disaster school safety. The \$10.9 million appropriation from the ESF for post-disaster recovery would help Santa Fe ISD with expenses related to last year's school shooting. The money could be used for expenses undertaken by the district to remodel sections of the high school where the shooting occurred and improve building security features.

Making the high school more secure is critical to helping students and educators recover their sense of security after the deadly tragedy.

Retired teacher pensions. The general revenue appropriation for an additional contribution to the Teacher Retirement System pension fund for fiscal 2020-21 would improve funding for the system that serves Texas' retired school personnel. This appropriation would be among several steps the 86th Legislature is considering to improve the plan's long-term soundness. The use of ESF revenue for a "13th check" to retired school personnel, many of whom do not receive Social Security benefits, would be an appropriate one-time use of the fund.

Higher education research. The \$182.5 million appropriation to the Texas Research Incentive Program, which funds research at certain public universities, would fully fund the backlog of private donations eligible for matching funds from the state as the backlog existed in January 2019.

The Judiciary — Art. 4

Funds appropriated to the judiciary would cover increased requests for visiting judges to assist district courts and would address a shortfall in the fund that pays eligible district attorneys longevity pay.

Public Safety and Criminal Justice — Art. 5

Correctional managed health care, correctional officer overtime. The Texas Department of Criminal Justice (TDCJ) would receive \$160 million to cover costs that have exceeded appropriations for providing health care to offenders under the state's correctional managed health care program. TDCJ also would be reimbursed for overtime paid to correctional officers to staff the state's prisons.

DPS crime labs. The Texas Department of Public Safety (DPS) would receive \$5.8 million to cover a shortfall in funds needed to operate its crime labs. The shortfall is due to a fee that was not put into effect during fiscal 2018-19.

Natural Resources — Art. 6

Reduction. The bill would reduce the General Land Office (GLO) budget for fiscal 2018-19 to account for transfers from the GLO to Texas Department of Criminal Justice and to the Office of the Governor to assist with short-term housing needs following Hurricane Harvey.

Rio Grande River Compact. The bill would provide funding to cover litigation-related costs associated with the state's ongoing lawsuit against the state of New Mexico for equitable distribution of water from the Rio Grande.

Business and Economic Development — Art. 7

Transportation Infrastructure Fund. It is necessary to appropriate \$250 million to the Transportation Infrastructure Fund grant program to address the fiscal and public safety needs of counties affected by oversize and overweight truck traffic related to energy-sector operations. The current state of disrepair of county roads presents a safety issue to local communities, and traffic fatalities have increased drastically in areas of high oil and gas production.

This appropriation would be a good first step to complement county efforts to repair roads and would represent an investment in the oil and gas industry. The energy sector would have higher production levels if trucks could more easily and safely transport goods on county roads, meaning the state and counties would receive more severance tax revenues.

It would be appropriate to fund the grant program through the ESF, which is mainly funded by oil and gas severance tax revenues. The program has not been funded since 2013, so \$250 million would help immediately address these local needs.

Regulatory — Art. 8

Prescription Monitoring Program. The bill would provide necessary funds to give prescribers and dispensers more immediate access to critical tools that would make the state Prescription Monitoring Program more robust. The tools would include software to allow prescribers and dispensers to review a patient's controlled substance prescription history, including prescriptions issued by other medical professionals in Texas and other states, as well as related information. This information would reduce the likelihood of controlled substance abuse and support better clinical decisions about the appropriate treatment for patients.

OPPONENTS
SAY:

Although CSSB 500 would fund many required and disaster-related expenses, some of the expenditures might be unnecessary, and the Legislature should not stray from its commitment to fiscally responsible spending. The ESF should be used only for natural disaster response and recovery, economic downturns, or one-time expenses, and CSSB 500 would go beyond these uses in some cases.

Hurricane Harvey

Matching funds. Studies and projects of the Army Corps of Engineers that CSSB 500 would fund are still in the planning phase. It is unclear whether all the money appropriated for state matching funds for these projects would be needed.

Health and Human Services — Art. 2

Medicaid funding. Medicaid funding is growing at an unsustainable rate. More stringent cost containment measures are needed to make revenue available to address other priorities.

State supported living centers. The \$7.2 million for state-supported living centers (SSLCs) is unnecessary. Instead of funding the institutionalization of individuals, the Legislature should fund more community-based services such as community care waiver slots, which transition individuals with intellectual and developmental disabilities from

institutional settings, such as SSLCs, into community care programs.

Public and Higher Education — Art. 3

Retired teacher pensions. Money to pay retired educators a "13th check" would be better spent shoring up the underfunded pension system. Investing the money in the pension fund would help put it on a sustainable pathway and allow future legislatures to give retired school personnel a cost-of-living increase in their monthly pension payments.

Business and Economic Development — Art. 7

Transportation Infrastructure Fund. While CSSB 500 would be a step in the right direction, it would not go far enough in providing one-time funding for the county Transportation Infrastructure Fund grant program. The state should invest more than \$250 million from the ESF to the program because more than \$1 billion have been identified in current county needs for road repair projects in areas of high energy production.

County budgets, including oil and gas severance tax revenues, are not large enough to cover the costs of constructing and maintaining roadways, so if lawmakers do not appropriately fund the grant program, counties will have to raise property taxes and the cost of repairing county roads will continue to increase.