

BILL ANALYSIS

Senate Research Center
80R21425 JRD-D

C.S.H.B. 15
By: Chisum, Farrar (Ogden)
Finance
5/21/2007
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Each legislative session, state agencies project the costs of fulfilling their functions and providing important services for the following two-year budget 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 -- and themselves are comprised of projections related to caseload, population, and enrollment growth, as well as other economic factors.

C.S.H.B. 15 makes adjustments in appropriations for various state agencies, including adjustments necessary to correct underreporting for group insurance enrollment, and reimburses agencies for unexpected expenses such as increased utility costs.

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. AUSTIN COMMUNITY COLLEGE: GROUP HEALTH INSURANCE. Provides that \$3,678,942 is appropriated out of the general revenue fund for the two-year period beginning on the effective date of this Act (appropriated out of the general revenue fund) to Austin Community College in addition to amounts previously appropriated for the state fiscal biennium ending August 31, 2007 (in addition to amounts previously appropriated), for the purpose of correcting the institution's underreporting of its state-funded group health insurance enrollment for fiscal years 2006 and 2007.

SECTION 2. SOUTH PLAINS COLLEGE: GROUP HEALTH INSURANCE. Provides that \$1,424,764 is appropriated out of the general revenue fund to South Plains College, in addition to amounts previously appropriated, for the purpose of correcting the institution's underreporting of its state-funded group health insurance enrollment for fiscal years 2006 and 2007.

SECTION 3. TEXAS DEPARTMENT OF CRIMINAL JUSTICE: OPERATIONS. Provides that \$47,000,000 is appropriated out of the general revenue fund to the Texas Department of Criminal Justice, in addition to amounts previously appropriated, for the purpose of providing for salaries and wages, hazardous duty and longevity pay, overtime pay, contractual rate adjustments, utilities, and fuel.

SECTION 4. TEXAS DEPARTMENT OF CRIMINAL JUSTICE: CORRECTIONAL MANAGED HEALTH CARE. Provides that \$12,940,619 is appropriated out of the general revenue fund to the Texas Department of Criminal Justice, in addition to amounts previously appropriated, for the purpose of providing for correctional managed health care.

SECTION 5. TEXAS MEDICAL BOARD: OPERATIONS. (a) Provides that \$1,222,827 is appropriated out of the general revenue fund to the Texas Medical Board, in addition to amounts previously appropriated, for the purpose of repaying the Governor's Emergency and Deficiency Grant awarded in fiscal year 2006 and for providing for agency operating expenses for licensing and enforcement.

(b) Provides that \$600,248 is appropriated out of the general revenue fund to the Texas Medical Board, in addition to amounts previously appropriated, for the purpose of providing for agency operating expenses for licensing and enforcement.

(c) Authorizes the board, in addition to the number of full-time equivalent (FTE) employees previously authorized during the state fiscal year ending August 31, 2007 (previously authorized), to employ an additional six FTEs during that period.

SECTION 6. TEXAS DEPARTMENT OF LICENSING AND REGULATION: COSTS RELATED TO FORMER COSMETOLOGY COMMISSION AND BOARD OF BARBER EXAMINERS. (a) Provides that \$463,202 is appropriated out of the general revenue fund to the Texas Department of Licensing and Regulation, in addition to amounts previously appropriated, for the purpose of paying the unanticipated costs of relocating the functions and operations, as well as paying obligations and any accrued interest, of the former Cosmetology Commission and the former Board of Barber Examiners.

(b) Provides that this subsection applies with respect to the obligation to pay for goods or services received before August 31, 2005, by the former Cosmetology Commission or the former Board of Barber Examiners. Prohibits a claim for payment or reimbursement for goods and services to which this subsection applies from being paid from money appropriated by Subsection (a) of this section until the claim is verified and substantiated by the executive director of the Texas Department of Licensing and Regulation and until it is subsequently approved by the attorney general and the comptroller of public accounts (comptroller). Requires these approvals to occur before August 31, 2008.

SECTION 7. TEXAS BUILDING AND PROCUREMENT COMMISSION: RENOVATION AND REPAIRS TO SAM HOUSTON BUILDING. Provides that \$3,000,000 is appropriated out of the general revenue fund to the Texas Building and Procurement Commission, in addition to amounts previously appropriated, for the purpose of making renovations and repairs to the Sam Houston Building.

SECTION 8. TEXAS BUILDING AND PROCUREMENT COMMISSION: UTILITIES. Provides that \$2,847,069 is appropriated out of the general revenue fund to the Texas Building and Procurement Commission, in addition to amounts previously appropriated, for the purpose of making utility payments.

SECTION 9. TEXAS SOUTHERN UNIVERSITY: CONTINGENCY APPROPRIATION FOR DEFERRED MAINTENANCE AND OTHER EXPENSES. (a) Provides that \$13,645,120 is appropriated out of the general revenue fund to Texas Southern University, subject to Subsection (b) of this section and in addition to amounts previously appropriated, for the purpose of providing deferred maintenance, paying outstanding expenses, making emergency maintenance repairs, paying contract deficits, paying audit and legal costs, providing funding for summer school, and providing funding for the TSU/HISD Charter School.

(b) Provides that the appropriation made by Subsection (a) of this section is contingent on the occurrence of either the enactment and becoming law of S.B. 2039 or similar legislation by the 80th Legislature, Regular Session, 2007, or the appointment of a conservator for Texas Southern University under Chapter 2104 (Conservatorship as a Result of Fiscal Mismanagement), Government Code.

SECTION 10. TEXAS SOUTHERN UNIVERSITY: CONTINGENCY APPROPRIATION FOR ACADEMIC DEVELOPMENT INITIATIVE. (a) Provides that \$12,500,000 is appropriated for the state fiscal year ending August 31, 2008, and \$12,500,000 and any unexpended balance of the amount appropriated for the state fiscal year ending August 31, 2008, is appropriated for the state fiscal year ending August 31, 2009, out of the general revenue fund to Texas Southern University, subject to Subsection (b) of this section and in addition to amounts previously appropriated, for the Academic Development Initiative.

(b) Provides that the appropriation made by Subsection (a) of this section is contingent on the occurrence of either the enactment and becoming law of S.B. 2039 or similar

legislation by the 80th Legislature, Regular Session, 2007, or the appointment of a conservator for Texas Southern University under Chapter 2104, Government Code.

(c) Requires that the amounts appropriated by Subsection (a) of this section be used for proven academic success programs, existing graduate programs, undergraduate education, and initiatives to target enrollment growth.

(d) Requires the university to submit a report describing the use of the funds appropriated by Subsection (a) of this section that states the goals to be achieved through use of the funds and establishes timelines and milestones for showing progress in meeting the goals to the Texas Southern University Board of Regents the Texas Higher Education Coordinating Board, the Legislative Budget Board (LBB), and the governor, not later than November 1 of each fiscal year. Requires the report to include proposed actions to be taken in the event a milestone is not met.

SECTION 11. TEXAS FOREST SERVICE: REIMBURSEMENT FOR WILDFIRE COSTS. Provides that \$44,730,767 is appropriated out of the general revenue fund to the Texas Forest Service, in addition to amounts previously appropriated, for the purpose of providing reimbursement for costs related to wildfire.

SECTION 12. UNIVERSITY OF HOUSTON: TEXAS FORENSIC SCIENCE COMMISSION EXPENSES. (a) Provides that \$45,000 is appropriated out of the general revenue fund to the University of Houston, in addition to amounts previously appropriated, for the purpose of paying salary, office, and travel expenses of the Texas Forensic Science Commission under Article 38.01 (Texas Forensic Science Commission), Code of Criminal Procedure.

(b) Authorizes the Texas Forensic Science Commission to employ one FTE from money appropriated in Subsection (a) of this section during the period covered by that appropriation.

SECTION 13. ADJUTANT GENERAL'S DEPARTMENT: OPERATIONS. Provides that \$1,681,615 is appropriated out of the general revenue fund to the Adjutant General's Department, in addition to amounts previously appropriated, for the purpose of paying salaries and wages and providing for maintenance and operations.

SECTION 14. RESTORATION OF REDUCTIONS RELATED TO COMMERCIAL AIR TRAVEL. Provides that the amounts of \$2,595 to the Structural Pest Control Board, \$33,370 to the School for the Blind and Visually Impaired, \$139,207 to the School for the Deaf, and \$3,383 to the 11th Court of Appeals, Eastland, are to be appropriated out of the general revenue fund, in addition to amounts previously appropriated to those entities, for the purpose of restoring reductions in appropriations for commercial air travel made pursuant to Section 5.09 (Expenditures for Commercial Air Travel), Article IX, Chapter 1369, Acts of the 79th Legislature, Regular Session, 2005 (the General Appropriations Act).

SECTION 15. SUPREME COURT: MULTI-DISTRICT LITIGATION. Provides that \$50,747 is appropriated out of the general revenue fund to the Supreme Court of Texas, in addition to amounts previously appropriated, for the purpose of providing grants to appellate courts for additional court staff to handle multi-district litigation cases, such as cases related to asbestosis or silicosis, appealed from the trial courts.

SECTION 16. HEALTH AND HUMAN SERVICES COMMISSION: PRIVATE HOSPITAL UPPER PAYMENT LIMIT PROGRAM; TRANSFER FROM TEXAS TECH HEALTH SCIENCES CENTER. (a) Requires the Texas Tech University Health Sciences Center to transfer an amount of non-Medicaid state-appropriated funds, not to exceed \$4,500,000, to the Health and Human Services Commission (HHSC) during the state fiscal biennium ending August 31, 2007. Requires the comptroller, in consultation with HHSC, to determine the time or times of the transfer. Requires HHSC, in consultation with the LBB, the comptroller, and the health sciences center, to determine the amount of the transfer based on achieving the optimal match of available federal funds.

(b) Authorizes HHSC to expend amounts transferred under Subsection (a) of this section during the two-year period beginning on the date of the transfer for the state contribution under the private hospital upper payment limit program.

SECTION 17. HEALTH AND HUMAN SERVICES COMMISSION: TRANSFER OF FUNDS APPROPRIATED FOR CHIP SERVICES. Authorizes HHSC, without the necessity of prior approval by another officer and entity and notwithstanding any provision of another Act making appropriations to the contrary, to transfer funds appropriated to HHSC under Goal C: CHIP Services by Chapter 1369, Acts of the 79th Legislature, Regular Session, 2005 (page II-70, General Appropriations Act), to other goals and strategies as necessary to efficiently and effectively comply with the provisions of this Act.

SECTION 18. HEALTH AND HUMAN SERVICES COMMISSION: STAFFING AND CAPITAL BUDGET AUTHORITY IN LIEU OF CONTRACTED RESPONSIBILITIES. (a) Authorizes the executive commissioner of HHSC (executive commissioner) to adjust the FTE limitation, prescribed by any Act making an appropriation, of a state agency determined by the executive commissioner to potentially perform a service performed as of the effective date of this Act more effectively than by a contracted entity to the extent necessary to ensure the successful assumption of such contracted duties, notwithstanding any other provision in this Act or another Act making an appropriation and provided that HHSC has made corresponding adjustments in the scope of duties and responsibilities under the affected contract. Requires HHSC to make corresponding adjustments in the scope of duties and responsibilities in the affected contract. Requires HHSC to notify the LBB and the governor at least 10 days prior to adjusting the budgeted FTE levels. Requires the executive commissioner to report on a quarterly basis, beginning December 1, 2007, to the LBB and the governor regarding the number of eligibility and related support staff and certain related costs, if HHSC increases agency staffing as a result of the executive commissioner's determination under this section.

(b) Authorizes HHSC, if the executive commissioner determines that a state agency would be more effective in performing a service performed as of the effective date of this Act, to exceed the capital budget authority limitations provided elsewhere in this Act making an appropriation to the extent necessary to acquire hardware, software, and office space to support any assumed contracted duties and responsibilities, notwithstanding any other provision in an Act making an appropriation and provided that HHSC has made corresponding adjustments in the scope of duties and responsibilities under the affected contract. Requires HHSC to make corresponding adjustments in the scope of the affected contract. Requires the executive commissioner to notify LBB and the governor at least 10 days prior to acquiring capital equipment and to include such acquisitions in required financial reports to the LBB and the governor, if an increase in a capital project occurs.

(c) Provides that this section applies in relation to HHSC for the two-year period beginning on the effective date of this Act.

SECTION 19. HEALTH AND HUMAN SERVICES COMMISSION: GENERAL SUPPLEMENTAL APPROPRIATIONS. Provides that \$110,000,000 is appropriated out of the general revenue fund to HHSC in addition to amounts previously appropriated. Authorizes the amounts appropriated by this section to be expended by HHSC or transferred by HHSC to a health and human serves agency for expenditure for any purpose for which HHSC or health and human services agency received an appropriation under Chapter 1369, Acts of the 79th Legislature, Regular Session, 2005 (General Appropriations Act).

SECTION 20 . HEALTH AND HUMAN SERVICES COMMISSION AND HEALTH AND HUMAN SERVICES AGENCIES: *FREW V. HAWKINS* COMPLIANCE. (a) Provides that this section provides direction, information, transfer authority, capital budget authority, and FTE authority in relation to the *Frew v. Hawkins* lawsuit regarding amounts described by this section that are appropriated by any Act of the 80th Legislature, Regular Session, 2007. Provides that this section does not of itself make an appropriation.

(b) Defines "appropriating act," "executive commissioner," "*Frew v. Hawkins*," "health and human services agency," and "joint motion."

(c) Authorizes the use of \$1,779.9 million in All Funds, including \$706.7 million in general revenue, appropriated by any appropriating Act to HHSC to improve access to medically necessary services for members of the plaintiff class in that lawsuit and to ensure compliance with the Consent Decree and judicially-approved Corrective Action Plans (Corrective Action Plans) in that lawsuit during the state fiscal biennium ending August 31, 2009, contingent on applicable approval by the federal judiciary and pursuant to the joint motion in *Frew v. Hawkins*. Authorizes the executive commissioner to transfer amounts appropriated to HHSC or to a health and human services agency by any appropriated act in a cumulative amount not to exceed the amounts described in this subsection, within and among HHSC and the health and human service agencies as necessary to accomplish the purposes described by this subsection, notwithstanding any limitation on transfer authority prescribed by any appropriating Act.

(d) Requires the executive commissioner to develop a plan consistent with Subsection (c) of this section that details the proposed expenditure of funds under this section in a manner that addresses the requirements of the Consent Decree, the Joint Motion, and the Corrective Action Plans in *Frew v. Hawkins*, to the extent those Corrective Action Plans supersede the Joint Motion. Requires that all expenditures by HHSC or a health and human services agency that address the requirements of the Consent Decree, the Joint Motion, and the Corrective Action Plans in *Frew v. Hawkins* be made pursuant to the plan or a plan amendment. Requires the executive commissioner to submit the plan to the LBB and the governor not later than September 1, 2007, or as soon thereafter as practical following judicial approval of the Corrective Action Plans. Authorizes the executive commissioner to develop amendments to the plan as necessary and requires the executive commissioner to submit any amendments to the plan to the LBB and the governor. Prohibits expenditures to the plan or any plan amendment from being made without the prior approval of the governor and the LBB in accordance with Section 69 (Prior Approval of Expenditure or Emergency Transfer or Appropriated Funds), Article XVI, Texas Constitution.

(e) Authorizes the use of the amounts described by this section for the following purposes of *Frew v. Hawkins* compliance to the extent not otherwise superseded by the Corrective Action Plans.

(1) Provides that \$511.3 million in All funds, including \$203 million in General Revenue, is used to provide a 25 percent increase in physician and other professional reimbursement rates for services to children enrolled in the medical assistance program and covered by the Joint Motion.

(2) Provides that \$661.6 million in All Funds, including \$258.7 million in General Revenue, is used to provide a 50 percent increase in dental reimbursement rates for services to children enrolled in the medical assistance program and covered by the Joint Motion.

(3) Provides that \$125.9 million in All Funds, including \$50 million in General Revenue, is used to provide a targeted rate increase for certain specialists for services to children enrolled in the medical assistance program and covered by the Joint Motion.

(4) Provides that \$150 million in General Revenue is used to provide strategic dental and medical initiatives concerning services to children enrolled in the medical assistance program and covered by the Joint Motion, which may include but is not limited to mobile medical and dental vans and operations in underserved areas of the state, commencing with health and human services Region 11; stipends or other incentives that qualify for federal financial participation to health care professionals who provide health care services in an underserved area to children enrolled in the medical assistance program; targeted rate adjustments not otherwise included above that further improve access for children enrolled in the medical assistance program; improvements in medical transportation; improvements such as the Medicaid Access Card that simplify access to medically necessary services and enhance scheduling and notification of

required check-ups and follow-up care; appropriate efforts to provide specialty services in or near underserved areas, such as provided for regular, periodic clinics by specialists in communities that are closer to underserved areas than the specialists' regular offices; and other appropriate strategic initiatives to improve the access to medically necessary services in underserved areas of the state for children enrolled in the medical assistance program and covered by the joint motion.

(5) Provides that \$113.4 million in All Funds, including \$45 million in General Revenue, is used for implementation of the Corrective Action Plans.

(6) Provides for reasonable variances in utilization or cost estimates of the Corrective Action Plans.

(f) Authorizes the executive commissioner to adjust staffing levels and to acquire capital items to the extent the executive commissioner determines necessary to ensure compliance with the Corrective Action Plans, subject to the requirements that staffing and capital equipment needs be described in adequate detail in the plan submitted by the executive commissioner pursuant to Subsection (d) of this section, to the extent such needs are known at the time the plan is submitted, and that the executive commissioner amends the plan and to the extent that such needs are not known and notifies the LBB and the office of the governor not later than the 30th day following the date the executive commissioner determines that additional staffing and capital items are required and the 10th day before the date the number of FTEs are adjusted or capital equipment is acquired in a manner that differs from the original plan or an earlier amendment to the plan.

SECTION 21. DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES: CPS REFORM. (a) Provides that \$1,502,423 is appropriated out of the general revenue fund, and \$2,214,557 in federal TANF funds is appropriated, to DFPS, in addition to amounts previously appropriated, to initiate child protective services reforms relating to family group decision-making, in-home family support, redaction of adoption records, improvement of court services, tablet personal computers for conservatorship workers, and centralization of background and criminal history checks.

(b) Authorizes DFPS to employ an additional 117 FTEs in addition to the number of FTEs previously appropriated for the state fiscal biennium ending August 31, 2007.

(c) Authorizes DFPS to use an additional \$2,033,837 in capital budget authority for programming expenses associated with providing tablet personal computers for conservatorship workers, child-care licensing staff, and residential child-care licensing staff, in addition to the capital budget authority previously granted for the fiscal biennium ending August 31, 2007.

SECTION 22. DEPARTMENT OF AGING AND DISABILITY SERVICES: RESTORATION OF COMMUNITY CARE PROVIDER RATES TO FISCAL YEAR 2003 LEVELS. Provides that \$10,814,194 is appropriated out of the general revenue fund, and \$16,422,160 in federal funds is appropriated, to DADS, in addition to amounts previously appropriated, for the purpose of restoring provider rates to fiscal year 2003 levels in certain programs and in intermediate care facilities for the mentally retarded. Requires the adjustment to provider rates for such services to be effective January 1, 2007.

SECTION 23. DEPARTMENT OF STATE HEALTH SERVICES: ANTIVIRALS FOR INFLUENZA PANDEMIC. Provides that \$11,000,000 is appropriated out of the general revenue fund to the Department of State Health Services (DSHS), in addition to amounts previously appropriated, for the purpose of purchasing antiviral drugs for use in the event of an influenza pandemic.

SECTION 24. COMPTROLLER OF PUBLIC ACCOUNTS: SUPPORT FOR TAX ADMINISTRATION DUTIES AND STATEWIDE FISCAL RESPONSIBILITIES. Provides that, in addition to other amounts appropriated for the state fiscal biennium ending August 31,

2009, \$4,100,000 is appropriated out of the general revenue fund for the state fiscal biennium ending August 31, 2009, to the comptroller, in addition to amounts previously appropriated, for the purpose of supporting the comptroller's tax administration duties and statewide fiscal responsibilities.

SECTION 25. GENERAL LAND OFFICE AND VETERANS' LAND BOARD: DERELICT STRUCTURE REMOVAL. Provides that \$2,000,000 is appropriated out of the general revenue-dedicated costal protection account No. 27 to the General Land Office and Veterans' Land Board, in addition to amounts previously appropriated, for the purpose of removing and disposing of the Zeus jack rig, and off-shore oil platform abandoned in the Freeport Channel.

SECTION 26. SECRETARY OF STATE: COSTS OF MAY 12 CONSTITUTIONAL AMENDMENT ELECTION. Provides that \$5,000,000 is appropriated out of the general revenue fund to the secretary of state, in addition to amounts previously appropriated, for the purpose of reimbursing each county in this state for the expense incurred by the county in conducting the election held on May 12, 2007, at which a proposed amendment to the Texas Constitution was on the ballot.

SECTION 27. TEXAS COMMISSION ON ENVIRONMENTAL QUALITY: HELOTES FIRE. Provides that \$2,800,000 is appropriated out of the general revenue-dedicated solid waste disposal fees account No. 5000 to the Texas Commission on Environmental Quality, in addition to amounts previously appropriated, for the purpose of supporting efforts to extinguish the fire in or near the city of Helotes on property owned by H.L. Zumwalt Construction, Inc., that poses a potential threat to Edwards Aquifer groundwater.

SECTION 28. TEXAS YOUTH COMMISSION: OPERATING EXPENSES. Provides that \$20,000,000 is appropriated out of the general revenue fund to the Texas Youth Commission (TYC) in addition to amounts previously appropriated, for the purpose of providing for the agency's operating expenses and vide surveillance needs. Authorizes TYC to expend the amount necessary from the appropriation made by this section to acquire needed surveillance equipment, notwithstanding any limitation on the capital budget authority of TYC.

SECTION 29. DATA CENTER SERVICES. (a) Provides that the following amounts are appropriated from the general revenue fund, unless otherwise noted, for the state fiscal biennium ending August 31, 2009, to the following agencies for the purpose of making payments for data center services: (1) \$154,354 to the Railroad Commission of Texas; (2) \$1,124,521 from the general revenue fund and an additional \$4,856,648 appropriated out of general revenue dedicated amounts to the Texas Commission on Environmental Quality; (3) \$381,705 from the general revenue fund, an additional \$17,699 from general revenue dedicated amounts, and \$1,937,066 in federal funds is appropriated to the Texas Workforce Commission; (4) \$958,928 from the state highway fund to the Texas Department of Transportation; (5) \$2,734,431 from general revenue dedicated amounts to the Parks and Wildlife Department; (6) \$339,523 to the Texas State Library and Archives Commission; (7) \$773,164 to the secretary of state; (8) \$1,295,979 from the general revenue fund, \$136,277 from other appropriated funds, and \$778,098 from federal funds is appropriated to the Texas Education Agency; (9) \$552,478 from the general revenue fund, \$590,858 from other appropriated funds, and \$10,995 from federal funds is appropriated to the Texas Higher Education Coordinating Board; (10) \$519,429 to the Public Utility Commission of Texas; (11) \$78,920 to the General Land Office; (12) \$1,929,901 to the Office of the Attorney General; (13) \$329,626 to the Texas Alcoholic Beverage Commission; (14) \$147,631 to the Texas Department of Licensing and Regulation; (15) \$2,466,681 to the Texas Water Development Board; and (16) \$839,500 to the Texas Youth Commission.

(b) Provides that \$8,081,368 is appropriated out of the general revenue fund to the Department of Information Resources (DIR) for the purpose of transferring funds to state agencies as necessary for use by the agencies in making payments for data center services.

(c) Provides that \$32,335,000 is appropriated, in addition to the amounts previously appropriated for the state fiscal biennium ending August 31, 2007, for the two-year period beginning on the effective date of this Act, and \$34,385,000, is appropriated, in addition to the amounts previously appropriated for the state fiscal biennium ending

August 31, 2008, and that \$9,935,000 is appropriated for the state fiscal year ending August 31, 2009, to DIR for the purpose of paying one-time costs related to the data services contract.

(d) Provides that appropriations out of the general revenue fund are reduced by \$221,782, that appropriations out of general revenue dedicated accounts are reduced by \$58,608, and appropriations out of other funds are reduced by \$88,412, to the Employees Retirement System for the state fiscal year ending August 31, 2007, for the purpose of reflecting decreased retirement program costs due to the implementation of Chapter 1068, Acts of the 79th Legislature, Regular Session, 2005 (H.B. 1516, regarding DIR's management of state electronic services).

(e) Provides that appropriations out of the general revenue fund are reduced by \$487,921, that appropriations out of general revenue dedicated accounts are reduced by \$128,937, and appropriations out of other funds are reduced by \$194,507, to the Employees Retirement System for the state fiscal year ending August 31, 2007, for the purpose of reflecting decreased insurance program costs due to the implementation of Chapter 1068, Acts of the 79th Legislature, Regular Session, 2005 (H.B. 1516, regarding DIR's management of state electronic services).

(f) Provides that appropriations out of the general revenue fund are reduced by \$263,044, that appropriations out of general revenue dedicated accounts are reduced by \$69,511, and appropriations out of other funds are reduced by \$104,861, to the comptroller for the state fiscal year ending August 31, 2007, for the purpose of reflecting decreased social security costs due to the implementation of Chapter 1068, Acts of the 79th Legislature, Regular Session, 2005 (H.B. 1516, regarding DIR's management of state electronic services).

(g) Provides that appropriations out of the general revenue fund are reduced by \$140,729, that appropriations out of general revenue dedicated accounts are reduced by \$37,189, and appropriations out of other funds are reduced by \$56,101, for appropriations to the comptroller as provided by Section 13.17(b), Article IX, Chapter 1369, Acts of the 79th Legislature, Regular Session, 2005 (the General Appropriations Act) for the state fiscal year ending August 31, 2007, for the purpose of reflecting decreased salary costs due to the implementation of Chapter 1068, Acts of the 79th Legislature, Regular Session, 2005 (H.B. 1516, regarding DIR's management of state electronic services).

(h) Provides that appropriations out of the general revenue fund are reduced by \$912,610, that appropriations out of general revenue dedicated accounts are reduced by \$1,153,023, to the Texas Department of Insurance for the state fiscal year ending August 31, 2007, for the purpose of reflecting decreased costs due to the implementation of Chapter 1068, Acts of the 79th Legislature, Regular Session, 2005 (H.B. 1516, regarding DIR's management of state electronic services).

(i) Provides that appropriations out of the general revenue fund are reduced by \$2,192,309, that appropriations out of general revenue dedicated accounts are reduced by \$371,007, to DFPS for the state fiscal year ending August 31, 2007, for the purpose of reflecting decreased costs due to the implementation of Chapter 1068, Acts of the 79th Legislature, Regular Session, 2005 (H.B. 1516, regarding DIR's management of state electronic services).

(j) Provides that appropriations out of the general revenue fund are reduced by \$83,250, that appropriations out of general revenue dedicated accounts are reduced by \$141,750, to the Department of Public Safety for the state fiscal year ending August 31, 2007, for the purpose of reflecting decreased costs due to the implementation of Chapter 1068, Acts of the 79th Legislature, Regular Session, 2005 (H.B. 1516, regarding DIR's management of state electronic services).

(k) Provides that appropriations out of the general revenue fund are reduced by \$844,083, that appropriations out of general revenue dedicated accounts are reduced by \$34,450, and appropriations out of other funds are reduced by \$289,273, for

appropriations to the Texas Building and Procurement Commission for the state fiscal year ending August 31, 2007, for the purpose of reflecting decreased salary costs due to the implementation of Chapter 1068, Acts of the 79th Legislature, Regular Session, 2005 (H.B. 1516, regarding DIR's management of state electronic services).

(l) Provides that appropriations out of the general revenue fund are reduced by \$105,478, to the Department of Agriculture for the state fiscal year ending August 31, 2007, for the purpose of reflecting decreased salary costs due to the implementation of Chapter 1068, Acts of the 79th Legislature, Regular Session, 2005 (H.B. 1516, regarding DIR's management of state electronic services).

(m) Requires the comptroller, with the assistance of the agency affected by this section and that is under circumstances in which more than one of the agency's general revenue dedicated accounts or source of other funds is involved, to allocate the appropriation or reduction in appropriations among the dedicated amounts or sources of other funds according to the amounts available in the affected accounts or from the sources of other funds and the extent to which the programs supported by the dedicated accounts or sources of other funds are supported by the appropriations, or supported by the implementation of H.B. 1516 in case of a reduction in appropriations.

(n)(1) Authorizes the use of amounts appropriated by Subsection (c) of this section only for one-time implementation costs directly related to consolidating data center services, such as costs for labor, hardware, software, software supplies, travel, human resources expenses, moving and living expenses of transitioned employees, consulting, communications, inventory of in-scope equipment, and facilities renovations to consolidated data centers, customer data centers, and customer remote facilities.

(2) Authorizes the transfer of amounts appropriated by Subsection (c) by DIR, as necessary to maximize the receipt of federal funds, to state agencies involved in the data center contract for use by the agencies only for the purpose stated by Subsection (c) of this section and this subsection. Provides that amounts approached by Subsection (c) of this section are not available for any purpose other than the purpose stated by Subsection (c) and this subsection, notwithstanding any authority granted by this Act or a General Appropriations Act to transfer appropriated money between strategies.

(3) Prohibits DIR from spending amounts appropriated by Subsection (c) of this section and an agency to which DIR transfers money under this subsection from spending a transferred amount unless DIR reports the intended use of the funds and, for money transferred to another agency under this subsection, the specific amounts to be transferred, to the LBB and the governor more than 21 days before DIR spends or transfers the money, as applicable. Prohibits amounts appropriated by Subsection (c) of this section from being expended to the extent that the governor issues a written disapproval of a proposed expenditure not later than the 21st business day after the date the governor receives the report from DIR concerning the proposed expenditure or that the LBB issues a written disapproval of a proposed expenditure not later than the 21st business day after the date the LBB concludes its review of the report from DIR concerning the proposed expenditure and forwards LBB's conclusions or comments to the chair of the House Appropriations Committee, the chair of the Senate Finance Committee, the speaker of the house of representatives, and the lieutenant governor.

(4) Prohibits the use of amounts appropriated by Subsection (c) of this section by DIR or another agency to pay for costs incurred by DIR to administer and oversee the data center services contract.

SECTION 30. PREVIOUSLY AUTHORIZED DEFERRALS OF AUGUST 2007 PAYMENTS. (a) Repealer: Rider 66 (Home and Community-Based Services (HCS) Waiver Program), following the appropriations to the HHSC, Rider 21 (Payment of August 2007 Payments for MR Community Services), following the appropriations to DADS; (3) Rider 48

(Payment of August 2007 Payments), following the appropriations to DADS; (4) Rider 25 (Payment of August 2007 Foster Care Payments), following the appropriations to DFPS.

(b) Provides that the unencumbered amount of \$122,701,559 in general revenue appropriated to HHSC for the state fiscal biennium ending August 31, 2007, is transferred to DADS for expenditure by DADS during the state fiscal year ending August 31, 2007, or if appropriate, during the state fiscal year ending August 31, 2008, in connection with making payments for August 2007 services, and that unencumbered amounts of \$12,792,244 in general revenue and \$8,971,488 in federal TANF funds appropriated to HHSC are transferred to DFPS for expenditure by DFPS during the state fiscal year ending August 31, 2007, or if appropriate, during the state fiscal year ending August 31, 2008, in making payments for August 2007 services.

SECTION 31. TRANSFERS TO DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES FOR VOCATIONAL REHABILITATION. Provides that the unencumbered amount of \$1,541,628 in general revenue appropriated to HHSC for the state fiscal biennium ending August 31, 2007, is transferred to the Department of Assistive and Rehabilitative Services for expenditure by the department during the two-year period beginning on the effective date of this Act for vocational rehabilitation.

SECTION 32. TRANSFERS TO DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES FOR SUPPLEMENTAL NEEDS. Provides that the unencumbered amount of \$13,047,000 in general revenue appropriated to HHSC for the state fiscal biennium ending August 31, 2007, together with the amount of \$17,883,615 in federal TANF funds appropriated to HHSC for that biennium, are transferred to DFPS for expenditure by DFPS for the purpose of making foster care and adoption subsidy payments.

SECTION 33. APPROPRIATION REDUCTION: TEACHER RETIREMENT SYSTEM, TRS-CARE. Provides that the unencumbered appropriations from the general revenue fund appropriated to the Teacher Retirement System (TRS) for use during the state fiscal year ending August 31, 2007, by Chapter 1369, Acts of the 79th Legislature, Regular Session, 2005 (the General Appropriations Act) under Strategy A.3.1. for TRS (Retiree Health - Supplemental Funds) are reduced by the amount of \$76,644,468.

SECTION 34. REDUCTION IN VETOED FUNDS APPROPRIATION. Provides that the appropriations made from general revenue by Section 13.18 (Appropriation of Any Vetoed Funds), Article IX, Chapter 1369, Acts of the 79th Legislature, Regular Session, 2005 (the General Appropriations Act), are reduced by the amount of \$463,973,206.

SECTION 35. EFFECTIVE DATE. Effective date: immediately.