

BILL ANALYSIS

Senate Research Center

H.B. 7
By: Heflin (Bivins)
Finance
5/7/2003
Engrossed

DIGEST AND PURPOSE

Each legislative session, state agencies project the costs of fulfilling their functions and providing certain services for the following two-year period. This information, combined with the biennial estimate of revenues submitted to the governor and the legislature before the convening of each regular session, are key components to the construction of a General Appropriations Act. H.B. 7 makes adjustments in appropriations for Fiscal Year 2003 (September 1, 2002-August 31, 2003) to meet revised revenue forecasts.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

Sections 1 through 7 make supplemental appropriations and reductions in current appropriations, as follows:

SECTION 1. HEALTH AND HUMAN SERVICES COMMISSION: MEDICAID ACUTE CARE COSTS: Appropriates \$460,300,000.

SECTION 2. DEPARTMENT OF HEALTH: TEXAS HEALTH STEPS/MEDICAL TRANSPORTATION: Appropriates \$6,900,000.

SECTION 3. HEALTH AND HUMAN SERVICES COMMISSION: CHILDREN'S HEALTH INSURANCE PROGRAM: Appropriates \$26,400,000.

SECTION 4. DEPARTMENT OF HUMAN SERVICES: TEXAS INTEGRATED ELIGIBILITY REDESIGN SYSTEM: Appropriates \$26,400,000.

SECTION 5. TEXAS EDUCATION AGENCY: TECHNOLOGY ALLOTMENT: Appropriates \$116,000,000.

SECTION 6. OFFICE OF THE GOVERNOR: TEXAS ENTERPRISE FUND: Appropriates \$295,000,000.

SECTION 7. DEPARTMENT OF HUMAN SERVICES: DISASTER ASSISTANCE PAYMENTS: \$6,400,000.

SECTION 8. CERTAIN REDUCTIONS IN APPROPRIATIONS FOR THE STATE FISCAL YEAR ENDING AUGUST 31, 2003: Total aggregate reduction of \$889,463,601.

SECTION 9. REDUCTIONS FROM LEGISLATIVE AGENCIES. Requires the lieutenant governor and the speaker of the house of representatives jointly to identify the various Article X agencies and entities from which amounts are to be transferred and determine the amount reduced and transferred from each agency or entity, for purposes of Section 8(a)(190) of this Act.

SECTION 10. INFORMATIONAL SUMMARY. Provides that this section is for informational

purposes only. Provides that amounts reduced in Section 8 of this Act aggregate to a total reduction in appropriations from the general revenue fund and General Revenue Fund-Dedicated Accounts of \$1,592,636,995. Provides that amounts appropriated in Sections 1-7 of this Act total \$937,400,000.

SECTION 11. REFERENCES TO COMMISSION. Provides that for purposes of identifying appropriations made in Chapter 1515, Acts of the 77th Legislature, Regular Session, 2001, all references in this Act to the Building and Procurement Commission are considered to be references to the General Services Commission.

SECTION 12. AUTHORIZATIONS RELATED TO GENERAL APPROPRIATIONS ACT LIMITATIONS. (a) Provides that in order to make the reductions to general revenue appropriations made by Section 8(a)(161) of this Act, the Texas Workforce Commission is authorized to reduce appropriations related to Project RIO in an amount approved by the Legislative Budget Board, notwithstanding the requirement to maintain a certain funding level contained in Rider 18 following the appropriations to the Texas Workforce Commission, page VII-45, Chapter 1515, Acts of the 77th Legislature, Regular Session, 2001 (the General Appropriations Act), and the amounts reduced are available for general governmental purposes.

(b) Provides that in order to make the reductions to general revenue appropriations made by Section 8(a)(31) of this Act, the Department of Health is authorized to use a portion of funds, as approved by the Legislative Budget Board, deposited to Comptroller of Public Accounts Revenue Object 3963.

(c) Provides that in order to make the reductions to general revenue appropriations made by Section 8(a)(34) of this Act, the Department of Mental Health and Mental Retardation is authorized to reduce appropriations from general revenue funds for New Generation Medications in the amount of \$750,000, notwithstanding the requirement that funds appropriated for New Generation Medications may only be used for certain purposes contained in Rider 57, pages II-102 - II-103, Chapter 1515, Acts of the 77th Legislature, Regular Session, 2001 (the General Appropriations Act), and the amounts reduced are available for general governmental purposes.

(d) Provides that in order to make the reductions to general revenue appropriations made by Section 8(a)(34) of this Act, the Department of Mental Health and Mental Retardation is authorized to reduce appropriations from general revenue funds for long-term care waiver slots in the amount of \$9,708,248, notwithstanding the requirement that funds appropriated for long-term care waiver slots may only be used for certain purposes contained in Rider 22, pages II-126 - II-127, Chapter 1515, Acts of the 77th Legislature, Regular Session, 2001 (the General Appropriations Act), and the amounts reduced are available for general governmental purposes.

(e) Provides that in order to make the reductions to general revenue appropriations made by Section 8(a)(20) of this Act, the general revenue appropriations made to the Preservation Board in Rider 6, page I-75, Chapter 1515, Acts of the 77th Legislature, Regular Session, 2001 (the General Appropriations Act), are reduced in the amount of \$1,000,000, notwithstanding the contingency appropriation for the purpose of funding the operation of the State History Museum contained in Rider 6, page I-75 of the General Appropriations Act, and the amounts reduced are available for general governmental purposes.

(f) Provides that notwithstanding the requirements of Rider 2, page I-66, Chapter 1515, Acts of the 77th Legislature, Regular Session, 2001 (the General Appropriations Act), the amounts reduced and transferred by Section 8(f) of this Act are available for general governmental purposes.

SECTION 13. REFERENCES TO COMMISSION. Provides that for purposes of identifying appropriations made in Chapter 1515, Acts of the 77th Legislature, Regular Session, 2001 (the General Appropriations Act), all references in this Act to the Commission on Environmental

Quality are considered to be references to the Texas Natural Resource Conservation Commission.

SECTION 14. REFERENCES TO EXTENSION. Provides that for purposes of identifying appropriations made in Chapter 1515, Acts of the 77th Legislature, Regular Session, 2001 (the General Appropriations Act), all references in this Act to the Texas Cooperative Extension are considered to be references to the Texas Agricultural Extension Service.

SECTION 15. REDUCTION IN APPROPRIATIONS: SALE OF SURPLUS PROPERTY. (a) Provides that notwithstanding Section 8.04, page IX-67, Chapter 1515, Acts of the 77th Legislature, Regular Session, 2001 (the General Appropriations Act), all receipts from the sale of surplus property, equipment, livestock, commodities, or salvage pursuant to the provisions of Chapter 2175, Government Code, that are received by a state agency during the state fiscal year ending August 31, 2003, shall be deposited to undedicated general revenue, and the amounts deposited are available for general governmental purposes.

(b) Provides that this subsection is for informational purposes only. Provides that it is the intent of the legislature that implementation of this section of this Act must increase undedicated general revenue by \$2,500,000 in the state fiscal year ending August 31, 2003.

SECTION 16. ECONOMIC STABILIZATION FUND APPROPRIATIONS. Provides that Sections 1-3 and 6 of this Act take effect only if this Act receives the vote required by Article III, Section 49-g, Texas Constitution.

SECTION 17. EFFECTIVE DATE. Provides that this Act takes effect immediately as provided for a general appropriations act under Article III, Section 39, Texas Constitution.