

**A BILL TO BE ENTITLED
AN ACT**

appropriating money for the support of the Judicial, Executive, and Legislative Branches of the State government, for the construction of State buildings, and for State aid to public junior colleges, for the period beginning September 1, 2009, and ending August 31, 2011; authorizing and prescribing conditions, limitations, rules, and procedures for allocating and expending the appropriated funds; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE I

GENERAL GOVERNMENT

Sec. 1. The several sums of money herein specified, or so much thereby as may be necessary, are appropriated out of any funds in the State Treasury not otherwise appropriated, or out of special funds as indicated, for the support, maintenance, or improvement of the designated agencies of general government.

COMMISSION ON THE ARTS

	For the Years Ending August 31, 2010	August 31, 2011
	<u> </u>	<u> </u>
Method of Financing: ¹		
General Revenue Fund	\$ 1,024,769	\$ 309,678
GR Dedicated - Commission on the Arts Operating Account No. 334 ²	7,098,221	2,381,016
Federal Funds	884,450	884,450
<u>Other Funds</u>		
Appropriated Receipts	152,000	152,000
Interagency Contracts	980,000	980,000
Subtotal, Other Funds	<u>\$ 1,132,000</u>	<u>\$ 1,132,000</u>
Total, Method of Financing	<u>\$ 10,139,440</u>	<u>\$ 4,707,144</u>
 This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	18.0	18.0
Schedule of Exempt Positions:		
Executive Director, Group 2	\$85,250	\$85,250
Items of Appropriation:		
A. Goal: ARTS AND CULTURAL GRANTS		
Provide and Support Arts and Cultural Grants.		
A.1.1. Strategy: ARTS ORGANIZATION GRANTS²	\$ 7,532,296	\$ 2,100,000
A.1.2. Strategy: ARTS EDUCATION GRANTS	\$ 811,185	\$ 810,285
A.1.3. Strategy: DIRECT ADMINISTRATION	<u>\$ 711,792</u>	<u>\$ 712,102</u>
Total, Goal A: ARTS AND CULTURAL GRANTS	<u>\$ 9,055,273</u>	<u>\$ 3,622,387</u>

¹ Appropriations identified herein do not include American Recovery and Reinvestment Act (ARRA) funds; please see Article XII of this Act for those appropriations. For this agency Article XII includes a Federal Funds increase of \$1,427,300 in FY 2010 resulting in a net All Funds appropriation of \$11,566,740 in FY 2010.

² Incorporates Article IX, § 17.51, of this Act, due to the enactment of HB 2242, 81st Legislature, Regular Session, relating to the abolition of the Texas Cultural Endowment Fund, resulting in an increase in General Revenue Dedicated – Commission on the Arts Operating Account No. 334 of \$5,432,296 in FY 2010 for the Arts Create grant program.

COMMISSION ON THE ARTS
(Continued)

B. Goal: PROMOTION AND PARTICIPATION

Promote Participation in Arts & Cultural Events.

B.1.1. Strategy: CULTURAL TOURISM	\$ 203,800	\$ 203,800
Promote Arts and Cultural Events to Attract Tourists.		
B.1.2. Strategy: MARKETING AND FUNDRAISING	\$ 273,766	\$ 273,766
Market Arts & Cultural Events; Raise Private Funds for Agency Programs.		
B.1.3. Strategy: DIRECT ADMINISTRATION	<u>\$ 94,195</u>	<u>\$ 94,435</u>
Total, Goal B: PROMOTION AND PARTICIPATION	<u>\$ 571,761</u>	<u>\$ 572,001</u>

C. Goal: INDIRECT ADMINISTRATION

C.1.1. Strategy: CENTRAL ADMINISTRATION	\$ 390,216	\$ 390,776
C.1.2. Strategy: INFORMATION RESOURCES	<u>\$ 122,190</u>	<u>\$ 121,980</u>
Total, Goal C: INDIRECT ADMINISTRATION	<u>\$ 512,406</u>	<u>\$ 512,756</u>

Grand Total, COMMISSION ON THE ARTS	<u>\$ 10,139,440</u>	<u>\$ 4,707,144</u>
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Object-of-Expense Informational Listing:

Salaries and Wages	\$ 938,251	\$ 938,251
Other Personnel Costs	41,410	43,570
Professional Fees and Services	96,500	96,500
Consumable Supplies	7,000	7,000
Utilities	9,000	9,000
Travel	56,373	56,373
Rent - Machine and Other	19,500	19,500
Other Operating Expense	424,125	422,865
Grants	<u>8,547,281</u>	<u>3,114,085</u>

Total, Object-of-Expense Informational Listing	<u>\$ 10,139,440</u>	<u>\$ 4,707,144</u>
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Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits

Retirement	\$ 55,378	\$ 56,208
Group Insurance	122,431	132,953
Social Security	68,368	69,393
Benefits Replacement	<u>1,081</u>	<u>1,027</u>
Subtotal, Employee Benefits	<u>\$ 247,258</u>	<u>\$ 259,581</u>

Debt Service

Lease Payments	<u>\$ 3,705</u>	<u>\$ 3,724</u>
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Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	<u>\$ 250,963</u>	<u>\$ 263,305</u>
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1. Performance Measure Targets. The following is a listing of the key performance target levels for the Commission on the Arts. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Commission on the Arts. In order to achieve the objectives and service standards established by this Act, the Commission on the Arts shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2010</u>	<u>2011</u>
A. Goal: ARTS AND CULTURAL GRANTS		
Outcome (Results/Impact):		
Percentage of Grant Dollars Provided to Minority Organizations	20%	20%
Percentage of Grant Dollars to Rural Counties	20%	20%
Percentage of Grants Funded That Are for Arts Education	18%	18%
A.1.1. Strategy: ARTS ORGANIZATION GRANTS		
Output (Volume):		
Number of Funded Applications from Rural Counties	136	136
Number of Funded Applications from Minority Organizations	310	310

COMMISSION ON THE ARTS
(Continued)

Efficiencies:

Average Grant Amount Awarded to Arts and Cultural Organizations ³	7,200	7,200
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A.1.2. Strategy: ARTS EDUCATION GRANTS

Efficiencies:

Average Grant Amount Awarded for Arts Education	3,000	3,000
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Explanatory:

Average Grant Amount Requested for Arts Education	9,500	9,500
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B. Goal: PROMOTION AND PARTICIPATION

B.1.1. Strategy: CULTURAL TOURISM

Output (Volume):

Number of Marketing and Public Relations Activities, Conferences, and Seminars to Promote Cultural Tourism	80	80
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2. **Interagency Agreement.** Out of amounts included above in Strategy A.1.1, Arts Organization Grants, Strategy B.1.1, Cultural Tourism, and B.1.3, Direct Administration, the Commission on the Arts shall expend \$1,340,000 during the biennium beginning September 1, 2009, transferred from the Texas Department of Transportation through interagency contract, to showcase the arts and cultural diversity in Texas to promote tourism.

3. **Arts Education.** Out of the amounts appropriated above in Strategy A.1.2, Arts Education Grants, the Commission on the Arts shall expend \$300,000 each fiscal year, transferred from the Texas Education Agency through interagency contract, to award grants for arts education.

4. **Unexpended Balances within the Biennium.** Any unexpended balances in appropriations made to Strategies A.1.1, Arts Organization Grants, and A.1.2, Arts Education Grants, remaining as of August 31, 2010, are hereby appropriated to the Commission on the Arts for the fiscal year beginning September 1, 2010, for the same purpose.

5. **Texas State of the Arts License Plates: Appropriation of License Plate Unexpended Balances and Receipts.** Included in the amounts appropriated above in Strategy A.1.1, Arts Organization Grants, and Strategy A.1.2, Arts Education Grants, are all estimated balances collected prior to the effective date of this Act (estimated to be \$0) and revenue collected on or after September 1, 2009 (estimated to be \$200,000 in fiscal year 2010 and \$200,000 in fiscal year 2011), from the sale of license plates as provided by Transportation Code § 504.604 and deposited to the credit of the Commission on the Arts Operating Account No. 334. In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, 2009, and all revenue collected on or after September 1, 2009, are hereby appropriated for the same purpose.

Any unexpended balances as of August 31, 2010, out of the appropriations made herein are hereby appropriated to the Commission on the Arts for the fiscal year beginning September 1, 2010.

6. **Limitation on Reimbursements for Commission Meetings.** Notwithstanding Article IX provisions, the number of days commissioners are appropriated expenses related to conducting Commission business as provided by Government Code § 659.032 is not to exceed six days a fiscal year.

7. **Appropriation: Texas Cultural Endowment Fund Interest and Income Earnings.**⁴ Included above in Strategy A.1.2, Arts Education Grants, are interest and income earnings on money deposited in the Texas Cultural Endowment Fund and transferred for appropriation out of the Commission on the Arts Operating Account No. 334 in the amounts of \$83,745 in fiscal year 2010 and \$83,745 in fiscal year 2011 for the purpose of meeting current matching obligations for restricted gifts to the Texas Cultural Endowment Fund. The remaining amounts of \$603,255 in fiscal year 2010 and \$603,255 in fiscal year 2011 out of interest and income earnings appropriated to the agency shall be used in accordance with Government Code § 444.027 (b).

³ Measure modified to reflect funding adjustments made by Article IX, § 17.51, of this Act, due to the enactment of HB 2242, 81st Legislature, Regular Session, relating to the abolition of the Texas Cultural Endowment Fund, resulting in an increase in General Revenue Dedicated – Commission on the Arts Operating Account No. 334 of \$5,432,296. Measure target reflects half of the appropriation expended in FY 2010 and the remainder in FY 2011 to award grants.

⁴ Estimates within Rider 7, Appropriation: Texas Cultural Endowment Fund Interest and Income Earnings, will be impacted by implementation of HB 2242, 81st Legislature, Regular Session, relating to the abolition of the Texas Cultural Endowment Fund. Interest and income earnings will no longer be generated from money in the Cultural Endowment Fund once the money is transferred to the General Revenue Dedicated – Commission on the Arts Operating Account No. 334 or returned to donors on December 1, 2009, as required by HB 2242.

COMMISSION ON THE ARTS
(Continued)

Also included in amounts appropriated above is \$778,925 in fiscal year 2010 and \$1,494,016 in fiscal year 2011 out of interest and income earnings in the Texas Cultural Endowment Fund transferred to the Commission on the Arts Operating Account No. 334 prior to September 1, 2009. These amounts shall also be used in accordance with Government Code § 444.027 (b).

Any unexpended balance of such interest and income earnings on August 31, 2010, is appropriated for the same purpose for the year beginning September 1, 2010.

OFFICE OF THE ATTORNEY GENERAL

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing:¹		
<u>General Revenue Fund</u>		
General Revenue Fund	\$ 97,487,427	\$ 97,499,929
Child Support Retained Collection Account	84,365,475	83,590,295
Attorney General Debt Collection Receipts	8,300,000	8,300,000
General Revenue - Insurance Companies Maintenance Tax and Insurance Department Fees	3,236,560	3,236,560
Subtotal, General Revenue Fund	<u>\$ 193,389,462</u>	<u>\$ 192,626,784</u>
<u>General Revenue Fund - Dedicated</u>		
AG Law Enforcement Account No. 5006	220,410	220,410
Sexual Assault Program Account No. 5010	209,449	209,449
Attorney General Volunteer Advocate Program Account No. 5036	73,000	31,000
Compensation to Victims of Crime Account No. 469 ²	83,086,269	88,093,380
Compensation to Victims of Crime Auxiliary Account No. 494	10,258,531	5,258,531
Subtotal, General Revenue Fund - Dedicated	<u>\$ 93,847,659</u>	<u>\$ 93,812,770</u>
Federal Funds	187,243,836	188,554,318
<u>Other Funds</u>		
Appropriated Receipts	17,409,326	17,870,057
Interagency Contracts	6,529,666	6,431,000
State Highway Fund No. 006	5,938,292	5,938,292
Subtotal, Other Funds	<u>\$ 29,877,284</u>	<u>\$ 30,239,349</u>
Total, Method of Financing	<u>\$ 504,358,241</u>	<u>\$ 505,233,221</u>

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE): 4,213.6 4,213.6

Schedule of Exempt Positions:
Attorney General, Group 6 \$150,000 \$150,000

Items of Appropriation:
A. Goal: PROVIDE LEGAL SERVICES
Provide General Legal Services to the State and Authorized Entities.

¹ Appropriations identified above do not include American Recovery and Reinvestment Act (ARRA) funds; please see Article XII of this Act for those appropriations. For this agency Article XII includes a General Revenue reduction of \$27,300,000 and a Federal Funds increase of \$37,400,000 in FY 2010 resulting in net General Revenue appropriations of \$70,187,427 and a net All Funds appropriation of \$514,458,241 in FY 2010.

² Incorporates Article IX, § 17.61, of this Act, due to the enactment of HB 2626, 81st Legislature, Regular Session, relating to reimbursement to the Texas Department of Public Safety for the cost of forensic medical examinations of sexual assault victims, resulting in an increase in General Revenue Dedicated - Compensation to Victims of Crime Account No. 0469 of \$230,680 in FY 2010 and \$237,790 in FY 2011.

OFFICE OF THE ATTORNEY GENERAL
(Continued)

A.1.1. Strategy: LEGAL SERVICES Provide Counseling/Litigation/Alternative Dispute Resolution Services.	\$ 83,001,844	\$ 83,336,108
B. Goal: ENFORCE CHILD SUPPORT LAW Enforce State/Federal Child Support Laws.		
B.1.1. Strategy: CHILD SUPPORT ENFORCEMENT Establish Paternity/Obligations, Enforce Orders and Distribute Monies.	\$ 261,815,859	\$ 260,643,409
B.1.2. Strategy: STATE DISBURSEMENT UNIT	<u>\$ 16,758,227</u>	<u>\$ 16,758,227</u>
Total, Goal B: ENFORCE CHILD SUPPORT LAW	<u>\$ 278,574,086</u>	<u>\$ 277,401,636</u>
C. Goal: CRIME VICTIMS' SERVICES Investigate/Process Applications for Compensation to Crime Victims.		
C.1.1. Strategy: CRIME VICTIMS' COMPENSATION ³ Review Claims, Determine Eligibility/State Liability, Pay Correctly.	\$ 82,137,103	\$ 83,908,058
C.1.2. Strategy: VICTIMS ASSISTANCE Provide Grants & Contrcts for Victims SvcS/Sexual Asslt Vctms/Chld Adv.	<u>\$ 44,502,815</u>	<u>\$ 44,459,178</u>
Total, Goal C: CRIME VICTIMS' SERVICES	<u>\$ 126,639,918</u>	<u>\$ 128,367,236</u>
D. Goal: REFER MEDICAID CRIMES Investigate/Refer for Prosecution Fraud/Misconduct Involving Medicaid.		
D.1.1. Strategy: MEDICAID INVESTIGATION Conduct Investigation Supporting Prosecution of Alleged Medicaid Crime.	\$ 14,897,794	\$ 14,892,336
E. Goal: ADMINISTRATIVE SUPPORT FOR SORM Provide Administrative Support for the State Office of Risk Management.		
E.1.1. Strategy: ADMINISTRATIVE SUPPORT FOR SORM Provide Administrative Support to the State Office of Risk Management.	\$ 1,244,599	\$ 1,235,905
Grand Total, OFFICE OF THE ATTORNEY GENERAL	<u><u>\$ 504,358,241</u></u>	<u><u>\$ 505,233,221</u></u>
Object-of-Expense Informational Listing:		
Salaries and Wages	\$ 205,058,485	\$ 206,741,381
Other Personnel Costs	5,689,699	5,689,699
Professional Fees and Services	31,667,410	28,204,057
Fuels and Lubricants	229,491	229,491
Consumable Supplies	2,460,137	2,460,137
Utilities	2,326,407	2,326,407
Travel	5,967,788	5,967,788
Rent - Building	10,516,789	10,516,789
Rent - Machine and Other	2,340,468	2,340,468
Other Operating Expense	180,313,936	181,951,403
Grants	56,103,617	57,106,587
Capital Expenditures	<u>1,684,014</u>	<u>1,699,014</u>
Total, Object-of-Expense Informational Listing	<u><u>\$ 504,358,241</u></u>	<u><u>\$ 505,233,221</u></u>
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
<u>Employee Benefits</u>		
Retirement	\$ 12,467,685	\$ 12,654,701
Group Insurance	26,555,972	28,560,809
Social Security	15,362,036	15,592,466

³ Incorporates Article IX, § 17.61, of this Act, due to the enactment of HB 2626, 81st Legislature, Regular Session, relating to reimbursement to the Texas Department of Public Safety for the cost of forensic medical examinations of sexual assault victims, resulting in an increase in General Revenue Dedicated - Compensation to Victims of Crime Account No. 0469 of \$230,680 in FY 2010 and \$237,790 in FY 2011.

OFFICE OF THE ATTORNEY GENERAL
(Continued)

Benefits Replacement	1,295,076	1,230,322
Subtotal, Employee Benefits	\$ 55,680,769	\$ 58,038,298
 <u>Debt Service</u>		
Lease Payments	\$ 5,934,239	\$ 5,881,636
 Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	\$ 61,615,008	\$ 63,919,934

- 1. Performance Measure Targets.** The following is a listing of the key performance target levels for the Office of the Attorney General. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Office of the Attorney General. In order to achieve the objectives and service standards established by this Act, the Office of the Attorney General shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2010	2011
A. Goal: PROVIDE LEGAL SERVICES		
Outcome (Results/Impact):		
Delinquent State Revenue Collected	55,000,000	55,000,000
A.1.1. Strategy: LEGAL SERVICES		
Output (Volume):		
Legal Hours Billed to Litigation and Counseling	1,005,495	1,013,637
Efficiencies:		
Average Cost Per Legal Hour	82.55	82.22
 B. Goal: ENFORCE CHILD SUPPORT LAW		
Outcome (Results/Impact):		
Percent of Title IV-D Cases That Have Court Orders for Child Support	83%	83%
Percent of All Current Child Support Amounts Due That Are Collected	64%	64%
Percent of Title IV-D Cases with Arrears Due in Which Any Amount Is Paid Toward Arrears	67%	67%
Percent of Paternity Establishments for Out of Wedlock Births	85%	84%
B.1.1. Strategy: CHILD SUPPORT ENFORCEMENT		
Output (Volume):		
Amount of Title IV-D Child Support Collected (in Millions)	2,900	3,100
Efficiencies:		
Ratio of Total Dollars Collected Per Dollar Spent	11.08	11.89
B.1.2. Strategy: STATE DISBURSEMENT UNIT		
Output (Volume):		
Number of Payment Receipts Processed by the SDU Vendor	18,500,000	18,500,000
 C. Goal: CRIME VICTIMS' SERVICES		
Outcome (Results/Impact):		
Amount of Crime Victims' Compensation Awarded	74,069,827	75,840,098
C.1.1. Strategy: CRIME VICTIMS' COMPENSATION		
Efficiencies:		
Average Number of Days to Analyze a Claim and Make an Award	54	54
C.1.2. Strategy: VICTIMS ASSISTANCE		
Output (Volume):		
Total Number of Counties Served by CASA Programs	205	205
 D. Goal: REFER MEDICAID CRIMES		
Outcome (Results/Impact):		
Amount of Medicaid Over-payments Identified	62,900,000	62,900,000
D.1.1. Strategy: MEDICAID INVESTIGATION		
Output (Volume):		
Number of Investigations Concluded	550	550

- 2. Capital Budget.** Funds appropriated above may be expended for capital budget items listed below. The amounts identified for each item may be adjusted or may be expended on other non-capital expenditures within the strategy to which the funds were appropriated. However, any amounts spent on capital items are subject to the aggregate dollar restrictions on capital budget expenditures provided in the General Provisions of this Act.

OFFICE OF THE ATTORNEY GENERAL
(Continued)

	2010	2011
a. Acquisition of Information Resource Technologies		
(1) Child Support Hardware/Software Enhancements	\$ 310,000	\$ 250,000
(2) Non-Child Support PC Refresh Project	420,926	420,926
(3) Child Support PC Refresh	1,113,088	1,113,088
(4) Child Support Enterprise Content Management	272,000	272,000
(5) Data Center Consolidation	<u>\$ 24,750,400</u>	<u>\$ 21,277,255</u>
 Total, Acquisition of Information Resource Technologies	 <u>\$ 26,866,414</u>	 <u>\$ 23,333,269</u>
 Total, Capital Budget	 <u>\$ 26,866,414</u>	 <u>\$ 23,333,269</u>
 Method of Financing (Capital Budget):		
<u>General Revenue Fund</u>		
General Revenue Fund	\$ 1,837,019	\$ 1,845,083
Child Support Retained Collection Account	7,860,966	6,707,296
Subtotal, General Revenue Fund	<u>\$ 9,697,985</u>	<u>\$ 8,552,379</u>
 GR Dedicated - Compensation to Victims of Crime		
Account No. 469	266,509	258,445
Federal Funds	15,287,639	13,048,164
Appropriated Receipts	1,614,281	1,474,281
 Total, Method of Financing	 <u>\$ 26,866,414</u>	 <u>\$ 23,333,269</u>

3. Cost Allocation, Reporting Requirement. The Attorney General's Office is directed to continue an accounting and billing system by which the costs of legal services provided to each agency may be determined. This cost information shall be provided to the Legislative Budget Board and the Governor within 60 days after the close of the fiscal year.

4. Child Support Collections.

- a. The Attorney General shall deposit Child Support Retained Collections in a special account in the Comptroller's Office. The account shall be called the Child Support Retained Collection Account. Child Support Retained Collections shall include the state share of funds collected by the Office of the Attorney General which were previously paid by the State as Aid to Families with Dependent Children (AFDC) or Temporary Assistance for Needy Families (TANF) or foster care payments, all child support enforcement incentive payments received from the federal government, and all revenues specifically established by statute on a fee or service-provided basis and pertaining to the Child Support Enforcement Program.
- b. Amounts earned as interest on, and allocated by the Comptroller of Public Accounts to, the Child Support Trust Fund No. 994, in excess of \$808,289 in fiscal year 2010 and \$808,289 in fiscal year 2011, shall be transferred monthly by the Comptroller of Public Accounts to such funds from the General Revenue Fund, and all amounts so transferred are hereby appropriated to the Attorney General for use during the 2010-11 biennium, in addition to the amounts otherwise appropriated herein. Amounts transferred pursuant to this provision shall be shown as a separate, individual entry in the Method of Finance in all standard reports regularly utilizing a method of finance which are submitted to the Governor's Office or the Legislative Budget Board.
- c. The Attorney General, in cooperation with the Comptroller of Public Accounts, shall develop and maintain such cost centers and/or sub accounts within the Child Support Trust Fund No. 994 and/or the Child Support Retained Collection Account as may be determined necessary or appropriate to separately account for, and allocate the interest earned on, the various sources for receipts deposited to, and types of expenditures made from such funds. The Comptroller of Public Accounts shall separately allocate interest earned by the State to each such cost center and/or subaccount, or to such groupings thereof as may be designated by the Attorney General for purposes of reporting interest earned to the federal government.

OFFICE OF THE ATTORNEY GENERAL
(Continued)

- d. The Comptroller of Public Accounts is directed to transfer and carry forward all the balances of funds in the Child Support Trust Fund No. 994 and the Child Support Retained Collection Account as of August 31, 2009, in such funds to be available for use in fiscal year 2010. Any balances in the Child Support Trust Fund No. 994 and the Child Support Retained Collection Account on hand as of August 31, 2010, shall be carried forward in such funds as funding sources for the appropriation for fiscal year 2011.
 - e. In addition to the amounts otherwise appropriated for Strategy B.1.1, Child Support Enforcement, all funds received from the federal government as reimbursement for the costs and fees paid to counties, district or county clerks, sheriffs or constables pursuant to the provisions of Chapter 231 of the Texas Family Code are hereby appropriated to the Office of the Attorney General for use during the 2010-11 biennium.
- 5. Reporting Requirement.** The Attorney General's Office is directed to develop and maintain separate accounting information and records on receipts and distribution of funds from the Child Support Trust Fund No. 994 and the Child Support Retained Collection Account. Such information must at a minimum identify all deposits, allocations, and expenditures by type of revenues. The Comptroller of Public Accounts shall prescribe rules and procedures to assure compliance with this section and all transactions and balances shall be reconciled monthly against the records of the Comptroller. In addition to the requirements for annual financial reports required by the General Provisions of this Act, the Attorney General shall include a separate section detailing all such balances, receipts, and distributions of money in Child Support Trust Fund No. 994 and the Child Support Retained Collection Account. The report must specifically show balances held for transfer to operating appropriations of the Attorney General's Office and any other agency. In addition, any balances which are unclaimed and subject to escheat under other laws must be identified as to amount and age.
- 6. Debt Collections.**
- a. The Office of the Attorney General shall attempt to collect all delinquent judgments owed the State of Texas. A portion of those debts collected, as outlined below, shall be eligible for retention by the Office of the Attorney General and may be used as a source of funding for agency operations as specified in and limited by the method of financing of the Office. One hundred percent of the debts collected by the Office of the Attorney General and eligible for retention by the Office shall be applied toward the amounts shown above for Attorney General Debt Collection Receipts in the method of financing for agency operations. Regardless of the total amount collected by the Attorney General, in no event shall this provision be construed as an appropriation in addition to the amount appropriated above as specified in the method of financing, of any of the funds collected by the Office of the Attorney General.
 - b. To be eligible for retention by the Office of the Attorney General, the debt collected must be from a qualifying judgment. Qualifying judgments, as used in this rider, are judgments that are at least one year old from the date of entry of the court order and also include debts not reduced to judgment where there are collections on the debt by the Collections Division of the Attorney General's Office if the debt is delinquent by more than one year or has been certified for collection to the Collections Division of the Attorney General's Office. In no event shall more than \$5.0 million from collections stemming from a common nucleus of operative fact be eligible for retention by the Office of the Attorney General.
 - c. It is the intent of the Legislature that the following not be allowed as a credit toward the percentage set forth in Rider 6a above: judgments collected by state agencies; judgments less than one year old; or judgments collected without direct action by the Attorney General's Collection Division.
 - d. The Attorney General shall maintain a centralized recordkeeping system for accounting for various departmental and agency certification of delinquent taxes, judgments, and other debts owed the state. The accounting should distinguish by type of tax, judgment, or other debt, and provide for: when the debt was certified by an agency or department for collection by the Attorney General; when it was collected or disposed of, and such other information as the Legislative Budget Board, Governor, or the Comptroller of Public Accounts may require. The Attorney General shall submit semi-annual reports to the Governor and the Legislative Budget Board detailing by agency or department the amount of each debt, when the debt was certified, and when and in what amount, it was collected or disposed of.

OFFICE OF THE ATTORNEY GENERAL
(Continued)

7. **River Compact Lawsuit Contingency.** Out of the amounts appropriated above for Strategy A.1.1, Legal Services, \$205,000 shall be set aside to purchase professional services to force compliance with the Texas river compacts by member states and/or agencies of the United States and defend the State in any legal proceeding involving the compacts.
8. **Appropriation of Receipts, Court Costs.** Out of the funds appropriated above as Appropriated Receipts, \$12,436,476 in 2010 and \$13,655,120 in 2011 represents the annual appropriation of court costs, attorneys' fees, and investigative costs recovered by the Office of the Attorney General. Court costs, attorneys' fees, and investigative costs recovered by the Office of the Attorney General in excess of those specifically appropriated and shown in the agency's method of financing are appropriated to the Office of the Attorney General in an amount not to exceed \$10,000,000 each fiscal year and shall be used for Strategy A.1.1, Legal Services. At least semi-annually, beginning within 60 days after the close of each fiscal year or more often upon request of the Legislative Budget Board, the Office of the Attorney General shall submit to the Legislative Budget Board, the Senate Finance Committee, the House Appropriations Committee, and the Governor a report that lists each case in which an award of court costs, attorneys' fees, or investigative fees was made, the date of the award, the amount of court costs that were awarded, the amount of investigative costs that were awarded, the amount of attorneys' fees that were awarded, and the strategy or strategies to which the above receipts were allocated, in addition to any other information that may be requested by the Legislative Budget Board.
9. **Interagency Contracts for Legal Services.** The Office of the Attorney General shall not be appropriated any state funds from interagency contracts, notwithstanding the provisions of the section entitled Reimbursements and Payments, in Article IX, General Provisions of this Act unless the Attorney General gives prior written notice to the Legislative Budget Board and the Governor, accompanied by written permission by the affected agency. Any such interagency contract for legal services between the Attorney General's Office and state agencies shall not jeopardize the ability of the agencies to carry out their legislative mandates, shall not affect their budget such that employees must be terminated in order to pay the requested amount, and shall not exceed reasonable attorney fees for similar legal services in the private sector. The Office of the Attorney General is hereby appropriated funds received from interagency contracts for non-legal services rendered by the Office of the Attorney General.
10. **Unexpended Balances: Between Fiscal Years within the Biennium.** Any unexpended balances as of August 31, 2010, in appropriations made to the Office of the Attorney General are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2010. It is the intent of the Legislature that any unexpended balances in Strategy B.1.1, Child Support Enforcement, shall be used only to enforce child support laws and regulations.
11. **Transfer Authority.** Notwithstanding limitations on appropriation transfers contained in the General Provisions of this Act, the Attorney General is hereby authorized to direct agency resources and transfer such amounts appropriated above between appropriation line items.
12. **Victims Assistance Grants.** Funds appropriated above in C.1.2, Victims Assistance, shall be spent as follows:

<u>Program:</u>	<u>FY 2010</u>	<u>FY 2011</u>
(1) Victims Assistance Coordinators and Victims Liaisons	\$2,441,380	\$2,441,380
(2) Court Appointed Special Advocates	6,573,000	6,531,000
(3) Sexual Assault Prevention and Crisis Services Program	10,300,620	10,298,983
(4) Sexual Assault Services Program Grants	375,000	375,000
(5) Children's Advocacy Centers	7,999,003	7,999,003
(6) Legal Services Grants	2,500,000	2,500,000
(7) Other Victims Assistance Grants	10,555,724	10,555,724
(8) Statewide Victim Notification System	3,499,557	3,499,557
(9) Address Confidentiality	<u>258,531</u>	<u>258,531</u>
Total	<u>\$44,502,815</u>	<u>\$44,459,178</u>

Method of Financing:

General Revenue	\$ 7,500,000	\$ 7,500,000
Compensation to Victims of Crime Fund No. 469	33,162,429	33,162,430

OFFICE OF THE ATTORNEY GENERAL

(Continued)

Victims of Crime Auxiliary Fund No. 494	258,531	258,531
Sexual Assault Program Account No. 5010	209,449	209,449
Attorney General Volunteer Advocate		
Program Plates Account No. 5036	73,000	31,000
Federal Funds	3,281,362	3,281,362
Appropriated Receipts	<u>18,044</u>	<u>16,406</u>
Total, Method of Financing	<u>\$44,502,815</u>	<u>\$44,459,178</u>

The Office of the Attorney General shall adopt rules for the competitive allocation of funds under item number (7) Other Victims Assistance Grants. None of the funds appropriated in Strategy C.1.2, Victims Assistance, may be expended on grants to organizations that make contributions to campaigns for elective office or that endorse candidates.

Within 100 days after the close of each fiscal year, the Office of the Attorney General shall submit a report detailing the expenditure of funds appropriated in Strategy C.1.2, Victims Assistance. The report shall include information on the guidelines used to select programs that receive grants, on the amount of grants awarded in each of the categories listed above, on the amount of expenditures for administration, and on audit and oversight activities conducted relating to the victims assistance grants and the programs receiving such grants. The report shall be submitted to the Legislative Budget Board, the Governor, the Senate Finance Committee, and the House Appropriations Committee.

- 13. Appropriation of All CASA License Plates Unexpended Balances and Receipts.** Included in amounts appropriated above in Strategy C.1.2, Victims Assistance, are all estimated balances collected prior to the effective date of this Act (estimated to be \$43,000 and included in fiscal year 2010) and revenue collected on or after September 1, 2009 (estimated to be \$30,000 in fiscal year 2010 and \$31,000 in fiscal year 2011), from the sale of license plates as provided by the Transportation Code Section 504.611 and deposited to the credit of the General Revenue - Dedicated Attorney General Volunteer Advocate Program Plates Account No. 5036. In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, 2009, and all revenue generated on or after September 1, 2009, are hereby appropriated for the same purpose.

Any unexpended balances remaining as of August 31, 2010, in the appropriation made herein are hereby appropriated for the fiscal year beginning September 1, 2010.

- 14. Child Support Contractors.** Full-Time-Equivalent (FTE) positions associated with contracted workers in Strategy B.1.1, Child Support Enforcement, shall be exempt from the provisions in Article IX relating to limiting state agency employment levels.
- 15. Elephant Butte Litigation.** The Office of the Attorney General may, if the Attorney General deems necessary, use funds appropriated above in Strategy A.1.1, Legal Services, not to exceed a total amount of \$10,153,000, for potential intervention in certain developing ground and surface water disputes with the state of New Mexico along the Rio Grande Project from Elephant Butte Reservoir to Fort Quitman, Texas.
- 16. Excess Incentive Collections.** In addition to Child Support Retained Collections appropriated above, the Office of the Attorney General is hereby appropriated Child Support Incentive Collections receipts in excess of \$51,335,277 in fiscal year 2010 and \$51,335,277 in fiscal year 2011, to be used in Strategy B.1.1, Child Support Enforcement, and B.1.2, State Disbursement Unit, during the 2010-11 biennium.
- 17. Litigation Related to the Conversion of Mineral Rights on State Property.** Included in amounts appropriated above in Strategy A.1.1, Legal Services, is \$1,700,000 from the State Highway Fund No. 006 for the 2010-11 biennium for litigation expenses related to the conversion of mineral rights on state property.
- 18. Interagency Contract with the Texas Department of Criminal Justice.** Notwithstanding Rider 9 above, Interagency Contracts for Legal Services, the Office of the Attorney General is appropriated any funds transferred from the Texas Department of Criminal Justice (TDCJ) pursuant to an interagency contract for the Office of the Attorney General to provide legal services to the Texas Department of Criminal Justice.
- 19. Interagency Contract with the Department of Public Safety.** Notwithstanding Rider 9 above, Interagency Contracts for Legal Services, the Office of the Attorney General is appropriated any

OFFICE OF THE ATTORNEY GENERAL
(Continued)

funds transferred from the Department of Public Safety pursuant to an interagency contract for the Office of the Attorney General to provide legal services to the Department of Public Safety.

- 20. Bond Review Fees.** Included in the General Revenue amounts appropriated above for the 2010-11 biennium is \$8,773,794 in Strategy A.1.1, Legal Services, and \$1,388,590 in Strategy D.1.1, Medicaid Investigation, from the deposit of bond review fees as authorized by Government Code, § 1202.004.
- 21. Criminal Investigations.** Included in amounts appropriated above in Strategy A.1.1, Legal Services, is \$6,820,859 and 103 Full-Time Equivalent Positions in fiscal year 2010 and \$6,820,859 and 103 Full-time Equivalent Positions in fiscal year 2011 for the Criminal Investigations Division. Activities in that division include the Cyber Crimes Unit, Fugitive Unit, Special Investigations Unit, Money Laundering Unit, Computer Forensic Unit, Joint Terrorism Task Force, and Criminal Analysts.
- 22. Cash Flow Contingency.** Contingent upon the receipt of federal funds in federally funded programs and with prior approval by the Legislative Budget Board, the Office of the Attorney General may temporarily utilize additional General Revenue funds, pending receipt of federal reimbursement, in an amount not to exceed the anticipated reimbursement, in each fiscal year of the biennium. The General Revenue amounts utilized above the General Revenue method of finance shall be utilized only for the purpose of temporary cash flow needs. These transfers and repayments shall be credited to the fiscal year being reimbursed and shall be in accordance with procedures established by the Comptroller of Public Accounts.
- 23. Travel Cap Exemption for Litigation Related Travel.** Travel expenses incurred by the Office of the Attorney General related to litigation are exempt from the requirements of Article IX, Section 5.08, Limitation on Travel Expenditures.
- 24. Sex Offender Apprehension.** Out of funds appropriated above, the Office of the Attorney General shall coordinate activities related to sex offender apprehension with the Department of Public Safety, Texas Department of Criminal Justice, the Board of Pardons and Parole, and any other state law enforcement agency in order to maximize resources for the apprehension and arrest of sex offenders.
- 25. Unexpended Balances Carried Forward Between Biennia.** Included in amounts appropriated above are unexpended balances out of Appropriated Receipts as of August 31, 2009 (estimated to be \$7,014,289) remaining in Strategy A.1.1, Legal Services, from the collection of attorney fees, investigative costs, and court costs for the purpose of litigation related expenses.

Any unobligated balances remaining as of August 31, 2010 are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2010.

- 26. Capital Expenditures Authorized.** Notwithstanding the limitations placed on the expenditure of funds for capital budget items contained in this Act, the Office of the Attorney General is hereby authorized to expend funds appropriated to the Office of the Attorney General for the acquisition of capital budget items.

BOND REVIEW BOARD

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing:		
General Revenue Fund	\$ 612,540	\$ 612,541
Total, Method of Financing	\$ 612,540	\$ 612,541
 This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	9.5	9.5

BOND REVIEW BOARD
(Continued)

Schedule of Exempt Positions:

Executive Director, Group 3	\$99,000	\$99,000
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Items of Appropriation:

A. Goal: PROTECT TEXAS BOND RATING

Issue Texas' Bonds Cost Effectively Using Sound Debt Mgmt. Policies.

A.1.1. Strategy: REVIEW BOND ISSUES Review Bond Issues to Assure Legality and Other Provisions.	\$ 171,511	\$ 171,512
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A.1.2. Strategy: STATE BOND DEBT Report to the Legislature on Debt Obligation and Policy Alternatives.	\$ 134,759	\$ 134,759
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Total, Goal A: PROTECT TEXAS BOND RATING	<u>\$ 306,270</u>	<u>\$ 306,271</u>
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B. Goal: LOCAL BOND DEBT

Ensure That Public Officials Have Current Info on Debt Management.

B.1.1. Strategy: ANALYZE LOCAL BOND DEBT Analyze Data on Local Government Finance and Debt Management.	\$ 153,135	\$ 153,135
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C. Goal: PRIVATE ACTIVITY BONDS

Equitably Administer the Private Activity Bond Allocation for Texas.

C.1.1. Strategy: ADMINISTER PRIVATE ACTIVITY BONDS Effectively Administer the Private Activity Bond Allocation Program.	\$ 153,135	\$ 153,135
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Grand Total, BOND REVIEW BOARD	<u>\$ 612,540</u>	<u>\$ 612,541</u>
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Object-of-Expense Informational Listing:

Salaries and Wages	\$ 535,000	\$ 535,001
Other Personnel Costs	15,000	15,000
Professional Fees and Services	18,000	18,000
Consumable Supplies	5,540	5,540
Travel	6,000	6,000
Rent - Machine and Other	5,000	5,000
Other Operating Expense	<u>28,000</u>	<u>28,000</u>

Total, Object-of-Expense Informational Listing	<u>\$ 612,540</u>	<u>\$ 612,541</u>
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Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits

Retirement	\$ 27,382	\$ 27,793
Group Insurance	53,320	57,760
Social Security	36,767	37,318
Benefits Replacement	<u>2,725</u>	<u>2,588</u>

Subtotal, Employee Benefits	<u>\$ 120,194</u>	<u>\$ 125,459</u>
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Debt Service

Lease Payments	<u>\$ 61,835</u>	<u>\$ 61,975</u>
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Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	<u>\$ 182,029</u>	<u>\$ 187,434</u>
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1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Bond Review Board. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Bond Review Board. In order to achieve the objectives and service standards established by this Act, the Bond Review Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

BOND REVIEW BOARD
(Continued)

	2010	2011
A. Goal: PROTECT TEXAS BOND RATING		
A.1.1. Strategy: REVIEW BOND ISSUES		
Output (Volume):		
Number of State Bond Issues and Lease-purchase Projects Reviewed	65	65
A.1.2. Strategy: STATE BOND DEBT		
Output (Volume):		
Number of Responses to Debt Information Requests	125	250
B. Goal: LOCAL BOND DEBT		
B.1.1. Strategy: ANALYZE LOCAL BOND DEBT		
Output (Volume):		
Number of Local Government Financings Analyzed	1,200	1,200
C. Goal: PRIVATE ACTIVITY BONDS		
C.1.1. Strategy: ADMINISTER PRIVATE ACTIVITY BONDS		
Output (Volume):		
Number of Applications Reviewed	180	185
 2. Debt Issuance Technical Assistance to School Districts.		
<p>To the extent that funds appropriated above are available, it is the intent of the Legislature that the Bond Review Board (BRB) and any other public entities or outside consultants determined by the BRB to be needed, provide technical assistance to school districts entering into bonded indebtedness or lease purchase agreements. This assistance may include, but is not limited to: advising districts of the financial implications of debt and lease purchase agreements; the appropriate criteria districts should consider in debt-related decision making; and options available to districts in the issuance of debt.</p>		

CANCER PREVENTION AND RESEARCH INSTITUTE OF TEXAS

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing:		
GR Dedicated - Cancer Prevention and Research Fund No. 5136	\$ 30,000	\$ 12,000
Bond Proceeds - General Obligation Bonds ¹	224,125,000	224,000,000
Total, Method of Financing	\$ 224,155,000	\$ 224,012,000
 This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	36.0	36.0
Schedule of Exempt Positions:		
Executive Director, Group 7	\$214,000	\$214,000
Chief Scientific Officer, Group 6	212,000	212,000
Items of Appropriation:		
A. Goal: CANCER RESEARCH		
Create and Expedite Innovation in the Area of Cancer Research.		
A.1.1. Strategy: AWARD CANCER RESEARCH GRANTS¹	\$ 194,432,629	\$ 194,748,221
B. Goal: CANCER SERVICES		
Ensure Access to Cancer Prevention Information and Services.		
B.1.1. Strategy: CANCER PREVENTION GRANTS & SERVICES	\$ 21,730,848	\$ 21,761,802
Cancer Prevention Grants and Services.		

¹ Incorporates Article IX § 17.42 of this Act, relating to allowing bonds to be used for cancer prevention and research, which results in an appropriation reduction in Bond Proceeds due to the transfer of \$875,000 in FY 2010 and \$1,000,000 in FY 2011 to the Department of State Health Services to enhance the infrastructure of the cancer registry.

CANCER PREVENTION AND RESEARCH INSTITUTE OF TEXAS

(Continued)

C. Goal: DIRECT AND INDIRECT ADMINISTRATION

C.1.1. Strategy: DIRECT AND INDIRECT ADMINISTRATION

\$ 7,991,523 \$ 7,501,977

Grand Total, CANCER PREVENTION AND RESEARCH INSTITUTE OF TEXAS

\$ 224,155,000 \$ 224,012,000

Object-of-Expense Informational Listing:

Salaries and Wages	\$ 4,324,614	\$ 4,324,614
Other Personnel Costs	212,891	212,891
Professional Fees and Services	1,349,000	1,349,000
Consumable Supplies	140,000	140,000
Utilities	97,000	97,000
Travel	300,000	300,000
Rent - Building	365,335	370,789
Rent - Machine and Other	94,652	94,652
Other Operating Expense	413,031	413,031
Grants	216,163,477	216,510,023
Capital Expenditures	<u>695,000</u>	<u>200,000</u>

Total, Object-of-Expense Informational Listing

\$ 224,155,000 \$ 224,012,000

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits

Retirement	\$ 14,598	\$ 14,817
Group Insurance	53,828	58,296
Social Security	20,775	21,087
Benefits Replacement	<u>3,651</u>	<u>3,469</u>

Subtotal, Employee Benefits

\$ 92,852 \$ 97,669

Debt Service

Lease Payments	<u>\$ 924</u>	<u>\$ 377</u>
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Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act

\$ 93,776 \$ 98,046

- 1. Performance Measure Targets.** The following is a listing of the key performance target levels for the Cancer Prevention and Research Institute of Texas. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Cancer Prevention and Research Institute of Texas. In order to achieve the objectives and service standards established by this Act, the Cancer Prevention and Research Institute of Texas shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2010	2011
B. Goal: CANCER SERVICES		
Outcome (Results/Impact):		
Percent of Texas Counties with Cancer Prevention Services and Activities Initiated as Addressed in the Texas Cancer Plan through Grant Awards	100	100
B.1.1. Strategy: CANCER PREVENTION GRANTS & SERVICES		
Output (Volume):		
Number of People Served by Institute-funded Prevention and Control Activities	6,250,000	6,250,000
Number of Health Care and/or Education Professionals Who Receive Institute-funded Training or Materials	7,000,000	7,000,000
Number of Public and Private Funding Opportunities Pursued by the Institute and Local Contractors in an Effort to Increase Funding	600	600
Number of Clock Hours Donated to Local Contractors and the Institute for Public Awareness, Professional Education, Early Detection Activities, and Other Activities Implementing the Texas Cancer Plan	300,000	300,000
Efficiencies:		
Average Cost per Health Care and/or Education Professional Trained	2.1	2.1

CANCER PREVENTION AND RESEARCH INSTITUTE OF TEXAS

(Continued)

Explanatory:

Annual Age-adjusted Cancer Mortality Rate	176.5	176.5
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- 2. Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditures for other purposes.

	2010	2011
a. Acquisition of Information Resource Technologies		
(1) Purchase new computer equipment	\$ 375,300	\$ 200,000
b. Acquisition of Capital Equipment and Items		
(1) Acquisition of Furnishings and Equipment	319,700	UB
Total, Capital Budget	\$ 695,000	\$ 200,000
Method of Financing (Capital Budget):		
Bond Proceeds - General Obligation Bonds	\$ 695,000	\$ 200,000
Total, Method of Financing	\$ 695,000	\$ 200,000

- 3. Texans Conquer Cancer Plates: Appropriation of License Plate Unexpended Balances and Receipts.** Included in the amounts appropriated above in Strategy A.1.1, Cancer Prevention Grants and Services, are all estimated balances collected prior to the effective date of this Act (estimated to be \$18,000 and included in fiscal year 2010) and revenue collected on or after September 1, 2009 (estimated to be \$12,000 in fiscal year 2010 and \$12,000 in fiscal year 2011) from the sale of license plates as provided by Transportation Code § 504.620 and deposited to the credit of the Cancer Prevention and Research Fund Account No. 5136.

In addition to amounts identified herein and included above, all unexpended balances of license plates revenue remaining as of August 31, 2009, and license plates revenue collected on or after September 1, 2009, are hereby appropriated for the same purpose.

- 4. Unexpended Balances Within the Biennium.** Any unexpended balances remaining as of August 31, 2010, in the appropriations made above are hereby appropriated for the fiscal year beginning September 1, 2010.
- 5. Unexpended Balances Between Fiscal Years.** In accordance with Health and Safety Code Chapter 102.202(b), any unobligated and unexpended balances out of issued general obligation bond proceeds remaining as of August 31, 2010, are hereby appropriated to the Cancer Prevention and Research Institute for the same purpose for the fiscal year beginning September 1, 2010.
- 6. Contingency for Senate Bill 895 or House Bill 1358: Reimbursement of Advisory Committees.**² Contingent on enactment of Senate Bill 895 or House Bill 1358 by the Eighty-first legislature, Regular Session or similar legislation relating to the Cancer Prevention and Research Institute of Texas and pursuant to Government Code § 2110.004, reimbursement of expenses relating to per diem and/or honorarium, to the extent provided by law, for advisory committee members, out of funds appropriated above, is limited to the following advisory committees:

Scientific Research and Prevention Programs Committees

To the maximum extent possible, the Institute shall encourage the use of videoconferencing and teleconferencing.

- 7. Out of State Travel Exemption.** Travel expenses incurred by the Cancer Prevention and Research Institute of Texas staff and board to carry out the duties of the agency are exempt from the requirements of Article IX, Section 5.08, Limitation on Travel Expenditures, and the limitations on such expenditures as set forth therein.
- 8. Salary Supplements for Exempt Positions.** The Executive Director and the Chief Scientific Officer of the Institute, because of the particular requirements of directing the administrative and

² Senate Bill 895, 81st Legislature, Regular Session, did not pass. See House Bill 1358, 81st Legislature, Regular Session, which did pass.

CANCER PREVENTION AND RESEARCH INSTITUTE OF TEXAS

(Continued)

scientific affairs of the Institute, may receive, in addition to salary amounts appropriated above out of state funds, a supplement from a foundation established to benefit the Cancer Prevention and Research Institute of Texas. The amounts identified above in the line item, "Schedule of Exempt Positions:", reflects the not-to-exceed salary amounts for the Executive Director and the Chief Scientific Officer which may be paid out of appropriated state funds. In addition to these amounts, the Executive Director may receive a salary supplement not to exceed \$86,000 for a total combined salary of \$300,000 out of state and foundation funds each fiscal year of the biennium. Likewise, the Chief Scientific Officer may receive a salary supplement not to exceed \$488,000 for a total combined salary of \$700,000 out of state and foundation funds each fiscal year of the biennium. The respective salaries paid out of appropriated state funds and foundation funds for each fiscal year of the biennium for the Executive Director and the Chief Scientific Officer of the Institute may not exceed the highest salary paid to a chancellor of a public university system.

The salary of the Executive Director and the Chief Scientific Officer as provided under this section are not limited by Article IX, Section 3.05 of this Act. In addition to reporting requirements provided in Article IX, Section 3.02 of this Act, it is the intent of the legislature that contributions and expenditures of the foundation established to benefit the Cancer Prevention and Research Institute of Texas be annually reported to the Legislative Budget Board, the Senate Finance Committee, and the House Appropriations Committee no later than December 31. An individual, an organization, or an employee, officer or director of an organization that makes a contribution to the foundation, or person who is second-degree consanguinity or affinity to an employee of the Institute is not eligible to receive grants from the Institute.

COMPTROLLER OF PUBLIC ACCOUNTS

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing:		
General Revenue Fund ¹	\$ 220,010,743	\$ 220,010,743
<u>Other Funds</u>		
Appropriated Receipts	1,403,935	1,403,935
Interagency Contracts	604,805	604,805
Subtotal, Other Funds	\$ 2,008,740	\$ 2,008,740
Total, Method of Financing	\$ 222,019,483	\$ 222,019,483
 This bill pattern represents an estimated 21.5% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):¹	3,001.6	3,001.6
Number of FTEs in Riders:	150.0	150.0
 Schedule of Exempt Positions:		
Comptroller of Public Accounts, Group 6	\$150,000	\$150,000
 Items of Appropriation:		
A. Goal: COMPLIANCE WITH TAX LAWS		
To Improve Voluntary Compliance with Tax Laws.		
A.1.1. Strategy: ONGOING AUDIT ACTIVITIES	\$ 76,448,264	\$ 76,542,842
Perform Audits to Improve Taxpayer Compliance and Generate Revenue.		
A.2.1. Strategy: TAX LAWS COMPLIANCE	\$ 31,417,860	\$ 31,403,265
Improve Compliance with Tax Laws through Contact & Collection Program.		

¹ Incorporates Article IX, § 17.81 (c), of this Act, due to the enactment of HB 1796, 81st Legislature, Regular Session, relating to conducting financial assessments of applicants in the New Technology Implementation Program and conducting grant audits, resulting in an increase in General Revenue Funds of \$291,974 and 5.0 FTEs each fiscal year.

COMPTROLLER OF PUBLIC ACCOUNTS

(Continued)

A.3.1. Strategy: TAXPAYER INFORMATION Provide Information to Taxpayers, Government Officials and the Public.	\$ 17,577,231	\$ 17,540,724
A.4.1. Strategy: TAX HEARINGS Provide Tax Hearings/Represent the Agency/Provide Legal Counsel.	\$ 8,936,475	\$ 8,928,312
Total, Goal A: COMPLIANCE WITH TAX LAWS	\$ 134,379,830	\$ 134,415,143
B. Goal: MANAGE FISCAL AFFAIRS To Efficiently Manage the State's Fiscal Affairs.		
B.1.1. Strategy: ACCOUNTING/REPORTING ² Proj Receipts/Disbursements; Complete Accounting/Reporting Resps.	\$ 20,844,898	\$ 20,804,225
B.2.1. Strategy: PROPERTY TAX PROGRAM Conduct Property Value Study; Provide Assistance; Review Methods.	\$ 10,168,742	\$ 10,202,984
B.3.1. Strategy: FISCAL RESEARCH & STUDIES Provide Information & Analysis to the Public & Private Sectors.	\$ 7,388,356	\$ 7,381,609
B.4.1. Strategy: TREASURY OPERATIONS Ensure State's Assets, Cash Receipts, and Warrants are Prop Secured.	\$ 4,784,249	\$ 4,774,225
B.5.1. Strategy: PROCUREMENT Provide a Competitive Procurement System.	\$ 5,417,387	\$ 5,417,387
B.6.1. Strategy: COUNCIL ON COMPETITIVE GOVERNMENT	\$ 455,092	\$ 454,759
Total, Goal B: MANAGE FISCAL AFFAIRS	\$ 49,058,724	\$ 49,035,189
C. Goal: TAX AND FINANCIAL INFO TECHNOLOGY Manage the Receipt and Disbursement of State Tax Revenue.		
C.1.1. Strategy: REVENUE & TAX PROCESSING Improve Tax/Voucher Data Processing, Tax Collection & Disbursements.	\$ 38,580,929	\$ 38,569,151
Grand Total, COMPTROLLER OF PUBLIC ACCOUNTS	\$ 222,019,483	\$ 222,019,483
Supplemental Appropriations Made in Riders:	\$ 10,298,000	\$ 10,062,000
Object-of-Expense Informational Listing:		
Salaries and Wages	\$ 164,973,291	\$ 164,973,291
Other Personnel Costs	4,476,140	4,476,140
Professional Fees and Services	11,423,298	11,100,814
Fuels and Lubricants	44,932	49,983
Consumable Supplies	1,470,764	1,470,764
Utilities	4,303,234	4,677,154
Travel	6,025,191	6,382,090
Rent - Building	2,826,102	2,826,102
Rent - Machine and Other	8,071,060	8,003,340
Other Operating Expense	27,747,971	27,139,305
Capital Expenditures	955,500	982,500
Total, Object-of-Expense Informational Listing	\$ 232,317,483	\$ 232,081,483
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
<u>Employee Benefits</u>		
Retirement	\$ 10,496,532	\$ 10,646,530
Group Insurance	24,770,992	26,776,800
Social Security	13,412,643	13,604,996
Benefits Replacement	1,289,935	1,225,439
Subtotal, Employee Benefits	\$ 49,970,102	\$ 52,253,765

² Incorporates Article IX, § 17.81 (c), of this Act, due to the enactment of HB 1796, 81st Legislature, Regular Session, relating to conducting financial assessments of applicants in the New Technology Implementation Program and conducting grant audits, resulting in an increase in general Revenue Funds of \$291,974 and 5.0 FTEs each fiscal year.

COMPTROLLER OF PUBLIC ACCOUNTS
(Continued)

<u>Debt Service</u>		
Lease Payments	\$ <u>807,204</u>	\$ <u>695,592</u>
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	\$ <u>50,777,306</u>	\$ <u>52,949,357</u>

1. Performance Measure Targets. The following is a listing of the key performance target levels for the Comptroller of Public Accounts. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Comptroller of Public Accounts. In order to achieve the objectives and service standards established by this Act, the Comptroller of Public Accounts shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2010</u>	<u>2011</u>
A. Goal: COMPLIANCE WITH TAX LAWS		
Outcome (Results/Impact):		
Percent Accuracy Rate of Reported Amounts on Original Audits	97%	97%
Average Monthly Delinquent Account Closure Rate per Enforcement Collector	305	305
A.1.1. Strategy: ONGOING AUDIT ACTIVITIES		
Output (Volume):		
Number of Audits and Verifications Conducted	15,000	15,000
Efficiencies:		
Average Dollars Assessed to Dollar Cost	27	28
A.2.1. Strategy: TAX LAWS COMPLIANCE		
Efficiencies:		
Delinquent Taxes Collected Per Collection-related Dollar Expended	79	79
A.3.1. Strategy: TAXPAYER INFORMATION		
Output (Volume):		
Total Number of Responses Issued by the Tax Policy, and Tax Policy Support	50,900	51,000
Efficiencies:		
Percent of Responses Issued by the Tax Policy, and Tax Policy Support Areas within 7 Working Days	81%	83%
B. Goal: MANAGE FISCAL AFFAIRS		
Outcome (Results/Impact):		
Percentage of Target Independent School Districts' Total Statewide Value in which PTD Met the Target Margin of Error	95%	95%
Percentage of Funds Processed Electronically	98%	98%
B.2.1. Strategy: PROPERTY TAX PROGRAM		
Output (Volume):		
Number of Properties Included in the Property Value Study	140,000	140,000
B.3.1. Strategy: FISCAL RESEARCH & STUDIES		
Output (Volume):		
Number of Responses Provided to Local Government Requests for Assistance and Information	1,950	1,950
B.4.1. Strategy: TREASURY OPERATIONS		
Output (Volume):		
Number of State Depository Bank Account Reconciliations Performed	11,000	11,000
B.5.1. Strategy: PROCUREMENT		
Output (Volume):		
Number of New, Revised, and Renewed Statewide Volume Contracts Awarded	200	200
Number of Historically Underutilized Business Field Audits Conducted	800	800
Number of Historically Underutilized Business Desk Audits Conducted	2,500	2,500
Efficiencies:		
Number of Business Days to Process Non-delegated Open Market Requisitions from Client Agencies	45	45
C. Goal: TAX AND FINANCIAL INFO TECHNOLOGY		
Outcome (Results/Impact):		
Time Taken to Return Tax Allocation to Local Jurisdictions (Days)	21	21

COMPTROLLER OF PUBLIC ACCOUNTS
(Continued)

C.1.1. Strategy: REVENUE & TAX PROCESSING

Output (Volume):

Number of Tax Returns Processed	4,500,000	4,500,000
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Efficiencies:

Average Number of Hours to Deposit Receipts	4.6	4.6
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2. **Capital Budget.** Funds appropriated above may be expended for capital budget items listed below. The amounts identified for each item may be adjusted or expended on other capital expenditures, subject to the aggregate dollar restrictions on capital budget expenditures provided in the general provisions of this Act.

	2010	2011
a. Acquisition of Information Resource Technologies		
(1) Daily Operations - Capital	\$ 11,398,479	\$ 11,731,679
(2) Tax System Modernization	<u>\$ 437,213</u>	<u>\$ 440,993</u>
 Total, Acquisition of Information Resource Technologies	 <u>\$ 11,835,692</u>	 <u>\$ 12,172,672</u>
 Total, Capital Budget	 <u>\$ 11,835,692</u>	 <u>\$ 12,172,672</u>
 Method of Financing (Capital Budget):		
General Revenue Fund	\$ 11,835,692	\$ 12,172,672
 Total, Method of Financing	 <u>\$ 11,835,692</u>	 <u>\$ 12,172,672</u>

3. **Appropriation of Receipts.** The Comptroller is hereby authorized to transfer appropriated funds and cash from the state agencies' funds and accounts to the Comptroller's Office to reimburse for the cost of mailing warrants and consolidating payments across agency and fund lines, making electronic transfers and data transmissions to financial institutions, vendors, and associated activities. These, and all sums received in refund of postage, insurance, and shipping costs for the cigarette stamp program, are hereby appropriated to the Comptroller's Office.
4. **Support to the Board of Tax Professional Examiners.** Out of funds appropriated above, the Comptroller of Public Accounts shall provide administrative support to the Board of Tax Professional Examiners. The Comptroller of Public Accounts shall receive reimbursement from the Board of Tax Professional Examiners through an interagency contract which shall consist of the same levels of service and approximate costs as provided to the Board of Tax Professional Examiners by the State Comptroller during the 2008-09 biennium.
5. **Employee Incentive Rider.** In addition to the existing authority and amounts related to employee compensation and benefits, the Comptroller of Public Accounts may expend amounts necessary from funds appropriated for the 2010-11 biennium for the purposes of enhancing compensation, providing incentives, or paying associated expenses for high performing employees within the Comptroller's Office.
6. **Capital Expenditures Authorized.** Notwithstanding the limitations placed on the expenditure of funds for capital budget items contained in this Act, the Comptroller of Public Accounts is hereby authorized to expend funds appropriated to the Comptroller of Public Accounts for the acquisition of capital budget items.
7. **Transfer Authority.** Notwithstanding limitations on appropriation transfers contained in the General Provisions of this Act, the Comptroller of Public Accounts is hereby authorized to direct agency resources and transfer such amounts appropriated above between appropriation line items.
8. **Unexpended Balances Carried Forward Between Biennia.** All unexpended balances appropriated and/or allocated to the Comptroller of Public Accounts from the 2008-09 biennium due to efficiencies or other cost savings of the Comptroller are hereby appropriated for the 2010-11 biennium. The appropriations herein are for ensuring the continuation of high priority programs within the Comptroller's Office.
9. **Appropriation for Statutory Obligations.** The Comptroller of Public Accounts is hereby appropriated from Unclaimed Property Receipts all sums necessary to perform statutory obligations under §§ 74.201, 74.203, 74.601, and 74.602 of the Texas Property Code and to respond to public inquiries generated by the advertising program including, but not limited to, the hiring of temporary employees. Such amounts shall not exceed the amount of money credited to Unclaimed Property Receipts from unclaimed property proceeds.

COMPTROLLER OF PUBLIC ACCOUNTS

(Continued)

- 10. Uniform Statewide Accounting and Payroll Services and Technology.** There is hereby appropriated to the Comptroller of Public Accounts all revenues received as a result of cost sharing arrangements with other state agencies, other governmental units, or non-government entities for software, technology, licensing arrangements, royalty receipts, or other charges or receipts from the sharing of technological or other information, expertise, services, or cooperative agreements of any kind. Such revenues shall be available to the Comptroller for the use of further enhancement of automation and technology services, computer services, and computer time.
- 11. Unexpended Balances Between Fiscal Years Within the Biennium.** Any unexpended balances as of August 31, 2010, in the appropriations made herein to the Comptroller of Public Accounts are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2010.
- 12. Reimbursement for Treasury Operations.** In accordance with § 404.071, Government Code, the Comptroller of Public Accounts shall determine the costs incurred in receiving, paying, accounting for, and investing money in funds and accounts which are entitled to receive temporary interest. An amount equal to these costs shall be deducted from the interest earned on such funds and accounts and is hereby appropriated for deposit into the General Revenue Fund.
- 13. Public Outreach.** Out of funds appropriated above, the Comptroller of Public Accounts shall contract for goods and services as necessary for the purpose of promoting, advertising or otherwise providing education and/or training materials to the public on economic development, business development, global trade and agency functions or programs.
- 14. Vehicle Fuel Efficiency Standard.** The Comptroller of Public Accounts shall report to the Legislature once per biennium on the number of vehicles procured by each state agency that comply with state agency vehicle fuel standard described in § 2158.009, Government Code, and the number of vehicles procured by each state agency that do not comply with the standard.
- 15. Four-Day Work Week Study.** (a) From funds appropriated above the Comptroller of Public Accounts shall conduct a study on the establishment of a four-day, forty-hour work week for state employees. In conducting the study, the Comptroller shall consider: (1) the experience of other jurisdictions that have instituted a four-day work week; (2) expansion of existing variable work schedule options for state employees; (3) potential environmental, financial, and health benefits of establishing a four-day work week; and (4) any other information that the Comptroller determines is necessary. At the Comptroller's request, a state agency shall provide information and assistance in conducting the study. Not later than December 10, 2010, the Comptroller shall report the results of the study to the members and members-elect of the 82nd Legislature.
- 16. Increase Tax Compliance and State Revenue.** The Comptroller of Public Accounts is hereby appropriated \$10,298,000 in fiscal year 2010 and \$10,062,000 in fiscal year 2011 out of the General Revenue Fund for the purpose of increasing tax compliance and state revenue. The "Number of Full-Time Equivalents (FTE)" figure indicated elsewhere in this Act for the Comptroller of Public Accounts is hereby increased by 150 FTEs for each fiscal year of the biennium.

This appropriation is contingent upon the Comptroller's certification of available General Revenue of \$131,927,000 million for the biennium above the Comptroller's January 2009 Biennial Revenue Estimate providing a net gain, after accounting for benefit costs, of \$107,167,000.

FISCAL PROGRAMS - COMPTROLLER OF PUBLIC ACCOUNTS

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing: ¹		
General Revenue Fund ^{2, 3, 4}	\$ 501,977,415	\$ 297,128,451
 <u>General Revenue Fund - Dedicated</u>		
Compensation to Victims of Crime Auxiliary Account No. 494	30,000	0
Law Enforcement Officer Standards and Education Account No. 116	6,000,000	6,000,000
Oil Overcharge Account No. 5005	40,628,405	13,822,981
Subtotal, General Revenue Fund - Dedicated	\$ 46,658,405	\$ 19,822,981
Federal Funds	1,641,366	1,641,366
Total, Method of Financing	\$ 550,277,186	\$ 318,592,798

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE):	25.0	25.0
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Items of Appropriation:

A. Goal: CPA - FISCAL PROGRAMS

Comptroller of Public Accounts - Fiscal Programs.

A.1.1. Strategy: VOTER REGISTRATION	\$ 5,000,000	\$ 1,000,000
Payments to Counties for Voter Registration Activity. Estimated.		
A.1.2. Strategy: MISCELLANEOUS CLAIMS	\$ 2,970,000	\$ 2,970,000
Pay misc claims/wrongful imprisonment, Gov't Code 403.074. Estimated.		
A.1.3. Strategy: REIMBURSEMENT- COMMITMENT HEARINGS	\$ 2,000	\$ UB
Reimburse-Commitment Hearings Ch. 591-595, 597, Health & Safety Code.		
A.1.4. Strategy: REIMBURSE - BEVERAGE TAX	\$ 128,318,000	\$ 132,937,000
Reimburse mix bev tax per Tax Code 183.051 at 10.7143%. Estimated.		
A.1.5. Strategy: JUDGMENTS AND SETTLEMENTS	\$ 2,500,000	\$ UB
Payment of Ch. 101, 104 CPR Code, Ch. 59 Educ Code. Fed Court Claims.		
A.1.6. Strategy: COUNTY TAXES - UNIVERSITY LANDS	\$ 2,916,902	\$ 3,199,679
Payment of County Taxes on University Lands. Estimated.		
A.1.7. Strategy: LATERAL ROAD FUND DISTRICTS	\$ 7,300,000	\$ 7,300,000
Lateral Road Fund Distribution.		
A.1.8. Strategy: UNCLAIMED PROPERTY	\$ 127,000,000	\$ 129,000,000
To Pay Legitimate Claims for Unclaimed Prop Held by State. Estimated.		
A.1.9. Strategy: UNDERAGE TOBACCO PROGRAM	\$ 2,000,000	\$ 2,000,000
Allocate Underage Tobacco Enforcement Program Grants.		
A.1.10. Strategy: LOCAL CONTINUING EDUCATION GRANTS	\$ 6,000,000	\$ 6,000,000
Allocate Local Continuing Education Grants.		

¹ Appropriations identified above do not include American Recovery and Reinvestment Act (ARRA) funds; please see Article XII of this Act for those appropriations. For this agency Article XII includes a Federal Funds increase of \$284,800,000 in FY 2010 resulting in a net All Funds appropriation of \$835,077,186 in FY 2010.

² Incorporates Article IX, § 17.58, of this Act, due to the enactment of SB 1515, 81st Legislature, Regular Session, resulting in an increase in General Revenue Funds of \$25,000,000 in FY 2010 for transfer to the Major Events Trust Fund, a fund held outside the state Treasury.

³ Incorporates Article IX, § 17.47, of this Act, due to the enactment of HB 1935, 81st Legislature, Regular Session, relating to the establishment of the Jobs and Education for Texans (JET) Program, resulting in an increase in General Revenue Funds of \$25,000,000 in FY 2010 for transfer to the General Revenue-Dedicated Jobs and Education for Texans Fund No. 5143.

⁴ Incorporates Article IX, § 17.13, of this Act, relating to providing a one-time payment equivalent to the annuitant's monthly benefit, not to exceed \$500, to eligible members of the Employees Retirement System (\$34,723,050) and the Teacher Retirement System (\$120,525,691), resulting in an increase in General Revenue Funds of \$155,248,741 in FY 2010.

FISCAL PROGRAMS - COMPTROLLER OF PUBLIC ACCOUNTS

(Continued)

A.1.11. Strategy: ADVANCED TAX COMPLIANCE	\$ 10,659,775	\$ 10,659,775
A.1.12. Strategy: SUBSEQUENT CVC CLAIMS Subsequent Crime Victim Compensation Claims. Estimated.	\$ 30,000	\$ UB
A.1.13. Strategy: GROSS WEIGHT/AXLE FEE DISTRIBUTION Distribution to Counties per Transportation Code 621.353. Estimated.	\$ 7,500,000	\$ 7,500,000
A.1.14. Strategy: JOBS AND EDUCATION FOR TEXANS ⁵	\$ 25,000,000	\$ UB
A.1.15. Strategy: MAJOR EVENTS TRUST FUND ⁶	\$ 25,000,000	\$ UB
A.1.16. Strategy: ONE-TIME PAYMENTS TO RETIREES ⁷	\$ 155,248,741	\$ 0
Total, Goal A: CPA - FISCAL PROGRAMS	<u>\$ 507,445,418</u>	<u>\$ 302,566,454</u>

B. Goal: ENERGY OFFICE

Develop & Administer Programs That Promote Energy Efficiency.

B.1.1. Strategy: ENERGY OFFICE Promote and Manage Energy Programs.	\$ 2,763,025	\$ 2,763,025
B.1.2. Strategy: OIL OVERCHARGE SETTLEMENT FUNDS Allocate Grants and Loans to Promote Energy Efficiency.	<u>\$ 40,068,743</u>	<u>\$ 13,263,319</u>

Total, Goal B: ENERGY OFFICE	<u>\$ 42,831,768</u>	<u>\$ 16,026,344</u>
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**Grand Total, FISCAL PROGRAMS - COMPTROLLER
OF PUBLIC ACCOUNTS**

	<u>\$ 550,277,186</u>	<u>\$ 318,592,798</u>
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Object-of-Expense Informational Listing:

Salaries and Wages	\$ 1,503,793	\$ 1,503,793
Other Personnel Costs	155,411,151	162,410
Professional Fees and Services	8,969,771	9,069,795
Consumable Supplies	500	500
Utilities	665,303	553,368
Travel	53,940	58,255
Rent - Machine and Other	19,617	19,617
Other Operating Expense	133,614,669	133,094,580
Client Services	25,000	25,000
Grants	<u>250,013,442</u>	<u>174,105,480</u>

Total, Object-of-Expense Informational Listing	<u>\$ 550,277,186</u>	<u>\$ 318,592,798</u>
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**Estimated Allocations for Employee Benefits and Debt
Service Appropriations Made Elsewhere in this Act:**

Employee Benefits

Retirement	\$ 78,702	\$ 79,882
Group Insurance	120,232	128,950
Social Security	96,282	97,726
Benefits Replacement	<u>10,602</u>	<u>10,072</u>

Subtotal, Employee Benefits	<u>\$ 305,818</u>	<u>\$ 316,630</u>
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**Total, Estimated Allocations for Employee
Benefits and Debt Service Appropriations Made
Elsewhere in this Act**

	<u>\$ 305,818</u>	<u>\$ 316,630</u>
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- 1. Performance Measure Targets.** The following is a listing of the key performance target levels for the Fiscal Programs - Comptroller of Public Accounts. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to

⁵ Incorporates Article IX, § 17.47, of this Act, due to the enactment of HB 1935, 81st Legislature, Regular Session, relating to the establishment of the Jobs and Education for Texans (JET) Program, resulting in an increase in General Revenue Funds of \$25,000,000 in FY 2010 for transfer to the General Revenue-Dedicated Jobs and Education for Texans Fund No. 5143.

⁶ Incorporates Article IX, § 17.58, of this Act, due to the enactment of SB 1515, 81st Legislature, Regular Session, resulting in an increase in General Revenue Funds of \$25,000,000 in FY 2010 for transfer to the Major Events Trust Fund, a fund held outside the state Treasury.

⁷ Incorporates Article IX, § 17.13, of this Act, relating to providing a one-time payment equivalent to the annuitant's monthly benefit, not to exceed \$500, to eligible members of the Employees Retirement System (\$34,723,050) and the Teacher Retirement System (\$120,525,691), resulting in an increase in General Revenue Funds of \$155,248,741 in FY 2010.

FISCAL PROGRAMS - COMPTROLLER OF PUBLIC ACCOUNTS

(Continued)

achieve the intended mission of the Fiscal Programs - Comptroller of Public Accounts. In order to achieve the objectives and service standards established by this Act, the Fiscal Programs - Comptroller of Public Accounts shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2010	2011
B. Goal: ENERGY OFFICE		
Outcome (Results/Impact):		
State Agency Energy Cost Savings as a Percentage of Energy Expenditures	23%	23%
Energy Dollars Saved by LoanSTAR Projects (in Millions)	18	20
2. Appropriation from the Compensation to Victims of Crime Auxiliary Fund. Included in amounts appropriated above in Strategy A.112, Subsequent CVC Claims, are funds received by the Comptroller from departments under Government Code § 76.013, for crime victims who have not made a claim for restitution during the prescribed five year period and who make a subsequent claim (estimated to be \$30,000 for the biennium). In addition to amounts identified herein and included above, all revenue collected on or after September 1, 2009, is hereby appropriated for the same purpose. Any unobligated balances remaining as of August 31, 2010, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2010.		
3. Appropriation, Payment of Miscellaneous Claims. In addition to amounts appropriated above in Strategy A.1.2, Miscellaneous Claims, the Comptroller of Public Accounts is hereby appropriated out of other special funds and accounts as appropriate, amounts necessary to pay small miscellaneous claims.		
4. Appropriation, Payment of Judgments and Settlements. Except for claims under Chapter 59, Education Code, in addition to amounts appropriated above in Strategy A.1.5, Judgments and Settlements, the Comptroller of Public Accounts is hereby appropriated out of other special funds and accounts as appropriate, amounts necessary to pay claims, judgments, and settlements.		
5. Limitation, Payment of Judgments and Settlements. The expenditures authorized in Strategy A.1.5, Judgments and Settlements, for payment of settlements and judgments for claims against state agencies payable under Chapter 101 and 104, Civil Practice and Remedies Code, including indemnification for criminal prosecution and Federal Court judgments and settlements, are hereby limited to those claims where the settlement or judgment amount exceeds the amount authorized by Article IX, Judgments and Settlements, of this Act to be paid out of appropriations made to the involved agency elsewhere in this Act. These judgments and settlements shall be paid from special or local funds of the agency or institution to the extent available, and then from General Revenue. The Comptroller shall require reimbursement from agencies and institutions as special or local funds become available. This limitation shall not apply in those cases where the judgment order of the trial court was entered, or a settlement agreement was executed, prior to September 1, 1995, or to the payment of eligible medical malpractice claims under Chapter 59, Education Code. All claims shall be prepared, verified and signed by the Office of the Attorney General.		
6. International Fuel Tax Agreement. Out of amounts collected as a result of the administration of Chapter 162, Tax Code, the Comptroller shall determine the amounts due other jurisdictions as reflected by motor fuels reports and other information available pursuant to an International Fuel Tax Agreement or otherwise subject to refund. Such amounts are hereby appropriated and may be segregated as necessary for remittance to other jurisdictions and for refunds as provided by law. Fees and costs associated with an International Fuel Tax Agreement may be paid from the interest earnings on amounts due other jurisdictions or subject to refund. The Comptroller may estimate the amounts due other jurisdictions or subject to refund out of amounts collected as a result of the administration of Chapter 162, Tax Code, and may segregate such funds as necessary for administration of the agreement.		
7. Appropriation of Tax and Revenue Anticipation Note Fund No. 0577. There is hereby appropriated to the Comptroller of Public Accounts all money deposited in the tax and revenue anticipation note fund for the purposes of paying principal of, premium (if any), interest on, and costs of issuance relating to tax and revenue anticipation notes issued during the biennium. To the extent that money deposited into the tax and revenue anticipation note fund is insufficient to pay the principal of, premium (if any), interest on, and costs of issuance relating to notes, there is hereby appropriated to the Comptroller of Public Accounts from the General Revenue Fund amounts necessary for the full repayment of all principal of, premium (if any), and interest on any notes issued during the biennium.		

FISCAL PROGRAMS - COMPTROLLER OF PUBLIC ACCOUNTS

(Continued)

- 8. Advanced Tax Compliance and Debt Collections.** To the extent that the Comptroller contracts with persons or entities to provide information, services, or technology or expands and/or enhances the technology to aid in the advanced collections of debts, taxes, or other property due to or belonging to the State of Texas pursuant to Government Code, §§ 403.019, 403.0195 or Tax Code § 111.0035 or § 111.0036, all sums necessary to pay contract, maintenance, and other expenses connected with the collections, including any administrative costs of the Comptroller directly associated with the collections program, are hereby appropriated to the Comptroller from collection proceeds. The balance of collection proceeds shall be transferred to the General Revenue Fund or to any dedicated or special funds or accounts to which the collection proceeds may belong.

Consistent with the Comptroller's role as the chief fiscal officer and tax collector for the state, all resulting collections and associated expenses shall be accounted for through the fiscal agency operations of the Comptroller's Office in a manner which reflects both the amounts of enhanced collections as well as the amount of expenses related to the increased deposits.

- 9. Investment Fund Management.** Consistent with the Comptroller's responsibility for investing Tobacco Settlement Permanent Trust Funds Account No. 872 and the Permanent Higher Education Fund Account No. 346, as much of the investment earnings as necessary up to a maximum of 50 basis points of the average fund balance for funds managed by external fund managers and 20 basis points for internally managed funds are hereby appropriated each year of the biennium to the fiscal agency operation of the Comptroller's Office to pay the expenditures related to these investment activities. The total appropriated amount shall not exceed \$10 million per fiscal year of the biennium. The Comptroller shall prepare an annual report detailing the expenditures made in connection with each fund for investment activities.

- 10. Oil Overcharge Settlement Funds.** Included in funds appropriated above to Strategy B.1.2, Oil Overcharge Settlement Funds, out of Oil Overcharge Account No. 5005, are funds allocated to the State of Texas through consent decrees, court decrees, and administrative orders involving violation of the mandatory petroleum pricing and allocation regulations, including the interest earned on those used by the State Energy Conservation Office (SECO) for the biennium beginning September 1, 2009 (estimated to be \$26,526,638). Any unexpended balances as of August 31, 2009, of Oil Overcharge Funds Account No. 5005 are included in Strategy B.1.2, Oil Overcharge Settlement Funds, and are to be used by SECO for the biennium beginning September 1, 2009 (estimated to be \$27,924,748). In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, 2009, and all revenue generated on or after September 1, 2009, are hereby appropriated for the same purpose.

Out of these estimated balances and revenues, the State Energy Conservation Office shall allocate an estimated total of \$4,425,648 over the biennium based on the designations listed below. SECO is granted the discretion to prorate Oil Overcharge Funds based on these designations in the event that the total amount estimated by this allocation is not realized. The amounts below are hereby designated for the biennium beginning September 1, 2009, for the following purposes:

	2010	2011
Schools/Local Government Program	\$368,804	\$368,804
	& UB	& UB
State Agencies/Higher Education Program	\$368,804	\$368,804
	& UB	& UB
Renewable Energy Program	\$368,804	\$368,804
	& UB	& UB
Housing Partnership	\$368,804	\$368,804
	& UB	& UB
Transportation Energy Program	\$368,804	\$368,804
	& UB	& UB
Alternative Fuels Program	\$368,804	\$368,804
	& UB	& UB

FISCAL PROGRAMS - COMPTROLLER OF PUBLIC ACCOUNTS

(Continued)

Funds de-obligated from contracts within the above programs shall remain within the program. State Energy Program Administration funds are appropriated in Strategy B.1.1, Energy Office.

Pursuant to Texas Government Code § 2305.032 (f), funds available to the LoanSTAR Revolving Loan Program shall equal or exceed \$95,000,000 at all times. All unexpended LoanSTAR balances (estimated to be \$26,805,425 of total balances noted above) and all revenues, except depository interest earned on LoanSTAR balances, generated by funds in the LoanSTAR Program (estimated to be \$22,100,990 of total revenues noted above), shall remain in the program. If a state agency or institution of higher education is a recipient of a loan under the statewide retrofit demonstration and revolving loan program, the agency or institution shall repay the loan from agency funds budgeted for the energy costs of the agency or institution.

- 11. Department of Energy (DOE) Federal Funds.** In addition to funds appropriated above for administration of the State Energy Conservation Office, all funds allocated to the State of Texas by the U.S. Department of Energy to fund Pantex and State energy programs are detailed below for the biennium beginning September 1, 2009.

The SECO shall allocate funds based upon the designations listed below:

	FY 2010	FY 2011
<u>Federal Funds: Pantex Programs</u>		
Agreement in Principle (Remedial Clean Up Action)	\$835,975 & UB	\$835,975 & UB
Waste Isolation Pilot Plant	\$341,000 & UB	\$341,000 & UB
<u>Federal Funds: State Energy Program</u>		
State Energy Program (SEP) Grant	\$1,176,975 & UB	\$1,176,975 & UB

- 12. Appropriation of Tax Refunds.** As much of the respective taxes, fees, and charges, including penalties or other financial transactions administered or collected by the Comptroller as may be necessary is hereby appropriated and set aside to pay refunds, interest, and any costs and attorney fees awarded in court cases, as provided by law, subject to the following limitations and conditions:
- a. Unless another law, or section of this Act, provides a period within which a particular refund claim must be made, funds appropriated herein may not be used to pay a refund claim made under this section after four years from the latest date on which the amount collected or received by the State was due, if the amount was required to be paid on or before a particular date. If the amount was not required to be paid on or before a particular date, a refund claim may not be made after four years from the date the amount was collected or received. A person who fails to make a refund claim within the period provided by law, or this provision, shall not be eligible to receive payment of a refund under this provision.
 - b. Except as provided by subsection (c), as a specific limitation to the amount of refunds paid from funds appropriated in this Act during the 2010-11 biennium, the Comptroller shall not approve claims or issue warrants for refunds in excess of the amount of revenue estimated to be available from the tax, fee, or other revenue source during the biennium according to the Biennial Revenue Estimate of the Comptroller of Public Accounts used for certification of this Act. Any claim or portion of a claim which is in excess of the limitation established by this subsection "b" shall be presented to the next legislature for a specific appropriation in order for payment to be made. The limitation established by this subsection "b" shall not apply to any taxes or fees paid under protest.
 - c. Where the Biennial Revenue Estimate referenced in subsection (b) provides that no revenues are estimated to be available from a tax, fee, or other revenue source, and where a special fund or dedicated account has been abolished or the law creating the special fund or dedicated account has been repealed or has expired, any balances which may have been transferred or credited to the General Revenue Fund because of such abolishment, repeal or expiration are appropriated from that fund to pay refunds that are otherwise payable under this section.
 - d. From amounts collected pursuant to Sec. 47.052, Business & Commerce Code, there are hereby appropriated amounts necessary to pay a refund, settlement or judgment arising from

FISCAL PROGRAMS - COMPTROLLER OF PUBLIC ACCOUNTS

(Continued)

litigation relating to the validity of the fee. Any portion of a settlement or judgment in excess of the amounts collected under Section 47.051, et seq., including interest, courts costs, or attorneys fees, shall be presented to the next legislature for a specific appropriation in order for payment to be made.

- 13. Appropriation of Hotel/Motel Taxes.** In addition to amounts appropriated above, the Comptroller of Public Accounts is hereby appropriated out of hotel taxes collected under Chapter 156, Tax Code, amounts necessary to pay percentages to eligible coastal municipalities as calculated pursuant to §156.2511 and § 156.2512, Tax Code.
- 14. Cash Flow Transfer.** As required by Government Code, Section 403.092, for the state fiscal biennium beginning September 1, 2009, the Comptroller of Public Accounts is appropriated from the General Revenue Fund the amount needed:
 - a. to return any available cash that was transferred to the General Revenue Fund from a fund outside the state treasury; and
 - b. to maintain the equity of the fund from which the transfer was made.
- 15. Jobs and Education for Texans (JET).⁸** Included in amounts appropriated above in Strategy A.1.14, Jobs and Education for Texans, is \$25,000,000 in fiscal year 2010 out of the General Revenue Fund to be transferred to the General Revenue-Dedicated Jobs and Education for Texans (JET) Fund No. 5143 and is hereby appropriated out of the General Revenue-Dedicated Jobs and Education for Texans (JET) Fund No. 5143 for the biennium beginning September 1, 2009 to award grants to expand existing programs and develop new programs that prepares students for careers in high-demand occupations, including the startup costs associated with career and technical education (CTE) courses, and to provide scholarships for students in career and technical programs. Any unexpended balances remaining as of August 31, 2010 are hereby appropriated for the fiscal year beginning September 1, 2010 for the same purpose.

This appropriation is contingent upon the Comptroller's certification of available General Revenue of \$25,000,000 for the biennium above the Comptroller's January 2009 Biennial Revenue Estimate.

- 16. Major Events Trust Fund.⁹** Included in amounts appropriated above in Strategy A.1.15, Major Events Trust Fund, is \$25,000,000 in fiscal year 2010 out of the General Revenue Fund to be transferred to the Major Events Trust Fund, a fund held outside the state Treasury, for the purpose of attracting and securing eligible events. The appropriation is contingent on:
 - (a) a written statement confirming the state's interest in the event that is signed by both the Governor and the Comptroller of Public Accounts;
 - (b) certification by the Comptroller of Public Accounts that sufficient revenues will be generated by eligible events to offset the amounts appropriated;
 - (c) an agreement with one or more endorsing municipalities or counties entered into pursuant to Article 5190.14, Section 5A(r), Vernon's Texas Civil Statutes, as added by Senate Bill 1515, 81st Legislature, Regular Session; and
 - (d) the receipt of local funds from the endorsing entity(s) pursuant to Article 5190.14, Section 5A(r), Vernon's Texas Civil Statutes, as added by Senate Bill 1515, 81st Legislature, Regular Session.

⁸ Incorporates Article IX, § 17.47, of this Act, due to the enactment of HB 1935, 81st Legislature, Regular Session, relating to the establishment of the Jobs and Education for Texans (JET) Program, resulting in an increase in General Revenue Funds of \$25,000,000 in FY 2010 for transfer to the General Revenue-Dedicated Jobs and Education for Texans Fund No. 5143.

⁹ Incorporates Article IX, § 17.58, of this Act, due to the enactment of SB 1515, 81st Legislature, Regular Session, resulting in an increase in General Revenue Funds of \$25,000,000 in FY 2010 for transfer to the Major Events Trust Fund, a fund held outside the state Treasury.

**INFORMATIONAL LISTING OF FUNDS APPROPRIATED TO THE
COMPTROLLER FOR SOCIAL SECURITY AND BRP**

- 1. Informational Listing of Appropriated Funds.** The appropriations made in this and other articles of this Act to the Comptroller of Public Accounts - Social Security/Benefit Replacement Pay are subject to the following provisions. The following amounts shall be used for the purposes indicated.

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing: ^{1, 2}		
General Revenue, estimated	\$ 502,233,890	\$ 514,013,530
General Revenue-Dedicated, estimated	74,614,361	76,486,732
Federal Funds, estimated	101,630,483	101,756,047
<u>Other Funds</u>		
Other Special State Funds, estimated	13,393,032	13,735,077
State Highway Fund No. 006, estimated	82,329,222	83,308,969
Subtotal, Other Funds	95,722,254	97,044,046
Total, Method of Financing	\$ 774,200,988	\$ 789,300,355
A. Goal: Social Security/Benefit Replacement Comptroller - Social Security		
A.1.1. Strategy: State Match – Employer ^{1,2}		
State Match - Employer. Estimated.	\$ 730,690,457	\$ 747,965,350
A.1.2. Strategy: Benefit Replacement Pay		
Benefit Replacement Pay. Estimated.	43,510,531	41,335,005
Total, Goal A: Social Security/Benefit Replacement	\$ 774,200,988	\$ 789,300,355

- 2. Transfer of Social Security Contributions and Benefit Replacement Pay.** Appropriations made in this and other articles of this Act for Social Security and Benefit Replacement Pay shall be transferred by each agency from the Comptroller of Public Accounts to the agency based on estimated amounts by funding source for each fiscal year. Transfers should be made no later than September 15th of the year in which the payments are to be made. Adjustments and return of excess appropriation authority to the Comptroller's Office shall be completed by October 30th of the subsequent fiscal year.

¹ Incorporates Article IX, § 17.02(a), of this Act, relating to additional appropriations for employee benefits, which increases Social Security benefits proportionally with the number of FTEs increased in agency bill patterns, resulting in an increase of \$269,280 in General Revenue Funds, \$626,688 in General Revenue-Dedicated Funds, \$692,784 in Federal Funds, \$178,704 in Other Funds and \$129,744 in State Highway Fund 6 in FY 2010; and an increase of \$408,816 in General Revenue Funds, \$700,128 in General Revenue-Dedicated Funds, \$744,192 in Federal Funds, \$227,664 in Other Funds and \$181,152 in State Highway Fund 6 in FY 2011.

² Incorporates Article IX, § 17.02(b), of this act, relating to appropriations for employee benefits corresponding with the salary funding source of FTEs at the Department of Public Safety, resulting in an increase of \$4,332,960 in General Revenue Funds and an equal reduction of State Highway Fund 6 Funds in FY 2010; and an increase of \$4,332,960 in General Revenue Funds and an equal reduction of State Highway Fund 6 Funds in FY 2011 for Social Security contributions.

COMMISSION ON STATE EMERGENCY COMMUNICATIONS

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing:		
<u>General Revenue Fund - Dedicated</u>		
Commission on State Emergency Communications Account		
No. 5007 ¹	\$ 19,297,227	\$ 15,941,555
911 Service Fees Account No. 5050	54,813,369	52,002,921
Subtotal, General Revenue Fund - Dedicated	<u>\$ 74,110,596</u>	<u>\$ 67,944,476</u>
Appropriated Receipts	<u>240,000</u>	<u>240,000</u>
Total, Method of Financing	<u>\$ 74,350,596</u>	<u>\$ 68,184,476</u>
 This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):²	24.3	25.0
 Schedule of Exempt Positions:		
Executive Director, Group 2	\$90,750	\$90,750
 Items of Appropriation:		
A. Goal: STATEWIDE 9-1-1 SERVICES		
Planning & Development, Provision & Enhancement of 9-1-1 Service.		
A.1.1. Strategy: 9-1-1 NETWORK OPERATIONS	\$ 50,536,232	\$ 49,105,749
A.1.2. Strategy: 9-1-1 EQUIPMENT REPLACEMENT	\$ 12,775,939	\$ 7,821,652
A.1.3. Strategy: CSEC 9-1-1 PROGRAM ADMINISTRATION	<u>\$ 2,106,600</u>	<u>\$ 2,106,600</u>
Total, Goal A: STATEWIDE 9-1-1 SERVICES	<u>\$ 65,418,771</u>	<u>\$ 59,034,001</u>
 B. Goal: POISON CONTROL SERVICES		
Maintain High Quality Poison Control Services in Texas.		
B.1.1. Strategy: POISON CALL CENTER OPERATIONS ²	\$ 7,463,753	\$ 7,575,896
B.1.2. Strategy: STATEWIDE POISON NETWORK OPERATIONS	\$ 1,106,000	\$ 1,106,000
B.1.3. Strategy: CSEC POISON PROGRAM MANAGEMENT ²	<u>\$ 201,072</u>	<u>\$ 307,329</u>
Total, Goal B: POISON CONTROL SERVICES	<u>\$ 8,770,825</u>	<u>\$ 8,989,225</u>
 C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: INDIRECT ADMINISTRATION	\$ 161,000	\$ 161,250
Grand Total, COMMISSION ON STATE EMERGENCY COMMUNICATIONS	<u>\$ 74,350,596</u>	<u>\$ 68,184,476</u>
 Object-of-Expense Informational Listing:		
Salaries and Wages	\$ 1,446,076	\$ 1,479,457
Other Personnel Costs	40,350	40,350
Professional Fees and Services	262,000	329,000
Consumable Supplies	9,000	9,000
Utilities	101,600	101,600
Travel	62,000	75,000
Rent - Building	4,000	4,250
Rent - Machine and Other	6,000	6,000
Other Operating Expense	1,684,646	1,677,522
Grants	<u>70,734,924</u>	<u>64,462,297</u>
Total, Object-of-Expense Informational Listing	<u>\$ 74,350,596</u>	<u>\$ 68,184,476</u>

¹ Modified to correct error relating to reference of General Revenue-Dedicated account.

² Incorporates HB 1093, 81st Legislature, Regular Session, which transfers the oversight of regional poison control centers from the Department of State Health Services to the Commission on State Emergency Communications, by reducing appropriations to Strategy B.1.1, Poison Call Center Operations, by \$52,336 in FY 2010 and by \$158,593 in FY 2011 out of the Commission on State Emergency Communications Account No. 5007 and increasing Strategy B.1.3, CSEC Poison Program Management, by like amounts. In addition, the Number of FTEs is increased by 0.3 in FY 2010 and by 1.0 in FY 2011.

COMMISSION ON STATE EMERGENCY COMMUNICATIONS
(Continued)

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

<u>Employee Benefits</u>		
Retirement	\$ 89,975	\$ 91,324
Group Insurance	144,229	154,308
Social Security	105,884	107,472
Benefits Replacement	<u>4,402</u>	<u>4,182</u>
Subtotal, Employee Benefits	<u>\$ 344,490</u>	<u>\$ 357,286</u>
<u>Debt Service</u>		
Lease Payments	<u>\$ 17,267</u>	<u>\$ 10,912</u>
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	<u>\$ 361,757</u>	<u>\$ 368,198</u>

- 1. Performance Measure Targets.** The following is a listing of the key performance target levels for the Commission on State Emergency Communications. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Commission on State Emergency Communications. In order to achieve the objectives and service standards established by this Act, the Commission on State Emergency Communications shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2010</u>	<u>2011</u>
A. Goal: STATEWIDE 9-1-1 SERVICES		
Outcome (Results/Impact):		
Percentage of Time Wireline ALI System is Operational	99.5%	99.5%
A.1.2. Strategy: 9-1-1 EQUIPMENT REPLACEMENT		
Output (Volume):		
Number of 9-1-1 Calls Received by State Program		
Public Safety Answering Points (PSAPs)	6,388,213	6,477,648
B. Goal: POISON CONTROL SERVICES		
Outcome (Results/Impact):		
Percentage of Time the Texas Poison Control Managed Services are Available	99.5%	99.5%
B.1.1. Strategy: POISON CALL CENTER OPERATIONS		
Output (Volume):		
Total Number of Poison Control Calls Processed		
Statewide	412,470	415,769

- 2. Equipment Replacement.** None of the funds appropriated above to Strategy A.1.2, 9-1-1 Equipment Replacement, may be used to replace or fund a reserve for future replacement of 9-1-1 equipment. The Commission on State Emergency Communications shall develop and submit a 10-year equipment replacement schedule to the Legislative Budget Board and the Governor's Office not later than November 1, 2009. The Commission on State Emergency Communications may modify the schedule as necessary during the biennium, due to changing conditions resulting in equipment failure that affects public safety, and shall notify the Legislative Budget Board and the Governor's Office of such modifications.
- 3. Unexpended Balances Within the Biennium.** Any unexpended balances as of August 31, 2010, in the appropriations made herein to the Commission on State Emergency Communications are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2010.
- 4. Regional Planning Commissions.** Included in amounts appropriated above in Strategy A.1.1, 9-1-1 Network Operations, is \$17,000,000 for the biennium to be distributed to the Regional Planning Commissions for administration of the statewide 9-1-1 program. It is the intent of the Legislature that during the 2010-11 biennium no more than \$17,000,000 be allocated to the Regional Planning Commissions for administration of the statewide 9-1-1 program. Each Regional Planning Commission shall submit a Historically Underutilized Business (HUB) plan, pursuant to Chapter 2161 of the Government Code, with its application.

COMMISSION ON STATE EMERGENCY COMMUNICATIONS
(Continued)

- 5. Contingent Revenue: General Revenue-Dedicated Commission on State Emergency Communications Account No. 5007.**³ Contingent on the collection of fees in the General Revenue-Dedicated Commission on State Emergency Communications Account No. 5007 in excess of \$38,329,000 (Object Code 3563), contained in the Comptroller of Public Accounts' Biennial Revenue Estimate for fiscal years 2010 and 2011, the amounts of \$695,089 in fiscal year 2010 and \$913,489 in fiscal year 2011 are included above for the Commission on State Emergency Communications in Strategy B.1.1, Poison Call Center Operations, for the purposes of poison control center call taker salary increases, additional call takers, poison center administration and public education.

If the Comptroller finds the information sufficient to support the projection of increased revenues, a finding of fact to that effect shall be issued and the contingent appropriation shall be made available for the intended purposes.

³ Modified to correct error relating to reference of General Revenue-Dedicated account.

EMPLOYEES RETIREMENT SYSTEM

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing:		
General Revenue Fund, estimated	\$ <u>7,610,976</u>	\$ <u>7,610,977</u>
Total, Method of Financing	<u>\$ 7,610,976</u>	<u>\$ 7,610,977</u>
 This bill pattern represents an estimated 10.7% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	312.0	323.0
 Items of Appropriation:		
A. Goal: ADMINISTER RETIREMENT PROGRAM		
To Administer Comprehensive and Actuarially Sound Retirement Programs.		
A.1.1. Strategy: RETIREE DEATH BENEFITS	\$ 7,610,976	\$ 7,610,977
Provide Lump-sum Retiree Death Benefits. Estimated.		
Grand Total, EMPLOYEES RETIREMENT SYSTEM	<u>\$ 7,610,976</u>	<u>\$ 7,610,977</u>
 Object-of-Expense Informational Listing:		
Client Services	\$ <u>7,610,976</u>	\$ <u>7,610,977</u>
Total, Object-of-Expense Informational Listing	<u>\$ 7,610,976</u>	<u>\$ 7,610,977</u>

- 1. Information Listing of Appropriated Funds.** The appropriations made in this and other articles of this Act to the Employees Retirement System are subject to the following provisions. The following amounts shall be used for the purposes indicated.

EMPLOYEES RETIREMENT SYSTEM
(Continued)

	<u>For the Years Ending</u>	
	<u>August 31,</u>	<u>August 31,</u>
	<u>2010</u>	<u>2011</u>
Method of Financing: ^{1, 2, 3, 4}		
General Revenue Fund, estimated	\$ 951,344,439	\$ 1,015,307,422
General Revenue-Dedicated Accounts, estimated	58,864,712	63,472,059
Federal Funds, estimated	301,488,748	320,131,691
<u>Other Funds</u>		
Other Special State Funds, estimated	11,977,263	12,855,013
State Highway Fund No. 006, estimated	268,767,388	288,962,206
Subtotal, Other Funds	<u>280,744,651</u>	<u>301,817,219</u>
Total, Method of Financing	<u>\$ 1,592,442,550</u>	<u>\$ 1,700,728,391</u>
Number of Full-Time-Equivalents (FTE):	312.0	323.0
Schedule of Exempt Positions:		
Executive Director	\$ 300,000 ⁵	\$ 300,000 ⁵
A. Goal: ADMINISTER RETIREMENT PROGRAM		
To Administer Comprehensive and Actuarially Sound Retirement Programs.		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS ^{1, 2}		
Retirement Contributions. Estimated.	\$ 359,992,169	\$ 366,927,007
A.1.2. Strategy: LAW ENFORCEMENT AND CUSTODIAL OFFICER SUPPLEMENTAL RETIREMENT FUND (LECOS)		
Law Enforcement and Custodial Officer Supplemental Retirement Fund. Estimated.	\$ 20,466,859	\$ 20,466,859
A.1.3. Strategy: JUDICIAL RETIREMENT SYSTEM - PLAN 2		
Judicial Retirement System - Plan 2. Estimated.	\$ 11,258,590	\$ 11,258,590
A.1.4. Strategy: JUDICIAL RETIREMENT SYSTEM - PLAN 1		
Judicial Retirement System - Plan 1. Estimated.	\$ 28,912,126	\$ 28,912,127

¹ Incorporates Article IX, § 17.02(a), of this Act, relating to additional appropriations for employee benefits, which increases Retirement benefits proportionally with the number of FTEs increased in agency bill patterns, resulting in a decrease of \$125,388 in General Revenue Funds, and increases of \$396,288 in General Revenue-Dedicated Funds, \$438,084 in Federal Funds, \$113,004 in Other Funds and \$82,044 in State Highway Fund 6 in FY 2010; and increases of \$344,688 in General Revenue Funds, \$590,304 in General Revenue-Dedicated Funds, \$627,456 in Federal Funds, \$191,952 in Other Funds and \$152,736 in State Highway Fund 6 in FY 2011.

² Incorporates Article IX, § 17.02(b), of this Act, relating to appropriations for employee benefits corresponding with the salary funding source of FTEs at the Department of Public Safety, resulting in an increase of \$3,653,280 in General Revenue Funds, and an equal reduction of State Highway Fund 6 Funds in FY 2010; and an increase of \$3,653,280 in General Revenue Funds, and an equal reduction of State Highway Fund 6 Funds in FY 2011 for Retirement contributions.

³ Incorporates Article IX, § 17.02(a), of this Act, relating to additional appropriations for employee benefits, which increases Group Insurance benefits proportionally with the number of FTEs increased in agency bill patterns, resulting in a decrease of \$330,625 in General Revenue Funds, and increases of \$1,044,940 in General Revenue-Dedicated Funds, \$1,155,148 in Federal Funds, \$297,971 in Other Funds and \$216,335 in State Highway Fund 6 in FY 2010; and increases of \$970,683 in General Revenue Funds, \$1,662,368 in General Revenue-Dedicated Funds, \$1,766,993 in Federal Funds, \$540,561 in Other Funds and \$430,123 in State Highway Fund 6 in FY 2011.

⁴ Incorporates Article IX, § 17.02(b), of this Act, relating to appropriations for employee benefits corresponding with the salary funding source of FTEs at the Department of Public Safety, resulting in an increase of \$7,705,872 in General Revenue Funds, and an equal reduction of State Highway Fund 6 Funds in FY 2010; and an increase of \$8,229,792 in General Revenue Funds, and an equal reduction of State Highway Fund 6 Funds in FY 2011 for Group Insurance contributions.

⁵ Pursuant to Government Code, § 815.208, the Employees Retirement System Board of Trustees authorized an increase to the Executive Director's annual salary from \$275,000 at its August 25, 2009 meeting.

EMPLOYEES RETIREMENT SYSTEM

(Continued)

A.1.5. Strategy: PUBLIC SAFETY BENEFITS Public Safety Benefits. Estimated.	\$ 6,592,165	\$ 6,592,165
A.1.6. Strategy: RETIREE DEATH BENEFITS Retiree Death Benefits. Estimated.	<u>\$ 7,610,976</u>	<u>\$ 7,610,977</u>
Total, Goal A: ADMINISTER RETIREMENT PROGRAM	<u>\$ 434,832,885</u>	<u>\$ 441,767,725</u>
B. Goal: PROVIDE HEALTH PROGRAM ⁶ Provide Employees and Retirees with a Quality Health Program.		
B.1.1. Strategy: GROUP INSURANCE ^{7, 8} Group Insurance. Estimated.	\$ 1,150,472,742	\$ 1,251,338,432
B.1.2. Strategy: STATE KIDS INSURANCE PROGRAM State Kids Insurance Program (SKIP). Estimated.	<u>\$ 7,136,923</u>	<u>\$ 7,622,234</u>
Total, Goal B: PROVIDE HEALTH PROGRAM	<u>\$ 1,157,609,665</u>	<u>\$ 1,258,960,666</u>
Grand Total, EMPLOYEES RETIREMENT SYSTEM	<u>\$ 1,592,442,550</u>	<u>\$ 1,700,728,391</u>

2. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Employees Retirement System. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Employees Retirement System. In order to achieve the objectives and service standards established by this Act, the Employees Retirement System shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2010</u>	<u>2011</u>
A. Goal: ADMINISTER RETIREMENT PROGRAM		
Outcome (Results/Impact):		
Percent of ERS Retirees Expressing Satisfaction with Benefit Services	97%	97%
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS		
Output (Volume):		
Number of ERS Accounts Maintained	220,000	226,000
B. Goal: PROVIDE HEALTH PROGRAM		
Outcome (Results/Impact):		
Percent of HealthSelect Participants Satisfied with Network Services	90%	90%
B.1.1. Strategy: GROUP INSURANCE		
Efficiencies:		
Percent of Claims Processed within Thirty Days	99%	99%
Total Cost Paid per HealthSelect Member for Administration and Claims Processing	\$ 17.54	\$ 18.24

⁶ Incorporates HB 4586, § 77, 81st Legislature, Regular Session, relating to supplemental appropriations and reductions and giving direction and adjustment authority, which authorizes the Employees Retirement System to establish a pilot program under which physicians and health care providers who provide health care services to employees and retirees participating in the group benefits program are compensated under a payment system designed to test alternatives to traditional fee-for-service payments.

⁷ Incorporates Article IX, §17.02(a), of this Act, relating to additional appropriations for employee benefits, which increases Group Insurance benefits proportionally with the number of full-time equivalents increased in agency bill patterns, resulting in a decrease of \$330,625 in General Revenue Funds, and increases of \$1,044,940 in General Revenue-Dedicated Funds, \$1,155,148 in Federal Funds, \$297,971 in Other Funds and \$216,335 in State Highway Fund 6 in FY 2010; and increases of \$970,683 in General Revenue Funds, \$1,662,368 in General Revenue-Dedicated Funds, \$1,766,993 in Federal Funds, \$540,561 in Other Funds and \$430,123 in State Highway Fund 6 in FY 2011.

⁸ Incorporates Article IX, §17.02(b), of this Act, relating to appropriations for employee benefits corresponding with the salary funding source of full-time equivalents at the Department of Public Safety, resulting in an increase of \$7,705,872 in General Revenue Funds, and an equal reduction of State Highway Fund 6 Funds in FY 2010; and an increase of \$8,229,792 in General Revenue Funds, and an equal reduction of State Highway Fund 6 Funds in FY 2011 for Group Insurance contributions.

EMPLOYEES RETIREMENT SYSTEM

(Continued)

3. **Updated Actuarial Valuation.** The Employees Retirement System shall contract with an actuary to perform a limited actuarial valuation of the assets and liabilities of the Employees Retirement System as of February 28 in those years when the Legislature meets in regular session. The purpose of the valuation shall be to determine the effect of investment, salary, and payroll experience on the unfunded liability, the amortization period, and the state contribution rate which results in a 30-year amortization period of the Retirement System.
4. **State Contribution to Employees Retirement Program.**⁹ The amount specified above in A.1.1, Retirement Contributions, is based on a state contribution of 6.45 percent of payroll, including annual membership fees of \$3 for contributing members for each fiscal year.
5. **State Contribution to Judicial Retirement Program (JRS-2).** The amount specified above in A.1.3, Judicial Retirement System - Plan 2, is based on a state contribution of 16.83 percent of payroll for contributing members for each fiscal year.
6. **State Contribution to Group Insurance for General State Employees.** Funds identified above for group insurance are intended to fund:
 - a. the total cost of the basic life and health coverage for all active and retired employees;
 - b. fifty percent of the total cost of health coverage for the spouses and dependent children of all active and retired employees who enroll in coverage categories which include a spouse and/or dependent children; and
 - c. the additional cost of providing a premium structure comparable to the Children's Health Insurance Program (CHIP) for dependent children of state employees enrolled in the State Kids Insurance Program (SKIP).

In no event shall the total amount of state contributions allocated to fund coverage in an optional health plan exceed the actuarially determined total amount of state contributions that would be required to fund basic health coverage for those active employees and retirees who have elected to participate in that optional health plan.

During each fiscal year, the state's monthly contribution shall be determined by multiplying (1) the per capita monthly contribution as certified herein by (2) the total number of full-time active and retired employees enrolled for coverage during that month.

Each year, upon adoption of group insurance rates by the Board of Trustees, Employees Retirement System must notify the Comptroller, the Legislative Budget Board, and the Governor of the per capita monthly contribution required in accordance with this rider for each full-time active and retired employee enrolled for coverage during the fiscal year.

It is the intent of the Legislature that the Employees Retirement System control the cost of the group insurance program by not providing rate increases to health care providers participating in HealthSelect during the 2010-11 biennium.

7. **Excess Benefit Arrangement Account.** There is hereby appropriated to the Employees Retirement System all funds transferred or deposited into the Excess Benefit Arrangement Account established in the General Revenue-Dedicated Account No. 5039, for the purpose of paying benefits as authorized by Government Code § 815.5072.
8. **Transfer of Retirement Contributions and Group Insurance.** Appropriations made in this and other articles of this Act for Retirement and Group Insurance contributions shall be transferred by each agency from the Employees Retirement System to the agency based on estimated amounts by funding source for each fiscal year. Transfers should be made no later than September 15 of the year in which the payments are to be made. Adjustments and return of excess appropriation authority to the Employees Retirement System shall be completed by October 30 of the subsequent fiscal year.

⁹ Pursuant to Article IX, §17.13(b)(4), of this Act, relating to one-time payments to eligible members of the Employees Retirement System, should the Attorney General not provide a conclusive opinion that such payments are constitutionally and statutorily permissible, an amount estimated to be \$34,723,050 shall be transferred from the Comptroller to the Employees Retirement System to increase the state contribution rate from 6.45 percent to 6.95 percent.

EMPLOYEES RETIREMENT SYSTEM

(Continued)

9. **Appropriation for State Kids Insurance Program (SKIP).** Pursuant to 1551.159, Insurance Code, relating to the state's contribution for dependent children of certain state employees, funds identified above in Strategy B.1.2, State Kids Insurance Program, for group insurance are to be used for the costs of the State Kids Insurance Program (SKIP).
10. **Federal Funds for Medicare Part D Prescription Drug Program.** The Employees Retirement System (ERS) is hereby authorized to receive employer reimbursements of all federal funds applicable to Medicare Part D prescription drug reimbursement relating to benefits administered by ERS. Any federal funds received by ERS shall be deposited to the Employees Life, Accident and Health Insurance and Benefits Fund No. 973, or to such fund as established by the Legislature or the State Comptroller of Public Accounts to pay health claims for retired employees.
11. **State Contribution to the Law Enforcement and Custodial Officer Supplemental Retirement Fund (LECOS).** The amount specified in A.1.2, Law Enforcement and Custodial Officer Supplemental Retirement Fund (LECOS), is based on 1.59 percent of covered payroll for LECOS members.
12. **Online Health Risk Assessment.** Out of funds appropriated above in Strategy B.1.1, the Employee Retirement System shall use an amount not to exceed \$100,000 in fiscal year 2010 for the purpose of purchasing access to an online health risk assessment for state employees that do not already have access to one.
13. **Appropriations for the Deferred Compensation Trust Fund and the TexaSaver Trust Fund.** All money deposited into the Deferred Compensation Trust Fund, Employees Retirement System No. 0945 and the TexaSaver Trust Fund No. 0946 pursuant to § 609.512 Government Code are hereby appropriated to the system for the 2010-11 biennium for the purposes authorized by law.
14. **Emerging Investment Fund Managers.** From money appropriated under Goal A, Administer Retirement Program, the Employees Retirement System shall make a good faith effort to hire qualified emerging fund managers.

The Employees Retirement System shall report back to the Eighty-second Legislature on the methods and results of the system's efforts to hire emerging fund managers, including data disaggregated by race, ethnicity, gender, and fund size.

TEXAS ETHICS COMMISSION

	For the Years Ending	
	August 31, 2010	August 31, 2011
	<u>2010</u>	<u>2011</u>
Method of Financing:		
General Revenue Fund	\$ 2,064,324	\$ 2,066,625
Appropriated Receipts	<u>8,190</u>	<u>8,190</u>
Total, Method of Financing	<u>\$ 2,072,514</u>	<u>\$ 2,074,815</u>
 This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	37.0	37.0
Schedule of Exempt Positions:		
Executive Director, Group 4	\$115,000	\$115,000
General Counsel	105,000	105,000
Items of Appropriation:		
A. Goal: INFORMATION ON GOVERNMENT		
Increase Information to Public about Government/Ethics Laws.		
A.1.1. Strategy: INFORMATION FILING	\$ 493,112	\$ 493,112
Serve as the Repository for Statutorily Required Information.		
A.1.2. Strategy: ADVISORY OPINIONS	\$ 170,843	\$ 170,843
Provide Advisory Opinions.		

TEXAS ETHICS COMMISSION
(Continued)

A.1.3. Strategy: ENFORCEMENT	\$ 588,538	\$ 588,538
Respond to Complaints and Enforce Applicable Statutes.		
A.2.1. Strategy: ETHICS EDUCATION PROGRAM	\$ 42,256	\$ 42,257
Provide Ethics Education.		
Total, Goal A: INFORMATION ON GOVERNMENT	<u>\$ 1,294,749</u>	<u>\$ 1,294,750</u>
B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: INDIRECT ADMINISTRATION	\$ 777,765	\$ 780,065
Grand Total, TEXAS ETHICS COMMISSION	<u>\$ 2,072,514</u>	<u>\$ 2,074,815</u>
Object-of-Expense Informational Listing:		
Salaries and Wages	\$ 1,835,823	\$ 1,835,824
Other Personnel Costs	56,720	56,720
Professional Fees and Services	5,416	5,416
Consumable Supplies	14,000	14,000
Utilities	1,815	1,815
Travel	16,160	16,160
Rent - Building	3,430	3,430
Rent - Machine and Other	11,950	11,950
Other Operating Expense	112,200	112,200
Capital Expenditures	<u>15,000</u>	<u>17,300</u>
Total, Object-of-Expense Informational Listing	<u>\$ 2,072,514</u>	<u>\$ 2,074,815</u>
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
<u>Employee Benefits</u>		
Retirement	\$ 105,344	\$ 106,924
Group Insurance	203,321	218,419
Social Security	134,091	136,102
Benefits Replacement	<u>12,919</u>	<u>12,273</u>
Subtotal, Employee Benefits	<u>\$ 455,675</u>	<u>\$ 473,718</u>
<u>Debt Service</u>		
Lease Payments	<u>\$ 182,392</u>	<u>\$ 112,893</u>
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	<u>\$ 638,067</u>	<u>\$ 586,611</u>

1. Performance Measure Targets. The following is a listing of the key performance target levels for the Texas Ethics Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Texas Ethics Commission. In order to achieve the objectives and service standards established by this Act, the Texas Ethics Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2010</u>	<u>2011</u>
A. Goal: INFORMATION ON GOVERNMENT		
Outcome (Results/Impact):		
Percent of Advisory Opinion Requests Answered by Commission within 60 Working Days of Receipt	75%	75%
A.1.1. Strategy: INFORMATION FILING		
Output (Volume):		
Number of Reports Logged within Two Working Days of Receipt	27,151	26,879
A.1.2. Strategy: ADVISORY OPINIONS		
Efficiencies:		
Average Time (Working Days) to Answer Advisory Opinion Requests	48	48
A.1.3. Strategy: ENFORCEMENT		
Output (Volume):		
Number of Sworn Complaints Processed	410	420
Efficiencies:		
Average Time (Working Days) to Respond to Sworn Complaints	4	4

TEXAS ETHICS COMMISSION
(Continued)

2. Capital Budget. None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes.

	2010	2011
a. Acquisition of Information Resource Technologies		
(1) Technology Replacement & Upgrade	\$ 15,000	\$ 17,300
Total, Capital Budget	\$ 15,000	\$ 17,300
Method of Financing (Capital Budget):		
General Revenue Fund	\$ 15,000	\$ 17,300
Total, Method of Financing	\$ 15,000	\$ 17,300

FACILITIES COMMISSION

	For the Years Ending August 31, 2010	August 31, 2011
Method of Financing:		
General Revenue Fund	\$ 29,339,215	\$ 29,339,214
<u>General Revenue Fund - Dedicated</u>		
Texas Department of Insurance Operating Fund Account No. 036	1,030,083	1,030,083
Federal Surplus Property Service Charge Fund Account No. 570	4,480,837	1,611,986
Subtotal, General Revenue Fund - Dedicated	\$ 5,510,920	\$ 2,642,069
<u>Other Funds</u>		
Appropriated Receipts	1,622,917	1,622,917
Interagency Contracts	19,045,908	18,590,908
Bond Proceeds - General Obligation Bonds	28,942,000	UB
Subtotal, Other Funds	\$ 49,610,825	\$ 20,213,825
Total, Method of Financing	\$ 84,460,960	\$ 52,195,108
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	\$ 169,011	\$ 176,351
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	474.6	474.6
Schedule of Exempt Positions:		
Executive Director, Group 5	\$126,500	\$126,500
Items of Appropriation:		
A. Goal: FACILITIES CONSTRUCTION AND LEASING		
Provide Office Space for State Agencies through Constr/Leasing Svcs.		
A.1.1. Strategy: LEASING	\$ 649,643	\$ 649,643
Provide Quality Leased Space for State Agencies at the Best Value.		
A.1.2. Strategy: FACILITIES PLANNING	\$ 243,910	\$ 243,910
Ensure State Optimizes Use of Leased/Purchased/Constructed Off Space.		
A.2.1. Strategy: BUILDING DESIGN AND CONSTRUCTION	\$ 5,488,372	\$ 5,488,372
Ensure Facilities Are Designed & Built Timely/Cost Eff/Highest Quality.		
Total, Goal A: FACILITIES CONSTRUCTION AND LEASING	\$ 6,381,925	\$ 6,381,925

FACILITIES COMMISSION
(Continued)

B. Goal: PROPERTY MANAGEMENT

To Protect & Cost Effectively Manage & Maintain State-owned Facilities.

B.1.1. Strategy: CUSTODIAL	\$ 5,470,227	\$ 5,470,227
Provide Cost-effective/Efficient Custodial Svcs for State Facilities.		
B.2.1. Strategy: FACILITIES OPERATION	\$ 63,575,834	\$ 34,178,834
Provide a Comprehensive Pgm to Protect State's Invstmnt in Facilities.		
B.2.2. Strategy: LEASE PAYMENTS	<u> </u>	<u> </u>
Make Lease Payments on Facilities Financed by the Public Finance Auth.		
Total, Goal B: PROPERTY MANAGEMENT	<u>\$ 69,046,061</u>	<u>\$ 39,649,061</u>

C. Goal: SURPLUS PROPERTY

Provide Support Services to State Agencies for Surplus Property.

C.1.1. Strategy: SURPLUS PROPERTY MANAGEMENT	\$ 4,855,736	\$ 1,986,885
Provide Timely/Appropriate/Cost-effective Disposal of Surplus Property.		

D. Goal: INDIRECT ADMINISTRATION

D.1.1. Strategy: CENTRAL ADMINISTRATION	\$ 2,116,009	\$ 2,116,009
D.1.2. Strategy: INFORMATION RESOURCES	\$ 1,254,497	\$ 1,254,496
D.1.3. Strategy: OTHER SUPPORT SERVICES	<u>\$ 806,732</u>	<u>\$ 806,732</u>
Total, Goal D: INDIRECT ADMINISTRATION	<u>\$ 4,177,238</u>	<u>\$ 4,177,237</u>

Grand Total, FACILITIES COMMISSION	<u>\$ 84,460,960</u>	<u>\$ 52,195,108</u>
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Object-of-Expense Informational Listing:

Salaries and Wages	\$ 16,980,702	\$ 16,000,238
Other Personnel Costs	344,000	318,480
Professional Fees and Services	435,441	433,869
Fuels and Lubricants	187,275	179,055
Consumable Supplies	287,210	282,590
Utilities	18,641,029	18,585,631
Travel	91,003	81,543
Rent - Building	12,635	12,635
Rent - Machine and Other	64,366	55,078
Other Operating Expense	15,870,299	14,095,989
Capital Expenditures	<u>31,547,000</u>	<u>2,150,000</u>
Total, Object-of-Expense Informational Listing	<u>\$ 84,460,960</u>	<u>\$ 52,195,108</u>

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits

Retirement	\$ 875,196	\$ 888,324
Group Insurance	3,631,497	3,988,623
Social Security	1,111,317	1,127,987
Benefits Replacement	<u>70,972</u>	<u>67,423</u>
Subtotal, Employee Benefits	<u>\$ 5,688,982</u>	<u>\$ 6,072,357</u>

Debt Service

TPFA GO Bond Debt Service	\$ 10,944,281	\$ 7,953,604
Lease Payments	<u>795,430</u>	<u>690,388</u>
Subtotal, Debt Service	<u>\$ 11,739,711</u>	<u>\$ 8,643,992</u>

Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	<u>\$ 17,428,693</u>	<u>\$ 14,716,349</u>
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1. Performance Measure Targets. The following is a listing of the key performance target levels for the Facilities Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission

FACILITIES COMMISSION
(Continued)

of the Facilities Commission. In order to achieve the objectives and service standards established by this Act, the Facilities Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2010	2011
A. Goal: FACILITIES CONSTRUCTION AND LEASING		
Outcome (Results/Impact):		
Percentage of Completed Construction Projects on Schedule within Budget	95%	95%
A.1.1. Strategy: LEASING		
Output (Volume):		
Total Number of Leases Awarded, Negotiated, or Renewed	308	323
Efficiencies:		
Percent Reduction of Leased Square Footage of Office & Warehouse Space	(4)%	(4)%
Explanatory:		
Total Square Footage of Office and Warehouse Space Leased	11,064,349	11,506,923
B. Goal: PROPERTY MANAGEMENT		
B.1.1. Strategy: CUSTODIAL		
Efficiencies:		
Cost Per Square Foot of TFC-provided Custodial Services	0.25	0.25
Cost Per Square Foot of Privatized Custodial Services	0.07	0.08
B.2.1. Strategy: FACILITIES OPERATION		
Efficiencies:		
Average Cost Per Square Foot of All Building Maintenance	1.19	1.19

- 2. Information Listing of Appropriated Funds.** The appropriations made in this and other Articles of this Act to the Texas Facilities Commission for lease payments to the Texas Public Finance Authority are subject to the following provision. The following amounts shall be used for the purpose indicated.

	For the Fiscal Year Ending	
	August 31, 2010	August 31, 2011
Method of Financing:		
General Revenue Fund	\$ 45,850,279	\$ 38,490,760
General Revenue-Dedicated		
Texas Department of Insurance Operating Fund Account No. 036	1,031,819	640,031
Total, Method of Financing, Lease Payments	<u>\$ 46,882,098</u>	<u>\$ 39,130,791</u>
Strategy B.2.2, Lease Payments	\$ 46,882,098	\$ 39,130,791 &UB

- 3. Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes.

	2010	2011
a. Construction of Buildings and Facilities		
(1) Construction of Buildings	\$ 2,000,000	\$ 2,000,000 & UB
b. Repair or Rehabilitation of Buildings and Facilities		
(1) Facilities Renovation of the Texas State Library and Archives Commission	UB	UB
(2) Deferred Maintenance for Critical Repairs	UB	UB
(3) Deferred Maintenance for Compliance Projects	UB	UB
(4) Deferred Maintenance for Asset Management	UB	UB

FACILITIES COMMISSION
(Continued)

(5) Critical Deferred Maintenance and Asbestos Abatement for Facilities (Proposition 8)	UB	UB
(6) Deferred Maintenance for Facilities	28,942,000	UB
(7) Repair of Fire Alarm and Fire Suppression Systems	300,000	300,000
(8) State Cemetery Enhancement Projects	455,000	UB
Total, Repair or Rehabilitation of Buildings and Facilities	<u>\$ 29,697,000</u>	<u>\$ 300,000</u>
c. Acquisition of Information Resource Technologies		
(1) Data Center Consolidation	<u>384,906</u>	<u>383,334</u>
Total, Capital Budget	<u>\$ 32,081,906</u>	<u>\$ 2,683,334</u>
Method of Financing (Capital Budget):		
General Revenue Fund	\$ 519,083	\$ 518,338
GR Dedicated - Federal Surplus Property Service Charge Fund Account No. 570	29,363	29,145
<u>Other Funds</u>		
Appropriated Receipts	52,839	52,486
Interagency Contracts	2,538,621	2,083,365
Bond Proceeds - General Obligation Bonds	28,942,000	UB
Subtotal, Other Funds	<u>\$ 31,533,460</u>	<u>\$ 2,135,851</u>
Total, Method of Financing	<u>\$ 32,081,906</u>	<u>\$ 2,683,334</u>

- 4. Unexpended Balances of Bond Proceeds for Deferred Maintenance and Facilities Renovation of the Texas State Library and Archives Commission Project.** Included in the amounts appropriated above are unexpended and unobligated balances of general obligation bond proceeds that have been approved under the provisions of Article IX, Section 19.70 of House Bill 1, Eightieth Legislature, Regular Session, 2007, remaining as of August 31, 2009, (estimated to be \$0) for the Texas Facilities Commission (TFC) made by the Eightieth Legislature for deferred maintenance, including remaining balances for the facilities renovation of the Texas State Library and Archives Commission capital budget project, excluding expansion of the existing facility, for the 2010-11 biennium to Strategy A.2.1, Building Design and Construction, and Strategy B.2.1, Facilities Operation, in general obligation bond proceeds.

Any unexpended balances in general obligation bond proceeds described herein and remaining as of August 31, 2010, are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2010.

- 5. Transfer Authority - Utilities.** In order to provide for unanticipated cost increases in purchased utilities during fiscal year 2010, the Texas Facilities Commission may transfer such amounts as may be necessary to cover such increases from appropriations made in fiscal year 2011 for utilities in B.2.1, Facilities Operation, to amounts appropriated in fiscal year 2010 for utilities. Prior to transferring fiscal year 2011 funds into the 2010 fiscal year, notification shall be given to the Comptroller of Public Accounts of the amounts to be transferred and quarterly reports shall be filed with the Legislative Budget Board and the Governor detailing the necessity for such transfers.
- 6. Employee Testing.** Out of the funds appropriated herein, the Texas Facilities Commission is authorized to pay for medical testing for employees or prospective employees that work in high risk environment areas (e.g., asbestos removal, sewage). Funds appropriated above may also be expended for immunizations which are required of employees at risk in the performance of these duties. Testing deemed necessary under this provision must be approved by the Executive Director and obtained for the safety of the employee or the general public.
- 7. Cost Recovery, Reimbursement of General Revenue Funds.** In the event that the Leasing Services Program or any other function funded with general revenue in the above strategies recovers operational costs through reimbursements from other agencies or entities, the Texas Facilities Commission shall reimburse the General Revenue Fund for the amounts expended. Upon reimbursement, the Comptroller shall transfer these funds to unappropriated general revenue balances.

FACILITIES COMMISSION

(Continued)

- 8. Texas Facilities Commission's Revolving Account.** The Comptroller of Public Accounts shall maintain the "Texas Facilities Commission's Revolving Account" to account for the expenditures, revenues, and balances of its full cost-recovery operations of Minor Construction and Project Management. The expenditures, revenues, and balances for each operation shall be maintained separately by the Texas Facilities Commission within its accounting system. Included in funds appropriated above are unexpended and unobligated balances for these operations as of August 31, 2009 (not to exceed \$1,070,000 in Interagency Contracts), for use during the 2010-11 biennium, along with any revenues received during the biennium. Any unobligated balances as of August 31, 2010, are appropriated for the same use during fiscal year 2011.
- 9. Appropriations Limited to Revenue Collections.** Fees, fines and other miscellaneous revenues as authorized and generated by the operation of the Federal Surplus Property Program shall cover, at a minimum, the cost of the appropriations made for the Federal Surplus Property Program above for strategy item C.1.1, Surplus Property Management, as well as the "other direct and indirect costs" associated with this program, appropriated elsewhere in this Act. "Other direct and indirect costs" for the Federal Surplus Property Program above for strategy item C.1.1, Surplus Property Management, are estimated to be \$169,011 for fiscal year 2010 and \$176,351 for fiscal year 2011. In the event that the actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct the Comptroller of Public Accounts to reduce the appropriation authority provided herein to be within the amount of fee revenue expected to be available. Any unexpended balances as of August 31, 2009 (estimated to be \$2,875,000), in Federal Surplus Property Service Charge Account Fund 570 are hereby appropriated to the Texas Facilities Commission for costs associated with the operations of the Federal Surplus Property Program during the 2010-11 biennium. Any balances remaining on August 31, 2010, are appropriated for the same use during fiscal year 2011.
- 10. Standby Pay.** It is expressly provided that the Texas Facilities Commission, to the extent permitted by law, may pay compensation for on-call time at the following rates: credit for one hour worked for each day on-call during the normal work week, and two hours worked for each day on-call during weekends and on holidays. This credit shall be in addition to actual hours worked during normal duty hours and actual hours worked during on-call status. For employees subject to the Fair Labor Standards Act (FLSA), an hour of on-call service shall be considered to be an hour worked during the week for purposes of the FLSA only to the extent required by federal law.
- 11. Capitol Complex - Utilities.** Notwithstanding any other provision in this Act, the Texas Facilities Commission shall be responsible for the payment of all utility costs out of appropriated funds in Strategy B.2.1, Facilities Operation, for the Capitol, the Capitol Extension, the Historic Capitol Grounds, the 1857 General Land Office Building, and the State History Museum.

Notwithstanding Article IX Sec. 14.01, Appropriation Transfers or similar provisions of this Act, from funds appropriated above in Strategy B.2.1, Facilities Operation (\$18,434,754 in fiscal year 2010 and \$18,434,754 in fiscal year 2011), without prior written approval provided by the Legislative Budget Board, no funds may be transferred by the agency to another appropriation item or be used by the agency for a purpose other than payment of utility expenses.

Additionally, the Texas Facilities Commission shall provide quarterly reports to the Legislative Budget Board detailing monthly utility expenditures.
- 12. State Owned Housing.** A State Cemetery employee is authorized to live in the State Cemetery Caretaker's residence as set forth in Article IX, State Owned Housing - Recover Housing Costs, of this Act. Funds recovered for employee housing are hereby appropriated to the agency to maintain the State Cemetery Caretaker's residence.
- 13. Night Shift Differential.** It is expressly provided that the Texas Facilities Commission, to the extent provided by law, is hereby authorized to pay an additional night shift differential to Facilities Management Division employees.
- 14. Texas State Cemetery.** Out of funds appropriated above, in Strategies B.2.1, Facilities Operation, there is hereby allocated a total of \$572,357 for each fiscal year of the biennium beginning September 1, 2009, for the purpose of operation and maintenance at the Texas State Cemetery and/or the cemetery annex and for developing and maintaining a master plan for the Texas State Cemetery.

FACILITIES COMMISSION

(Continued)

- 15. State and Federal Surplus Property.** Notwithstanding Article IX Sec. 8.03, Reimbursements and Payments or similar provisions of this Act, included in amounts appropriated above in Strategy C.1.1, Surplus Property Management, are appropriations not to exceed \$3,973,769 from receipts collected for the biennium beginning September 1, 2009, to be collected pursuant to Chapter 2175, Government Code. Additionally, the Texas Facilities Commission may not expend, in a given fiscal year, an amount greater than the amount of receipts collected during the biennium pursuant to Chapter 2175, Government Code and appropriated by Article IX, § 8.04 of this Act in that fiscal year.
- a. Out of funds appropriated above, the Commission shall utilize a surplus property inventory information system to allow for the efficient processing and management of the State Surplus Property Program inventory and the tracking of surplus property sales conducted or managed by the Commission.
 - b. Based on a risk assessment of potential surplus property needs, the Commission shall target its education and outreach efforts of the State Surplus Property Program to select state agencies to ensure state agencies are actively identifying surplus property eligible for disposition.
 - c. The Commission shall develop and track performance benchmarks and targets necessary to evaluate the State Surplus Property Program activities for timeliness, cost, and profitability. The Commission shall report to the Legislative Budget Board and the Governor, no later than August 31, 2010, on the following:
 - i. Surplus property sale proceeds by sales method;
 - ii. Costs associated with warehousing, cataloguing, and administering surplus property, and sales activities;
 - iii. Percent of the estimated value of surplus property being recovered through disposal method; and
 - iv. Timeliness of surplus property disposal.
- 16. Facilities Management.** It is the intent of the Legislature that agencies affected by the facilities management provision under § 2165.007, Government Code, shall enter into a two-year contract for facility management services with the Texas Facilities Commission on or before September 1, 2009. Payments made to the Texas Facilities Commission shall be for actual facilities management services estimated by those affected agencies in cooperation with the Texas Facilities Commission. In addition, funds received by the Texas Facilities Commission from those agencies shall only be expended on the agency for which payment has been made. Any funds not used for those purposes shall be transferred back to the agency of origin.
- 17. Parking Usage Study.** Out of funds appropriated herein, the Texas Facilities Commission shall report on the actual usage of Commission managed parking facilities by state employees, including, at a minimum: the available parking capacity of each facility; the number of state employees using the facility; the number of visitors using the facility; the amount and nature of revenue realized through the facility; and the excess capacity available within the facility. The report shall also include recommendations for the redevelopment of significantly underused parking facilities to purposes more suited to the efficient administration of state government. The report shall be submitted to the Legislative Budget Board and the Governor no later than September 1, 2010.
- 18. Appropriation Authority for General Obligation Bond Proceeds.**¹ Appropriated above in Strategy B.2.1, Facilities Operation, in fiscal year 2010 is \$28,942,000 in general obligation bond proceeds for projects for the Texas Facilities Commission as described in Article IX, Sec. 17.11, Informational Listing General Obligation Bond Proceeds.
- All projects funded herein with general obligation bond proceeds are subject to approval by the Legislative Budget Board prior to issuance of the bond proceeds by the Texas Public Finance Authority. Any unexpended and unobligated balances in general obligation bond proceeds described herein and remaining as of August 31, 2010 are hereby appropriated for the fiscal year beginning September 1, 2010 for the same purpose(s).
- 19. Texas State Cemetery Enhancement Projects.** Out of funds appropriated above, it is the intent of the Legislature that \$455,000 in federal Transportation Enhancement Program funds administered by the Texas Department of Transportation be made available to the Texas Facilities Commission in fiscal year 2010 for Texas State Cemetery beautification, repair and security

¹ Modified to correct reference error.

FACILITIES COMMISSION
(Continued)

enhancements whenever such projects are approved by the Texas Facilities Commission and meet federal grant requirements of the Transportation Enhancement Program as defined by the federal Department of Transportation, Federal Highway Administration federal regulations in Title 23 of the United States Code. The Texas Department of Transportation will review the Texas State Cemetery beautification, repair and security enhancement projects to determine if they meet the federal Transportation Enhancement Program guidelines. It is the intent of the Legislature that funds appropriated above would cover the administrative costs of the Texas State Cemetery beautification, repair and security enhancement projects approved for federal Transportation Enhancement Program funds. Any unexpended and unobligated balances of these funds remaining as of August 31, 2010 are hereby appropriated for the fiscal year beginning September 1, 2010 for the same purpose(s).

In addition, the Texas Department of Transportation may redirect obligated funds previously obligated for the Texas State Cemetery beautification, repair and security enhancement projects under the Transportation Enhancement Program to other available projects should the Texas State Cemetery beautification, repair and security enhancement projects fail to receive federal approval or federal Transportation Enhancement Program funds are not available due to changes in federal laws, rules, regulations, or appropriations.

PUBLIC FINANCE AUTHORITY

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing:		
General Revenue Fund	\$ 563,601	\$ 563,601
GR Dedicated - State Lease Account No. 507	2,145,000	2,691,000
Appropriated Receipts	361,477	361,477
Total, Method of Financing	\$ 3,070,078	\$ 3,616,078
 This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	15.0	15.0
Schedule of Exempt Positions:		
Executive Director, Group 4	\$120,000	\$120,000
 Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
Finance Capital Projects Cost Effectively and Monitor Debt Efficiently.		
A.1.1. Strategy: ANALYZE FINANCINGS AND ISSUE DEBT	\$ 460,689	\$ 460,689 & UB
Analyze Agency Financing Applications and Issue Debt Cost Effectively.		
A.2.1. Strategy: MANAGE BOND PROCEEDS	\$ 2,609,389	\$ 3,155,389 & UB
Manage Bond Proceeds and Monitor Covenants to Ensure Compliance.		
A.2.2. Strategy: BOND DEBT SERVICE PAYMENTS	\$ _____	\$ _____
Make GO Bond Debt Service Payments.		
Total, Goal A: FINANCE CAPITAL PROJECTS	\$ 3,070,078	\$ 3,616,078
Grand Total, PUBLIC FINANCE AUTHORITY	\$ 3,070,078	\$ 3,616,078

PUBLIC FINANCE AUTHORITY
(Continued)

Object-of-Expense Informational Listing:

Salaries and Wages	\$ 827,283	\$ 827,283
Other Personnel Costs	25,900	27,160
Professional Fees and Services	3,594	785
Consumable Supplies	3,540	3,540
Utilities	2,450	2,450
Travel	24,862	24,862
Rent - Building	300	300
Rent - Machine and Other	4,500	4,500
Other Operating Expense	<u>2,177,649</u>	<u>2,725,198</u>
Total, Object-of-Expense Informational Listing	<u>\$ 3,070,078</u>	<u>\$ 3,616,078</u>

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits

Retirement	\$ 47,935	\$ 48,654
Group Insurance	77,786	83,347
Social Security	62,261	63,195
Benefits Replacement	<u>7,358</u>	<u>6,990</u>
Subtotal, Employee Benefits	<u>\$ 195,340</u>	<u>\$ 202,186</u>

Debt Service

Lease Payments	<u>\$ 58,642</u>	<u>\$ 58,774</u>
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Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act

<u>\$ 253,982</u>	<u>\$ 260,960</u>
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- 1. Performance Measure Targets.** The following is a listing of the key performance target levels for the Public Finance Authority. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Public Finance Authority. In order to achieve the objectives and service standards established by this Act, the Public Finance Authority shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2010</u>	<u>2011</u>
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: ANALYZE FINANCINGS AND ISSUE DEBT		
Output (Volume):		
Number of Requests for Financings Approved	11	7
A.2.1. Strategy: MANAGE BOND PROCEEDS		
Output (Volume):		
Number of Financial Transactions Including Debt Service Payments	6,000	6,000

- 2. Information Listing of Appropriated Funds.** The appropriations made in this and other Articles of this Act to the Texas Public Finance Authority for General Obligation Bond Debt Service are subject to the following provision. The following amounts shall be used for the purpose indicated.

	For the Years Ending	
	August 31, <u>2010</u>	August 31, <u>2011</u>
Method of Financing:		
<u>General Revenue Fund</u>		
General Revenue	\$ 321,046,635	\$ 353,089,666
GR - Sporting Goods Sales Tax - Transfer to State Parks Acct. No. 64	4,306,691	3,226,445
Subtotal, General Revenue Fund	<u>\$ 325,353,326</u>	<u>\$ 356,316,111</u>
General Revenue-Dedicated	2,504,063	2,945,063
Federal Funds	2,362,984	2,361,154

PUBLIC FINANCE AUTHORITY
(Continued)

<u>Other Funds</u>		
Current Fund Balance No. 766	735,038	734,194
MH Collections for Patient Support and Maintenance No. 8031	112,122	112,122
MH Appropriated Receipts No. 8033	15,828	15,828
MR Collections for Patient Support and Maintenance No. 8095	120,063	120,063
MR Appropriated Receipts No. 8096	16,949	16,949
Subtotal, Other Funds	\$ 1,000,000	\$ 999,156

Total, Method of Financing

Bond Debt Service	\$ 331,220,373	\$ 362,621,484 & UB
Strategy A.2.2, Bond Debt Service	\$ 331,220,373	\$ 362,621,484 & UB

- 3. Appropriation and Transfer Authority of Interest and Sinking Funds for General Obligation Bond Debt Service Payments.** Prior to the expenditure of funds appropriated out of the General Revenue Fund to pay debt service on general obligation bonds, the Public Finance Authority shall utilize any balances available in interest and sinking funds for said purpose. The Authority is hereby appropriated all amounts available in interest and sinking funds, including any unexpended balances in these funds for the purpose of paying debt service on general obligation bonds.

In compliance with the bond resolutions and funds management agreements between the Texas Public Finance Authority and the Comptroller of Public Accounts, the Texas Public Finance Authority is hereby authorized to transfer funds, appropriated for bond debt service, into the appropriate interest and sinking funds in amounts as necessary for the payment of principal and interest due on general obligation bonds. Such transfers shall be made no sooner than the day that bond debt service is required to be delivered in accordance with the bond resolutions and funds management agreements. The Texas Public Finance Authority is also authorized to transfer funds appropriated for general obligation bond debt service to the interest and sinking fund(s) to pay ongoing costs associated with the General Obligation Commercial Paper Program.

- 4. Appropriation and Transfer Authority for Revenue Bond Lease Payments.** Included in amounts appropriated above in Strategy A.2.1, Manage Bond Proceeds, are revenues (interest and earnings) accruing to the General Revenue - Dedicated State Lease Fund Account No. 0507 estimated to be \$1,587,300 in fiscal year 2010 and \$1,991,340 in fiscal year 2011 and balances in and revenues accruing to the Texas Public Finance Authority revenue bond interest and sinking fund(s) to the Texas Public Finance Authority for bond servicing costs on revenue bonds. Bond servicing costs shall include such costs as debt service payments, insurance premiums, paying agent fees, and other costs associated with the outstanding bonds.

The Texas Public Finance Authority is hereby authorized to transfer such amounts as necessary for the payment of bond servicing costs from the General Revenue - Dedicated State Lease Fund Account No. 0507 to the Texas Public Finance Authority interest and sinking fund(s) or other debt service funds.

- 5. Appropriation and Transfer Authority for Master Lease Purchase Program Payments and Administrative Fees.** Included in amounts appropriated above in Strategy A.2.1, Manage Bond Proceeds, are revenues (interest and earnings) accruing to the General Revenue - Dedicated State Lease Fund Account No. 0507 estimated to be \$557,700 in fiscal year 2010 and \$699,660 in fiscal year 2011 and balances held in and revenues accruing to the Texas Public Finance Authority Master Lease Purchase Program interest and sinking fund(s) to the Texas Public Finance Authority for the purpose of making debt service and other payments in accordance with applicable laws, rules, and covenants pertaining to the Master Lease Purchase Program. Unexpended balances in and revenues accruing to the Texas Public Finance Authority Master Lease Purchase Program funds and cost of issuance fund(s) in excess of those appropriated in the Method of Financing are hereby appropriated to the Texas Public Finance Authority for administrative costs in operating the Master Lease Purchase Program.

The Texas Public Finance Authority is hereby authorized to transfer each agency's share of administrative fees and lease payments pursuant to the Master Lease Purchase Program from each

PUBLIC FINANCE AUTHORITY
(Continued)

agency's appropriations made elsewhere in this Act to the Texas Public Finance Authority Master Lease Purchase Program cost of issuance fund(s) and the General Revenue - Dedicated State Lease Fund Account No. 0507, respectively. Transfers for administrative fees and lease payments shall not be made earlier than fifteen days prior to the date that the debt service payment is required. The Texas Public Finance Authority may transfer funds necessary for Master Lease Purchase Program debt service payments from the General Revenue - Dedicated State Lease Fund Account No. 0507 to the Texas Public Finance Authority Master Lease Purchase Program interest and sinking fund(s).

- 6. Appropriation and Transfer Authority for Unexpended Balances in Bond Related Funds.** The Texas Public Finance Authority is hereby authorized to transfer all unexpended bond fund balances forward to the following fiscal year. Balances in and revenues accruing in these bond related funds are hereby appropriated to the Texas Public Finance Authority and may be transferred to the current fiscal year or prior fiscal years in order to make bond related payments and transfers in accordance with bond resolutions. Bond funds include but are not limited to: construction (project) funds; acquisition funds; cost of issuance funds; rebate funds; capitalized interest funds; and restoration funds.
- 7. Appropriation and Transfer Authority.** Appropriations to all agencies on whose behalf the Texas Public Finance Authority has, or will issue bonds, notes, or other obligations are hereby authorized to be transferred to the Texas Public Finance Authority to the funds prescribed by the bond documents for payment of debt service. The monies so transferred are hereby appropriated to the Texas Public Finance Authority for payment of principal and interest on the bonds, notes, or other obligations.
- 8. Contingency Funding for Agency Operations: Additional Bond Issues.** In the event that the performance measure set forth above, Number of Requests for Financing Approved, is exceeded by 30 percent in either fiscal year 2010 or 2011, the Texas Public Finance Authority is hereby appropriated an additional amount not to exceed 20 percent of that year's appropriation made above to recover costs related to bond issuance for each fiscal year. Any additional appropriations made herein shall be applied equally to Strategy A.1.1, Analyze Financings and Issue Debt, and Strategy A.2.1, Manage Bond Proceeds. All appropriations made herein shall be out of the administrative fees collected from the participants in the Master Lease Purchase Program or reimbursements from state agencies; comply with the provisions of Chapters 1232 and 1401 of the Texas Government Code and any applicable bond covenants; and comply with any restrictions on reimbursements or expenditures contained in Article IX of this Act.
- 9. Travel Cap Exemption for Bond Sale Travel.** Travel expenses incurred by the staff and board members related to the issuance of debt and paid from bond proceeds are exempt from the requirements of Article IX, relating to Limitation on Travel Expenditures, and the limitations on such expenditures set forth therein.
- 10. Appropriation of Collected Fees.** Fees assessed by and collected from the Texas Public Finance Authority Charter School Finance Corporation (CSFC) for bond issues for charter schools, issued pursuant to Texas Education Code, Section 53.351, are appropriated to the Authority, for payment, on behalf of the CSFC, of its required issuance and administration costs and reimbursement of the Authority's additional costs in providing staff support for such bond issues and administering the Texas Charter School Credit Enhancement Program.

FIRE FIGHTERS' PENSION COMMISSIONER

	For the Years Ending	
	August 31, 2010	August 31, 2011
	<u> </u>	<u> </u>
Method of Financing:		
General Revenue Fund	\$ 800,573	\$ 675,573
Appropriated Receipts	<u>38,000</u>	<u>38,000</u>
Total, Method of Financing	<u>\$ 838,573</u>	<u>\$ 713,573</u>

This bill pattern represents an estimated 2.8% of this agency's estimated total available funds for the biennium.

FIRE FIGHTERS' PENSION COMMISSIONER
(Continued)

Number of Full-Time-Equivalents (FTE):	8.5	8.5
Schedule of Exempt Positions:		
Commissioner, Group 1	\$77,000	\$77,000
Items of Appropriation:		
A. Goal: SOUND PENSION FUNDS		
Ensure Actuarially Sound Pension Funds for Emergency Servs Personnel.		
A.1.1. Strategy: ADMINISTER PENSION FUND Administer a Pension Fund for Emergency Services Personnel.	\$ 627,941	\$ 502,941
A.2.1. Strategy: ASSISTANCE & EDUCATION Assist and Educate Local Firefighter Pension Fund Boards.	<u>\$ 210,632</u>	<u>\$ 210,632</u>
Total, Goal A: SOUND PENSION FUNDS	<u>\$ 838,573</u>	<u>\$ 713,573</u>
Grand Total, FIRE FIGHTERS' PENSION COMMISSIONER	<u>\$ 838,573</u>	<u>\$ 713,573</u>
Object-of-Expense Informational Listing:		
Salaries and Wages	\$ 411,324	\$ 411,324
Other Personnel Costs	4,000	4,000
Professional Fees and Services	324,356	199,356
Consumable Supplies	7,770	7,770
Travel	22,040	22,040
Rent - Machine and Other	30,625	30,625
Other Operating Expense	<u>38,458</u>	<u>38,458</u>
Total, Object-of-Expense Informational Listing	<u>\$ 838,573</u>	<u>\$ 713,573</u>
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
<u>Employee Benefits</u>		
Retirement	\$ 22,622	\$ 22,961
Group Insurance	62,263	67,582
Social Security	25,977	26,367
Benefits Replacement	<u>927</u>	<u>880</u>
Subtotal, Employee Benefits	<u>\$ 111,789</u>	<u>\$ 117,790</u>
<u>Debt Service</u>		
Lease Payments	<u>\$ 1,560</u>	<u>\$ 1,568</u>
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	<u>\$ 113,349</u>	<u>\$ 119,358</u>

1. Performance Measure Targets. The following is a listing of the key performance target levels for the Fire Fighters' Pension Commissioner. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Fire Fighters' Pension Commissioner. In order to achieve the objectives and service standards established by this Act, the Fire Fighters' Pension Commissioner shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2010</u>	<u>2011</u>
A. Goal: SOUND PENSION FUNDS		
A.1.1. Strategy: ADMINISTER PENSION FUND		
Output (Volume):		
Number of Retirement Payments Distributed	29,800	29,800
Efficiencies:		
Average Annual Administrative Cost Per Pension Plan Member	70.29	70.29
A.2.1. Strategy: ASSISTANCE & EDUCATION		
Output (Volume):		
Number of Benefit Determinations for Local Funds	225	250

FIRE FIGHTERS' PENSION COMMISSIONER
(Continued)

Number of Attendees Completing Continuing Education Conference	400	400
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- 2. Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purpose shown and are not available for expenditure for other purposes.

	<u>2010</u>	<u>2011</u>
a. Acquisition of Information Resource Technologies		
(1) Website Upgrades to Increase Accessibility	\$ <u>125,000</u>	\$ <u>UB</u>
Total, Capital Budget	\$ <u>125,000</u>	\$ <u>UB</u>
Method of Financing (Capital Budget):		
General Revenue Fund	\$ 125,000	\$ UB
Total, Method of Financing	\$ <u>125,000</u>	\$ <u>UB</u>

OFFICE OF THE GOVERNOR

	For the Years Ending	
	August 31, 2010	August 31, 2011
	<u> </u>	<u> </u>
Method of Financing:		
General Revenue Fund ¹	\$ 11,944,727	\$ 10,844,726
<u>Other Funds</u>		
Appropriated Receipts	15,000	15,000
Interagency Contracts	450,000	450,000
Subtotal, Other Funds	<u>\$ 465,000</u>	<u>\$ 465,000</u>
Total, Method of Financing	<u><u>\$ 12,409,727</u></u>	<u><u>\$ 11,309,726</u></u>

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE):	137.4	137.4
Schedule of Exempt Positions:		
Governor, Group 6	\$150,000	\$150,000

Items of Appropriation:

A. Goal: GOVERN THE STATE

Formulation of Balanced State Policies.

A.1.1. Strategy: SUPPORT GOVERNOR & STATE¹	\$ 8,001,688	\$ 6,886,603
Provide Support to Governor and State Agencies.		
A.1.2. Strategy: APPOINTMENTS	\$ 1,095,922	\$ 1,100,746
Develop and Maintain System of Recruiting, Screening, and Training.		
A.1.3. Strategy: COMMUNICATIONS	\$ 2,869,404	\$ 2,879,664
Maintain Open, Active, and Comprehensive Functions.		
A.1.4. Strategy: GOVERNOR'S MANSION	<u>\$ 442,713</u>	<u>\$ 442,713</u>
Maintain and Preserve Governor's Mansion.		

Total, Goal A: GOVERN THE STATE	<u>\$ 12,409,727</u>	<u>\$ 11,309,726</u>
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Grand Total, OFFICE OF THE GOVERNOR	<u><u>\$ 12,409,727</u></u>	<u><u>\$ 11,309,726</u></u>
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Object-of-Expense Informational Listing:

Salaries and Wages	\$ 9,314,929	\$ 9,320,083
Other Personnel Costs	196,190	196,190
Professional Fees and Services	333,801	339,061
Fuels and Lubricants	150	150
Consumable Supplies	91,921	91,921
Utilities	61,700	61,700
Travel	211,099	211,099
Rent - Building	20,501	20,501
Rent - Machine and Other	92,300	92,300
Other Operating Expense	<u>2,087,136</u>	<u>976,721</u>

Total, Object-of-Expense Informational Listing	<u><u>\$ 12,409,727</u></u>	<u><u>\$ 11,309,726</u></u>
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Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits

Retirement	\$ 532,867	\$ 540,860
Group Insurance	1,228,938	1,340,273
Social Security	671,604	681,678
Benefits Replacement	<u>26,931</u>	<u>25,585</u>
Subtotal, Employee Benefits	<u>\$ 2,460,340</u>	<u>\$ 2,588,396</u>

Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	<u><u>\$ 2,460,340</u></u>	<u><u>\$ 2,588,396</u></u>
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- 1. Unexpended Balances Within the Biennium.** Any unexpended balances, as of August 31, 2010, in the appropriations made to the Office of the Governor are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2010.

¹ Incorporates Article IX, § 17.37, of this Act, relating to funding for participation in the Southern High-Speed Rail Compact, in the amount of \$70,000 out of the General Revenue Fund each fiscal year.

OFFICE OF THE GOVERNOR
(Continued)

2. **Designation of Exempt Positions.** Pursuant to the provisions of this Act and other state and federal legislation, and notwithstanding restrictions in this Act relative to the authority of the Governor to exempt positions from the Position Classification Act of 1961, the Governor may designate the title and compensation rate of exempt positions to be used by the Office of the Governor.
3. **Governor's Salary.** The salary provided by this Act for the Governor is an annual salary and is not reduced during the Governor's absence from the state.
4. **Transfer Authority.**² Notwithstanding other provisions of this Act, without the written permission of the Legislative Budget Board, the Office of the Governor and Trusteed Programs within the Office of the Governor may not expend or transfer amounts appropriated to the Emerging Technology Fund Account No. 5124 or appropriated to the Texas Enterprise Fund Account No. 5107 and may not assign or transfer appropriations and the corresponding FTEs for Trusteed Programs within the Office of the Governor to other agencies without the written permission of the Legislative Budget Board.
5. **Unexpended Balances Between Biennia.** Included in amounts appropriated above are unexpended balances as of August 31, 2009, in appropriations made to the Office of the Governor (estimated to be \$1,100,000) for the same purpose for the biennium beginning September 1, 2009.
6. **Capital Expenditures Authorized.** Notwithstanding the limitations placed on the expenditure of funds for capital budget items contained in this Act, the Office of the Governor is hereby authorized to expend funds appropriated to the Office of the Governor, and the Trusteed Programs within the Office of the Governor, for the acquisition of capital budget items.
7. **Governor's Salary Authorization.** The Governor is hereby authorized, notwithstanding the rate listed for the Governor in the "Schedule of Exempt Positions," to establish the rate of compensation for the Governor at any amount below the listed authorization.

² HB 4586, § 100, 81st Legislature, Regular Session, eliminates this provision. See Article IX, § 17.22, of this Act, which provides authority to transfer certain appropriations and corresponding FTEs, but prohibits the transfer of appropriations between the Emerging Technology Fund and the Texas Enterprise Fund without written approval of the Legislative Budget Board.

TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing: ¹		
<u>General Revenue Fund</u>		
General Revenue Fund ^{2, 3, 4, 5}	\$ 128,698,072	\$ 26,897,976

¹ Appropriations identified above do not include American Recovery and Reinvestment Act (ARRA) funds; please see Article XII of this Act for those appropriations. For this agency, Article XII includes \$90,300,000 for Byrne Justice Assistance Grants, \$2,100,000 for Crime Victims Assistance, \$9,000,000 for Violence Against Women, and \$5,000,000 for Defense Economic Adjustment Assistance Grants in FY 2010 resulting in a net All Funds appropriation of \$583,599,011 in FY 2010.

² Incorporates Article IX, § 17.21, of this Act, relating to funding for Film and Music Marketing in the amount of \$40,000,000 in FY 2010 out of the General Revenue Fund.

³ Incorporates the passage of SB 1003, 81st Legislature, Regular Session, which transfers the funding for the Office of State-Federal Relations (OSFR) to the Trusteed Programs Within the Office of the Governor, including the transfer of General Revenue Funds in the amount of \$615,630 in FY 2010 and \$615,426 in FY 2011 and Interagency Contracts in the amount of \$168,000 each fiscal year, for a total of \$1,567,056 and 7.0 FTEs each fiscal year. Applicable riders and performance measures associated with OSFR have been transferred to the Trusteed Programs Within the Office of the Governor and noted herein. As appropriate, certain riders have been modified. See also Article IX, § 17.99, of this Act.

⁴ Incorporates Article IX, § 17.21, of this Act, relating to funding for the Enterprise Fund in the amount of \$20,000,000 in FY 2010 out of the General Revenue Fund to be transferred to the General Revenue-Dedicated Texas Enterprise Fund No. 5107.

⁵ Incorporates Article IX, § 17.21, of this Act, relating to funding for the Emerging Technology Fund in the amount of \$24,000,000 in FY 2010 out of the General Revenue Fund to be transferred to the General Revenue-Dedicated Texas Emerging Technology Fund No. 5124.

TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR
(Continued)

Hotel Occupancy Tax for Economic Development Account No. 5003	30,259,417	31,960,417
Subtotal, General Revenue Fund	\$ 158,957,489	\$ 58,858,393
<u>General Revenue Fund - Dedicated</u>		
Crime Stoppers Assistance Account No. 5012	576,000	587,000
Tourism Plates Account No. 5053	55,000	21,000
Economic Development Bank Account No. 5106	4,266,774	4,266,774
Texas Enterprise Fund Account No. 5107	44,293,000	3,283,000
Economic Development and Tourism Account No. 5110	72,000	8,000
Texas Music Foundation Plates Account No. 5113	17,000	10,000
Daughters of the Republic of Texas Plates Account No. 5115	85,000	67,000
Emerging Technology Fund Account No. 5124	102,721,327	6,317,000
Criminal Justice Planning Account No. 421	28,129,120	28,258,120
Operators and Chauffeurs License Account No. 099 ⁶	13,250,000	0
Subtotal, General Revenue Fund - Dedicated	\$ 193,465,221	\$ 42,817,894
Federal Funds ⁷	121,790,801	50,097,884
<u>Other Funds</u>		
Appropriated Receipts	568,500	568,500
Interagency Contracts ⁸	168,000	168,000
Small Business Incubator Fund Account No. 588	1,021,000	1,952,000
Texas Product Development Fund Account No. 589	1,228,000	2,047,000
Subtotal, Other Funds	\$ 2,985,500	\$ 4,735,500
Total, Method of Financing	\$ 477,199,011	\$ 156,509,671

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.

Number of Full-Time-Equivalents (FTE):⁸	151.1	151.1
Schedule of Exempt Positions:		
Executive Director (OSFR), Group 3 ⁸	\$106,260	\$106,260

Items of Appropriation:

A. Goal: PROGRAMS ASSIGNED

Administer Programs Assigned to the Governor.

A.1.1. Strategy: AGENCY GRANT ASSISTANCE	\$ 1,575,000	\$ UB
Provide Emergency and Deficiency Grants to State Agencies.		
A.1.2. Strategy: DISASTER FUNDS	\$ 11,224,889	\$ UB
Provide Disaster Funding.		
A.1.3. Strategy: CRIMINAL JUSTICE	\$ 88,679,912	\$ 87,126,995
Provide Money and Research and Promote Programs for Criminal Justice.		
A.1.4. Strategy: FILM AND MUSIC MARKETING⁹	\$ 52,125,758	\$ 12,118,756
Market Texas as a Film Location and Promote the Texas Music Industry.		

⁶ Incorporates Article IX, § 17.04, of this Act, relating to funding for border security operations in the amount of \$13,250,000 in FY 2010 out of the General Revenue-Dedicated Operators and Chauffeurs License Account No. 099.

⁷ Incorporates Article IX, § 17.12, of this Act, relating to an estimated \$70,000,000 in FY 2010 out of Federal Fund reimbursements received from the Federal Emergency Management Agency to be transferred to the General Revenue-Dedicated Texas Emerging Technology Fund No. 5124.

⁸ Incorporates the passage of SB 1003, 81st Legislature, Regular Session, which transfers the funding for the Office of State-Federal Relations (OSFR) to the Trusteed Programs Within the Office of the Governor, including the transfer of General Revenue Funds in the amount of \$615,630 in FY 2010 and \$615,426 in FY 2011 and Interagency Contracts in the amount of \$168,000 each fiscal year, for a total of \$1,567,056 and 7.0 FTEs each fiscal year. Applicable riders and performance measures associated with OSFR have been transferred to the Trusteed Programs Within the Office of the Governor and noted herein. As appropriate, certain riders have been modified. See also Article IX, § 17.99, of this Act.

⁹ Incorporates Article IX, § 17.21, of this Act, relating to funding for Film and Music Marketing in the amount of \$40,000,000 in FY 2010 out of the General Revenue Fund.

TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR
(Continued)

A.1.5. Strategy: DISABILITY ISSUES Inform Organizations and the General Public of Disability Issues.	\$ 466,799	\$ 466,799
A.1.6. Strategy: WOMEN'S GROUPS Network Statewide Women's Groups in Texas.	\$ 112,459	\$ 112,459
A.1.7. Strategy: COUNTY ESSENTIAL SERVICE GRANTS Provide Financial Assistance to Counties for Essential Public Services.	\$ 780,190	\$ 780,190
A.1.8. Strategy: TEXAS ENTERPRISE FUND ¹⁰ Provide Financial Incentives to Entities for Economic Development.	\$ 64,293,000	\$ 3,283,000
A.1.9. Strategy: ECONOMIC DEVELOPMENT AND TOURISM Enhance the Economic Growth of Texas.	\$ 41,422,107	\$ 44,757,106
A.1.10. Strategy: MILITARY PREPAREDNESS Advise the Governor and Legislature on Military Issues.	\$ 5,263,940	\$ 263,940
A.1.11. Strategy: HOMELAND SECURITY ¹¹ Direct and Coordinate Homeland Security Activities in Texas.	\$ 13,750,000	\$ 500,000
A.1.12. Strategy: TEXAS EMERGING TECHNOLOGY FUND ^{12, 13} Provide Incentives to Entities for Emerging Technology Development.	\$ 196,721,327	\$ 6,317,000
A.1.13. Strategy: STATE-FEDERAL RELATIONS ¹⁴	\$ 783,630	\$ 783,426
Total, Goal A: PROGRAMS ASSIGNED	\$ 477,199,011	\$ 156,509,671
Grand Total, TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR	\$ 477,199,011	\$ 156,509,671

Object-of-Expense Informational Listing:

Salaries and Wages	\$ 8,991,212	\$ 8,991,212
Other Personnel Costs	171,050	171,050
Professional Fees and Services	9,290,517	9,305,517
Consumable Supplies	52,970	52,970
Utilities	73,351	73,351
Travel	509,796	509,796
Rent - Building	232,743	233,148
Rent - Machine and Other	106,252	94,252
Debt Service	2,529,000	1,950,000
Other Operating Expense	169,704,502	44,050,557
Grants	285,537,618	91,077,818
Total, Object-of-Expense Informational Listing	\$ 477,199,011	\$ 156,509,671

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits

Retirement	\$ 414,069	\$ 420,280
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¹⁰ Incorporates Article IX, § 17.21, of this Act, relating to funding for the Enterprise Fund in the amount of \$20,000,000 in FY 2010 out of the General Revenue Fund to be transferred to the General Revenue-Dedicated Texas Enterprise Fund No. 5107.

¹¹ Incorporates Article IX, § 17.04, of this Act, relating to funding for border security operations in the amount of \$13,250,000 in FY 2010 out of the General Revenue-Dedicated Operators and Chauffeurs License Account No. 099.

¹² Incorporates Article IX, § 17.21, of this Act, relating to funding for the Emerging Technology Fund in the amount of \$24,000,000 in FY 2010 out of the General Revenue Fund to be transferred to the General Revenue-Dedicated Texas Emerging Technology Fund No. 5124

¹³ Incorporates Article IX, § 17.12, of this Act, relating to an estimated \$70,000,000 in FY 2010 out of Federal Fund reimbursements received from the Federal Emergency Management Agency to be transferred to the General Revenue-Dedicated Texas Emerging Technology Fund No. 5124.

¹⁴ Incorporates the passage of SB 1003, 81st Legislature, Regular Session, which transfers the funding for the Office of State-Federal Relations (OSFR) to the Trusteed Programs Within the Office of the Governor, including the transfer of General Revenue Funds in the amount of \$615,630 in FY 2010 and \$615,426 in FY 2011 and Interagency Contracts in the amount of \$168,000 each fiscal year, for a total of \$1,567,056 and 7.0 FTEs each fiscal year. Applicable riders and performance measures associated with OSFR have been transferred to the Trusteed Programs Within the Office of the Governor and noted herein. As appropriate, certain riders have been modified. See also Article IX, § 17.99, of this Act.

TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR
(Continued)

Group Insurance	742,049	799,373
Social Security	511,727	519,403
Benefits Replacement	<u>22,901</u>	<u>21,756</u>
Subtotal, Employee Benefits	<u>\$ 1,690,746</u>	<u>\$ 1,760,812</u>
 <u>Debt Service</u>		
TPFA GO Bond Debt Service	\$ 2,504,063	\$ 2,945,063
Lease Payments	<u>195,014</u>	<u>172,042</u>
Subtotal, Debt Service	<u>\$ 2,699,077</u>	<u>\$ 3,117,105</u>
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	<u>\$ 4,389,823</u>	<u>\$ 4,877,917</u>

- 1. Performance Measure Targets.** The following is a listing of the key performance target levels for the Trusteed Programs Within the Office of the Governor. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Trusteed Programs Within the Office of the Governor. In order to achieve the objectives and service standards established by this Act, the Trusteed Programs Within the Office of the Governor shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2010</u>	<u>2011</u>
A. Goal: PROGRAMS ASSIGNED		
Outcome (Results/Impact):		
Percentage of CJD Grants Complying with CJD Guidelines	99%	99%
In-state Film, Television, Commercial, and Video Game Production Expenditures (in Millions)	720	720
Number of Unduplicated Jobs Announced by Companies Receiving Grants from the Texas Enterprise Fund	2,500	3,000
Number of New Jobs Announced by Businesses Receiving Recruitment and Expansion Assistance	8,000	8,000
Number of Domestic Leisure Travelers to Texas (Millions)	130.11	131.4
Number of Defense Communities Receiving Economic Development Assistance	25	25
Texas' Prior Year Proportionate Share of Federal Funding ¹⁵	6.52%	6.52%
Percent of Customers Satisfied with OSFR Services ¹⁵	98%	98%
A.1.3. Strategy: CRIMINAL JUSTICE		
Output (Volume):		
Number of Grants Currently Operating	825	825
A.1.5. Strategy: DISABILITY ISSUES		
Output (Volume):		
Number of Local Volunteer Committees on People with Disabilities and Communities Supported	60	61
A.1.9. Strategy: ECONOMIC DEVELOPMENT AND TOURISM		
Output (Volume):		
Number of Businesses Developed as Recruitment Prospects	300	300
Efficiencies:		
Return on Investment from State Funding for Tourism Advertising	8.5	8.5
A.1.12. Strategy: TEXAS EMERGING TECHNOLOGY FUND		
Output (Volume):		
Number of Early-stage Companies Fostered by Emerging Technology Fund Investments and Guidance	40	40
Total Amount of Leveraged Funds Received as a Result of Emerging Technology Fund Research Matching Grants (in Millions)	40	40
A.1.13. Strategy: STATE-FEDERAL RELATIONS		
Efficiencies:		
Percentage of Responses within Two Business Days ¹⁵	98%	98%

¹⁵ Incorporates the passage of SB 1003, 81st Legislature, Regular Session, which transfers the funding for the Office of State-Federal Relations (OSFR) to the Trusteed Programs Within the Office of the Governor, including the transfer of General Revenue Funds in the amount of \$615,630 in FY 2010 and \$615,426 in FY 2011 and Interagency Contracts in the amount of \$168,000 each fiscal year, for a total of \$1,567,056 and 7.0 FTEs each fiscal year. Applicable riders and performance measures associated with OSFR have been transferred to the Trusteed Programs Within the Office of the Governor and noted herein. As appropriate, certain riders have been modified. See also Article IX, § 17.99, of this Act.

TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR
(Continued)

- 2. Emergency and Deficiency and Disaster Grants.** The purposes of these appropriations are for payments of claims arising prior to the convening of the next legislature by the Governor in accordance with § 403.075, Government Code, for emergency use in accordance with § 401.061-401.065, Government Code, grants-in-aid in case of disasters, and for other purposes needed in the operations of state departments and agencies, including legal defense of officials and employees. Upon certification by the Governor that an emergency exists within the scope of the above-cited provisions in an agency funded out of special funds, there are hereby appropriated amounts necessary from special funds to meet the deficiency, emergency or disaster. The Comptroller of Public Accounts shall transfer from the special fund to the necessary appropriation account the amount certified as necessary to meet the deficiency, emergency, or disaster. Transfers made under this provision shall be made only when sufficient balances over appropriated amounts exist in the special fund. The Governor may, according to the terms of the deficiency, emergency, or disaster award, require the agency to repay all or part of the award. The repayment may be accomplished by purchase voucher, journal entry, or other procedures established by the Governor's Office with the concurrence of the Comptroller of Public Accounts.
- 3. Transfer Authority for Deficiency and Emergency Grants and Disaster Funds.** In accordance with applicable statutes and to facilitate current accounting and reporting procedures, the Governor may transfer funds and/or budget authority via journal voucher or other similar means as may be prescribed by the Comptroller of Public Accounts from Strategy A.1.1, Agency Grant Assistance, and Strategy A.1.2, Disaster Funds, to recipient agencies.
- 4. Unexpended Balances Within the Biennium.** Any unexpended balances as of August 31, 2010, in appropriations made to the Trusteed Programs Within the Office of the Governor are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2010.
- 5. Federal Grants.** Funds received from the federal government for grants to the Trusteed Programs Within the Office of the Governor that are directed to earn interest for the 2010-11 biennium will be deposited to General Revenue-Dedicated Account No. 224, Governor's Office Federal Projects, and are to be expended as directed by the grant.
- 6. Reporting Requirements: Criminal Justice Division.** To ensure that Criminal Justice Planning funds are spent in accordance with state and federal requirements, the Criminal Justice Division (CJD) shall require grant recipients to report data and documentation, not later than October 1 of each fiscal year, demonstrating compliance with contractual agreements for Criminal Justice Planning grants. At a minimum, reports submitted by grant recipients shall provide data to support all expenditures made with Criminal Justice Planning funds; provide an inventory of all equipment and capital items purchased with such funds; and provide all information necessary for scheduled and periodic reviews by the CJD.

In addition, the CJD shall establish and consistently adhere to internal guidelines for reviewing and evaluating grant requests, as well as requests for payments and reimbursements submitted by grantees. Not later than December 15 of each year, the CJD shall submit to the Legislative Budget Board and the State Auditor's Office a report detailing its findings regarding compliance by grantees.
- 7. Appropriation: Texas Small Business Industrial Development Corporation.** The Office of the Governor, Economic Development and Tourism, shall review the financial statements of the Texas Small Business Industrial Development Corporation to determine the net earnings of the Corporation, and shall make such determination no later than January 1, 2010, and January 1, 2011. The Office of the Governor, Economic Development and Tourism, shall ensure that the net earnings, of an amount not to exceed \$75,000, shall be transferred to the Economic Development Bank Account No. 5106 during each fiscal year of the 2010-11 biennium to be used to finance activities of Strategy A.1.9, Economic Development and Tourism. Seventy-five percent of any net earnings in excess of \$150,000 for the 2010-11 biennium shall be deposited into the General Revenue Fund and 25 percent of any net earnings over \$150,000 is appropriated to Strategy A.1.9, Economic Development and Tourism, for administration of small and minority business finance programs.
- 8. Transfer: Promotion of Historical Sites.** From the amounts appropriated above, the Office of the Governor, Economic Development and Tourism, pursuant to Government Code § 481.172, shall transfer \$300,000 during the biennium beginning September 1, 2009, to the Texas Historical Commission to encourage travel to the state's historical attractions. The Texas Historical Commission shall use a portion of the transferred funds to prepare and submit a report reflecting the use of the transferred funds to Office of the Governor, Economic Development and Tourism by October 1st of each fiscal year.

TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR
(Continued)

9. Administration: Foreign Offices.

- a. In accordance with Government Code § 481.027, foreign offices may be operated in Mexico and in other foreign markets including Canada, Europe, the Pacific Rim, and Latin America coinciding with market opportunities for Texas business. Foreign office trade investment and tourism development efforts, as well as location of the offices, shall be based on analysis of the current world market opportunities. The Office of the Governor shall expend funds for the Mexico offices out of any funds available, but shall not expend any funds appropriated under this Act for any office or staff at any other foreign offices established by the Office of the Governor. The Office of the Governor may seek and use alternative funding sources other than funds appropriated under this Act for offices in locations other than Mexico City.
- b. The Office of the Governor shall maintain a tracking system that documents the direct benefits that result from the operation of each foreign office. The Office of the Governor shall utilize the tracking system to file a quarterly report with the Legislative Budget Board regarding the activities of each office. The report shall contain, at a minimum, information detailing the number of contacts with foreign and domestic businesses, the name of each business, the nature of the contact, the results of each contact, and expenditures by each office. The report shall also contain the name of each Texas community assisted and information regarding the nature and results of the assistance. Each report shall be submitted within 60 days of the end of each quarter and must be accompanied by supporting documentation as specified by the Legislative Budget Board.

10. Cash Flow Contingency. Contingent upon the receipt of Hotel Occupancy Tax collections by the Comptroller of Public Accounts, the Office of the Governor, Economic Development and Tourism, may temporarily utilize additional Hotel Occupancy Tax allocations from the General Revenue Fund into the General Revenue Hotel Occupancy Tax for Economic Development Account No. 5003 in an amount not to exceed \$2,000,000 per fiscal year. These funds shall be utilized only for the purpose of temporary cash flow needs when expenditures for tourism marketing exceed monthly Hotel Occupancy Tax revenue received. The transfer and reimbursement of funds shall be made under procedures established by the Comptroller of Public Accounts to ensure all borrowed funds are reimbursed by the Office of the Governor, Economic Development and Tourism, to the General Revenue Fund from Hotel Occupancy Tax revenues collected on or before August 31 of each fiscal year and deposited before September 30 of the following fiscal year.

11. Limitation on Expenditures: General Revenue Hotel Occupancy Tax for Economic Development Account No. 5003. Of the amounts appropriated above out of the General Revenue Hotel Occupancy Tax for Economic Development Account No. 5003, the Office of the Governor, Economic Development and Tourism, shall use not more than \$5,255,016 in fiscal year 2010 and \$5,276,541 in fiscal year 2011 for expenditures other than Advertising Services (Object Code 7281) and Other Professional Services (Object Code 7253).

12. Texas Military Value Revolving Loan Program.¹⁶ There is appropriated elsewhere in this Act to the Texas Public Finance Authority an amount not to exceed \$2,504,063 for fiscal year 2010 and \$2,945,063 for fiscal year 2011 to pay debt service on general obligation bonds or other obligations issued pursuant to the Texas Constitution, Article III, § 49-n, and Government Code, Chapter 436, Subchapter D, provided that anticipated loan payments and interest earnings on loan payments deposited to the Texas Military Value Revolving Loan Account No. 5114 are sufficient to repay the General Revenue Fund by August 31, 2011.

13. Appropriation of License Plate Receipts. Included in the amounts appropriated above are all estimated unexpended balances collected prior to the effective date of this act and all estimated revenue collected on or after September 1, 2009, for the license plates contained herein.

- a. Texas Music License Plates - Included in Strategy A.1.4, Film and Music Marketing, an estimated \$10,000 in unexpended balances and \$7,000 in fiscal year 2010 and \$10,000 in fiscal year 2011 out of the General Revenue-Dedicated Texas Music Foundation Plates Account No. 5113 in collected revenue to be spent in accordance with Transportation Code § 504.639;

¹⁶ Modified to correct error in amounts to reflect appropriations made to the Texas Public Finance Authority.

TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR
(Continued)

- b. Native Texan (Daughters of the Republic of Texas License Plates) - Included in Strategy A.1.9, Economic Development and Tourism, an estimated \$18,000 in unexpended balances and \$67,000 each fiscal year out of the General Revenue-Dedicated Daughters of the Republic of Texas Plates Account No. 5115 in collected revenue to be spent in accordance with Transportation Code § 504.637;
- c. Space Shuttle Columbia License Plates - Included in Strategy A.1.9, Economic Development and Tourism, an estimated \$0 in unexpended balances and \$12,000 each fiscal year out of the General Revenue Fund in collected revenue to be spent in accordance with Transportation Code § 504.640;
- d. Texas. It's Like a Whole Other Country License Plates - Included in Strategy A.1.9, Economic Development and Tourism, an estimated \$34,000 in unexpended balances and \$21,000 each fiscal year out of the General Revenue-Dedicated Tourism Plates Account No. 5053 in collected revenue to be spent in accordance with Transportation Code § 504.617; and
- e. Texas Aerospace Commission License Plates - Included in Strategy A.1.9, Economic Development and Tourism, an estimated \$64,000 in unexpended balances and \$8,000 each fiscal year out of the General Revenue-Dedicated Economic Development and Tourism Account No. 5110 in collected revenue to be spent in accordance with Transportation Code § 504.610.

In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, 2009, and all revenue generated on or after September 1, 2009, are hereby appropriated for the same purposes.

Any unexpended balances as of August 31, 2010, out of the appropriations made herein are hereby appropriated to the Trusteed Programs Within the Office of the Governor for the fiscal year beginning September 1, 2010, for the same purposes.

- 14. Texas Economic Development Bank.** Included in amounts appropriated above in Strategy A.1.9, Economic Development and Tourism, the Trusteed Programs Within the Office of the Governor is hereby appropriated all revenue (estimated to be \$4,266,774 each fiscal year), fees, and investment earnings that the Texas Economic Development Bank is authorized to collect for the implementation and administration of the Texas Economic Development Bank Account No. 5106 to be spent in accordance with Government Code, Chapter 489.
- 15. Texas Emerging Technology Fund.**^{17, 18, 19} Included in amounts appropriated above in Strategy A.1.12, Texas Emerging Technology Fund, is \$24,000,000 out of the General Revenue Fund and \$70,000,000 out of Federal Funds in fiscal year 2010 to be transferred to the General Revenue-Dedicated Texas Emerging Technology Fund Account No. 5124, and are hereby appropriated out of the General Revenue-Dedicated Texas Emerging Technology Fund Account No. 5124 for the biennium beginning September 1, 2009 for the purposes of economic development initiatives in accordance with Government Code, Chapter 490.

Also, included in amounts appropriated above are any unexpended balances remaining in appropriations as of August 31, 2009 out of the General Revenue-Dedicated Texas Emerging Technology Fund Account No. 5124 (estimated to be \$97,073,327) and all interest earnings

(estimated to be \$5,648,000 in fiscal year 2010 and \$6,317,000 in fiscal year 2011) for the biennium beginning September 1, 2009 for the purposes of economic development initiatives in accordance with Government Code, Chapter 490.

- 16. Assistance to Regional Planning Commissions.** Included in amounts appropriated above in Strategy A.1.3, Criminal Justice is \$2,500,000 per fiscal year to provide assistance to metropolitan

¹⁷ Incorporates Article IX, § 17.21, of this Act, relating to funding for the Emerging Technology Fund in the amount of \$24,000,000 in FY 2010 out of the General Revenue Fund to be transferred to the General Revenue-Dedicated Texas Emerging Technology Fund No. 5124.

¹⁸ Incorporates Article IX, § 17.12, of this Act, relating to an estimated \$70,000,000 in FY 2010 out of Federal Fund reimbursements received from the Federal Emergency Management Agency to be transferred to the General Revenue-Dedicated Texas Emerging Technology Fund No. 5124.

¹⁹ HB 4586, § 79, 81st Legislature, Regular Session, relating to supplemental appropriations and reductions and giving direction and adjustment authority, authorizes amounts appropriated to the Trusteed Programs within the Office of the Governor for transfer to the Texas Emerging Technology Fund to be used for clean energy programs or projects.

TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR
(Continued)

and rural regional planning commissions exercising the planning functions authorized by Local Government Code § 391.001-391.014, and for administrative expenses (including salaries, professional fees and services, part-time and seasonal help, travel, consumable supplies and materials, current and recurring operating expenses, and capital outlay) relating to services to the regional planning agencies. Every recipient of funds appropriated for assistance to Regional Planning Commissions, shall annually publish a complete financial statement, including a listing of receipts and expenditures by accounts, together with an enumeration of each employee of the recipient, by job title, and the annual compensation of each, and such financial statement shall be made available to each member of the Legislature. The Trusteed Programs Within the Office of the Governor shall adopt procedures and requirements related to the operation and oversight of councils of governments, including restrictions on the expenditures of funds, annual reporting requirements, annual audit requirements, and performance and productivity evaluations of the councils.

- 17. Defense Economic Adjustment Assistance Grant Program.** Out of amounts appropriated above in Strategy A.1.10, Military Preparedness, the Trusteed Programs Within the Office of the Governor shall allocate \$5,000,000 for the 2010-11 biennium in General Revenue funds for the purpose of providing Defense Economic Adjustment Assistance Grants to defense dependent communities. The Texas Military Preparedness Commission shall administer the Defense Economic Adjustment Assistance Grant program.
- 18. Contingency Appropriation for Incentives for the Film, Television, and Multimedia Production Industries.** Included in amounts appropriated above to Strategy A.1.4, Film and Music Marketing, is an amount estimated to be \$11,000,000 in fiscal year 2010 and an amount estimated to be \$11,000,000 in fiscal year 2011 out of the General Revenue Fund to the Office of the Governor, Trusteed Programs for purposes of funding the film grant program authorized under Chapter 485, Government Code. Appropriations are contingent upon the following two factors:
- a. Sufficient revenue - Certification by the Comptroller of Public Accounts that sufficient revenue is generated from the moving image industry in Texas to offset the cost of the appropriation, including but not limited to tax revenues generated from wages paid to industry employees, new jobs created in the state, and other non-tax exempt taxes paid by the industry to the state's general revenue fund and other funds, as appropriate;
 - b. Prior approval in excess of estimate - Amounts for grants in excess of \$10,000,000 in each fiscal year must receive the joint prior approval of the Legislative Budget Board and the Governor's Office of Budget and Planning. For each \$5,000,000 increment in excess of the annual estimate, the Texas Film Commission and the Comptroller of Public Accounts shall submit a request and a financial plan to the Legislative Budget Board and the Governor's Office of Budget and Planning that outlines an amount of revenue and other fiscal activity that exceeds the cost of the additional grant amounts requested. Amounts in excess of the estimate may be processed in increments of \$5,000,000, or in other amounts deemed appropriate by the Legislative Budget Board and the Office of the Governor. The manner in which the request for approval is processed is subject to the discretion of Legislative Budget Board and the Governor's Office of Budget and Planning, including but not limited to budget execution or a request-to-exceed format.

Administration, Archives and Training - It is the intent of the Legislature that an amount not to exceed \$1,000,000 in fiscal year 2010 and \$1,000,000 in fiscal year 2011 from funds appropriated above be expended on costs associated with administration of the film incentive program, moving image archives and film crew training as authorized by Government Code Sections 485.027 and 485.028.

19. Appropriation of Unexpended Balances, Revenue, and Interest Earnings.

Part I. Unexpended Balances

Included in amounts appropriated above in fiscal year 2010, are all estimated unexpended and unobligated account balances remaining as of August 31, 2009 out of the following accounts:

- a. Texas Enterprise Fund Account No. 5107 (estimated to be \$41,289,000) in Strategy A.1.8, Texas Enterprise Fund.

TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR
(Continued)

Part II, Revenue and Interest Earnings

Included in amounts appropriated above for the biennium beginning September 1, 2009 are all estimated revenue and interest earnings accruing during the 2010-11 biennium, to the Trusteed Programs Within the Office of the Governor out of the following accounts:

- a. General Revenue-Dedicated Criminal Justice Planning Account No. 421 in Strategy A.1.3, Criminal Justice, \$28,129,120 in fiscal year 2010 and \$28,258,120 in fiscal year 2011;
 - b. General Revenue-Dedicated Crime Stoppers Assistance Account No. 5012 in Strategy A.1.3, Criminal Justice, \$576,000 in fiscal year 2010 and \$587,000 in fiscal year 2011;
 - c. General Revenue-Dedicated Texas Enterprise Fund Account No. 5107 in Strategy A.1.8, Texas Enterprise Fund, \$3,004,000 in fiscal year 2010 and \$3,283,000 in fiscal year 2011;
 - d. Small Business Incubator Fund Account No. 588 in Strategy A.1.9, Economic Development and Tourism, \$1,021,000 in fiscal year 2010 and \$1,952,000 in fiscal year 2011;
 - e. Texas Product Development Fund Account No. 589 in Strategy A.1.9, Economic Development and Tourism, \$1,228,000 in fiscal year 2010 and \$2,047,000 in fiscal year 2011;
 - f. General Revenue - Hotel Occupancy Tax for Economic Development Account No. 5003 in Strategy A.1.9, Economic Development and Tourism, \$30,259,417 in fiscal year 2010 and \$31,960,417 in fiscal year 2011.
- 20. Drug Court Grants.** Included in amounts appropriated above in Strategy A.1.3, Criminal Justice is \$1,593,500 in fiscal year 2010 and \$1,593,500 in fiscal year 2011 out of the General Revenue Fund from revenue collected on or after September 1, 2009 and deposited to Revenue Object Code 3704, Court Costs, for the purpose of making grants to counties for drug courts in accordance with Subchapter A, Chapter 102, Code of Criminal Procedure, Article 102.0178(g).
- 21. Texas Child ID Kit Grants.** Out of funds appropriated above in Strategy A.1.3, Criminal Justice, \$1,266,880 each fiscal year of the biennium out of the General Revenue Fund shall be used to provide grants to an organization representing county-wide law enforcement to deliver Child ID kits to the kindergarten-aged children of Texas.
- 22. Texas Enterprise Fund.²⁰** Included in amounts appropriated above in Strategy A.1.8, Texas Enterprise Fund, is \$20,000,000 out of the General Revenue Fund in fiscal year 2010 to be transferred to the General Revenue-Dedicated Texas Enterprise Fund Account No. 5107, and is hereby appropriated out of the General Revenue-Dedicated Texas Enterprise Fund Account No. 5107 for the biennium beginning September 1, 2009 for the purposes of economic development initiatives in accordance with Government Code § 481.078.
- 23. Requirements for House Bill 2086.²¹** In accordance with House Bill 2086, Eighty-first Legislature, Regular Session, 2009, relating to the prevention, investigation, prosecution, and punishment for certain gang-related and other criminal offenses and to the consequences and costs of engaging in certain activities of a criminal street gang or certain other criminal activity, it is the intent of the Legislature that at least \$5,500,000 in appropriations by this Act for the Trusteed Programs within the Office of the Governor, including federal Byrne grant allocations, be used to implement the provisions of the legislation.
- 24. Cost of Living Salary Supplement.²²** The Trusteed Programs within the Office of the Governor is hereby authorized to pay a salary supplement, not to exceed \$1,200 per month, to each Office of

²⁰ Incorporates Article IX, § 17.21, of this Act, relating to funding for the Enterprise Fund in the amount of \$20,000,000 in FY 2010 out of the General Revenue Fund to be transferred to the General Revenue-Dedicated Texas Enterprise Fund No. 5107.

²¹ Incorporates Article IX, § 17.80, of this Act, relating to providing at least \$5,500,000 out of existing appropriations for gang related activities.

²² Incorporates the passage of SB 1003, 81st Legislature, Regular Session, which transfers the funding for the Office of State-Federal Relations (OSFR) to the Trusteed Programs Within the Office of the Governor, including the transfer of General Revenue Funds in the amount of \$615,630 in FY 2010 and \$615,426 in FY 2011 and Interagency Contracts in the amount of \$168,000 each fiscal year, for a total of \$1,567,056 and 7.0 FTEs each fiscal year. Applicable riders and performance measures associated with OSFR have been transferred to the Trusteed Programs Within the Office of the Governor and noted herein. As appropriate, certain riders have been modified. See also Article IX, § 17.99, of this Act.

TRUSTEED PROGRAMS WITHIN THE OFFICE OF THE GOVERNOR
(Continued)

State-Federal Relations employee whose duty station is located in Washington, DC. This salary supplement shall be in addition to the salary rate authorized for that position by this Act.

Any state agency or any institution which assigns an employee to work in the Washington, DC, office of the OSFR on a permanent basis and which also designates that employee's duty station as Washington, DC, is hereby authorized to pay such an employee a salary supplement not to exceed \$1,200 per month. This salary supplement shall be in addition to the salary rate authorized by this Act.

In the event that an employee so assigned works on a less than full-time basis, the maximum salary supplement shall be set on a proportionate basis.

- 25. Information and Assistance Requirements.**²³ It is the intent of the Legislature that funds appropriated above in Strategy A.1.13, State-Federal Relations be expended in a manner which provides information and assistance to both the legislative and executive branches of Texas State Government and that the funds be used to operate the office in a manner which is politically non-partisan.
- 26. Reports on Increasing Federal Funds.**²³ It is the intent of the Legislature that the Office of State-Federal Relations work with state agencies to identify and report to the Legislature on possible changes in state laws which could increase the amount of federal funds received by the state, and on changes to federal laws which could impact state funding of federal programs or the state's receipt of federal funds.
- 27. Interagency Contracts.**²³ Consistent with the method of financing for the Office of State-Federal Relations (OSFR), state agencies and institutions of higher education that are represented by their employees in the Washington, DC, office of the OSFR shall be charged for their portion of operating expenses, rent, and administrative staff costs, not to exceed \$2,000 per month, per legislative liaison.

²³ Incorporates the passage of SB 1003, 81st Legislature, Regular Session, which transfers the funding for the Office of State-Federal Relations (OSFR) to the Trusteed Programs Within the Office of the Governor, including the transfer of General Revenue Funds in the amount of \$615,630 in FY 2010 and \$615,426 in FY 2011 and Interagency Contracts in the amount of \$168,000 each fiscal year, for a total of \$1,567,056 and 7.0 FTEs each fiscal year. Applicable riders and performance measures associated with OSFR have been transferred to the Trusteed Programs Within the Office of the Governor and noted herein. As appropriate, certain riders have been modified. See also Article IX, § 17.99, of this Act.

HISTORICAL COMMISSION

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing: ¹		
<u>General Revenue Fund</u>		
General Revenue Fund ²	\$ 11,679,696	\$ 8,478,372
Sporting Goods Sales Tax	7,230,920	7,230,920
Fees from Historic Sites	164,000	164,000
Subtotal, General Revenue Fund	\$ 19,074,616	\$ 15,873,292
GR Dedicated - Texas Preservation Trust Fund Account No. 664	396,000	424,000
Federal Funds	938,851	938,851

¹ Appropriations identified herein do not include American Recovery and Reinvestment Act (ARRA) funds; please see Article XII of this Act for those appropriations. For this agency Article XII includes a Federal Funds increase of \$1,000,000 in FY 2010 resulting in a net All Funds appropriation of \$80,885,219 in FY 2010.

² Incorporates Article IX, § 17.87, of this Act, due to the enactment of SB 482, 81st Legislature, Regular Session, relating to creation of a Holocaust and Genocide Commission, resulting in an increase in General Revenue Funds of \$86,397 in FY 2010 and \$81,397 in FY 2011 and an increase of 0.5 FTE in each fiscal year.

HISTORICAL COMMISSION
(Continued)

<u>Other Funds</u>		
Appropriated Receipts	440,184	440,185
Interagency Contracts	2,595,568	2,595,568
Bond Proceeds - General Obligation Bonds	55,500,000	UB
Bond Proceeds - Revenue Bonds	940,000	UB
Subtotal, Other Funds	<u>\$ 59,475,752</u>	<u>\$ 3,035,753</u>
Total, Method of Financing	<u>\$ 79,885,219</u>	<u>\$ 20,271,896</u>
 This bill pattern represents an estimated 92.5% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):³	221.5	221.5
 Schedule of Exempt Positions:		
Executive Director, Group 4	\$125,000	\$125,000
 Items of Appropriation:		
A. Goal: HISTORICAL PRESERVATION		
Preserve the State's Historic Landmarks and Artifacts.		
A.1.1. Strategy: ARCHITECTURAL ASSISTANCE Property Rehabilitation/Preservation Technical Assistance.	\$ 1,345,042	\$ 845,042
A.1.2. Strategy: PRESERVATION TRUST FUND Provide Financial Assistance through the Preservation Trust Fund.	\$ 396,000	\$ 424,000
A.1.3. Strategy: ARCHEOLOGICAL HERITAGE PROTECTION Archeological Protection through Reviews, Outreach & Other Programs.	\$ 2,641,171	\$ 1,633,081
A.1.4. Strategy: EVALUATE/INTERPRET RESOURCES³ Programs & Services for Historic Resources Evaluation & Interpretation.	\$ 3,486,418	\$ 2,026,260
A.1.5. Strategy: COURTHOUSE PRESERVATION Courthouse Preservation Assistance.	\$ 23,163,276	\$ 463,276
A.1.6. Strategy: HISTORIC SITES Operation and Maintenance of Historic Sites.	\$ 43,048,690	\$ 9,075,616
A.2.1. Strategy: DEVELOPMENT ASSISTANCE Technical Assistance for Heritage Development/Economic Revitalization.	<u>\$ 4,047,577</u>	<u>\$ 4,047,577</u>
Total, Goal A: HISTORICAL PRESERVATION	<u>\$ 78,128,174</u>	<u>\$ 18,514,852</u>
 B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: CENTRAL ADMINISTRATION	\$ 1,757,045	\$ 1,757,044
 Grand Total, HISTORICAL COMMISSION	 <u>\$ 79,885,219</u>	 <u>\$ 20,271,896</u>
 Object-of-Expense Informational Listing:		
Salaries and Wages	\$ 10,025,111	\$ 10,025,111
Other Personnel Costs	236,782	236,782
Professional Fees and Services	424,053	424,053
Fuels and Lubricants	106,850	106,850
Consumable Supplies	168,412	168,412
Utilities	325,242	325,242
Travel	510,788	510,788
Rent - Building	92,000	92,000
Rent - Machine and Other	136,732	136,732
Debt Service	978,839	905,711
Other Operating Expense	7,614,265	5,036,070
Grants	24,106,145	1,434,145
Capital Expenditures	<u>35,160,000</u>	<u>870,000</u>
Total, Object-of-Expense Informational Listing	<u>\$ 79,885,219</u>	<u>\$ 20,271,896</u>

³ Incorporates Article IX, § 17.87, of this Act, due to the enactment of SB 482, 81st Legislature, Regular Session, relating to creation of a Holocaust and Genocide Commission, resulting in an increase in General Revenue Funds of \$86,397 in FY 2010 and \$81,397 in FY 2011 and an increase of 0.5 FTE in each fiscal year.

HISTORICAL COMMISSION
(Continued)

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

<u>Employee Benefits</u>		
Retirement	\$ 417,335	\$ 423,595
Group Insurance	920,013	988,449
Social Security	536,871	544,924
Benefits Replacement	<u>25,352</u>	<u>24,085</u>
Subtotal, Employee Benefits	<u>\$ 1,899,571</u>	<u>\$ 1,981,053</u>
<u>Debt Service</u>		
TPFA GO Bond Debt Service	\$ 7,919,794	\$ 13,149,259
Lease Payments	<u>3,222</u>	<u>3,091</u>
Subtotal, Debt Service	<u>\$ 7,923,016</u>	<u>\$ 13,152,350</u>
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	<u>\$ 9,822,587</u>	<u>\$ 15,133,403</u>

- 1. Performance Measure Targets.** The following is a listing of the key performance target levels for the Historical Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Historical Commission. In order to achieve the objectives and service standards established by this Act, the Historical Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2010</u>	<u>2011</u>
A. Goal: HISTORICAL PRESERVATION		
Outcome (Results/Impact):		
Number of Properties Designated Annually	2,745	2,791
Number of Individuals Provided Training and Assistance in Historic and Archeological Preservation	45,400	46,600
A.1.1. Strategy: ARCHITECTURAL ASSISTANCE		
Output (Volume):		
Number of Historic Properties Provided Technical Assistance, Monitoring, and Mandated State and/or Federal Architectural Reviews in Order to Encourage Preservation	1,825	1,850
A.1.2. Strategy: PRESERVATION TRUST FUND		
Output (Volume):		
Number of Preservation Trust Fund Grants Awarded	27	27
A.1.3. Strategy: ARCHEOLOGICAL HERITAGE PROTECTION		
Output (Volume):		
Number of Construction Projects Reviewed for Archeological Impact	5,000	5,000
Number of Outreach and Technical Materials Distributed Through Print or Electronic Media	194,000	194,000
A.1.4. Strategy: EVALUATE/INTERPRET RESOURCES		
Output (Volume):		
Number of Sites, Properties, and Other Historical Resources Evaluated	6,600	6,800
A.2.1. Strategy: DEVELOPMENT ASSISTANCE		
Output (Volume):		
Number of Properties and Sites Assisted	2,500	2,600

- 2. Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	<u>2010</u>	<u>2011</u>
a. Construction of Buildings and Facilities		
(1) Debt Service for National Museum of the Pacific War	\$ 878,808	\$ 849,659

HISTORICAL COMMISSION
(Continued)

(2) National Museum of the Pacific War	940,000	UB
Total, Construction of Buildings and Facilities	<u>\$ 1,818,808</u>	<u>\$ 849,659</u>
b. Repair or Rehabilitation of Buildings and Facilities		
(1) Capitol Complex Buildings	500,000	UB
(2) Renovation and Repair of Historic Sites	416,500	416,500
(3) Historic Sites - Unexpended Balances	33,000,000	UB
(4) Debt Service for Historic Sites (HB12, 80th Legis.)	92,012	56,052
(5) Repair and Renovation of Courthouses	20,000,000	UB
(6) Repair and Renovation of Courthouses - Unexpended Balances	2,500,000	UB
Total, Repair or Rehabilitation of Buildings and Facilities	<u>\$ 56,508,512</u>	<u>\$ 472,552</u>
c. Acquisition of Information Resource Technologies		
(1) Personal Computers, Laptops, Printers, and Servers	100,000	100,000
d. Transportation Items		
(1) Purchase of Replacement Automobiles	200,000	250,000
e. Acquisition of Capital Equipment and Items		
(1) Historic Sites Equipment	183,500	183,500
(2) La Belle Conservation Equipment and Items	1,000,000	UB
Total, Acquisition of Capital Equipment and Items	<u>\$ 1,183,500</u>	<u>\$ 183,500</u>
f. Other Lease Payments to the Master Lease Purchase Program (MLPP)		
(1) MLPP Acquisition (2006-07)	<u>8,019</u>	<u>0</u>
Total, Capital Budget	<u>\$ 59,818,839</u>	<u>\$ 1,855,711</u>
Method of Financing (Capital Budget):		
<u>General Revenue Fund</u>		
General Revenue Fund	\$ 2,608,839	\$ 1,035,711
Sporting Goods Sales Tax	770,000	820,000
Subtotal, General Revenue Fund	<u>\$ 3,378,839</u>	<u>\$ 1,855,711</u>
<u>Other Funds</u>		
Bond Proceeds - General Obligation Bonds	55,500,000	UB
Bond Proceeds - Revenue Bonds	940,000	UB
Subtotal, Other Funds	<u>\$ 56,440,000</u>	<u>\$ UB</u>
Total, Method of Financing	<u>\$ 59,818,839</u>	<u>\$ 1,855,711</u>

3. **Cost Recovery of Historical Markers.** It is the intent of the Legislature that the Historical Commission recover the full costs of historical markers, estimated to be \$282,457 in Appropriated Receipts for each fiscal year of the biennium and included above in Strategy A.1.4, Evaluate/Interpret Resources.
4. **Promotional Materials.** The Texas Historical Commission is hereby authorized to purchase promotional educational materials for resale or donation purposes during the biennium beginning September 1, 2009. All receipts received from the sale of these materials are hereby appropriated to the Commission for the administration and operation of agency programs. Any unexpended balances on hand as of August 31, 2010, from the sale of these materials are appropriated for the fiscal year beginning September 1, 2010.
5. **Registration of Historic Cemeteries.** The Texas Historical Commission is hereby authorized to collect funds for the registration of historic cemeteries. All fees collected pursuant to registration of historic cemeteries (estimated at \$3,800 in Appropriated Receipts in each fiscal year and included above in Strategy A.1.4, Evaluate/Interpret Resources) are appropriated to the Texas

HISTORICAL COMMISSION (Continued)

Historical Commission for the purpose of administering the Historic Cemetery Program for the biennium beginning September 1, 2009. In addition to amounts identified herein and included above, all receipts collected on or after September 1, 2009, are hereby appropriated for the same purpose.

6. **Texas Preservation Trust Fund, No. 664.** Included in the amounts appropriated above in Strategy A.1.2, Preservation Trust Fund, from the General Revenue-Dedicated Texas Preservation Trust Fund Account No. 664 are amounts estimated to be \$396,000 in fiscal year 2010 and \$424,000 in fiscal year 2011 in annual distributions made by the Comptroller from the account during the fiscal year not to exceed an amount equal to seven percent of the average net fair market value of the investment assets of the account as determined by the Comptroller. In addition, any gifts and donations deposited in the General Revenue-Dedicated Texas Preservation Trust Fund Account No. 664 on or after September 1, 2009, are hereby appropriated to Strategy A.1.2, Preservation Trust Fund.

Any unexpended balances as of August 31, 2010, out of the appropriations made herein are hereby appropriated to the Historical Commission for the fiscal year beginning September 1, 2010.

7. **Tourism: Promotion of Historical Sites.** Out of amounts included above in Strategy A.2.1, Development Assistance, the Texas Historical Commission, pursuant to Government Code, Chapter 481.172 and Chapter 442.005(s), shall expend \$300,000 during the biennium beginning September 1, 2009, transferred from the Office of the Governor, Economic Development and Tourism, and \$1,000,000 during the biennium beginning September 1, 2009, transferred from the Texas Department of Transportation through interagency contract, to showcase historical sites in order to promote tourism and to encourage travel to the state's historical attractions.
8. **Cultural Diversity Scholarships.** Gifts and donations received by the Historical Commission, not to exceed \$5,000 in each fiscal year of the biennium, may be expended for scholarships of up to \$500 per recipient for travel expenses, including meals and lodging, in order to encourage diversity among participants at agency sponsored conferences, seminars, and workshops.
9. **Military Sites Program.** Included in amounts appropriated above in Strategy A.1.4, Evaluate/Interpret Resources, is \$22,500 in General Revenue funds in each fiscal year of the biennium for the purpose of continuing and further developing a military sites program and restoring Texas military monuments in and outside the state. Appropriation of these amounts is contingent upon receipt by the Historical Commission, or by the Friends of the Texas Historical Commission, of private contributions, gifts, and donations, included above in Strategy A.1.4, Evaluate/Interpret Resources, for the same purpose, in the amount of \$45,000 over the biennium. In the event that private contributions, gifts, and donations received total less than \$45,000 over the biennium, the appropriation is reduced to an amount which equals the total contributions, gifts, and donations received. Any unexpended balances of these funds remaining as of August 31, 2010, are hereby appropriated to the Historical Commission for the fiscal year beginning September 1, 2010, for the same purpose.
10. **La Salle Artifacts.**
 - a. Included in amounts appropriated above in Strategy A.1.3, Archeological Heritage Protection, is \$250,000 in General Revenue funds for the biennium for the conservation, analysis, interpretation, and display of artifacts from the Belle Shipwreck, Fort St. Louis archeological site, and other La Salle sites. Of this amount, \$125,000 is contingent upon receipt of additional matching funds by the Historical Commission in private contributions, gifts, and donations, for the same purpose. In the event that private contributions, gifts, and donations received by the Historical Commission total less than \$125,000 over the biennium, the matching General Revenue appropriation is reduced to an amount which equals the total private contributions, gifts, and donations received.
 - b. Any unexpended balances of these funds remaining as of August 31, 2010, are hereby appropriated to the Historical Commission for the fiscal year beginning September 1, 2010, for the same purpose.
 - c. In the event any additional Federal Funds are available for the purposes of this rider, the Commission is hereby appropriated the amounts necessary of the \$125,000 contingency appropriation identified in Subsection (a) to obtain the additional Federal Funds. Any

HISTORICAL COMMISSION (Continued)

reference to additional Federal Funds in this subsection means Federal Funds received by the Commission that are not anticipated at the time of passage of this Act and are not appropriated above.

- d. In the event that the agency receives funding not identified in this rider to be used for the same purpose, the Commission may expend these funds for that purpose only with the approval of the Governor and the Legislative Budget Board.

- 11. Appropriation of Receipts.** All fees that the Texas Historical Commission is authorized by statute to collect are hereby appropriated for the specific purpose named in the statute for the biennium beginning September 1, 2009.

In accordance with this provision and included in amounts appropriated above in Strategy A.1.6, Historic Sites is an amount estimated to be \$164,000 each fiscal year out of the General Revenue Fund — Fees from Historic Sites, generated from entrance fees at historic sites established in accordance with Government Code § 442.0051. Any unexpended balances as of August 31, 2010 out of the appropriations made herein are appropriated to the Commission for the fiscal year beginning September 1, 2010.

- 12. Acquisition of Historical Artifacts.** The Historical Commission shall use funds appropriated above to develop a plan and process for the purchase and acquisition of documents, records, and/or other historical artifacts relating to Texas history prior to the purchase or acquisition of any such items, and shall coordinate with the State Preservation Board and the Texas State Library and Archives Commission. In addition, the Commission shall coordinate the purchase or acquisition of the historical artifacts with institutions involved in historic preservation programs reflective of racial, ethnic, and cultural diversity throughout the state. The Historical Commission must also report on the status of acquisitions to the Governor and the Legislative Budget Board within 30 days after such acquisition.
- 13. Advertisements in Agency Publications.** In accordance with Government Code § 442.005 (u)(3) the Texas Historical Commission is hereby authorized to accept advertisements at prescribed rates in selected agency newsletters and publications (both print and electronic) to offset production costs. All amounts collected by the Historical Commission pursuant to acceptance of advertisements are hereby appropriated to the Historical Commission for the purpose of offsetting costs associated with production of agency newsletters and publications.
- 14. Unexpended Balances: Courthouse Preservation Program.** Included in the amounts appropriated above in Strategy A.1.5, Courthouse Preservation, are any unobligated and unexpended balances remaining as of August 31, 2009, from the appropriation made to Strategy A.1.5, Courthouse Preservation, (estimated to be \$200,000 in General Revenue funds) for the biennium beginning September 1, 2009, solely for the purpose of awarding grants for courthouse preservation. In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, 2009, are hereby appropriated for the same purpose. Any unexpended balances of these funds remaining as of August 31, 2010, are hereby appropriated to the Historical Commission for the fiscal year beginning September 1, 2010, for the same purpose.
- 15. Historical Preservation Program.** Out of funds appropriated above, the Historical Commission shall develop a program to assist schools and community colleges with historical preservation. It is the intent of the Legislature that the Commission evaluate and award grants based on merit. Grants awarded by the Historical Commission for the proposing school or community college are contingent upon receipt of a matching amount of funds by the school or community college.
- 16. Unexpended Balances: Texas Emancipation Juneteenth Cultural and Historical Commission Memorial Monument.** Included in amounts appropriated above in Strategy A.1.4, Evaluate/Interpret Resources is an amount estimated to be \$112,938 in General Revenue in fiscal year 2010 for the Juneteenth Memorial Monument for the 2010-11 biennium out of unexpended and unobligated balances as of August 31, 2009. Appropriations made herein for the Juneteenth Memorial Monument are for the sole purpose of perpetual care for the Juneteenth Memorial Monument.
- 17. Unexpended Balances: Tejano Monument.** Included in amounts appropriated above in Strategy A.1.4, Evaluate/Interpret Resources is an amount estimated to be \$1,086,857 in General Revenue in fiscal year 2010 for the Tejano Monument for the 2010-11 biennium out of unexpended and unobligated balances as of August 31, 2009. Appropriations made herein for the Tejano Monument are for the purpose of completion and perpetual care for the Tejano Monument.

HISTORICAL COMMISSION

(Continued)

- 18. El Camino Heritage Trail.** From funds appropriated above, the Texas Historical Commission shall include the El Camino Real de los Tejas in travel brochures, Internet website, and other materials, as are provided by the agency for the Texas Heritage Trails Program.
- 19. Unexpended Balances and Debt Service: National Museum of the Pacific War.** Included in amounts appropriated above in Strategy A.1.6, Historic Sites, are any unexpended balances in Revenue Bond proceeds for the National Museum of the Pacific War remaining as of August 31, 2009 (estimated to be \$940,000) for the biennium beginning September 1, 2009, for the same purpose. Any unexpended balances of these funds remaining as of August 31, 2010, are hereby appropriated to the Historical Commission for the fiscal year beginning September 1, 2010, for the same purpose.

Included in the amounts appropriated above out of the General Revenue Fund for Strategy A.1.6, Historic Sites, the amounts of \$878,808 for fiscal year 2010 and \$849,659 for fiscal year 2011 are to be used for lease payments to the Texas Public Finance Authority for debt service payments on the revenue bonds or other revenue obligations issued for the National Museum of the Pacific War.

- 20. African Americans in Texas: Historical & Cultural Legacies.** Out of the funds appropriated above, the Commission shall print sufficient copies for public distribution of the booklet entitled African Americans in Texas: Historical & Cultural Legacies.
- 21. Unexpended Balances of Bond Proceeds for the Repair and Renovation of Courthouses, Capitol Complex Projects and Historic Sites.** Included in amounts appropriated above in Strategy A.1.1, Architectural Assistance, are unexpended and unobligated balances of General Obligation Bond Proceeds that have been approved under the provisions of Article IX, Section 19.70 of House Bill 1, Eightieth Legislature, Regular Session, 2007, remaining as of August 31, 2009, (estimated to be \$0) for the Texas Historical Commission for the repair and renovation of Capital Complex Buildings for the 2010-2011 biennium.

Also included in amounts appropriated above in Strategies A.1.5, Courthouse Preservation, and A.1.6, Historic Sites, are unexpended and unobligated balances of General Obligation Bond Proceeds that have been approved under the provisions of Article IX, Sections 19.70 and 19.71 of House Bill 1, Eightieth Legislature, Regular Session, 2007, remaining as of August 31, 2009, (estimated to be \$35,500,000) for the Texas Historical Commission for the repair and renovation of Courthouses and Historic Sites for the 2010-2011 biennium.

Any unexpended balances in General Obligation Bond Proceeds described herein and remaining as of August 31, 2010, are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2010.

- 22. Appropriation: State-owned Housing Authorized.** Notwithstanding the provisions of Article IX, Section 11.05, of this Act, the Texas Historical Commission (THC) shall recover at least 20 percent of the established fair market rental value of housing from persons residing in state-owned housing first employed before September 1, 2005 and 100 percent of the established fair market rental value of housing from persons residing in state-owned housing employed on or after September 1, 2005. If the THC requires an employee to live on-site in state-owned housing as a condition of employment, then the THC shall recover at least 20 percent of the established fair market rental value of housing regardless of the date of employment.

Included in the amounts appropriated above is rental income collected from employee housing (estimated to be \$12,235 in fiscal year 2010 and \$12,236 in fiscal year 2011) in Appropriated Receipts in Strategy A.1.6, Historic Sites. The recovered funds are appropriated to THC for maintenance and replacement of employee housing.

Additionally, notwithstanding the provisions of Article IX, Section 11.05, of this Act, the THC is authorized to expend amounts in excess of \$25,000 per residence for the biennium as necessary to repair or replace state-owned housing, provided that the agency submits advanced notification to the Legislative Budget Board and the Governor.

- 23. Texas Heritage Trails Program: Match for Federal Funding.** Included in the amounts appropriated above is \$356,000 in fiscal year 2010 and \$356,000 in fiscal year 2011 in General Revenue - Sporting Goods Sales Tax in Strategy A.2.1, Development Assistance, to provide matching funds for federal surface transportation enhancement funds for the Texas Heritage Trails Program.

HISTORICAL COMMISSION
(Continued)

- 24. Appropriation Authority for General Obligation Bond Proceeds.**⁴ Appropriated above in Strategy A.1.5, Courthouse Preservation, in fiscal year 2010 is \$20,000,000 in General Obligation Bond Proceeds for projects for the Texas Historical Commission as described in Article IX, Sec. 17.11, Informational Listing General Obligation Bond Proceeds.

All projects funded herein with General Obligation Bond Proceeds are subject to approval by the Legislative Budget Board prior to issuance of the bond proceeds by the Texas Public Finance Authority. Any unexpended and unobligated balances in General Obligation Bond Proceeds described herein and remaining as of August 31, 2010 are hereby appropriated for the fiscal year beginning September 1, 2010 for the same purpose.

- 25. La Salle County and Hamilton County Courthouse Restoration.** Out of the General Obligation Bond Proceeds appropriated above in Strategy A.1.5, Courthouse Preservation, the Historical Commission shall provide to the La Salle County and Hamilton County courthouse preservation projects grants of up to \$3,500,000 each in fiscal year 2010, in accordance with Government Code § 442.0081 et seq.

Any unexpended balances as of August 31, 2010, out of the appropriations made herein are hereby appropriated to the Historical Commission for the same purpose for the fiscal year beginning September 1, 2010.

⁴ Modified to correct reference error.

DEPARTMENT OF INFORMATION RESOURCES

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing:		
General Revenue Fund	\$ 792,677	\$ 792,678
<u>Other Funds</u> ¹		
Appropriated Receipts		
Clearing Fund Account - Appropriated Receipts	8,172,782	6,923,738
Telecommunications Revolving Account - Appropriated Receipts	16,949,854	10,511,782
Interagency Contracts		
Clearing Fund Account - Interagency Contracts	3,671,706	3,139,767
Telecommunications Revolving Account - Interagency Contracts	66,876,036	65,765,464
Statewide Technology Account - Interagency Contracts	183,064,342	168,389,252
Subtotal, Other Funds	<u>\$ 278,734,720</u>	<u>\$ 254,730,003</u>
Total, Method of Financing	<u>\$ 279,527,397</u>	<u>\$ 255,522,681</u>
 This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	234.9	234.9
Schedule of Exempt Positions:		
Executive Director, Group 6	\$175,000	\$175,000
Items of Appropriation:		
A. Goal: PROMOTE EFFIC. IR POLICIES/SYSTEMS		
Promote Statewide IR Policies & Innovative, Productive, & Eff Info Sys.		

¹ Incorporates Article IX, §17.03(f), of this Act, relating to enterprise resource planning systems, which appropriates \$1,500,000 in Other Funds each fiscal year of the 2010-11 biennium.

DEPARTMENT OF INFORMATION RESOURCES
(Continued)

A.1.1. Strategy: STATEWIDE PLANNING Produce Statewide IR Strategic Plan/Conduct Collaborative Workshops.	\$ 541,350	\$ 555,826
A.1.2. Strategy: RULE AND GUIDELINE DEVELOPMENT Develop Rules & Guidelines to Establish Statewide Technology Standards.	\$ 511,677	\$ 526,153
A.1.3. Strategy: STATEWIDE SECURITY Plan Statewide Security for IR Assets.	<u>\$ 668,281</u>	<u>\$ 676,710</u>
Total, Goal A: PROMOTE EFFIC. IR POLICIES/SYSTEMS	<u>\$ 1,721,308</u>	<u>\$ 1,758,689</u>
B. Goal: MANAGE COST-EFF SVC DEL OF IT Assist Agys & Govt Entities in Cost-Eff Acqu/Svc Del of IT Comm & Svcs.		
B.1.1. Strategy: CONTRACT ADMIN OF IT COMM & SVCS Manage Procurement Infrastructure for IT Commodities and Services.	\$ 8,574,129	\$ 6,861,046
B.2.1. Strategy: DATA CENTER SERVICES	\$ 180,913,649	\$ 166,285,930
B.2.2. Strategy: TEXAS ONLINE	\$ 510,744	\$ 510,744
B.2.3. Strategy: SHARED SVCS AND/OR TECHNOLOGY CTRS Implement and Maintain Shared Services and/or Technology Centers.	<u>\$ 208,029</u>	<u>\$ 211,978</u>
Total, Goal B: MANAGE COST-EFF SVC DEL OF IT	<u>\$ 190,206,551</u>	<u>\$ 173,869,698</u>
C. Goal: TELECOMMUNICATIONS		
C.1.1. Strategy: CAPITOL COMPLEX TELEPHONE Maintain and Increase the Capabilities of the CCTS.	\$ 4,508,787	\$ 4,254,954
C.2.1. Strategy: NETWORK SERVICES Maintain Legacy TEX-AN and Provide Enhanced TEX-AN Network Services.	\$ 68,573,351	\$ 60,954,172
C.2.2. Strategy: NETWORK & TELECOM SECURITY SERVICES Provide Network and Telecommunications Security Services.	<u>\$ 4,608,186</u>	<u>\$ 5,069,250</u>
Total, Goal C: TELECOMMUNICATIONS	<u>\$ 77,690,324</u>	<u>\$ 70,278,376</u>
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: CENTRAL ADMINISTRATION	\$ 2,914,234	\$ 2,962,107
D.1.2. Strategy: INFORMATION RESOURCES ²	\$ 6,152,977	\$ 5,797,076
D.1.3. Strategy: OTHER SUPPORT SERVICES	<u>\$ 842,003</u>	<u>\$ 856,735</u>
Total, Goal D: INDIRECT ADMINISTRATION	<u>\$ 9,909,214</u>	<u>\$ 9,615,918</u>
Grand Total, DEPARTMENT OF INFORMATION RESOURCES	<u>\$ 279,527,397</u>	<u>\$ 255,522,681</u>
Object-of-Expense Informational Listing:		
Salaries and Wages	\$ 17,015,048	\$ 17,317,539
Other Personnel Costs	301,920	301,920
Professional Fees and Services	191,796,592	177,473,564
Fuels and Lubricants	7,763	8,927
Consumable Supplies	37,844	40,713
Utilities	1,745,933	1,745,933
Travel	268,003	268,003
Rent - Building	22,640	22,640
Rent - Machine and Other	8,028	10,028
Other Operating Expense	67,587,826	58,052,614
Capital Expenditures	<u>735,800</u>	<u>280,800</u>
Total, Object-of-Expense Informational Listing	<u>\$ 279,527,397</u>	<u>\$ 255,522,681</u>

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

² Incorporates Article IX, §17.03(f), of this Act, relating to enterprise resource planning systems, which appropriates \$1,500,000 in Other Funds each fiscal year of the 2010-11 biennium.

DEPARTMENT OF INFORMATION RESOURCES
(Continued)

<u>Employee Benefits</u>		
Retirement	\$ 854,143	\$ 866,955
Group Insurance	1,394,466	1,501,974
Social Security	1,060,661	1,076,571
Benefits Replacement	<u>72,184</u>	<u>68,575</u>
Subtotal, Employee Benefits	<u>\$ 3,381,454</u>	<u>\$ 3,514,075</u>
<u>Debt Service</u>		
Lease Payments	<u>\$ 616,270</u>	<u>\$ 500,564</u>
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	<u>\$ 3,997,724</u>	<u>\$ 4,014,639</u>

- 1. Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Information Resources. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Department of Information Resources. In order to achieve the objectives and service standards established by this Act, the Department of Information Resources shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2010</u>	<u>2011</u>
A. Goal: PROMOTE EFFIC. IR POLICIES/SYSTEMS		
A.1.2. Strategy: RULE AND GUIDELINE DEVELOPMENT		
Efficiencies:		
Average Cost Per Rule, Guideline, and Standard Reviewed and Produced	332.92	332.92
B. Goal: MANAGE COST-EFF SVC DEL OF IT		
Outcome (Results/Impact):		
Percent of Monthly Minimum Service Level Targets Achieved for Data Center Services	92	92
Percentage of Customers Satisfied with Data Center Services Contract Management	95%	95%
B.1.1. Strategy: CONTRACT ADMIN OF IT COMM & SVCS		
Output (Volume):		
Total Contract Savings and Cost Avoidance Provided through DIR Contracts	120,000,000	120,000,000
C. Goal: TELECOMMUNICATIONS		
Outcome (Results/Impact):		
Percent of Customers Satisfied with CCTS	99%	99%
Percent of Customers Satisfied with TEX-AN	96%	96%
C.2.1. Strategy: NETWORK SERVICES		
Efficiencies:		
Average Price Per Intrastate Minute on TEX-AN	0.05	0.05
Average Price Per Toll-free Minute on TEX-AN	0.04	0.04

- 2. Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes.

The appropriation transfer provision in Article IX, Section 14.03, subsection (i)(1)(C) does not apply to the Department of Information Resources and therefore it is the intent of the Legislature that DIR may not add a new capital budget item to those shown below during the 2010-11 biennium.

	<u>2010</u>	<u>2011</u>
a. Acquisition of Information Resource Technologies		
(1) Daily Operations - Capital Budget	\$ 50,000	\$ 50,000
(2) Data Center Consolidation	1,389,845	1,017,057
(3) Asset Control - Malware Deployment	165,800	165,800
(4) Website Upgrade	410,000	410,000
(5) Communication and Collaboration Infrastructure and Integration Support Tool	780,000	780,000
(6) Standardization of Business Intelligence Platform	240,000	240,000

DEPARTMENT OF INFORMATION RESOURCES
(Continued)

(7) Enterprise Resource Planning (ERP) System ³	\$ 1,500,000	\$ 1,500,000
Total, Acquisition of Information Resource Technologies	\$ 4,535,645	\$ 4,162,857
Total, Capital Budget	<u>\$ 4,535,645</u>	<u>\$ 4,162,857</u>

Method of Financing (Capital Budget):

Other Funds

Appropriated Receipts		
DIR Clearing Fund Account - AR	\$ 761,958	\$ 696,150
Telecommunications Revolving Account - AR	376,017	348,628
Interagency Contracts		
DIR Clearing Fund Account - IAC	409,389	372,086
Telecommunications Revolving Account - IAC	1,934,463	1,761,577
Statewide Technology Account - IAC	1,053,818	984,416
Subtotal, Other Funds	<u>\$ 4,535,645</u>	<u>\$ 4,162,857</u>
Total, Method of Financing	<u>\$ 4,535,645</u>	<u>\$ 4,162,857</u>

- 3. DIR Clearing Fund Account.³** The Comptroller shall establish in the state treasury the Department of Information Resources Clearing Fund Account for the administration of cost recovery activities pursuant to authority granted under Chapters 771, 791, 2054, 2055, and 2177, Government Code. The account shall be used:
- a. As a depository for funds received as payments from state agencies and units of local government for services provided;
 - b. As a source of funds for the department to purchase, lease, or acquire in any other manner services, supplies, software products, and equipment necessary for carrying out the department's duties relating to services provided to state agencies and units of local government for which the department receives payment from state agencies and local governmental units; and
 - c. To pay salaries, wages, and other costs directly attributable to the services provided to state agencies and units of local government for which the department receives payment from those agencies and governmental units. However, the maximum amount for all administrative costs to be applied to state agency receipts and local government receipts shall not exceed 2.0 percent per receipt. The Department of Information Resources shall report the amount of all administrative costs allocated to each agency and unit of local government annually to the Legislative Budget Board.

The balance of the account at the end of the fiscal year shall not exceed more than 10 percent of the total revenue processed through the account in the prior fiscal year. Included in the amounts appropriated above are all balances as of August 31, 2009 (estimated to be \$5,838,787), and all revenues accruing during the 2010-11 biennium (estimated to be \$6,005,701 in fiscal year 2010 and \$10,063,505 in fiscal year 2011 in Strategies A.1.1, Statewide Planning; A.1.2, Rule and Guideline Development; A.1.3, Statewide Security; B.1.1, Contract Administration of IT Commodities and Services; B.2.3, Shared Services and/or Technology Centers; D.1.1, Central Administration; D.1.2, Information Resources; and D.1.3, Other Support Services) to the Department of Information Resources Clearing Fund Account. In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, 2009, and all revenue generated on or after September 1, 2009, are hereby appropriated for the same purposes.

As part of its Comprehensive Annual Financial Report showing the use of appropriated funds, the Department of Information Resources shall include information showing the costs avoided and/or savings obtained through its cooperative activities and a list of the agencies or units of local government for which the clearing fund account was used.

- 4. Capital Purchases on Behalf of Other Government Entities.** Any capital items related to information resources and telecommunications technologies purchased by the Department of Information Resources for use by other state agencies and governmental entities for which the

³ Incorporates Article IX, §17.03(f), of this Act, relating to enterprise resource planning systems, which appropriates \$1,500,000 in Other Funds each fiscal year of the 2010-11 biennium.

DEPARTMENT OF INFORMATION RESOURCES
(Continued)

department is reimbursed do not apply to the department for the purpose of the capital budget rider limitations specified in Article IX, Limitation on Expenditures - Capital Budget, of the General Provisions of this Act.

5. **Cash Flow Contingency.** Contingent upon receipt of reimbursements from state agencies, other governmental entities, and vendors for direct services provided and procurements of goods or services, the department may temporarily utilize additional general revenue funds in an amount not to exceed 10 percent of projected non-Go DIRECT Cooperative Contract annual sales or \$4.0 million, whichever is greater. These funds shall be utilized only for the purpose of temporary cash flow needs. The transfer and reimbursement of funds shall be made under procedures established by the Comptroller of Public Accounts to ensure all borrowed funds are reimbursed to the Treasury on or before August 31, 2011.
6. **TexasOnline Project.** Included in the amounts appropriated above in Strategies B.2.2, Texas Online; D.1.1, Central Administration; D.1.2, Information Resources; and D.1.3, Other Support Services are amounts not to exceed \$792,677 for fiscal year 2010 and \$792,678 for fiscal year 2011 out of General Revenue generated by the TexasOnline Project for the 2010-11 biennium for the continued operation, expansion, and administration of the TexasOnline Project.

Any unexpended balances as of August 31, 2010, out of the appropriations made herein are hereby appropriated to the Department of Information Resources for the fiscal year beginning September 1, 2010.

The Department of Information Resources shall provide the Legislative Budget Board monthly financial reports and expenditures on the TexasOnline project within 60 days of the close of each month.

7. **Telecommunications Capital Budget Purchases.** The Department of Information Resources is hereby authorized to expend funds appropriated elsewhere in this Act to acquire equipment that may be necessary to facilitate cost savings or technical advancements associated with the Capital Complex Telephone System (CCTS) or TEX-AN Statewide Telecommunications System. The Department of Information Resources shall coordinate any equipment acquisitions associated with the TEX-AN Statewide Telecommunications System with the Telecommunications Planning and Oversight Council. The Department of Information Resources shall notify the Legislative Budget Board and the Governor prior to such acquisition.
8. **Telecommunications Revolving Account.**⁴ Out of the funds appropriated above in Strategies A.1.1, Statewide Planning; A.1.2, Rule and Guideline Development; B.2.3, Shared Services and/or Technology Centers; C.1.1, Capitol Complex Telephone; C.2.1, Network Services; D.1.1, Central Administration; D.1.2, Information Resources; and D.1.3, Other Support Services, are all unexpended and unobligated balances as of August 31, 2009, (estimated to be \$9,525,631 in Appropriated Receipts and Interagency Contracts) and all revenue estimated to be \$69,354,591 in fiscal year 2010 and \$70,866,257 in fiscal year 2011 in Appropriated Receipts and Interagency Contracts for the purpose of planning, development of requests for information and proposals, and contract negotiations, and any other purpose set out in Chapter 2170, Government Code.

In addition, out of funds appropriated above in Strategies A.1.3, Statewide Security, and C.2.2, Network and Telecommunication Security Services, is \$4,945,668 in fiscal year 2010 and \$5,410,989 in fiscal year 2011 in Appropriated Receipts and Interagency Contracts for the purpose of providing network security services and any other purpose set out in Chapter 2059, Government Code.

Any unexpended balances remaining as of August 31, 2010 in the appropriation made herein are hereby appropriated for the fiscal year beginning September 1, 2010 for the same purposes.

9. **Statewide Technology Account.**⁴ In accordance with Government Code, Chapter 403.011, the Comptroller of Public Accounts shall establish within the state treasury an operational account, called the statewide technology center account for all transactions relating to the operation and management of statewide technology centers. The statewide technology center account may maintain a two month operating reserve and may also be utilized to perform operations authorized by Government Code, Chapter 2054, Subchapter L.

⁴ Incorporates Article IX, §17.03(f), of this Act, relating to enterprise resource planning systems, which appropriates \$1,500,000 in Other Funds each fiscal year of the 2010-11 biennium.

DEPARTMENT OF INFORMATION RESOURCES
(Continued)

Included in amounts appropriated above are all revenues accruing during the 2010-11 biennium to the statewide technology center account, estimated to be \$183,064,342 in fiscal year 2010 and \$168,389,252 in fiscal year 2011 out of Interagency Contracts, and any amounts received in Appropriated Receipts (estimated to be \$0 each fiscal year) in Strategies A.1.1, Statewide Planning; A.1.2, Rule and Guideline Development; A.1.3, Statewide Security; B.2.1, Data Center Services; B.2.3, Shared Services and/or Technology Centers; D.1.1, Central Administration; D.1.2, Information Resources; and D.1.3, Other Support Services, for purposes authorized by Government Code Chapter 2054, Subchapter L relating to the operation and management of Statewide Technology Centers. In addition, amounts remaining in the account as of August 31, 2010 are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2010.

The Department of Information Resources shall report all administrative costs collected and the administrative cost percentage charged to each state agency and other users of statewide technology centers as defined in Government Code, Chapter 2054, Section 2054.380 to the Governor and Legislative Budget Board no later than April 1 for the first six month period of the fiscal year and by October 1 for the second six month period of the fiscal year. By the same deadlines, the Department of Information Resources shall submit the proposed administrative costs collected and the proposed administrative cost percentage for the next six month period. The Legislative Budget Board and Governor's Office shall consider the incremental change to administrative percentages submitted. Without the written approval of the Governor and the Legislative Budget Board, the Department of Information Resources may not expend funds appropriated to the Department if those appropriated funds are associated with the statewide technology center account.

- 10. TexasOnline Plan for Closed Loop Event Management Technology.** It is the intent of the Legislature that out of funds appropriated above for the TexasOnline project, the Department of Information Resources shall purchase or develop a plan to provide closed loop event management technology that secures, logs, and provides audit management of baseboard management controllers and consoles of cyber assets. The plan shall be developed and implemented no later than January 1, 2010.
- 11. Data Center Efficiencies.** It is the intent of the Legislature that out of funds appropriated above for Strategy B.2.1, Data Center Services, the Department of Information Resources shall utilize energy efficient multi-core servers wherever possible.

LIBRARY & ARCHIVES COMMISSION

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing:		
General Revenue Fund	\$ 20,620,182	\$ 20,315,025
GR Dedicated - Texas Reads Plate Account No. 5042	6,263	4,000
<u>Federal Funds</u>		
Federal Public Library Service Fund No. 118	10,728,600	10,842,750
Federal Funds	234,028	119,015
Subtotal, Federal Funds	<u>\$ 10,962,628</u>	<u>\$ 10,961,765</u>
<u>Other Funds</u>		
Appropriated Receipts	172,500	177,500
Interagency Contracts	3,819,013	3,792,873
Subtotal, Other Funds	<u>\$ 3,991,513</u>	<u>\$ 3,970,373</u>
Total, Method of Financing	<u>\$ 35,580,586</u>	<u>\$ 35,251,163</u>

This bill pattern represents an estimated 92.4% of this agency's estimated total available funds for the biennium.

LIBRARY & ARCHIVES COMMISSION

(Continued)

Number of Full-Time-Equivalents (FTE):	193.0	193.0
 Schedule of Exempt Positions:		
Director-Librarian, Group 3	\$104,500	\$104,500
 Items of Appropriation:		
A. Goal: DELIVERY OF SERVICES		
Improve the Availability of Library and Information Services.		
A.1.1. Strategy: LIBRARY RESOURCE SHARING SERVICES	\$ 12,310,128	\$ 12,284,265
Share Library Resources Among Libraries Statewide.		
A.1.2. Strategy: AID TO LOCAL LIBRARIES	\$ 14,830,763	\$ 14,853,500
Aid in the Development of Local Libraries.		
A.2.1. Strategy: DISABLED SERVICES	<u>\$ 2,015,500</u>	<u>\$ 2,029,500</u>
Provide Direct Library Services by Mail to Texans with Disabilities.		
Total, Goal A: DELIVERY OF SERVICES	<u>\$ 29,156,391</u>	<u>\$ 29,167,265</u>
 B. Goal: PUBLIC ACCESS TO GOV'T INFORMATION		
Public Access to Government Information.		
B.1.1. Strategy: PROVIDE ACCESS TO INFO & ARCHIVES	\$ 1,505,800	\$ 1,505,800
Provide Access to Information and Archives.		
 C. Goal: MANAGE STATE/LOCAL RECORDS		
Cost-effective State/Local Records Management.		
C.1.1. Strategy: MANAGE STATE/LOCAL RECORDS	\$ 2,222,827	\$ 2,196,687
Records Management Services for State/Local Government Officials.		
 D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: INDIRECT ADMINISTRATION	\$ 2,695,568	\$ 2,381,411
Grand Total, LIBRARY & ARCHIVES COMMISSION	<u>\$ 35,580,586</u>	<u>\$ 35,251,163</u>
 Object-of-Expense Informational Listing:		
Salaries and Wages	\$ 7,204,006	\$ 7,204,016
Other Personnel Costs	252,646	265,036
Professional Fees and Services	1,180,216	945,694
Fuels and Lubricants	11,515	11,515
Consumable Supplies	156,216	152,551
Utilities	60,718	60,571
Travel	110,696	109,054
Rent - Building	14,479	14,979
Rent - Machine and Other	46,990	46,990
Other Operating Expense	9,706,968	9,775,634
Grants	16,354,386	16,434,523
Capital Expenditures	<u>481,750</u>	<u>230,600</u>
Total, Object-of-Expense Informational Listing	<u>\$ 35,580,586</u>	<u>\$ 35,251,163</u>
 Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
<u>Employee Benefits</u>		
Retirement	\$ 397,051	\$ 403,007
Group Insurance	1,246,554	1,350,748
Social Security	523,268	531,117
Benefits Replacement	<u>58,182</u>	<u>55,273</u>
Subtotal, Employee Benefits	<u>\$ 2,225,055</u>	<u>\$ 2,340,145</u>
 <u>Debt Service</u>		
Lease Payments	<u>\$ 696,503</u>	<u>\$ 698,044</u>
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	<u>\$ 2,921,558</u>	<u>\$ 3,038,189</u>

LIBRARY & ARCHIVES COMMISSION
(Continued)

- 1. Performance Measure Targets.** The following is a listing of the key performance target levels for the Library & Archives Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Library & Archives Commission. In order to achieve the objectives and service standards established by this Act, the Library & Archives Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2010</u>	<u>2011</u>
A. Goal: DELIVERY OF SERVICES		
Outcome (Results/Impact):		
Percent of Eligible Population Registered for Talking Book Program Services	6.23%	6.28%
A.1.1. Strategy: LIBRARY RESOURCE SHARING SERVICES		
Output (Volume):		
Number of Persons Provided Project-sponsored Services by Shared Resources	26,660,000	26,010,000
A.1.2. Strategy: AID TO LOCAL LIBRARIES		
Output (Volume):		
Number of Persons Provided Library Project-sponsored Services	5,428,000	6,132,000
A.2.1. Strategy: DISABLED SERVICES		
Output (Volume):		
Number of Persons Served	19,500	20,000

B. Goal: PUBLIC ACCESS TO GOV'T INFORMATION		
Outcome (Results/Impact):		
Percent of Customers Satisfied with State Library Reference and Information Services	96%	96%
B.1.1. Strategy: PROVIDE ACCESS TO INFO & ARCHIVES		
Output (Volume):		
Number of Assists with Information Resources	80,000	90,000

- 2. Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes.

	<u>2010</u>	<u>2011</u>
a. Acquisition of Information Resource Technologies		
(1) Acquisition of New or Replacement Computer Resources for Desktop Workstations and Maintenance of the Agency Network	\$ 116,750	\$ 87,600
(2) Data Center Consolidation	595,709	533,552
 Total, Acquisition of Information Resource Technologies	<u>\$ 712,459</u>	<u>\$ 621,152</u>
b. Acquisition of Capital Equipment and Items		
(1) Library Collection Materials and Public Access Information Resources (including Content Databases)	5,381,164	5,381,165
(2) Digital Duplication Equipment for Talking Books	48,000	48,000
(3) Archival Storage and Mobile Shelving for Sam Houston Regional Library and Research Center	250,000	UB
 Total, Acquisition of Capital Equipment and Items	<u>\$ 5,679,164</u>	<u>\$ 5,429,165</u>
 Total, Capital Budget	<u>\$ 6,391,623</u>	<u>\$ 6,050,317</u>
 Method of Financing (Capital Budget):		
General Revenue Fund	\$ 4,924,373	\$ 4,609,217

LIBRARY & ARCHIVES COMMISSION
(Continued)

Federal Public Library Service Fund No. 118	1,372,000	1,372,000
<u>Other Funds</u>		
Appropriated Receipts	55,200	55,200
Interagency Contracts	40,050	13,900
Subtotal, Other Funds	<u>\$ 95,250</u>	<u>\$ 69,100</u>
 Total, Method of Financing	 <u>\$ 6,391,623</u>	 <u>\$ 6,050,317</u>

3. Unexpended Balances: Imaging and Storage Fees. Any unexpended balances on hand as of August 31, 2010, from fees collected by the Texas State Library and Archives Commission for the purpose of cost recovery of imaging state and local government records on film and/or electronic storage media, and from state agencies for the storage of state records, as authorized by Government Code § 441.182, are hereby appropriated to the Texas State Library and Archives Commission for the fiscal year beginning September 1, 2010.

4. Appropriation of Receipts and Unexpended Balances of TexShare Membership Fees and Reimbursements. The Library and Archives Commission is hereby authorized to collect fees from the members of the TexShare Library Resource Sharing consortium (estimated to be \$2,000 each fiscal year and included above in Strategy A.1.1, Library Resource Sharing Services) from revenue generated from the fiscal year beginning September 1, 2009, as authorized by Government Code § 441.224 for costs associated with the TexShare program.

Any unexpended balances as of August 31, 2009 (estimated to be \$0), in amounts collected from TexShare members for TexShare services or programs are hereby appropriated for the same purpose for the biennium beginning September 1, 2009. Any unexpended balances as of August 31, 2010, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2010.

5. Cash Flow Contingency. Contingent upon reimbursements from state agencies and other governmental and private entities for imaging and records storage services, the agency may temporarily utilize General Revenue funds, not to exceed \$200,000. These funds shall be utilized only for the purpose of temporary cash flow needs. The transfer and reimbursements of funds shall be made under procedures established by the Comptroller of Public Accounts to ensure all borrowed funds are reimbursed to the Treasury on or before August 31, 2011.

6. Texas Reads License Plates: Appropriation of All License Plate Unexpended Balances and Receipts. Included in the amounts appropriated above in Strategy A.1.2, Aid to Local Libraries, are all estimated balances collected prior to the effective date of this Act (estimated to be \$2,263 and included in fiscal year 2010) and revenue collected on or after September 1, 2009 (estimated to be \$4,000 in fiscal year 2010 and \$4,000 in fiscal year 2011), from the sale of license plates as provided by Transportation Code § 504.616 and deposited to the credit of the General Revenue-Dedicated Texas Reads Plate Account No. 5042. In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, 2009, and all revenue collected on or after September 1, 2009, are hereby appropriated for the same purpose.

Any unexpended balances as of August 31, 2010, out of the appropriations made herein are hereby appropriated to the State Library and Archives Commission for the fiscal year beginning September 1, 2010.

7. Report of Reports. By January 1, 2011, the Texas State Library and Archives Commission, with the assistance of all agencies, shall prepare a complete and detailed written report indexing all statutorily required reports and providing detail about the preparing agency, title of report, legal authority, due date, recipient, and a brief description. The report shall provide indexes by (1) preparing agency, (2) title of report, and (3) report recipient, and the detail section shall be arranged by preparing agency. This report shall include an assessment from each receiving agency for each statutorily required report affirming or denying its continued usefulness to that agency. This report shall be provided to the Governor and the Legislative Budget Board and be made available to the public.

8. Loan Star Libraries Grants. Out of amounts appropriated above in Strategy A.1.2, Aid to Local Libraries, the agency shall expend \$7,400,000 in fiscal year 2010 and \$7,400,000 in fiscal year 2011 from the General Revenue Fund for Loan Star Libraries grants.

9. Unexpended Balances: Grants to Libraries. Included in amounts appropriated above are any unexpended balances in appropriations to Strategy A.1.2, Aid to Local Libraries for the Loan Star

LIBRARY & ARCHIVES COMMISSION
(Continued)

Libraries grants (estimated to be \$0 in General Revenue) as of August 31, 2009 and are hereby appropriated for the same purpose for the biennium beginning September 1, 2009. Any unexpended balances as of August 31, 2010 in appropriations to Strategy A.1.2, Aid to Local Libraries for the Loan Star Libraries grants are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2010.

- 10. Renovation of the Lorenzo de Zavala State Archives and Library Building.** Amounts appropriated elsewhere in this Act to the Texas Facilities Commission are for the renovation and repair of the Lorenzo de Zavala State Archives and Library Building and do not include amounts for expansion of the existing Lorenzo de Zavala State Archives and Library Building.
- 11. Funds to Public Libraries from the American Recovery and Reinvestment Act of 2009.** Out of funds appropriated above, the Texas State Library and Archives Commission shall track the use of funds awarded to public libraries through the American Recovery and Reinvestment Act of 2009.

PENSION REVIEW BOARD

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing:		
General Revenue Fund	\$ 742,968	\$ 692,968
Appropriated Receipts	10,000	10,000
Total, Method of Financing	\$ 752,968	\$ 702,968
 This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	13.0	13.0
Schedule of Exempt Positions:		
Executive Director, Group 1	\$70,000	\$70,000
Items of Appropriation:		
A. Goal: SOUND RETIREMENT SYSTEMS		
Ensure Actuarially Sound Retirement Systems.		
A.1.1. Strategy: RETIREMENT SYSTEM REVIEWS Conduct Reviews of Texas Public Retirement Systems.	\$ 407,424	\$ 390,335
A.2.1. Strategy: TECHNICAL ASSISTANCE AND EDUCATION Provide Technical Assistance; Issue Impact Statements; Educate.	\$ 345,544	\$ 312,633
Total, Goal A: SOUND RETIREMENT SYSTEMS	\$ 752,968	\$ 702,968
Grand Total, PENSION REVIEW BOARD	\$ 752,968	\$ 702,968
Object-of-Expense Informational Listing:		
Salaries and Wages	\$ 604,592	\$ 604,592
Other Personnel Costs	11,860	11,860
Professional Fees and Services	75,000	25,000
Consumable Supplies	6,000	6,000
Utilities	1,865	1,865
Travel	15,000	15,000
Rent - Building	500	500
Rent - Machine and Other	5,000	5,000
Other Operating Expense	33,151	33,151
Total, Object-of-Expense Informational Listing	\$ 752,968	\$ 702,968

PENSION REVIEW BOARD
(Continued)

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

<u>Employee Benefits</u>		
Retirement	\$ 22,286	\$ 22,620
Group Insurance	76,138	82,517
Social Security	41,176	41,794
Benefits Replacement	<u>2,669</u>	<u>2,536</u>
Subtotal, Employee Benefits	<u>\$ 142,269</u>	<u>\$ 149,467</u>
<u>Debt Service</u>		
Lease Payments	<u>\$ 45,151</u>	<u>\$ 45,253</u>
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	<u>\$ 187,420</u>	<u>\$ 194,720</u>

- 1. Performance Measure Targets.** The following is a listing of the key performance target levels for the Pension Review Board. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Pension Review Board. In order to achieve the objectives and service standards established by this Act, the Pension Review Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2010</u>	<u>2011</u>
A. Goal: SOUND RETIREMENT SYSTEMS		
Outcome (Results/Impact):		
Percent of Actuarially Funded Defined Benefit Texas Public Retirement Systems That Are Actuarially Sound	98%	98%
Percent of Plan Administrators Satisfied with PRB Educational Services	98%	98%
A.1.1. Strategy: RETIREMENT SYSTEM REVIEWS		
Output (Volume):		
Number of Reviews Completed	600	600
A.2.1. Strategy: TECHNICAL ASSISTANCE AND EDUCATION		
Output (Volume):		
Number of Technical Assistance Reports Provided by Staff	150	150

- 2. Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purpose shown and are not available for expenditure for other purposes.

	<u>2010</u>	<u>2011</u>
a. Acquisition of Information Resource Technologies		
(1) New Database	<u>\$ 60,000</u>	<u>\$ UB</u>
Total, Capital Budget	<u>\$ 60,000</u>	<u>\$ UB</u>
Method of Financing (Capital Budget):		
General Revenue Fund	<u>\$ 60,000</u>	<u>\$ UB</u>
Total, Method of Financing	<u>\$ 60,000</u>	<u>\$ UB</u>

PRESERVATION BOARD

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing:		
General Revenue Fund ¹	\$ 22,928,792	\$ 11,004,386
<u>Other Funds</u>		
Appropriated Receipts	15,000	15,000
Interagency Contracts	6,745	6,745
Bond Proceeds - General Obligation Bonds	35,500	UB
Subtotal, Other Funds	\$ 57,245	\$ 21,745
Total, Method of Financing	\$ 22,986,037	\$ 11,026,131
 This bill pattern represents an estimated 43.4% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	97.5	97.5
Schedule of Exempt Positions:		
Executive Director, Group 4 ²	\$160,000	\$160,000
 Items of Appropriation:		
A. Goal: MANAGE CAPITOL AND OTHER BUILDINGS		
Manage Capitol and Other Buildings/Grounds and Promote Texas History.		
A.1.1. Strategy: PRESERVE BUILDINGS AND CONTENTS	\$ 389,051	\$ 395,567
Preserve State Capitol and Other Designated Buildings and Grounds.		
A.1.2. Strategy: BUILDING MAINTENANCE¹	\$ 14,910,530	\$ 3,009,813
Maintain State Capitol and Other Designated Buildings and Grounds.		
A.2.1. Strategy: MANAGE EDUCATIONAL PROGRAM	\$ 584,690	\$ 597,847
Manage Educational Program for State Capitol and Visitors Center.		
A.2.2. Strategy: MANAGE STATE HISTORY MUSEUM	\$ 6,206,075	\$ 6,107,200
Manage and Operate the Bob Bullock Texas State History Museum.		
A.3.1. Strategy: MANAGE ENTERPRISES	\$ 36,797	\$ 37,647
Manage Events, Exhibits, Activities & Operate Profitable Enterprises.		
Total, Goal A: MANAGE CAPITOL AND OTHER BUILDINGS	\$ 22,127,143	\$ 10,148,074
 B. Goal: INDIRECT ADMINISTRATION		
B.1.1. Strategy: INDIRECT ADMINISTRATION	\$ 858,894	\$ 878,057
Grand Total, PRESERVATION BOARD	\$ 22,986,037	\$ 11,026,131
 Object-of-Expense Informational Listing:		
Salaries and Wages	\$ 3,433,627	\$ 3,505,531
Other Personnel Costs	88,300	96,820
Professional Fees and Services	18,000	21,000
Fuels and Lubricants	8,600	8,600
Consumable Supplies	73,500	74,000
Utilities	22,900	22,900
Travel	1,500	1,500
Rent - Building	990	990
Rent - Machine and Other	31,500	31,500
Debt Service	6,156,075	6,057,200
Other Operating Expense	2,021,728	1,206,090
Capital Expenditures	11,129,317	0
Total, Object-of-Expense Informational Listing	\$ 22,986,037	\$ 11,026,131

¹ Incorporates Article IX, § 17.20, of this Act, relating to the repair of the Governor's Mansion, which appropriates \$11,000,000 in General Revenue in FY 2010.

² Incorporates authority provided in Article IX, § 3.05(c), of this Act, reflecting an increase from \$125,000 each year.

PRESERVATION BOARD
(Continued)

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

<u>Employee Benefits</u>		
Retirement	\$ 372,195	\$ 377,778
Group Insurance	824,984	885,074
Social Security	470,843	477,905
Benefits Replacement	<u>24,483</u>	<u>23,259</u>
Subtotal, Employee Benefits	<u>\$ 1,692,505</u>	<u>\$ 1,764,016</u>
<u>Debt Service</u>		
TPFA GO Bond Debt Service	\$ 3,123	\$ 3,057
Lease Payments	<u>1,426,488</u>	<u>1,364,778</u>
Subtotal, Debt Service	<u>\$ 1,429,611</u>	<u>\$ 1,367,835</u>
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	<u>\$ 3,122,116</u>	<u>\$ 3,131,851</u>

1. **Performance Measure Targets.** The following is a listing of the key performance target levels for the Preservation Board. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Preservation Board. In order to achieve the objectives and service standards established by this Act, the Preservation Board shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2010</u>	<u>2011</u>
A. Goal: MANAGE CAPITOL AND OTHER BUILDINGS		
Outcome (Results/Impact):		
Percent of Maintenance Tasks Completed Correctly	99%	99%
A.1.1. Strategy: PRESERVE BUILDINGS AND CONTENTS		
Output (Volume):		
Number of Repairs and Restorations of Historical Items Completed	270	510
A.1.2. Strategy: BUILDING MAINTENANCE		
Efficiencies:		
Cost Per Building Square Foot of Custodial Care	2.07	2.07
A.2.1. Strategy: MANAGE EDUCATIONAL PROGRAM		
Output (Volume):		
Number of School-age Tours Conducted at the Visitors Center	1,200	1,200
A.2.2. Strategy: MANAGE STATE HISTORY MUSEUM		
Explanatory:		
Number of Visitors to the Museum	430,000	450,000
A.3.1. Strategy: MANAGE ENTERPRISES		
Explanatory:		
Income from Parking Meters	525,000	575,000

2. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes.

	<u>2010</u>	<u>2011</u>
a. Construction of Buildings and Facilities		
(1) Capitol Security Project	\$ 93,817	\$ UB
Total, Construction of Buildings and Facilities	<u>\$ 93,817</u>	<u>\$ UB</u>
b. Repair or Rehabilitation of Buildings and Facilities		
(1) Carriage House at the Governor's Mansion (Proposition 8)	35,500	UB

PRESERVATION BOARD
(Continued)

(2) Restoration of the Governor's Mansion ³	11,000,000	UB
Total, Repair or Rehabilitation of Buildings and Facilities	\$ 11,035,500	\$ UB
Total, Capital Budget	<u>\$ 11,129,317</u>	<u>\$ UB</u>
Method of Financing (Capital Budget):		
General Revenue Fund	\$ 11,093,817	\$ UB
Bond Proceeds - General Obligation Bonds	35,500	UB
Total, Method of Financing	<u>\$ 11,129,317</u>	<u>\$ UB</u>

3. **Appropriation: Debt Service for Construction of State History Museum.** Included in the amounts appropriated above out of the General Revenue Fund for Strategy A.2.2, Manage State History Museum, the amounts of \$6,156,075 for fiscal year 2010 and \$6,057,200 for fiscal year 2011 are to be used for lease payments to the Texas Public Finance Authority for debt service payments on the revenue bonds or other revenue obligations issued to construct the State History Museum, and the amounts of \$50,000 each fiscal year of the 2010-11 biennium are to be used for insurance payments as required by the Texas Public Finance Authority.

4. **Unexpended Balances: Between Fiscal Years.** Any unexpended balances as of August 31, 2010, from the appropriations made above are hereby appropriated to the State Preservation Board for the same purpose for the fiscal year beginning September 1, 2010.

5. **Unexpended Balances of Bond Proceeds for the Carriage House at the Governor's Mansion (Proposition 8).** Included in the amounts appropriated above are unexpended and unobligated balances remaining as of August 31, 2009, (estimated to be \$35,500) for the Carriage House at the Governor's Mansion, for the 2010-11 biennium to Strategy A.1.2, Building Maintenance in General Obligation Bond proceeds.

Any unobligated balances remaining as of August 31, 2010, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2010.

6. **Infrastructure Repair and Replacement.** Included in amounts appropriated above in Strategy A.1.2, Building Maintenance is \$500,000 in General Revenue in fiscal year 2010 for the repair and replacement of infrastructure of buildings and structures managed by the State Preservation Board (SPB) as authorized by Government Code, Chapters 443, 445, and 2165. Any unexpended balances as of August 31, 2010, out of appropriations made herein are hereby appropriated to the SPB for the fiscal year beginning September 1, 2010 for the same purpose.

7. **Unexpended Balances Between Biennia.** Included in amounts appropriated above are unexpended and unobligated balances remaining as of August 31, 2009, (estimated to be \$93,817 in General Revenue) for the Capitol Security Project, for the 2010-11 biennium to Strategy A.1.2, Building Maintenance.

Any unobligated balances remaining as of August 31, 2010, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2010.

³ Incorporates Article IX, § 17.20, of this Act, relating to the repair of the Governor's Mansion, which appropriates \$11,000,000 in General Revenue in FY 2010.

STATE OFFICE OF RISK MANAGEMENT

	For the Years Ending	
	August 31, 2010	August 31, 2011
	<u> </u>	<u> </u>
Method of Financing:		
Interagency Contracts	\$ 9,033,914	\$ 8,777,914
Total, Method of Financing	<u>\$ 9,033,914</u>	<u>\$ 8,777,914</u>
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	126.0	126.0
Schedule of Exempt Positions:		
Executive Director, Group 3	\$104,500	\$104,500
Items of Appropriation:		
A. Goal: MANAGE RISK AND ADMINISTER CLAIMS		
Manage Workers' Compensation Costs.		
A.1.1. Strategy: RISK MANAGEMENT PROGRAM Assist/Review/Monitor Agencies' Risk Management Programs.	\$ 2,135,271	\$ 2,133,771
A.2.1. Strategy: PAY WORKERS' COMPENSATION Review Claims, Determine Liability and Pay Eligible Claims.	<u>\$ 6,898,643</u>	<u>\$ 6,644,143</u>
Total, Goal A: MANAGE RISK AND ADMINISTER CLAIMS	<u>\$ 9,033,914</u>	<u>\$ 8,777,914</u>
Grand Total, STATE OFFICE OF RISK MANAGEMENT	<u>\$ 9,033,914</u>	<u>\$ 8,777,914</u>
Object-of-Expense Informational Listing:		
Salaries and Wages	\$ 5,518,185	\$ 5,518,185
Other Personnel Costs	127,168	138,429
Professional Fees and Services	2,415,520	2,415,520
Consumable Supplies	50,000	50,000
Utilities	4,330	4,330
Travel	150,234	150,234
Rent - Building	916	916
Rent - Machine and Other	31,000	31,000
Other Operating Expense	486,561	469,300
Capital Expenditures	<u>250,000</u>	<u>0</u>
Total, Object-of-Expense Informational Listing	<u>\$ 9,033,914</u>	<u>\$ 8,777,914</u>
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
<u>Employee Benefits</u>		
Retirement	\$ 313,065	\$ 317,761
Group Insurance	728,458	783,578
Social Security	407,803	413,920
Benefits Replacement	<u>18,392</u>	<u>17,472</u>
Subtotal, Employee Benefits	<u>\$ 1,467,718</u>	<u>\$ 1,532,731</u>
<u>Debt Service</u>		
Lease Payments	<u>\$ 280,558</u>	<u>\$ 281,190</u>
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	<u>\$ 1,748,276</u>	<u>\$ 1,813,921</u>

- 1. Performance Measure Targets.** The following is a listing of the key performance target levels for the State Office of Risk Management. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the State Office of Risk Management. In order to achieve the objectives and

STATE OFFICE OF RISK MANAGEMENT
(Continued)

service standards established by this Act, the State Office of Risk Management shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2010	2011
A. Goal: MANAGE RISK AND ADMINISTER CLAIMS		
Outcome (Results/Impact):		
Incident Rate of Injuries and Illnesses Per 100 Covered Full-time State Employees	4%	4%
Cost of Workers' Compensation Per Covered State Employee	311.31	316.97
Cost of Workers' Compensation Coverage per \$100 State Payroll	0.91	0.93
A.1.1. Strategy: RISK MANAGEMENT PROGRAM		
Output (Volume):		
Number of Written Risk Management Program Reviews Conducted	32	32
Number of On-site Consultations Conducted	250	250
A.2.1. Strategy: PAY WORKERS' COMPENSATION		
Output (Volume):		
Number of Medical Bills Processed	120,000	120,000
Number of Indemnity Bills Paid	38,500	38,500
Efficiencies:		
Average Cost to Administer Claim	618.13	618.13

- 2. Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes.

	2010	2011
a. Acquisition of Information Resource Technologies		
(1) Scanner Upgrade	\$ 70,000	\$ UB
(2) Workstations Upgrade	180,000	UB
 Total, Acquisition of Information Resource Technologies	 \$ <u>250,000</u>	 \$ <u>UB</u>
 Total, Capital Budget	 \$ <u>250,000</u>	 \$ <u>UB</u>
 Method of Financing (Capital Budget):		
Interagency Contracts	\$ <u>250,000</u>	\$ <u>UB</u>
 Total, Method of Financing	 \$ <u>250,000</u>	 \$ <u>UB</u>

- 3. Appropriation of Unexpended Balances.** Any unexpended balances remaining as of August 31, 2010, out of appropriations made to Strategy A.1.1, Risk Management Program and to Strategy A.2.1, Pay Workers' Compensation, are hereby appropriated to the State Office of Risk Management for the fiscal year beginning September 1, 2010, to be applied toward assessments charged to state agencies for the administration of the workers' compensation and risk management programs including, the medical cost containment vendor and workers' compensation network contracts for fiscal year 2011.

Any unobligated balances remaining as of August 31, 2009, estimated to be \$250,000 in Interagency Contracts, are hereby appropriated for the same purposes to Strategy A.1.1, Risk Management Program and Strategy A.2.1, Pay Workers' Compensation for the fiscal year beginning September 1, 2009.

- 4. Insurable State Asset Study.** By January 1, 2011, the State Office of Risk Management with the assistance of all agencies, shall prepare a proposal recommending a statewide strategy for ensuring that state assets are adequately insured. The proposal shall comment on the advisability of various insurance options, including self-insurance, privately placed insurance, and stop-loss insurance. This report shall be provided to the Legislative Budget Board and be made available to the public.

WORKERS' COMPENSATION PAYMENTS

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing:		
<u>Other Funds</u>		
Interagency Contracts	\$ 48,000,000	\$ 49,000,000
Subrogation Receipts	567,750	567,750
Subtotal, Other Funds	<u>\$ 48,567,750</u>	<u>\$ 49,567,750</u>
Total, Method of Financing	<u>\$ 48,567,750</u>	<u>\$ 49,567,750</u>

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.

Items of Appropriation:

A. Goal: WORKERS' COMPENSATION PAYMENTS

A.1.1. Strategy: WORKERS' COMPENSATION PAYMENTS	\$ 48,567,750	\$ 49,567,750
		& UB
Grand Total, WORKERS' COMPENSATION PAYMENTS	<u>\$ 48,567,750</u>	<u>\$ 49,567,750</u>

Object-of-Expense Informational Listing:

Other Operating Expense	<u>\$ 48,567,750</u>	<u>\$ 49,567,750</u>
Total, Object-of-Expense Informational Listing	<u>\$ 48,567,750</u>	<u>\$ 49,567,750</u>

1. **Appropriation - Subrogation Receipts.** All sums of money recovered by the State Office of Risk Management from third parties by way of subrogation are hereby appropriated to the State Office of Risk Management during the biennium of receipt to be used for the payment of workers' compensation benefits to state employees.

2. **Cost Containment.** The State Office of Risk Management shall submit a report detailing the effectiveness of various cost containment measures undertaken and proposing additional measures to reduce workers' compensation costs. This report shall be submitted to the legislative and executive budget offices, in the form those offices require, within 45 days after the close of each fiscal year.

3. **Reporting of Workers' Compensation Claims.** For the purpose of reporting expenditures to the Uniform Statewide Accounting System (USAS), the State Office of Risk Management (SORM) shall account for payments of workers' compensation claims based on the date on which the bill for services is presented for payment to SORM.

In addition, not later than November 1 of each year, the State Office of Risk Management shall submit a report to the Comptroller of Public Accounts, the Governor's Office, and the Legislative Budget Board which accounts for workers' compensation expenditures for the preceding appropriation year based on the date on which the injury occurred and the medical or related service was performed.

SECRETARY OF STATE

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing:		
General Revenue Fund	\$ 27,492,934	\$ 10,754,002
GR Dedicated - Election Improvement Fund No. 5095	1,891,000	2,119,000
Federal Funds	34,959,095	5,105,905
Appropriated Receipts	<u>6,876,026</u>	<u>6,898,540</u>
Total, Method of Financing	<u>\$ 71,219,055</u>	<u>\$ 24,877,447</u>

This bill pattern represents an estimated 99.8% of this agency's estimated total available funds for the biennium.

SECRETARY OF STATE
(Continued)

Number of Full-Time-Equivalents (FTE):	244.9	244.9
Schedule of Exempt Positions:		
Secretary of State, Group 5	\$125,880	\$125,880
Items of Appropriation:		
A. Goal: INFORMATION MANAGEMENT		
Provide and Process Information Efficiently; Enforce Laws/Rules.		
A.1.1. Strategy: DOCUMENT FILING	\$ 11,417,757	\$ 11,004,693
File/Reject Statutory Filings.		
A.2.1. Strategy: DOCUMENT PUBLISHING	\$ 990,857	\$ 847,746
		<u>& UB</u>
Publish the Texas Register, Texas Administrative Code and Session Laws.		
Total, Goal A: INFORMATION MANAGEMENT	<u>\$ 12,408,614</u>	<u>\$ 11,852,439</u>
B. Goal: ADMINISTER ELECTION LAWS		
Maintain Uniformity & Integrity of Elections; Oversee Election Process.		
B.1.1. Strategy: ELECTIONS ADMINISTRATION	\$ 3,993,691	\$ 3,780,363
Provide Statewide Elections Administration.		
B.1.2. Strategy: ELECTION/VOTER REGISTRATION FUNDS	\$ 15,480,319	\$ 675,929
		<u>& UB</u>
Manage Primary Election Funds; Reimburse Voter Registration Postage.		
B.1.3. Strategy: CONSTITUTIONAL AMENDMENTS	\$ 1,220,975	\$ 69,439
		<u>& UB</u>
Publish and Interpret Constitutional Amendments.		
B.1.4. Strategy: ELECTIONS IMPROVEMENT	<u>\$ 36,850,095</u>	<u>\$ 7,224,905</u>
Administer the Federal Help America Vote Act (HAVA).		
Total, Goal B: ADMINISTER ELECTION LAWS	<u>\$ 57,545,080</u>	<u>\$ 11,750,636</u>
C. Goal: INTERNATIONAL PROTOCOL		
C.1.1. Strategy: PROTOCOL/BORDER AFFAIRS	\$ 458,505	\$ 461,233
Provide Protocol Services and Representation on Border Issues.		
C.1.2. Strategy: COLONIAS INITIATIVES	<u>\$ 806,856</u>	<u>\$ 813,139</u>
Improve Physical Living Conditions in Colonias.		
Total, Goal C: INTERNATIONAL PROTOCOL	<u>\$ 1,265,361</u>	<u>\$ 1,274,372</u>
Grand Total, SECRETARY OF STATE	<u>\$ 71,219,055</u>	<u>\$ 24,877,447</u>
Object-of-Expense Informational Listing:		
Salaries and Wages	\$ 11,337,097	\$ 11,345,798
Other Personnel Costs	849,407	853,198
Professional Fees and Services	5,543,991	2,854,092
Fuels and Lubricants	350	351
Consumable Supplies	157,333	162,052
Utilities	15,535	15,535
Travel	217,386	223,909
Rent - Building	32,151	32,151
Rent - Machine and Other	79,697	82,087
Other Operating Expense	12,231,902	8,753,582
Grants	39,480,518	0
Capital Expenditures	<u>1,273,688</u>	<u>554,692</u>
Total, Object-of-Expense Informational Listing	<u>\$ 71,219,055</u>	<u>\$ 24,877,447</u>
Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:		
<u>Employee Benefits</u>		
Retirement	\$ 657,215	\$ 667,073
Group Insurance	1,611,510	1,740,573
Social Security	859,437	872,328

SECRETARY OF STATE
(Continued)

Benefits Replacement	98,814	93,873
Subtotal, Employee Benefits	\$ 3,226,976	\$ 3,373,847
<u>Debt Service</u>		
Lease Payments	\$ 727,934	\$ 704,307
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	\$ 3,954,910	\$ 4,078,154

- 1. Performance Measure Targets.** The following is a listing of the key performance target levels for the Secretary of State. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Secretary of State. In order to achieve the objectives and service standards established by this Act, the Secretary of State shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	2010	2011
A. Goal: INFORMATION MANAGEMENT		
Outcome (Results/Impact):		
Percent of Business, Commercial, and Public Filings and Information Requests Completed in Three Days	99%	99%
A.1.1. Strategy: DOCUMENT FILING		
Output (Volume):		
Number of Business, Commercial, and Public Filings Transactions Processed	2,150,000	2,150,000
Number of Processed Requests for Information on Business, Commercial, and Public Filings	4,600,000	4,600,000
Efficiencies:		
Average Cost Per Business, Commercial, and Public Filings Transaction and Public Information Request	1.68	1.61
B. Goal: ADMINISTER ELECTION LAWS		
B.1.1. Strategy: ELECTIONS ADMINISTRATION		
Output (Volume):		
Number of Election Officials Assisted or Advised	76,152	60,922
Efficiencies:		
Average Cost per Election Authority Assisted or Advised	29.34	37
B.1.3. Strategy: CONSTITUTIONAL AMENDMENTS		
Output (Volume):		
Number of Constitutional Amendment Translations Mailed	1,310,000	0
C. Goal: INTERNATIONAL PROTOCOL		
C.1.2. Strategy: COLONIAS INITIATIVES		
Output (Volume):		
Count of Collaborative Meetings Coordinated	185	185

- 2. Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes.

	2010	2011
a. Acquisition of Information Resource Technologies		
(1) Acquisition of Information Resource Technologies	\$ 640,000	\$ 390,000
(2) Upgrade Business Entity Web	500,000	UB
(3) Data Center Consolidation	2,423,119	2,290,960
Total, Acquisition of Information Resource Technologies	\$ 3,563,119	\$ 2,680,960
Total, Capital Budget	\$ 3,563,119	\$ 2,680,960
Method of Financing (Capital Budget):		
General Revenue Fund	\$ 1,542,858	\$ 1,318,276
Federal Funds	1,130,261	972,684

SECRETARY OF STATE
(Continued)

Appropriated Receipts	890,000	390,000
Total, Method of Financing	<u>\$ 3,563,119</u>	<u>\$ 2,680,960</u>

- 3. Contingency Appropriation for Constitutional Amendments.** The amounts appropriated above in Strategy B.1.3, Constitutional Amendments, are intended to cover the costs of fulfilling the requirements of Election Code, Chapter 274, Subchapter B, and Article 17 § 1 of the Texas Constitution for 11 proposed constitutional amendments or referendum items. In the event that the number of proposed constitutional amendments or referendum items exceeds 11, or if the actual costs exceed the amounts appropriated herein, the Secretary of State is hereby appropriated from General Revenue the additional funds necessary to fulfill the aforementioned requirements.
- 4. Travel Expenditures.** The Secretary of State is hereby authorized to expend funds from the above appropriations to reimburse state inspectors for travel expenses pursuant to Election Code, § 34.003.
- 5. Limitation, Primary Finance.** Of the funds appropriated in Strategy B.1.2, Election/Voter Registration Funds, not more than \$250,000 may be distributed to the executive committees of the state parties for the operation of the primary and runoff elections. Funds distributed to the executive committees shall be distributed to the respective parties in the ratio of the total number of primary and runoff voters in the 2010 elections.
- 6. Distribution of Session Laws.** None of the funds appropriated above may be expended for the printing or distribution of session laws except for the following: (1) one copy to the Governor, (2) one copy to the Lieutenant Governor, (3) one copy to the Speaker of the House, (4) one copy to each Court of Appeals, (5) one copy to each County Law Library, (6) 10 copies to the Texas Legislative Council, (7) 15 copies to the Legislative Reference Library, (8) 30 copies to the State Law Library, (9) 60 copies to the Texas State Library, (10) one copy to each member of the Legislature upon request, and (11) one copy to the Legislative Budget Board.
- 7. Use of Excess Registration Fees Authorization.** Any registration fee collected by the Office of the Secretary of State to pay the expenses of a conference, seminar, or meeting in excess of the actual costs of such conference, seminar, or meeting may be used to pay the expenses of any other conference, seminar, or meeting for which no registration fees were collected or for which registration fees collected were insufficient to cover the total expenses.
- 8. General Revenue-Dedicated Election Improvement Fund No. 5095.** Included in amounts appropriated above, in Strategy B.1.4, Elections Improvement, are all balances (including interest earned in the account) remaining in the General Revenue-Dedicated Election Improvement Fund No. 5095 as of August 31, 2009 (estimated to be \$40,065,000 in Federal Funds and \$1,891,000 in fiscal year 2010 and \$2,119,000 in fiscal year 2011 in interest earnings), for the biennium beginning September 1, 2009, to carry out provisions of the Help America Vote Act (HAVA) as codified in Election Code § 31.011.
- 9. Travel Cap Exemption for the Secretary of State and the Secretary of State's Staff.** Travel expenses incurred by the Secretary of State or the Secretary of State's staff to carry out the duties of the Secretary of State are exempt from the requirements of Article IX, Sec. 5.08, Limitation on Travel Expenditures, and the limitations on such expenditures as set forth therein.
- 10. Limitation of Reimbursement for Non-Joint Primary Elections.** Funds appropriated above in Strategy B.1.2, Election/Voter Registration Funds may not be used to reimburse counties for amounts that exceed the costs to conduct a joint primary election.
- 11. Software Revisions.** Included in the amounts appropriated above in Strategy B.1.1, Elections Administration is \$250,000 in General Revenue funds in fiscal year 2010 for software revisions to improve the accuracy of the verification of the identification numbers submitted on voter registration applications. Any unexpended balances remaining in appropriations to implement software revisions as of August 31, 2010, are hereby appropriated for the fiscal year beginning September 1, 2010.

OFFICE OF STATE-FEDERAL RELATIONS

	For the Years Ending	
	August 31,	August 31,
	2010	2011
Method of Financing: ¹		
General Revenue Fund	\$ 0	\$ 0
Interagency Contracts	<u>0</u>	<u>0</u>
Total, Method of Financing	<u>\$ 0</u>	<u>\$ 0</u>

This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.

Schedule of Exempt Positions:¹

Items of Appropriation:¹

A. Goal: INFLUENCE FEDERAL ACTION

Increase Influence over Federal Action.

A.1.1. Strategy: ACTION PLANS

Monitor Issues and Recommend Action, Implement Action Plans.

A.1.2. Strategy: REGULAR REPORTS

Distribute Timely Information and Regular Reports.

Total, Goal A: INFLUENCE FEDERAL ACTION

B. Goal: INDIRECT ADMINISTRATION

B.1.1. Strategy: INDIRECT ADMINISTRATION

Grand Total, OFFICE OF STATE-FEDERAL RELATIONS

Object-of-Expense Informational Listing:

Total, Object-of-Expense Informational Listing

- Performance Measure Targets.**¹ The following is a listing of the key performance target levels for the Office of State-Federal Relations. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Office of State-Federal Relations. In order to achieve the objectives and service standards established by this Act, the Office of State-Federal Relations shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2010</u>	<u>2011</u>
A. Goal: INFLUENCE FEDERAL ACTION		
Outcome (Results/Impact):		
Texas' Prior Year Proportionate Share of Federal Funding		
Percent of Customers Satisfied with OSFR Services		
A.1.2. Strategy: REGULAR REPORTS		
Efficiencies:		
Percentage of Responses within Two Business Days		

- Cost of Living Salary Supplement.**¹ The Office of State-Federal Relations (OSFR) is hereby authorized to pay a salary supplement, not to exceed \$1,200 per month, to each OSFR employee whose duty station is located in Washington, DC. This salary supplement shall be in addition to the salary rate authorized for that position by this Act.

Any state agency or any institution which assigns an employee to work in the Washington, DC, office of the OSFR on a permanent basis and which also designates that employee's duty station as Washington, DC, is hereby authorized to pay such an employee a salary supplement not to exceed \$1,200 per month. This salary supplement shall be in addition to the salary rate authorized by this Act.

¹ Incorporates the passage of SB 1003, 81st Legislature, Regular Session, which transfers the funding for the Office of State-Federal Relations (OSFR) to the Trusteed Programs Within the Office of the Governor, including the transfer of General Revenue Funds in the amount of \$615,630 in FY 2010 and \$615,426 in FY 2011 and Interagency Contracts in the amount of \$168,000 each fiscal year, for a biennial total of \$1,567,056 and 7.0 FTEs each fiscal year. Applicable riders and performance measures associated with OSFR have been transferred to the Trusteed Programs Within the Office of the Governor and noted herein.

OFFICE OF STATE-FEDERAL RELATIONS

(Continued)

In the event that an employee so assigned works on a less than full-time basis, the maximum salary supplement shall be set on a proportionate basis.

3. **Information and Assistance Requirements.**² It is the intent of the Legislature that funds appropriated above be expended in a manner which provides information and assistance to both the legislative and executive branches of Texas State Government and that the funds be used to operate the office in a manner which is politically non-partisan.
4. **Reports on Increasing Federal Funds.**² It is the intent of the Legislature that the Office of State-Federal Relations work with state agencies to identify and report to the Legislature on possible changes in state laws which could increase the amount of federal funds received by the state, and on changes to federal laws which could impact state funding of federal programs or the state's receipt of federal funds.
5. **Interagency Contracts.**² Consistent with the method of financing for the Office of State-Federal Relations (OSFR), state agencies and institutions of higher education that are represented by their employees in the Washington, DC, office of the OSFR shall be charged for their portion of operating expenses, rent, and administrative staff costs, not to exceed \$2,000 per month, per legislative liaison.
6. **Unexpended Balances: Between Fiscal Years Within The Biennium.** Any unexpended balances as of August 31, 2010, in the appropriations made herein to the Office of State-Federal Relations are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2010.
7. **Sunset Contingency.** Funds appropriated above for fiscal year 2011 for the Office of State-Federal Relations are made contingent on the continuation of the Office of State-Federal Relations by the Eighty-first Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2010 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

² Incorporates the passage of SB 1003, 81st Legislature, Regular Session, which transfers the funding for the Office of State-Federal Relations (OSFR) to the Trusteed Programs Within the Office of the Governor, including the transfer of General Revenue Funds in the amount of \$615,630 in FY 2010 and \$615,426 in FY 2011 and Interagency Contracts in the amount of \$168,000 each fiscal year, for a biennial total of \$1,567,056 and 7.0 FTEs each fiscal year. Applicable riders and performance measures associated with OSFR have been transferred to the Trusteed Programs Within the Office of the Governor and noted herein.

VETERANS COMMISSION

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing:		
General Revenue Fund	\$ 7,152,702	\$ 7,087,768
<u>General Revenue Fund - Dedicated</u>		
Air Force Association of Texas Plates, No. 5123	5,000	3,000
American Legion License Plate, No. 5141	2,000	1,000
Subtotal, General Revenue Fund - Dedicated	\$ 7,000	\$ 4,000
Federal Funds	9,931,438	9,931,438
Veterans' Assistance Fund	11,255	UB
Total, Method of Financing	\$ 17,102,395	\$ 17,023,206
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	338.2	338.2

VETERANS COMMISSION
(Continued)

Schedule of Exempt Positions:

Executive Director, Group 4	\$115,000	\$115,000
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Items of Appropriation:

A. Goal: ASSIST VETS W/RECEIVING BENEFITS

Ensure Veterans, Their Dependents & Survivors Receive All Due Benefits.

A.1.1. Strategy: CLAIMS REPRESENTATION & COUNSELING Claims Representation & Counseling to Veterans and their Families.	\$ 4,762,099	\$ 4,725,182
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A.1.2. Strategy: VETERANS EMPLOYMENT SERVICES	\$ 9,310,870	\$ 9,304,270
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A.1.3. Strategy: VETERANS EDUCATION	\$ 1,047,482	\$ 1,037,225
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A.1.4. Strategy: OUTREACH AND MARKETING	\$ 588,835	\$ 563,420
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Total, Goal A: ASSIST VETS W/RECEIVING BENEFITS	\$ 15,709,286	\$ 15,630,097
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B. Goal: INDIRECT ADMINISTRATION

B.1.1. Strategy: CENTRAL ADMINISTRATION	\$ 1,393,109	\$ 1,393,109
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Grand Total, VETERANS COMMISSION	\$ 17,102,395	\$ 17,023,206
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Object-of-Expense Informational Listing:

Salaries and Wages	\$ 12,313,310	\$ 12,334,263
Other Personnel Costs	635,212	637,182
Professional Fees and Services	431,725	427,211
Consumable Supplies	75,935	75,635
Utilities	26,770	26,770
Travel	692,986	706,331
Rent - Building	2,042,500	2,042,600
Rent - Machine and Other	46,050	46,100
Other Operating Expense	737,952	641,414
Client Services	25,000	25,000
Grants	18,255	4,000
Capital Expenditures	56,700	56,700

Total, Object-of-Expense Informational Listing	\$ 17,102,395	\$ 17,023,206
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Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits

Retirement	\$ 711,310	\$ 721,979
Group Insurance	2,216,944	2,410,656
Social Security	932,389	946,375
Benefits Replacement	74,004	70,304

Subtotal, Employee Benefits	\$ 3,934,647	\$ 4,149,314
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Debt Service

Lease Payments	\$ 6,797	\$ 6,834
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Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	\$ 3,941,444	\$ 4,156,148
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- 1. Performance Measure Targets.** The following is a listing of the key performance target levels for the Veterans Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Veterans Commission. In order to achieve the objectives and service standards established by this Act, the Veterans Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2010</u>	<u>2011</u>
A. Goal: ASSIST VETS W/RECEIVING BENEFITS		
Outcome (Results/Impact):		
Amount of VA Monetary Awards (in Millions of Dollars)		
Paid Because of Commission Advocacy in Claims Representation of Veterans with Service-connected Disabilities	1,274	1,274

VETERANS COMMISSION
(Continued)

Amount of VA Monetary Awards (in Millions of Dollars)

Paid Because of Commission Advocacy in Claims Representation for Widows or Orphans of Veterans	215	215
A.1.1. Strategy: CLAIMS REPRESENTATION & COUNSELING		
Output (Volume):		
Number of Claims for Veterans Benefits Filed and Developed on Behalf of Veterans with Service-connected Disabilities	75,550	77,400
Number of Active Veterans Benefits Cases for Veterans, Their Widows, or Their Orphans Represented by the Texas Veterans Commission	160,000	160,000
Number of Appeals of Unfavorable Veterans Affairs Decisions Filed on Behalf of Veterans, Their Widows, or Their Orphans	16,010	16,395
A.1.2. Strategy: VETERANS EMPLOYMENT SERVICES		
Output (Volume):		
Veterans Employment Services Customers Served	105,300	105,300

- 2. Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes.

	<u>2010</u>	<u>2011</u>
a. Acquisition of Information Resource Technologies		
(1) Equipment Replacement Cycle	\$ 56,700	\$ 56,700
(2) Data Center Services	\$ 28,006	\$ 33,954
 Total, Acquisition of Information Resource Technologies	 \$ 84,706	 \$ 90,654
 Total, Capital Budget	 \$ 84,706	 \$ 90,654
 Method of Financing (Capital Budget):		
General Revenue Fund	\$ 84,706	\$ 90,654
 Total, Method of Financing	 \$ 84,706	 \$ 90,654

- 3. Appropriation of All License Plate Unexpended Balances and Receipts.** Included in amounts appropriated above in Strategy A.1.1, Claims Representation and Counseling, are all estimated balances collected prior to the effective date of this Act (estimated to be \$1,000 for General Revenue-Dedicated American Legion License Plate Account No. 5141 and \$2,000 for General Revenue-Dedicated Air Force Association of Texas Plates Account No. 5123) and revenue collected on or after September 1, 2009 (estimated to be \$1,000 in fiscal year 2010 and \$1,000 in fiscal year 2011 for General Revenue-Dedicated American Legion License Plate Account No. 5141 and \$3,000 in fiscal year 2010 and \$3,000 in fiscal year 2011 for General Revenue-Dedicated Air Force Association of Texas Plates Account No. 5123), from the sale of license plates as provided by Transportation Code §§ 504.413 and 504.630 for the purpose of making grants to each organization, respectively. In addition to amounts identified herein and included above, all unexpended balances remaining as of August 31, 2009, and all revenue collected on or after September 1, 2009 are hereby appropriated for the same purpose.

Any unexpended balances remaining as of August 31, 2010, in the appropriation made herein are hereby appropriated for the fiscal year beginning September 1, 2010.

- 4. Visitation Program to Wounded and Disabled Veterans.** Included in the amounts appropriated above in Strategy A.1.1, Claims Representation and Counseling, is the amount of \$52,000 in General Revenue each fiscal year, to provide a program for the visitation of wounded and disabled veterans who are returning from Operation Iraqi Freedom and other war zone areas that Texas veterans have served.
- 5. Cash Flow Contingency.** Contingent upon the receipt of Federal Funds appropriated in Strategy A.1.1, Claims Representation and Counseling, Strategy A.1.2, Veterans Employment Services, and Strategy A.1.3, Veterans Education, the Commission may temporarily utilize General Revenue funds, pending the receipt of federal reimbursement, in an amount not to exceed 75 percent of the amount as specified in the Notification Letter of Federal Award or contract to be received in each fiscal year of the biennium. The General Revenue amounts utilized above the

VETERANS COMMISSION
(Continued)

Commission's General Revenue method of finance must be repaid upon receipt of federal reimbursement and shall be utilized only for the purpose of temporary cash flow needs. The transfer and reimbursement of funds shall be made under procedures established by the Comptroller of Public Accounts to ensure all borrowed funds are reimbursed to the Treasury on or before August 31, 2011. All transfers of General Revenue shall be reported by the Commission to the Legislative Budget Board and the Governor.

- 6. Out of State Travel Cap Exemption.** Travel expenses incurred by the Texas Veterans Commission staff associated with federal programs and paid out of federal funds and /or earned federal funds are exempt from the requirements of Article IX, Section 5.08, Limitations on Travel Expenditures, and the limitations on such expenditures as set forth therein.
- 7. Fund for Veterans Assistance.** Included in amounts appropriated above, are all estimated balances and revenues collected on or after September 1, 2009 in the Fund for Veterans Assistance No. 0368 (estimated to be \$11,255 in Other Funds) in Strategy A.1.1, Claims Assistance to enhance or improve veterans' assistance programs and to make grants to local communities to address veterans' needs in accordance with Government Code § 434.017.

Any unexpended balances remaining as of August 31, 2010 are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2010.

- 8. Interagency Contract with the Texas Veterans Commission.** Included in the amounts appropriated above to the General Land Office and Veterans' Land Board out of Interagency Contracts in Strategy C.1.1, Veterans' Loan Programs, is \$68,626 in each fiscal year of the 2010-11 biennium derived from a contract between the General Land Office and Veterans' Land Board and the Texas Veterans Commission (TVC) to fund operations of the TVC Call Center. Pursuant to House Bill 3140, Eightieth Legislature, 2007, the General Land Office and Veterans Land Board and the Texas Veterans Commission shall enter into a memorandum of understanding regarding the funding and operations of the Veterans Commission Call Center.

RETIREMENT AND GROUP INSURANCE

	For the Years Ending	
	August 31, 2010	August 31, 2011
	<u> </u>	<u> </u>
Method of Financing:		
General Revenue Fund, estimated	\$ 71,458,605	\$ 75,876,684
General Revenue Dedicated Accounts, estimated	2,559,800	2,708,013
Federal Funds, estimated	20,509,381	21,631,110
<u>Other Funds</u>		
Other Special State Funds, estimated	566,977	597,241
State Highway Fund No. 006, estimated	684,249	720,694
Subtotal, Other Funds	<u>\$ 1,251,226</u>	<u>\$ 1,317,935</u>
Total, Method of Financing	<u>\$ 95,779,012</u>	<u>\$ 101,533,742</u>
Items of Appropriation:		
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS Retirement Contributions. Estimated.	\$ 28,972,883	\$ 29,400,025
A.1.2. Strategy: GROUP INSURANCE Group Insurance. Estimated.	<u>\$ 66,806,129</u>	<u>\$ 72,133,717</u>
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	<u>\$ 95,779,012</u>	<u>\$ 101,533,742</u>
Grand Total, RETIREMENT AND GROUP INSURANCE	<u>\$ 95,779,012</u>	<u>\$ 101,533,742</u>

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing:		
General Revenue Fund, estimated	\$ 30,969,456	\$ 31,347,690
General Revenue Dedicated Accounts, estimated	1,061,362	1,072,907
Federal Funds, estimated	6,944,362	6,928,574
<u>Other Funds</u>		
Other Special State Funds, estimated	247,447	251,086
State Highway Fund No. 006, estimated	353,111	357,251
Subtotal, Other Funds	\$ 600,558	\$ 608,337
Total, Method of Financing	\$ 39,575,738	\$ 39,957,508
Items of Appropriation:		
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT		
Comptroller - Social Security.		
A.1.1. Strategy: STATE MATCH -- EMPLOYER State Match — Employer. Estimated.	\$ 36,452,177	\$ 36,990,125
A.1.2. Strategy: BENEFIT REPLACEMENT PAY Benefit Replacement Pay. Estimated.	\$ 3,123,561	\$ 2,967,383
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	\$ 39,575,738	\$ 39,957,508
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	\$ 39,575,738	\$ 39,957,508

BOND DEBT SERVICE PAYMENTS

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing:		
General Revenue Fund	\$ 24,755,006	\$ 50,733,831
GR Dedicated - Texas Military Revolving Loan Account No. 5114	2,504,063	2,945,063
Total, Method of Financing	\$ 27,259,069	\$ 53,678,894
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: BOND DEBT SERVICE	\$ 27,259,069	\$ 53,678,894
To Texas Public Finance Authority for Payment of Bond Debt Service.		& UB
Grand Total, BOND DEBT SERVICE PAYMENTS	\$ 27,259,069	\$ 53,678,894

LEASE PAYMENTS

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing:		
General Revenue Fund	\$ 11,861,135	\$ 11,293,942
Total, Method of Financing	<u>\$ 11,861,135</u>	<u>\$ 11,293,942</u>
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: LEASE PAYMENTS	\$ 11,861,135	\$ 11,293,942 & UB
To TFC for Payment to TPFA.		
Grand Total, LEASE PAYMENTS	<u>\$ 11,861,135</u>	<u>\$ 11,293,942</u>

**RECAPITULATION - ARTICLE I
GENERAL GOVERNMENT
(General Revenue)¹**

	For the Years Ending	
	August 31, 2010	August 31, 2011
	<u> </u>	<u> </u>
Commission on the Arts	\$ 1,024,769	\$ 309,678
Office of the Attorney General	193,389,462	192,626,784
Bond Review Board	612,540	612,541
Comptroller of Public Accounts	220,010,743	220,010,743
Rider Appropriations	<u>10,298,000</u>	<u>10,062,000</u>
Total	230,308,743	230,072,743
Fiscal Programs - Comptroller of Public Accounts	501,977,415	297,128,451
Employees Retirement System	7,610,976	7,610,977
Texas Ethics Commission	2,064,324	2,066,625
Facilities Commission	29,339,215	29,339,214
Public Finance Authority	563,601	563,601
Fire Fighters' Pension Commissioner	800,573	675,573
Office of the Governor	11,944,727	10,844,726
Trusted Programs Within the Office of the Governor	158,957,489	58,858,393
Historical Commission	19,074,616	15,873,292
Department of Information Resources	792,677	792,678
Library & Archives Commission	20,620,182	20,315,025
Pension Review Board	742,968	692,968
Preservation Board	22,928,792	11,004,386
Secretary of State	27,492,934	10,754,002
Veterans Commission	<u>7,152,702</u>	<u>7,087,768</u>
Subtotal, General Government	<u>\$ 1,237,398,705</u>	<u>\$ 897,229,425</u>
Retirement and Group Insurance	71,458,605	75,876,684
Social Security and Benefit Replacement Pay	<u>30,969,456</u>	<u>31,347,690</u>
Subtotal, Employee Benefits	<u>\$ 102,428,061</u>	<u>\$ 107,224,374</u>
Bond Debt Service Payments	24,755,006	50,733,831
Lease Payments	<u>11,861,135</u>	<u>11,293,942</u>
Subtotal, Debt Service	<u>\$ 36,616,141</u>	<u>\$ 62,027,773</u>
TOTAL, ARTICLE I - GENERAL GOVERNMENT	<u>\$ 1,376,442,907</u>	<u>\$ 1,066,481,572</u>

¹ Appropriation figures in SB 1, Conference Committee Report, 81st Legislature, Regular Session, have been adjusted to incorporate certain provisions elsewhere in agency bill patterns, certain Article IX appropriations, Governor's vetoes, HB 4586, and other miscellaneous bills, including those of the First Called Session. For specific adjustments, please see agency bill patterns.

**RECAPITULATION - ARTICLE I
GENERAL GOVERNMENT
(General Revenue - Dedicated)¹**

	For the Years Ending	
	August 31, 2010	August 31, 2011
Commission on the Arts	\$ 7,098,221	\$ 2,381,016
Office of the Attorney General	93,847,659	93,812,770
Cancer Prevention and Research Institute of Texas	30,000	12,000
Fiscal Programs - Comptroller of Public Accounts	46,658,405	19,822,981
Commission on State Emergency Communications	74,110,596	67,944,476
Facilities Commission	5,510,920	2,642,069
Public Finance Authority	2,145,000	2,691,000
Trusted Programs Within the Office of the Governor	193,465,221	42,817,894
Historical Commission	396,000	424,000
Library & Archives Commission	6,263	4,000
Secretary of State	1,891,000	2,119,000
Veterans Commission	7,000	4,000
Subtotal, General Government	\$ 425,166,285	\$ 234,675,206
Retirement and Group Insurance	2,559,800	2,708,013
Social Security and Benefit Replacement Pay	1,061,362	1,072,907
Subtotal, Employee Benefits	\$ 3,621,162	\$ 3,780,920
Bond Debt Service Payments	2,504,063	2,945,063
Subtotal, Debt Service	\$ 2,504,063	\$ 2,945,063
TOTAL, ARTICLE I - GENERAL GOVERNMENT	\$ 431,291,510	\$ 241,401,189

¹ Appropriation figures in SB 1, Conference Committee Report, 81st Legislature, Regular Session, have been adjusted to incorporate certain provisions elsewhere in agency bill patterns, certain Article IX appropriations, Governor's vetoes, HB 4586, and other miscellaneous bills, including those of the First Called Session. For specific adjustments, please see agency bill patterns.

**RECAPITULATION - ARTICLE I
GENERAL GOVERNMENT
(Federal Funds)¹**

	For the Years Ending	
	August 31, 2010	August 31, 2011
Commission on the Arts	\$ 884,450	\$ 884,450
Office of the Attorney General	187,243,836	188,554,318
Fiscal Programs - Comptroller of Public Accounts	1,641,366	1,641,366
Trusted Programs Within the Office of the Governor	121,790,801	50,097,884
Historical Commission	938,851	938,851
Library & Archives Commission	10,962,628	10,961,765
Secretary of State	34,959,095	5,105,905
Veterans Commission	<u>9,931,438</u>	<u>9,931,438</u>
 Subtotal, General Government	 <u>\$ 368,352,465</u>	 <u>\$ 268,115,977</u>
 Retirement and Group Insurance	 20,509,381	 21,631,110
Social Security and Benefit Replacement Pay	<u>6,944,362</u>	<u>6,928,574</u>
 Subtotal, Employee Benefits	 <u>\$ 27,453,743</u>	 <u>\$ 28,559,684</u>
 TOTAL, ARTICLE I - GENERAL GOVERNMENT	 <u>\$ 395,806,208</u>	 <u>\$ 296,675,661</u>

¹ Appropriation figures in SB 1, Conference Committee Report, 81st Legislature, Regular Session, have been adjusted to incorporate certain provisions elsewhere in agency bill patterns, certain Article IX appropriations, Governor's vetoes, HB 4586, and other miscellaneous bills, including those of the First Called Session. For specific adjustments, please see agency bill patterns.

**RECAPITULATION - ARTICLE I
GENERAL GOVERNMENT
(Other Funds)¹**

	For the Years Ending	
	August 31, 2010	August 31, 2011
Commission on the Arts	\$ 1,132,000	\$ 1,132,000
Office of the Attorney General	29,877,284	30,239,349
Cancer Prevention and Research Institute of Texas	224,125,000	224,000,000
Comptroller of Public Accounts	2,008,740	2,008,740
Commission on State Emergency Communications	240,000	240,000
Texas Ethics Commission	8,190	8,190
Facilities Commission	49,610,825	20,213,825
Public Finance Authority	361,477	361,477
Fire Fighters' Pension Commissioner	38,000	38,000
Office of the Governor	465,000	465,000
Trusted Programs Within the Office of the Governor	2,985,500	4,735,500
Historical Commission	59,475,752	3,035,753
Department of Information Resources	278,734,720	254,730,003
Library & Archives Commission	3,991,513	3,970,373
Pension Review Board	10,000	10,000
Preservation Board	57,245	21,745
State Office of Risk Management	9,033,914	8,777,914
Workers' Compensation Payments	48,567,750	49,567,750
Secretary of State	6,876,026	6,898,540
Veterans Commission	<u>11,255</u>	<u>0</u>
Subtotal, General Government	<u>\$ 717,610,191</u>	<u>\$ 610,454,159</u>
Retirement and Group Insurance	1,251,226	1,317,935
Social Security and Benefit Replacement Pay	<u>600,558</u>	<u>608,337</u>
Subtotal, Employee Benefits	<u>\$ 1,851,784</u>	<u>\$ 1,926,272</u>
Less Interagency Contracts	<u>\$ 344,845,703</u>	<u>\$ 328,692,296</u>
TOTAL, ARTICLE I - GENERAL GOVERNMENT	<u>\$ 374,616,272</u>	<u>\$ 283,688,135</u>

¹ Appropriation figures in SB 1, Conference Committee Report, 81st Legislature, Regular Session, have been adjusted to incorporate certain provisions elsewhere in agency bill patterns, certain Article IX appropriations, Governor's vetoes, HB 4586, and other miscellaneous bills, including those of the First Called Session. For specific adjustments, please see agency bill patterns.

**RECAPITULATION - ARTICLE I
GENERAL GOVERNMENT
(All Funds)¹**

	For the Years Ending	
	August 31, 2010	August 31, 2011
Commission on the Arts	\$ 10,139,440	\$ 4,707,144
Office of the Attorney General	504,358,241	505,233,221
Bond Review Board	612,540	612,541
Cancer Prevention and Research Institute of Texas	224,155,000	224,012,000
Comptroller of Public Accounts	222,019,483	222,019,483
Rider Appropriations	<u>10,298,000</u>	<u>10,062,000</u>
Total	232,317,483	232,081,483
Fiscal Programs - Comptroller of Public Accounts	550,277,186	318,592,798
Commission on State Emergency Communications	74,350,596	68,184,476
Employees Retirement System	7,610,976	7,610,977
Texas Ethics Commission	2,072,514	2,074,815
Facilities Commission	84,460,960	52,195,108
Public Finance Authority	3,070,078	3,616,078
Fire Fighters' Pension Commissioner	838,573	713,573
Office of the Governor	12,409,727	11,309,726
Trusted Programs Within the Office of the Governor	477,199,011	156,509,671
Historical Commission	79,885,219	20,271,896
Department of Information Resources	279,527,397	255,522,681
Library & Archives Commission	35,580,586	35,251,163
Pension Review Board	752,968	702,968
Preservation Board	22,986,037	11,026,131
State Office of Risk Management	9,033,914	8,777,914
Workers' Compensation Payments	48,567,750	49,567,750
Secretary of State	71,219,055	24,877,447
Veterans Commission	<u>17,102,395</u>	<u>17,023,206</u>
Subtotal, General Government	<u>\$ 2,748,527,646</u>	<u>\$ 2,010,474,767</u>
Retirement and Group Insurance	95,779,012	101,533,742
Social Security and Benefit Replacement Pay	<u>39,575,738</u>	<u>39,957,508</u>
Subtotal, Employee Benefits	<u>\$ 135,354,750</u>	<u>\$ 141,491,250</u>
Bond Debt Service Payments	27,259,069	53,678,894
Lease Payments	<u>11,861,135</u>	<u>11,293,942</u>
Subtotal, Debt Service	<u>\$ 39,120,204</u>	<u>\$ 64,972,836</u>
Less Interagency Contracts	<u>\$ 344,845,703</u>	<u>\$ 328,692,296</u>
TOTAL, ARTICLE I - GENERAL GOVERNMENT	<u>\$ 2,578,156,897</u>	<u>\$ 1,888,246,557</u>
Number of Full-Time-Equivalents (FTE)	10,082.6	10,094.3

¹ Appropriation figures in SB 1, Conference Committee Report, 81st Legislature, Regular Session, have been adjusted to incorporate certain provisions elsewhere in agency bill patterns, certain Article IX appropriations, Governor's vetoes, HB 4586, and other miscellaneous bills, including those of the First Called Session. For specific adjustments, please see agency bill patterns.

ARTICLE II

HEALTH AND HUMAN SERVICES

Sec. 1. The several sums of money herein specified, or so much thereby as may be necessary, are appropriated out of any funds in the State Treasury not otherwise appropriated, or out of special funds as indicated, for the support, maintenance, or improvement of the designated health and human services agencies.

DEPARTMENT OF AGING AND DISABILITY SERVICES

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing:¹		
<u>General Revenue Fund</u>		
General Revenue Fund ²	\$ 202,881,097	\$ 196,224,062
GR Match for Federal Funds (Older Americans Act)	4,282,380	4,282,380
GR Certified as Match for Medicaid ^{3, 4}	280,148,495	218,020,585
GR Match for Medicaid ^{5, 6}	2,241,304,276	2,351,962,379
Subtotal, General Revenue Fund	<u>\$ 2,728,616,248</u>	<u>\$ 2,770,489,406</u>
<u>General Revenue Fund - Dedicated</u>		
Texas Capital Trust Fund Account No. 543	289,803	289,802
Home Health Services Account No. 5018	1,948,343	1,948,343
Texas Special Olympic License Plates Account No. 5055	5,000	5,000
Quality Assurance Account No. 5080	52,821,479	52,321,479
Subtotal, General Revenue Fund - Dedicated	<u>\$ 55,064,625</u>	<u>\$ 54,564,624</u>
Federal Funds ^{3, 4, 5, 6}	3,817,692,334	3,831,655,712
<u>Other Funds</u>		
Interagency Contracts	3,587,498	3,637,499
Bond Proceeds - General Obligation Bonds	56,563,263	0
MR Collections for Patient Support and Maintenance	22,469,135	22,469,137
MR Appropriated Receipts	754,449	754,449
MR Revolving Fund Receipts	82,160	82,160
Appropriated Receipts	4,094,428	4,094,425

¹ Appropriations identified above do not include American Recovery and Reinvestment Act (ARRA) funds; please see Article XII of this Act for those appropriations. For this agency, Article XII includes a General Revenue Funds decrease of \$4,200,000 in FY 2010 and a Federal Funds increase of \$10,200,000 in FY 2010, resulting in a net All Funds appropriation of \$6,696,575 in FY 2010.

² Incorporates the passage of HB 802, 81st Legislature, Regular Session, relating to establishing a lifespan respite services program. \$500,000 in FY 2010 and \$500,000 in FY 2011 in General Revenue Funds are included above, pursuant to Article IX, § 17.38.

³ Incorporates HB 4586, § 68, 81st Legislature, Regular Session, relating to a settlement agreement with the Department of Justice. \$45,069,658 in General Revenue Funds and \$56,096,471 in Federal Funds in FY 2010 and 1,160 FTEs in both FY 2010 and 2011 are included above. Appropriations related to HB 4586 are subject to appropriation life stated therein and are not extended by inclusion in SB 1, 81st Legislature, 2009. In addition, unless expressly provided by HB 4586, such appropriations are not subject to General Provisions contained in Article IX of SB 1, 81st Legislature, 2009.

⁴ Incorporates HB 4586, § 73, 81st Legislature, Regular Session, relating to a contingency for SB 643 (protection and care of persons with mental retardation). \$19,000,000 in General Revenue Funds and \$19,000,000 in Federal Funds are included above for FY 2010; 186.0 FTEs are included above for each fiscal year. Appropriations related to HB 4586 are subject to appropriation life stated therein and are not extended by inclusion in SB 1, 81st Legislature, 2009. In addition, unless expressly provided by HB 4586, such appropriations are not subject to General Provisions contained in Article IX of SB 1, 81st Legislature, 2009.

⁵ Incorporates the passage of SB 705, 81st Legislature, Regular Session, relating to long-term care consumer information and Medicaid waiver programs. \$337,744 in All Funds with \$168,872 in General Revenue Funds in FY 2010 and \$368,448 in All Funds with \$184,224 in General Revenue Funds in FY 2011 are reduced above. See Rider 42.

⁶ SB 7, 81st Legislature, Regular Session, did not pass. See HB 1218, 81st Legislature, Regular Session, which did pass, creating an incentive payment program for nursing facilities. \$1,250,000 per year in General Revenue Match for Medicaid and \$1,250,000 per year in Federal Funds are included above, pursuant to Article IX § 17.78.

DEPARTMENT OF AGING AND DISABILITY SERVICES
(Continued)

Medicare Part D Receipts	1,651,058	1,651,058
Subtotal, Other Funds	<u>\$ 89,201,991</u>	<u>\$ 32,688,728</u>
Total, Method of Financing	<u><u>\$ 6,690,575,198</u></u>	<u><u>\$ 6,689,398,470</u></u>
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	\$ 638,922	\$ 664,465
This bill pattern represents an estimated 99.9% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	17,989.4	18,006.9
Schedule of Exempt Positions:		
Commissioner, Group 7	\$163,200	\$163,200
Items of Appropriation:		
A. Goal: LONG-TERM SERVICES AND SUPPORTS		
A.1.1. Strategy: INTAKE, ACCESS, & ELIGIBILITY⁷ Intake, Access, and Eligibility to Services and Supports.	\$ 187,442,417	\$ 179,721,892
A.1.2. Strategy: GUARDIANSHIP	\$ 6,995,223	\$ 6,995,223
A.2.1. Strategy: PRIMARY HOME CARE	\$ 517,844,767	\$ 529,228,332
A.2.2. Strategy: COMMUNITY ATTENDANT SERVICES	\$ 383,803,513	\$ 381,531,375
A.2.3. Strategy: DAY ACTIVITY & HEALTH SERVICES Day Activity and Health Services (DAHS).	\$ 110,609,583	\$ 114,033,620
A.3.1. Strategy: COMMUNITY-BASED ALTERNATIVES Community-based Alternatives (CBA).	\$ 483,896,360	\$ 492,463,523
A.3.2. Strategy: HOME AND COMMUNITY-BASED SERVICES Home and Community-based Services (HCS).	\$ 704,444,465	\$ 833,201,931
A.3.3. Strategy: COMMUNITY LIVING ASSISTANCE (CLASS) Community Living Assistance and Support Services (CLASS).	\$ 192,090,654	\$ 230,258,588
A.3.4. Strategy: DEAF-BLIND MULTIPLE DISABILITIES Deaf-Blind Multiple Disabilities (DBMD).	\$ 7,347,798	\$ 7,498,275
A.3.5. Strategy: MEDICALLY DEPENDENT CHILDREN PGM Medically Dependent Children Program (MDCP).	\$ 49,159,848	\$ 52,214,333
A.3.6. Strategy: CONSOLIDATED WAIVER PROGRAM⁸	\$ 3,285,865	\$ 3,261,081
A.3.7. Strategy: TEXAS HOME LIVING WAIVER	\$ 10,946,151	\$ 11,001,177
A.4.1. Strategy: NON-MEDICAID SERVICES	\$ 149,987,839	\$ 150,583,389
A.4.2. Strategy: MR COMMUNITY SERVICES Mental Retardation Community Services.	\$ 103,006,761	\$ 103,573,446
A.4.3. Strategy: PROMOTING INDEPENDENCE PLAN Promoting Independence through Outreach, Awareness, and Relocation.	\$ 2,739,780	\$ 2,739,781
A.4.4. Strategy: IN-HOME AND FAMILY SUPPORT	\$ 4,818,914	\$ 5,160,901
A.4.5. Strategy: MENTAL RETARDATION IN-HOME SERVICES	\$ 5,721,740	\$ 5,721,740
A.5.1. Strategy: ALL-INCLUSIVE CARE - ELDERLY (PACE) Program of All-inclusive Care for the Elderly (PACE).	\$ 37,498,146	\$ 38,281,781
A.6.1. Strategy: NURSING FACILITY PAYMENTS⁹	\$ 2,008,503,002	\$ 1,996,355,020

⁷ Incorporates the passage of HB 802, 81st Legislature, Regular Session, relating to establishing a lifespan respite services program. \$500,000 in FY 2010 and \$500,000 in FY 2011 in General Revenue Funds are included above, pursuant to Article IX, § 17.38.

⁸ Incorporates the passage of SB 705, 81st Legislature, Regular Session, relating to long-term care consumer information and Medicaid waiver programs. \$337,744 in All Funds with \$168,872 in General Revenue Funds in FY 2010 and \$368,448 in All Funds with \$184,224 in General Revenue Funds in FY 2011 are reduced above. See Rider 42.

⁹ SB 7, 81st Legislature, Regular Session, did not pass. See HB 1218, 81st Legislature, Regular Session, which did pass, creating an incentive payment program for nursing facilities. \$1,250,000 per year in General Revenue Match for Medicaid and \$1,250,000 per year in Federal Funds are included above, pursuant to Article IX § 17.78.

DEPARTMENT OF AGING AND DISABILITY SERVICES
(Continued)

A.6.2. Strategy: MEDICARE SKILLED NURSING FACILITY	\$ 164,901,946	\$ 181,364,820
A.6.3. Strategy: HOSPICE	\$ 208,856,141	\$ 215,527,931
A.6.4. Strategy: PROMOTING INDEPENDENCE SERVICES Promote Independence by Providing Community-based Services.	\$ 103,326,498	\$ 111,058,987
A.7.1. Strategy: INTERMEDIATE CARE FACILITIES - MR Intermed Care Facilities - for Persons w/ Mental Retardation (ICF/MR).	\$ 332,518,441	\$ 323,582,318
A.8.1. Strategy: MR STATE SCHOOLS SERVICES ^{10, 11}	\$ 712,052,533	\$ 571,782,946
A.9.1. Strategy: CAPITAL REPAIRS AND RENOVATIONS	<u>\$ 56,995,094</u>	<u>\$ 431,830</u>
Total, Goal A: LONG-TERM SERVICES AND SUPPORTS	<u>\$ 6,548,793,479</u>	<u>\$ 6,547,574,240</u>
B. Goal: REGULATION, CERTIFICATION, OUTREACH Regulation, Certification, and Outreach.		
B.1.1. Strategy: FACILITY/COMMUNITY-BASED REGULATION Facility and Community-Based Regulation.	\$ 65,888,946	\$ 66,372,407
B.1.2. Strategy: CREDENTIALING/CERTIFICATION	\$ 1,296,740	\$ 1,296,740
B.1.3. Strategy: LTC QUALITY OUTREACH Long-Term Care Quality Outreach.	<u>\$ 5,571,748</u>	<u>\$ 5,571,750</u>
Total, Goal B: REGULATION, CERTIFICATION, OUTREACH	<u>\$ 72,757,434</u>	<u>\$ 73,240,897</u>
C. Goal: INDIRECT ADMINISTRATION		
C.1.1. Strategy: CENTRAL ADMINISTRATION	\$ 31,809,041	\$ 31,809,041
C.1.2. Strategy: IT PROGRAM SUPPORT Information Technology Program Support.	\$ 35,289,761	\$ 34,848,809
C.1.3. Strategy: OTHER SUPPORT SERVICES	<u>\$ 1,925,483</u>	<u>\$ 1,925,483</u>
Total, Goal C: INDIRECT ADMINISTRATION	<u>\$ 69,024,285</u>	<u>\$ 68,583,333</u>
Grand Total, DEPARTMENT OF AGING AND DISABILITY SERVICES	<u>\$ 6,690,575,198</u>	<u>\$ 6,689,398,470</u>
Object-of-Expense Informational Listing:		
Salaries and Wages	\$ 534,001,516	\$ 535,407,518
Other Personnel Costs	22,750,601	22,750,602
Professional Fees and Services	27,995,960	27,995,962
Fuels and Lubricants	1,437,450	1,437,450
Consumable Supplies	6,372,901	6,372,901
Utilities	13,602,578	13,602,576
Travel	12,734,957	12,919,598
Rent - Building	298,042	298,052
Rent - Machine and Other	4,283,953	4,283,953
Other Operating Expense	372,558,537	176,810,295
Client Services	5,465,133,408	5,663,764,223
Food for Persons - Wards of State	9,854,454	9,854,454
Grants	206,682,226	198,242,799
Capital Expenditures	<u>12,868,615</u>	<u>15,658,087</u>
Total, Object-of-Expense Informational Listing	<u>\$ 6,690,575,198</u>	<u>\$ 6,689,398,470</u>

**Estimated Allocations for Employee Benefits and Debt
Service Appropriations Made Elsewhere in this Act:**

¹⁰ Incorporates HB 4586, § 68, 81st Legislature, Regular Session, relating to a settlement agreement with the Department of Justice. \$45,069,658 in General Revenue Funds and \$56,096,471 in Federal Funds in FY 2010 and 1,160 FTEs in both FY 2010 and 2011 are included above. Appropriations related to HB 4586 are subject to appropriation life stated therein and are not extended by inclusion in SB 1, 81st Legislature, 2009. In addition, unless expressly provided by HB 4586, such appropriations are not subject to General Provisions contained in Article IX of SB 1, 81st Legislature, 2009.

¹¹ Incorporates HB 4586, § 73, 81st Legislature, Regular Session, relating to a contingency for SB 643 (protection and care of persons with mental retardation). \$19,000,000 in General Revenue Funds and \$19,000,000 in Federal Funds are included above for FY 2010; 186.0 FTEs are included above for each fiscal year. Appropriations related to HB 4586 are subject to appropriation life stated therein and are not extended by inclusion in SB 1, 81st Legislature, 2009. In addition, unless expressly provided by HB 4586, such appropriations are not subject to General Provisions contained in Article IX of SB 1, 81st Legislature, 2009.

DEPARTMENT OF AGING AND DISABILITY SERVICES
(Continued)

<u>Employee Benefits</u>		
Retirement	\$ 28,949,803	\$ 29,525,672
Group Insurance	121,136,126	132,043,438
Social Security	39,485,017	40,113,572
Benefits Replacement	<u>3,823,878</u>	<u>3,632,684</u>
Subtotal, Employee Benefits	<u>\$ 193,394,824</u>	<u>\$ 205,315,366</u>
<u>Debt Service</u>		
TPFA GO Bond Debt Service	\$ 16,160,153	\$ 15,307,246
Lease Payments	<u>151,175</u>	<u>151,612</u>
Subtotal, Debt Service	<u>\$ 16,311,328</u>	<u>\$ 15,458,858</u>
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	<u>\$ 209,706,152</u>	<u>\$ 220,774,224</u>

- 1. Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Aging and Disability Services. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Department of Aging and Disability Services. In order to achieve the objectives and service standards established by this Act, the Department of Aging and Disability Services shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2010</u>	<u>2011</u>
A. Goal: LONG-TERM SERVICES AND SUPPORTS		
Outcome (Results/Impact):		
Percent of Long-term Care Individuals Served in Community Settings	74.15%	74.3%
Average Number of Individuals Served Per Month:		
Medicaid Non-waiver Community Services and Supports	110,754	110,971
Average Number of Clients Served Per Month: Waivers	52,131	56,651
Number of Persons Receiving Services at the End of the Fiscal Year: Waivers	54,375	58,896
A.1.1. Strategy: INTAKE, ACCESS, & ELIGIBILITY		
Output (Volume):		
Average Monthly Number of Individuals with Mental Retardation (MR) Receiving Assessment and Service Coordination	8,023	8,023
A.2.1. Strategy: PRIMARY HOME CARE		
Output (Volume):		
Average Number of Individuals Served Per Month: Primary Home Care	52,277	52,599
Efficiencies:		
Average Monthly Cost Per Individual Served: Primary Home Care	825.48	838.46
A.2.2. Strategy: COMMUNITY ATTENDANT SERVICES		
Output (Volume):		
Average Number of Individuals Served Per Month: Community Attendant Services	40,925	40,341
Efficiencies:		
Average Monthly Cost Per Individual Served: Community Attendant Services	781.52	788.14
A.2.3. Strategy: DAY ACTIVITY & HEALTH SERVICES		
Output (Volume):		
Average Number of Individuals Served Per Month: Day Activity and Health Services	17,552	18,031
Efficiencies:		
Average Monthly Cost Per Individual Served: Day Activity and Health Services	525.15	527.03
A.3.1. Strategy: COMMUNITY-BASED ALTERNATIVES		
Output (Volume):		
Average Number of Individuals Served Per Month: Medicaid Community-based Alternatives (CBA) Waiver	26,302	26,732
Efficiencies:		
Average Monthly Cost Per Individual Served: Medicaid Community-based Alternatives (CBA) Waiver	1,533.14	1,535.19
Explanatory:		
Number of Persons Receiving Services at the End of the Fiscal Year: Community-based Alternatives (CBA) Waiver	26,517	26,948

DEPARTMENT OF AGING AND DISABILITY SERVICES
(Continued)

A.3.2. Strategy: HOME AND COMMUNITY-BASED SERVICES		
Output (Volume):		
Average Number of Individuals Served Per Month: Home and Community Based Services (HCS)	17,017	19,985
Efficiencies:		
Average Monthly Cost Per Individual Served: Home and Community Based Services (HCS)	3,449.71	3,474.28
Explanatory:		
Number of Individuals Receiving Services at the End of the Fiscal Year: Home and Community Based Services (HCS)	18,484	21,452
A.3.3. Strategy: COMMUNITY LIVING ASSISTANCE (CLASS)		
Output (Volume):		
Average Number of Individuals Served Per Month: Medicaid Related Conditions Waiver (CLASS)	4,671	5,616
Efficiencies:		
Average Monthly Cost Per Individual Served: Medicaid Related Conditions Waiver (CLASS)	3,427.01	3,416.71
Explanatory:		
Number of Persons Receiving Services at the End of the Fiscal Year: Community Living Assistance & Support Services Waiver (CLASS)	5,144	6,089
A.3.4. Strategy: DEAF-BLIND MULTIPLE DISABILITIES		
Output (Volume):		
Average Number of Individuals Served Per Month: Medicaid Deaf-blind with Multiple Disabilities Waiver	155	158
Efficiencies:		
Average Monthly Cost Per Individual Served: Medicaid Deaf-blind with Multiple Disabilities Waiver	3,950.43	3,954.79
Explanatory:		
Number of Persons Receiving Services at the End of the Fiscal Year: Medicaid Deaf-blind with Multiple Disabilities Waiver	157	160
A.3.5. Strategy: MEDICALLY DEPENDENT CHILDREN PGM		
Output (Volume):		
Average Number of Individuals Served Per Month: Medically Dependent Children Program	2,832	3,006
Efficiencies:		
Average Monthly Cost Per Individual Served: Medically Dependent Children Program	1,446.56	1,447.5
Explanatory:		
Number of Persons Receiving Services at the End of the Fiscal Year: Medically Dependent Children's Program	2,919	3,093
A.3.6. Strategy: CONSOLIDATED WAIVER PROGRAM		
Output (Volume):		
Average Number of Individuals Served Per Month: Medicaid Consolidated Waiver Program	160	160
Efficiencies:		
Average Monthly Cost Per Individual Served: Medicaid Consolidated Waiver Program	1,887.3	1,890.38
Explanatory:		
Number of Persons Receiving Services at the End of the Fiscal Year: Medicaid Consolidated Waiver Program	160	160
A.3.7. Strategy: TEXAS HOME LIVING WAIVER		
Output (Volume):		
Average Number of Individuals Served Per Month: Texas Home Living Waiver	994	994
Efficiencies:		
Average Monthly Cost Per Individual Served: Texas Home Living Waiver	917.69	922.3
Explanatory:		
Number of Individuals Receiving Services at the End of the Fiscal Year: Texas Home Living Waiver	994	994
A.4.1. Strategy: NON-MEDICAID SERVICES		
Output (Volume):		
Average Number of Individuals Served Per Month: Non Medicaid Community Care (XX/GR)	39,130	39,379

DEPARTMENT OF AGING AND DISABILITY SERVICES
(Continued)

Explanatory:		
Number of Individuals Receiving Services at the End of the Fiscal Year: Non Medicaid Community Care (XX / GR)	39,254	39,503
A.4.2. Strategy: MR COMMUNITY SERVICES		
Output (Volume):		
Average Monthly Number of Individuals with Mental Retardation (MR) Receiving Community Services	12,927	12,927
Efficiencies:		
Average Monthly Cost Per Individual with Mental Retardation (MR) Receiving Community Services	661.1	664.59
Explanatory:		
Number of Individuals with Mental Retardation (MR) Receiving Community Services at the End of the Fiscal Year	12,927	12,927
A.4.4. Strategy: IN-HOME AND FAMILY SUPPORT		
Output (Volume):		
Average Number of Individuals Per Month Receiving In-home Family Support (IHFS)	4,753	5,079
Efficiencies:		
Average Monthly Cost of In-home Family Support Per Individual	84.49	84.68
Explanatory:		
Number of Individuals Receiving Services at the End of the Fiscal Year: In-Home and Family Support	4,916	5,241
A.4.5. Strategy: MENTAL RETARDATION IN-HOME SERVICES		
Output (Volume):		
Number of Individuals with Mental Retardation (MR) Receiving In-Home and Family Support Per Year	3,060	3,060
Efficiencies:		
Average Annual Grant Per Individual with Mental Retardation (MR) Receiving In-home and Family Support Per Year	1,869.85	1,869.85
Explanatory:		
Number of Individuals with Mental Retardation (MR) Receiving Services at the End of the Fiscal Year: In-Home and Family Support	3,060	3,060
A.5.1. Strategy: ALL-INCLUSIVE CARE - ELDERLY (PACE)		
Output (Volume):		
Average Number of Recipients Per Month: Program for All Inclusive Care (PACE)	1,137	1,202
Efficiencies:		
Average Monthly Cost Per Recipient: Program for All Inclusive Care (PACE)	2,748.32	2,654.03
Explanatory:		
Number of Persons Receiving Services at the End of the Fiscal Year: Program of All-inclusive Care for the Elderly (PACE)	1,202	1,202
A.6.1. Strategy: NURSING FACILITY PAYMENTS		
Output (Volume):		
Average Number of Individuals Receiving Medicaid - Funded Nursing Facility Services per Month	54,269	53,827
Efficiencies:		
Net Nursing Facility Cost Per Medicaid Resident Per Month	3,077.35	3,077.27
A.6.2. Strategy: MEDICARE SKILLED NURSING FACILITY		
Output (Volume):		
Average Number of Individuals Receiving Copaid Medicaid/Medicare Nursing Facility Services Per Month	7,014	7,319
Efficiencies:		
Net Payment Per Individual for Copaid Medicaid/Medicare Nursing Facility Services Per Month	1,959.2	2,065
A.6.3. Strategy: HOSPICE		
Output (Volume):		
Average Number of Individuals Receiving Hospice Services Per Month	6,221	6,370
Efficiencies:		
Average Net Payment Per Individual Per Month for Hospice	2,797.73	2,819.57

DEPARTMENT OF AGING AND DISABILITY SERVICES
(Continued)

A.6.4. Strategy: PROMOTING INDEPENDENCE SERVICES

Output (Volume):

Average Number of Individuals Served Through Promoting Independence Per Month	5,702	6,140
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Efficiencies:

Average Monthly Cost Per Individual Served: Promoting Independence	1,510.09	1,507.32
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A.7.1. Strategy: INTERMEDIATE CARE FACILITIES - MR

Output (Volume):

Average Number of Persons in ICF/MR Medicaid Beds Per Month	6,037	5,871
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Efficiencies:

Monthly Cost Per ICF/MR Medicaid Eligible Individual	4,590.01	4,592.95
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A.8.1. Strategy: MR STATE SCHOOLS SERVICES

Output (Volume):

Average Monthly Number of Mental Retardation (MR) Campus Residents	4,512	4,354
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Efficiencies:

Average Monthly Cost Per Mental Retardation (MR) Campus Resident ¹²	10,580.79	10,943.63
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B. Goal: REGULATION, CERTIFICATION, OUTREACH

Outcome (Results/Impact):

Percent of Facilities Complying with Standards at Time of Inspection for Licensure and/or Medicare/Medicaid Certification	64.16%	64.16%
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B.1.1. Strategy: FACILITY/COMMUNITY-BASED REGULATION

Output (Volume):

Total Dollar Amount Collected from Fines	1,520,256	1,520,256
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B.1.2. Strategy: CREDENTIALING/CERTIFICATION

Output (Volume):

Number of Licenses Issued or Renewed Per Year: Nursing Facility Administrators	1,225	1,225
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- 2. Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2010	2011
a. Repair or Rehabilitation of Buildings and Facilities		
(1) Repairs of State Owned Bond Homes and State Schools	\$ 56,995,094	\$ 431,830 & UB
b. Acquisition of Information Resource Technologies		
(1) Lease of Personal Computers	3,193,374	3,508,374
(2) Software Licenses	1,701,400	1,701,400
(3) Data Center Consolidation	3,815,460	3,543,960
(4) Messaging and Collaboration	1,605,939	1,605,939
(5) Telecommunications Enhancements	1,082,445	0
(6) State School Telecommunication	1,430,312	1,430,312
(7) SAS/CARE Consolidation	1,948,800	6,171,200
(8) Data Encryption and Security	300,000	300,000
Total, Acquisition of Information Resource Technologies	\$ 15,077,730	\$ 18,261,185
c. Transportation Items		
(1) Replacement of Transportation Items (MLPP)	965,494	0

¹² Pursuant to the appropriations made by HB 4586, § 68 and § 73, the average monthly cost targets will be reevaluated.

DEPARTMENT OF AGING AND DISABILITY SERVICES
(Continued)

d. Other Lease Payments to the Master Lease Purchase Program (MLPP)		
(1) Payment of MLPP - Furniture & Equipment	497,682	0
(2) Payment of MLPP - Utility Savings or Energy Conservation	3,030,257	2,766,922
(3) Payment of MLPP - Telecommunications	200,730	0
(4) Payment of MLPP - Transportation	516,742	765,813
 Total, Other Lease Payments to the Master Lease Purchase Program (MLPP)	 \$ 4,245,411	 \$ 3,532,735
 Total, Capital Budget	 \$ 77,283,729	 \$ 22,225,750

Method of Financing (Capital Budget):

<u>General Revenue Fund</u>		
General Revenue Fund	\$ 6,258,754	\$ 4,480,021
GR Match for Medicaid	2,388,275	2,976,822
GR Certified as Match for Medicaid	2,700,758	2,744,543
Subtotal, General Revenue Fund	\$ 11,347,787	\$ 10,201,386
 Texas Capital Trust Fund Account No. 543	 289,803	 289,802
 Federal Funds	 8,865,411	 11,509,208
<u>Other Funds</u>		
Appropriated Receipts	4,495	4,562
Interagency Contracts	702	697
Bond Proceeds - General Obligation Bonds	56,563,263	0
MR Collections for Patient Support and Maintenance	203,673	211,183
MR Appropriated Receipts	8,595	8,912
Subtotal, Other Funds	\$ 56,780,728	\$ 225,354
 Total, Method of Financing	 \$ 77,283,729	 \$ 22,225,750

3. Appropriation of Local Funds. All funds received by the department from counties, cities, and from any other local source and all balances from such sources as of August 31, 2009, are hereby appropriated for the biennium ending August 31, 2011, for the purpose of carrying out the provisions of this Act.

4. Nursing Home Program Provisions.

- a. Nursing Home Income Eligibility Cap. It is the intent of the Legislature that the income eligibility cap for nursing home care shall be maintained at the federal maximum level of 300 percent of Supplemental Security Income (SSI).
- b. Establishment of a Swing-bed Program. Out of the funds appropriated above for nursing home vendor payments, the department shall maintain a "swing-bed" program, in accordance with federal regulations, to provide reimbursement for skilled nursing patients who are served in hospital settings in counties with a population of 100,000 or less. If the swing beds are used for more than one 30-day length of stay per year per patient, the hospital must comply with the regulations and standards required for nursing home facilities.
- c. Nursing Home Bed Capacity Planning. It is the intent of the Legislature that the department shall establish by rule procedures for controlling the number of Medicaid beds and for the decertification of unused Medicaid beds and for reallocating some or all of the decertified Medicaid beds. The procedures shall take into account a facility's occupancy rate.
- d. Nursing Facility Competition. It is the intent of the Legislature that the department encourage competition among contracted nursing facilities.

5. Appropriations Limited to Revenue Collections. It is the intent of the Legislature that fees, fines, and other miscellaneous revenues as authorized and generated by the agency cover, at a minimum, the cost of the appropriations made above for the Nursing Facility Administrator program in Strategy B.1.2, Credentialing/Certification, and the Home Health and Community Support Services Agencies program in Strategy B.1.1, Facility & Community-Based Regulation,

DEPARTMENT OF AGING AND DISABILITY SERVICES
(Continued)

as well as the "other direct and indirect costs" associated with this program, appropriated elsewhere in this Act. Direct costs for the Nursing Facility Administrator program are estimated to be \$494,191 for fiscal year 2010 and \$494,191 for fiscal year 2011. Direct costs for the Home and Community Support Services Agencies program are estimated to be \$1,939,322 for fiscal year 2010 and \$1,939,322 for fiscal year 2011. "Other direct and indirect costs" for the Nursing Facility Administrator program are estimated to be \$109,728 for fiscal year 2010 and \$113,769 for fiscal year 2011. "Other direct and indirect costs" for the Home and Community Support Services Agencies program are estimated to be \$529,194 for fiscal year 2010 and \$550,696 for fiscal year 2011. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

6. **Accounting of Support Costs.** The State Comptroller shall establish separate accounts from which certain support costs shall be paid. The Department of Aging and Disability Services is hereby authorized to make transfers into these separate accounts from line item strategies in order to pay for these expenses in an efficient and effective manner. Only costs not directly attributable to a single program may be budgeted in or paid from these accounts. Items to be budgeted in and paid from these accounts include, but are not limited to: postage, occupancy costs, equipment repair, telephones, office printing costs, supplies, freight and transport costs, telephone system costs, and salary and travel costs of staff whose function supports several programs. The department shall be responsible for quarterly allocations of these costs to the original strategies.
7. **Fund Transfers for Funds Consolidation.** For the purpose of funds consolidation, federal and other funds may be transferred into the General Revenue Fund from the Department of Aging and Disability Services Fund No. 117. The initial deposit of federal funds shall be made into Fund No. 117 and no direct expenditures shall be made from this fund.
8. **Pediatric Care in Nursing Facilities.** When using funds appropriated above in addition to consideration of expense in determining the appropriate placement for children who currently receive care in nursing facilities, the department shall, within the requirements of state and federal law, consider the requests of parents concerning either a continued stay in a nursing facility providing skilled pediatric care or an alternate placement.
9. **Limitation: Medicaid Transfer Authority.** Notwithstanding the transfer provisions in the General Provisions (general transfer provisions) and other transfer provisions of this Act, funds appropriated by this Act to the Department of Aging and Disability Services (DADS) for the following Medicaid strategies shall be governed by the specific limitations included in this provision.
 - a. **Limitations on Transfers.**
 - (1) **Waivers.** Transfers may not be made between appropriation items listed in this subsection or from appropriation items listed in this subsection to appropriation items not listed in this subsection without prior written approval from the Legislative Budget Board and the Governor. Any transfer approval requests shall be submitted pursuant to subsection (c) of this provision.
 - A.3.1. Community-based Alternatives (CBA)
 - A.3.2. Home and Community-based Services (HCS)
 - A.3.3. Community Living Assistance and Support Services (CLASS)
 - A.3.4. Deaf-Blind Multiple Disabilities (DBMD)
 - A.3.5. Medically Dependent Children Program (MDCP)
 - A.3.6. Consolidated Waiver Program
 - A.3.7. Texas Home Living Waiver
 - A.6.4. Promoting Independence Services
 - (2) **Community Entitlement.** Transfers may be made between appropriation items listed in this subsection. Transfers may not be made from appropriation items listed in this subsection to appropriation items not listed in this subsection without prior written approval from the Legislative Budget Board and the Governor. DADS shall provide notification of all transfers pursuant to subsection (b) of this provision, and any transfer approval requests shall be submitted pursuant to subsection (c) of this provision.
 - A.2.1. Primary Home Care

DEPARTMENT OF AGING AND DISABILITY SERVICES

(Continued)

A.2.2. Community Attendant Services (formerly Frail Elderly)

A.2.3. Day Activity and Health Services (DAHS)

A.5.1. Program of All-inclusive Care for the Elderly (PACE)

- (3) **Nursing Facility and Related Care.** Transfers may be made between appropriation items listed in this subsection. Transfers may not be made from appropriation items listed in this subsection to appropriation items not listed in this subsection without prior written approval from the Legislative Budget Board and the Governor. DADS shall provide notification of all transfers pursuant to subsection (b) of this provision, and any transfer approval requests shall be submitted pursuant to subsection (c) of this provision.

A.6.1. Nursing Facility Payments

A.6.2. Medicare Skilled Nursing Facility

A.6.3. Hospice

- (4) **Mental Retardation Services.** Transfers may be made between appropriation items listed in this subsection. Transfers may not be made from appropriation items listed in this subsection to appropriation items not listed in this subsection without prior written approval from the Legislative Budget Board and the Governor. DADS shall provide notification of all transfers pursuant to subsection (b) of this provision, and any transfer approval requests shall be submitted pursuant to subsection (c) of this provision.

A.7.1. Intermediate Care Facilities - Mental Retardation (ICF/MR)

A.8.1. MR State Schools Services

- b. **Notification Regarding Transfers that Do not Require Approval.** Authority granted by this provision to transfer funds is contingent upon a written notification from DADS to the Legislative Budget Board and the Governor at least 30 days prior to the transfer, which includes the following information:
- (1) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
 - (2) the name of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;
 - (3) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and
 - (4) the capital budget impact.
- c. **Requests for Transfers that Require Approval.** To request a transfer, DADS shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information:
- (1) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
 - (2) the name of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;
 - (3) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and
 - (4) the capital budget impact.
- d. **Transfers into Items of Appropriation.** Transfers may be made from any appropriation item to the appropriation items in section (a), subject to the limitations established in section (a) for each appropriation item.
- e. **Cost Pools.** Notwithstanding the above limitations, transfers may be made from the appropriation items in section (a) to separate accounts authorized by agency rider and established by the State Comptroller for payment of certain support costs not directly attributable to a single program.

DEPARTMENT OF AGING AND DISABILITY SERVICES

(Continued)

- f. **Cash Management.** Notwithstanding the above limitations, DADS may temporarily utilize funds appropriated to the strategies listed in section (a) for cash flow purposes. All funding used in this manner shall be promptly returned to the originating strategy. This authorization is subject to limitations established by the Comptroller of Public Accounts.

The Comptroller of Public Accounts shall not allow the transfer of funds authorized by any of the above subsections if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

In the case of disaster or other emergency, this provision is superseded by the emergency-related transfer authority in Article IX of this Act.

10. Other Reporting Requirements.

- a. **Federal Reports.** The Department of Aging and Disability Services shall submit the following information to the Legislative Budget Board and the Governor no later than the date the respective report is submitted to the federal government:
- (1) Notification of proposed State Plan amendments or waivers for strategies in Goal A, Long-term Services and Supports and any other federal grant requiring a state plan. State Plan amendments and waiver submission shall also be provided to the Senate Health and Human Services, House Human Services, and House Public Health committees.
 - (2) A copy of each report or petition submitted to the federal government relating to Goal A, Long-term Care Continuum.
- b. **Federal Issues.** The Department of Aging and Disability Services shall notify the Legislative Budget Board and the Governor on a timely basis about emerging issues that could result in the loss of more than \$1 million in federal revenue assumed in the appropriations act.
- c. **Monthly Financial Reports.** The Department of Aging and Disability Services shall submit the following information to the Legislative Budget Board and the Governor on a monthly basis:
- (1) Information on appropriated, budgeted, expended, and projected funds, by strategy and method of finance.
 - (2) Information on appropriated, budgeted, expended, and projected revenues including Earned Federal Funds.
 - (3) Collections, expenditures, and balances for revenues generated by the department as of the last day of the prior month.
 - (4) Narrative explanations of significant budget adjustments, ongoing budget issues, and other items as appropriate.
 - (5) Any other information requested by the Legislative Budget Board or the Governor.

The monthly financial reports shall be prepared in a format specified by the Legislative Budget Board.

11. Appropriation Transfer Between Fiscal Years.

In addition to the transfer authority provided elsewhere in this Act, the Department of Aging and Disability Services may transfer appropriations made for fiscal year ending August 31, 2011 to fiscal year ending August 31, 2010, subject to the following conditions provided by this section:

- a. Transfers under this section may be made only:
- (1) if costs associated with providing Long Term Care Medicaid services exceed the funds appropriated for these services for fiscal year 2010, or
 - (2) for any other emergency expenditure requirements, including expenditures necessitated by public calamity, or

DEPARTMENT OF AGING AND DISABILITY SERVICES

(Continued)

- (3) if appropriated receipts generated through the MR related programs required to fund appropriations contained in this Act for fiscal year 2010 are less than those contained in the method of finance for the department for fiscal year 2010.
 - b. Transfers may not exceed \$50,000,000 in General Revenue.
 - c. A transfer authorized by this section must receive the prior approval of the Governor and the Legislative Budget Board.
 - d. The Comptroller of Public Accounts shall cooperate as necessary to assist the completion of a transfer and spending made under this section.
12. **Reimbursement of Advisory Committees.** Pursuant to Government Code § 2110.004, reimbursement of expenses for advisory committee members, out of funds appropriated above, not to exceed \$8,000 per fiscal year is limited to the following advisory committee:

Nursing Facility Administrators Advisory Committee

To the maximum extent possible, the department shall encourage the use of videoconferencing and teleconferencing and shall schedule meetings and locations to facilitate the travel of participants so that they may return the same day and reduce the need to reimburse members for overnight stays.

13. **Survey of Nursing Facility Residents.** Out of funds appropriated above, the Department of Aging and Disability Services is allocated the following:
 - a. up to \$360,000 in All Funds, of which up to \$180,000 is General Revenue Funds, in fiscal year 2010 to conduct surveys of nursing facility residents and individuals receiving other long-term services and supports. The surveys shall assess how satisfied individuals are with their quality of care and quality of life. Not later than January 15, 2011, the department shall submit a written report on the survey to the Legislature, Governor, and Health and Human Services Commissioner; and
 - b. up to \$1,000,000 in All Funds, of which up to \$500,000 is General Revenue Funds, to perform on-site case reviews of the care of nursing home residents and individuals receiving other long-term care services and supports. These reviews will identify preventable occurrences of adverse outcomes. The result of these reviews will be included in the report to the Legislature, Governor and Health and Human Services Commissioner described in (a) above.
14. **Nursing Facility Beds for Medicaid Eligible Veterans.** Contingent upon a request from the Texas Veterans Land Board, it is the intent of the Legislature that the Department of Aging and Disability Services maintain a program for Medicaid-eligible veterans that will enable those individuals to be placed in State Veterans Homes. It is further the intent of the Legislature that the department amend its nursing facility bed allocation rules to create sufficient certified beds to accommodate the requirements of such a program.
15. **Limitation on MR State School Strategy Transfers.** The transfer of appropriations from Strategy A.8.1, MR State Schools Services, to any other strategy is limited to 5 percent without the prior approval of the Legislative Budget Board and the Governor.
16. **State School Medicaid Revenues.**
 - a. **Proportionality of Funds.** Pursuant to Article IX, Sec 6.08, Benefits Paid Proportional by Fund, payment for salaries, wages, and benefits for ICF/MR state school employees shall be proportional to the source of funds. The department shall develop a plan for the 2010-11 biennium which identifies the appropriate portion of state and federal funds for salaries, wages, and benefits for ICF/MR state school employees. This plan is subject to review by the Comptroller of Public Accounts and the Legislative Budget Board and shall be certified by the Chief Financial Officer of the department by October 1, 2009 prior to submission to the Legislative Budget Board.

The Department of Aging and Disability Services shall report quarterly to the Legislative Budget Board and the Governor on the distribution of ICF/MR state school revenues to other state agencies. This report shall be submitted no later than 25 days after the close of each quarter. The format and content of the report shall be prescribed by the Legislative Budget Board.

DEPARTMENT OF AGING AND DISABILITY SERVICES

(Continued)

- b. **Quality Assurance Fee Funds - Informational Item.** Appropriations from the Quality Assurance Fee Funds in this Act total \$57,957,357 in fiscal year 2010 (including a UB from fiscal year 2009 estimated to be \$472,495) and \$57,468,049 in fiscal year 2011. Out of funds appropriated above in Strategy A.7.1, ICF/MR and A.8.1, State Schools Services, \$52,821,479 in fiscal year 2010 and \$52,321,479 in fiscal year 2011 in Quality Assurance Fee Funds are provided for mental retardation services. Estimated amounts of \$5,135,878 in fiscal year 2010 and \$5,146,570 in fiscal year 2011 are appropriated elsewhere in this Act for employee benefits for State School employees. Pursuant to Article IX, Sec. 6.08, Benefits Paid Proportional by Fund, benefits for State School Employees reflect the proportion by fund type as used for salaries.
17. **MR Residential Services Funded by General Revenue.** The Department of Aging and Disability Services shall refinance, with Medicaid funding, mental retardation residential services to Medicaid-eligible clients that are currently funded with general revenue. This refinancing effort shall include both public and private general revenue-funded programs. The department shall accomplish this refinancing through the use of Medicaid waiver programs, or, if necessary, the Intermediate Care Facility for the Mentally Retarded program. The department shall submit a report by October 1 of each year of the biennium to the Legislative Budget Board and the Governor that documents the number of persons and residential sites converted to Medicaid funding. The format of this report shall be prescribed by the Legislative Budget Board.
18. **State School Funding.** It is the intent of the Legislature that the department implement a single funding methodology for state schools which funds all state schools equitably and at a level which is adequate to maintain compliance with applicable federal standards. A primary consideration to be used by the department in determining an acceptable funding methodology should be consideration of the number of residents in each school and the needs of those residents. Staffing patterns at state schools shall not reflect a census decline until a campus has realized a decline in census.
19. **Disposition of Construction Appropriation Related to Mental Retardation.** Construction appropriations may be used to pay salaries and travel expenses of department engineers and architects and administrative expenses of construction projects (but shall not exceed \$300,000 in a fiscal year that are paid out of G.O. Bonds); architect's and engineer's fees; and the actual travel expenses incurred by them or their representatives in making trips of inspection at the discretion of the department during construction, renovation, or repair of buildings and systems or the installation of fixed equipment. Job titles and rates of pay for such salaried positions of department personnel paid from construction appropriations shall conform with the Position Classification Plan and Classification Salary Schedule.
20. **Unexpended Balances: ICF/MR Standards.** Except as otherwise provided, unexpended and unobligated balances, not to exceed \$5 million in General Revenue, remaining from appropriations for the first year of the biennium to the Department of Aging and Disability Services are appropriated to the department for the purpose of complying with Intermediate Care Facilities for the Mentally Retarded (ICF-MR) standards dealing with residential, non-residential, and community based mental retardation services. This paragraph does not apply to those unexpended and unobligated balances remaining from appropriations for the first year of the biennium that the department is authorized by this Act to retain for specific purposes in the second year of the biennium. The department shall notify the Legislative Budget Board and the Governor as to when the appropriation originated, why it is not needed, and how it will be used prior to budgeting and expending these balances.
21. **Unexpended Construction Balances.** Any unexpended construction, repair, or renovation balances from previous appropriations, estimated to be \$29,576,263 from fiscal year 2009 to fiscal year 2010 and included in the method of finance above as General Obligation Bond proceeds and in Strategy A.9.1, Capital Repairs and Renovations, are hereby appropriated to the Department of Aging and Disability Services for the same purposes.

Authorization to expend the unexpended balances is contingent upon submission of the following reports to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the reports to the Comptroller of Public Accounts.

- a. a report by September 1, 2009 providing actual expenditures for fiscal years 2008 and 2009, and planned expenditures for fiscal years 2010 and 2011 at the project/state school level; and

DEPARTMENT OF AGING AND DISABILITY SERVICES
(Continued)

- b. a report by March 1 and September 1 of each fiscal year reflecting actual expenditures by project/state school for the previous six months.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The notification and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

The planned expenditures shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the proposal to expend the funds and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

The Comptroller of Public Accounts shall not allow the use of unexpended balances if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

- 22. MR Residential Placement Options.** Pursuant to § 533.038 of the Health and Safety Code, an individual with mental retardation or an individual's legally authorized representative seeking residential services shall receive a clear explanation of programs and services for which the individual is determined to be eligible, including state schools, community ICFs-MR, 1915(c) waiver services or other services, in order to ensure consumer choice. The programs and services that are explained shall be documented in the individual's record and acknowledged in writing by the individual or the individual's legally authorized representative. If the chosen programs or services are not available, the individual or the individual's legally authorized representative shall be given assistance in gaining access to alternative services and the selected waiting lists.

The department shall keep a central list of the number of openings available for each type of residential service. The department shall honor the program and services preferences of the person or the person's legally authorized representative to the maximum extent openings are available in a residential program or service for which the individual meets program criteria.

- 23. Expenditures on Bond Homes.** Expenditures made for the provision of client services in bond homes operated by the Department of Aging and Disability Services shall not exceed the approved reimbursement rates.
- 24. Appropriation and Unexpended Balances: Affordable Housing for the Elderly.** General Revenue Funds appropriated above include fees collected pursuant to § 394.902, Local Government Code, and § 101.022, Human Resources Code, as amended, for the purpose of promoting affordable housing for the elderly (\$454,000 for the biennium).

Any unexpended balances in fees collected to promote affordable housing for the elderly for the fiscal year ending August 31, 2010, may be carried forward into fiscal year 2011, and such balances are hereby appropriated.

In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

- 25. Reimbursement of Advisory Council Members.** Pursuant to Human Resources Code § 161.027, reimbursement of travel expenses for Aging and Disability Services Council members, out of funds appropriated above, is hereby authorized such that the sum total of all reimbursements for members of the council shall not exceed \$10,825 per fiscal year, at the rates specified in the general provisions of this Act.
- 26. Mexia State School Medicaid-decertified Beds.** It is the intent of the Legislature that all funds appropriated in Strategy A.8.1, MR State Schools Services, to fund beds at Mexia State School that have been decertified from Medicaid and related costs shall be distributed to Mexia State School.
- 27. Appropriation: GR-Dedicated License Plates Account No. 5055.** Included in funds appropriated above in Strategy A.4.2, MR Community Services, is \$8,000 for the biennium in revenue generated from the sale of specialized "Special Olympics Texas" license plates and collected in GR-Dedicated Account No. 5055 during the 2010-11 biennium. Any balances on hand

DEPARTMENT OF AGING AND DISABILITY SERVICES

(Continued)

(estimated to be \$2,000) as well as any additional revenues generated in fiscal years 2010 and 2011 by the sale of specialized "Special Olympics Texas" plates above \$8,000 are hereby appropriated to the agency for the 2010-11 biennium. It is the intent of the Legislature that these funds be expended for costs associated with training and with area and regional competitions of the Special Olympics Texas.

28. **Revolving Fund Services: Canteen Services and Sheltered Workshops.** Out of funds appropriated above in Strategy A.8.1, MR State Schools Services, \$2,724,957 per fiscal year in General Revenue shall be allocated for the operation of canteen and sheltered workshops. In addition, DADS may also utilize agency-generated collections from Revenue Object Code 3767 Supplies/Equipment/Services - Federal/Other (estimated to be \$82,160 per fiscal year) and which are appropriated above as MR Revolving Fund Receipts (Other Funds) for the operation of canteen and sheltered workshops. The department shall provide information on related revenues, balances, contracts and profits to the Legislative Budget Board, Governor and Comptroller of Public Accounts. These revenues, expenditures and balances shall be reported and included in agency Operating Budgets, Legislative Appropriation Requests, and Annual Financial Reports. The timetable, format and content for additional monthly reports related to canteen operations and sheltered workshops shall be prescribed by the Legislative Budget Board.
29. **Guardianship Services.** Out of the funds appropriated above, the Department of Aging and Disability Services shall pay guardianship program caseworkers, supervisors and directors an amount not to exceed \$50 per month for work-related use of the personal cellular telephones.
30. **Senior Corps Program.** Out of funds appropriated above in Strategy A.4.1, Non-Medicaid Services, the Department of Aging and Disability Services shall use \$150,000 in General Revenue Funds per fiscal year to support the Texas Senior Corps Programs.
31. **Cost Comparison Report.** Out of funds appropriated above, the Department of Aging and Disability Services (DADS) shall develop a report for the Legislature analyzing state and federally funded residential and nonresidential services in Home and Community-based Services (HCS), Texas Home Living, and Intermediate Care Facilities for individuals with Mental Retardation and Related Conditions (ICF-MR/RC).
 - a. The report shall include the following:
 - (1) the monthly average cost to the state per person for individuals residing in state-operated and non-state operated ICF-MR/RC, HCS waiver program, and Texas Home Living waiver program by Level of Need (LON), and facility size (private ICF-MR only);
 - (2) a comparison of severity across settings.
 - (3) the total number of persons, by LON, who transitioned from state-operated ICF-MR/RC to the HCS residential waiver program for the previous biennium, and their average monthly cost of service in the HCS waiver program.
 - b. With respect to the cost to the state per person residing in a state operated ICF-MR/RC facility, the department shall include all costs, such as Statewide Indirect Cost Allocation Plan (SWICAP), Departmental Indirect Cost Allocation Plan (DICAP), maintenance and construction costs, employee benefit costs and other federally allowable administrative, medical and overhead costs. With respect to the cost to the state per person in state-operated ICF-MR/RC facilities, non-state operated ICF-MR/RC facilities, and the HCS and Texas Home Living waivers, the department shall include all Medicaid costs including acute care costs that are not included in the waiver rate for those programs and all costs to administer and license those programs. For state-operated ICF-MR/RC facilities, the average monthly administrative and overhead costs shall be reported separately from the average monthly client care costs. The department shall identify the types of costs included in each category.
 - c. Cost for waiver recipients will cover the time a person enrolled in the waiver through the time they are terminated from waiver services. The cost for ICF/MR services will cover the time a person is admitted to the facility to the time of discharge unless the person is admitted to an ICF/MR or waiver within 60 days of discharge. In that case the Medicaid costs incurred during discharge will be counted toward the ICF/MR costs.

The report shall be submitted to the Eighty-first Legislature no later than August 31, 2010.

DEPARTMENT OF AGING AND DISABILITY SERVICES
(Continued)

- 32. Services Under a 1915c Waiver.** It is the intent of the Legislature that, from the funds appropriated above, the Department of Aging and Disability Services shall provide services under a Section 1915(c) waiver program, other than a nursing facility waiver program to an individual, 21 years and younger, leaving a nursing facility if the individual:
- a. meets the eligibility requirements for that Section 1915(c) waiver program; and
 - b. in order to leave the nursing facility, requires services that are available only under that Section 1915(c) waiver program.
- 33. Services Under HCS Waiver Program.** It is the intent of the Legislature that, from the funds appropriated above, if an individual 21 years and younger, seeking to leave an intermediate care facility for the mentally retarded, has been offered services under the HCS (Home and Community-based Services) waiver program, the Department of Aging and Disability Services may provide services to the individual under another Section 1915(c) waiver program if the individual leaving the facility:
- a. is determined to be ineligible for the services provided under the HCS waiver program; and
 - b. meets the eligibility requirements for and needs services provided under another Section 1915(c) waiver program.
- 34. Promoting Community Services for Children.** It is the intent of the Legislature, out of funds appropriated above, to provide opportunities for children (under the age of 22) residing in community intermediate care facilities for the mentally retarded to transition to families during the 2010-11 biennium. To facilitate such transitions when requested by parent/guardian, funding for up to 50 children residing in community intermediate care facilities for the mentally retarded may be transferred from the Strategy A.7.1, Intermediate Care Facilities - MR, to Community Care Services strategies to cover the cost of the shift in services. In accordance with all applicable laws the Executive Commissioner may develop rules that would allow decertification of the ICF/MR beds upon such transition to prevent additional costs being incurred.
- 35. Appropriation: Quality Assurance Fees.** The Department of Aging and Disability Services is hereby appropriated revenue generated above the amounts identified in the Comptroller of Public Account's Biennial Revenue Estimate for General Revenue Dedicated - Quality Assurance Account No. 5080, for deposit in Strategy A.8.1, MR State Schools Services, for the purpose of funding state school services. At least 30 days prior to budgeting or expending the funds appropriated herein, the department must submit a plan to the Legislative Budget Board, the Governor, and the Comptroller of Public Accounts. The plan must indicate the purposes for which the funds will be used, the amounts that will be budgeted for each purpose, and the specific amount of any rate increase that will be given. The plan shall be submitted in a format specified by the Legislative Budget Board.
- 36. Waiver Program Cost Limits.**
- a. **Individual Cost Limits for Waiver Programs.** It is the intent of the Legislature that the Department of Aging and Disability Services comply with the cost-effectiveness requirements of the Centers for Medicare and Medicaid Services and set the individual cost limit for each waiver program as follows:
 - (1) Community-Based Alternatives Program: 200 percent of the reimbursement rate that would have been paid for that same individual to receive services in a nursing facility;
 - (2) Medically Dependent Children Program: 50 percent of the reimbursement rate that would have been paid for that same individual to receive services in a nursing facility;
 - (3) Consolidated Waiver Program: 200 percent of the reimbursement rate that would have been paid for that same individual to receive services in a nursing facility, or 200 percent of the estimated annualized per capita cost of providing services in an Intermediate Care Facility/Mental Retardation (ICF/MR), as applicable;
 - (4) Community Living Assistance and Support Services Program: 200 percent of the estimated annualized per capita cost of providing services in an ICF/MR to an individual qualifying for an ICF/MR Level of Care VIII;

DEPARTMENT OF AGING AND DISABILITY SERVICES

(Continued)

- (5) Deaf-Blind with Multiple Disabilities Program: 200 percent of the estimated annualized per capita cost of providing services in an ICF/MR to an individual qualifying for an ICF/MR Level of Care VIII; and
- (6) Home and Community-based Services Program: 200 percent of the reimbursement rate that would have been paid for that same individual to receive services in an ICF/MR or 200 percent of the estimated annualized per capita cost for ICF/MR services, whichever is greater.

b. Use of General Revenue Funds for Services.

- (1) Out of funds appropriated above, the department is authorized to use general revenue funds to pay for services if:
 - (i) the cost of such services exceeds the individual cost limit specified in a medical assistance waiver program listed above;
 - (ii) federal financial participation is not available to pay for such services; and
 - (iii) the department determines that:
 - (a) the person's health and safety cannot be protected by the services provided within the individual cost limit established for the program; and
 - (b) there is no other available living arrangement in which the person's health and safety can be protected, as evidenced by:
 - i) an assessment conducted by clinical staff of the department; and
 - ii) supporting documentation, including the person's medical and service records.
- (2) Out of funds appropriated above, the department shall use general revenue funds to continue to provide services to a person who was receiving medical assistance waiver program services on September 1, 2005, at a cost that exceeded the individual cost limit specified in the medical assistance waiver program, if:
 - (i) federal financial participation is not available to pay for such services; and
 - (ii) continuation of those services is necessary for the person to live in the most integrated setting appropriate to the needs of the person.
- (3) Notwithstanding the limitation of Medicaid transfer authority found elsewhere in this Act, the department is allowed to transfer funds from certain Medicaid strategies to non-Medicaid strategies A.4.1 and A.4.2.
- (4) Authority provided in (b) above is contingent upon the agency submitting a report in writing to the Legislative Budget Board and Governor on October 1 of each year of the biennium. The report shall include the number of clients by program which exceeds cost limits and the unmatched General Revenue associated with each by fiscal year.

- c. **Use of Utilization Management and Utilization Review Practices.** The department shall employ utilization management and utilization review practices as necessary to ensure that the appropriate scope and level of services are provided to individuals receiving services in Medicaid 1915(c) waivers administered by the department and to ensure compliance with the cost-effectiveness requirements of the Centers for Medicare and Medicaid Services.

- 37. Expenditure of Settlement Funds.** The Department of Aging and Disability Services shall notify the Governor and the Legislative Budget Board 30 days prior to expenditure of any settlement funds during fiscal years 2010 and 2011. The department shall provide a detailed plan outlining the expenditure of the settlement funds in a format approved by the Legislative Budget Board.

Settlement funds may include, but are not limited to, the difference between allowable costs and the reimbursement paid under the interim rate, including applied income.

DEPARTMENT OF AGING AND DISABILITY SERVICES
(Continued)

- 38. Delivery of Caregiver Support Services.** Out of funds appropriated above in Goal A, Long-Term Services and Supports, the Department of Aging and Disability Services shall develop and submit a report on strategies implemented by the agency after the effective date of this Act to strengthen the delivery of informal caregiver support services. The report to the Legislative Budget Board and the Governor shall be submitted by September 1, 2010.
- 39. Administration of Medicaid 1915(c) Waiver Programs.** Out of funds appropriated above in Goal A, Long-Term Services and Supports, the Department of Aging and Disability Services, in consultation with the Health and Human Services Commission, shall submit a report on efforts planned or implemented to streamline the administration and delivery of Medicaid 1915(c) long-term care waiver programs to the Legislative Budget Board and the Governor by December 1 of each year of the biennium.
- 40. Limits for Waivers and Other Programs.** Notwithstanding other provisions included in this Act, this provision shall govern expenditure levels for the following strategies.
- a. **Waivers and PACE.** The All Funds amounts included above for Department of Aging and Disability Services (DADS) for fiscal year 2010 and fiscal year 2011 in each individual strategy identified below shall not be exceeded without the prior written approval of the Legislative Budget Board and the Governor.
- A.3.1. Medicaid Community-based Alternatives (CBA) Waiver
 - A.3.2. Home and Community Based Services (HCS)
 - A.3.3. Medicaid Related Conditions Waiver (CLASS)
 - A.3.4. Medicaid Deaf-blind with Multiple Disabilities Waiver
 - A.3.5. Medically Dependent Children Program
 - A.3.6. Medicaid Consolidated Waiver Program
 - A.3.7. Texas Home Living Waiver
 - A.5.1. All-Inclusive Care - Elderly (Pace)

Requests for Exemptions. To request an exemption from the limits established under section (a), DADS shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information: a detailed explanation of the reason for the requested exemption and whether and how the exemption would impact client and expenditure levels at the individual strategy level in the 2010-11 biennium and the 2012-13 biennium.

- b. **Non-Medicaid Programs.** The All Funds amounts included above for DADS for fiscal year 2010 and fiscal year 2011 in each individual strategy identified below shall not be exceeded unless DADS notifies the Legislative Budget Board and the Governor it has received federal funding (primarily Title XX and Administration on Aging) that exceeds levels assumed in the 2010-11 GAA and specifies the following information: a detailed explanation how the increase would impact client and expenditure levels by method of finance at the individual strategy level in the 2010-11 biennium and the 2012-13 biennium.
- A.4.1. Non-Medicaid Services
 - A.4.2. MR Community Services
 - A.4.4. In-Home and Family Support
 - A.4.5. Mental Retardation In-Home Services

The Comptroller of Public Accounts shall not allow any exemptions from the limits established by this provision if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

- 41. Contingency for Transferring Savings Related to State School Downsizing.** Contingent on passage of Senate Bill 2407, or similar legislation relating to the Department of Aging and Disability Services' inclusion of strategies for downsizing state schools and transitioning more state school residents to community-based care in its biennial Long-Range Plan, by the Eighty-first Legislature, Regular Session, 2009, the Department of Aging and Disability Services is authorized, subject to the approval limitations in DADS Rider 9, to transfer savings from Strategy A.8.1, MR State School Services, to any of the following strategies:
- A.1.1 Intake, Access, & Eligibility
 - A.3.2 Home and Community-Based Services

DEPARTMENT OF AGING AND DISABILITY SERVICES
(Continued)

- A.3.3 Community Living Assistance
- A.3.7 Texas Home Living Waiver
- A.4.1 Non-Medicaid Services
- A.4.2 MR Community Services
- A.4.3 Promoting Independence Plan
- A.4.4 In-home and Family Support
- A.4.5 Mental Retardation In-home Services
- B.1.1 Facility/Community-based Regulation
- C.1.1 Central Administration
- C.1.2 IT Program Support
- C.1.3 Other Support Services

Prior to the transfer of funds, the agency must obtain certification from the Health and Human Services Commission of the amount of savings related to the downsizing of state schools.

- 42. Contingency for Eliminating Consolidated Waiver Program.**¹³ Contingent on passage of Senate Bill 705, or similar legislation eliminating the Consolidated Waiver Program, by the Eighty-first Legislature, Regular Session, funding in Goal A, Long-Term Services and Supports is reduced by \$706,192 in All Funds, and \$353,096 in General Revenue Funds, and in addition, the Full-Time Equivalent (FTE) cap for the Department of Aging and Disability Services is hereby reduced by 7 for each year of the 2010-11 biennium. The Department of Aging and Disability Services is directed to transfer funding from Strategy A.3.6, Consolidated Waiver Program, to other strategies in Goal A, Long-Term Services and Supports, and to the Health and Human Services Commission, Goal B, Medicaid, to serve clients who otherwise would have received services through the Consolidated Waiver Program in the appropriate Medicaid 1915(c) long-term care waiver program with no break in service. Funds from Strategy A.3.6, Consolidated Waiver Program, should be allocated based on the client and cost mix in the Consolidated Waiver Program as follows:

- a. 32.62 percent to Strategy A.3.3, Community Living Assistance;
- b. 27.56 percent to Strategy A.3.2, Home and Community-Based Services;
- c. 21.69 percent to the Health and Human Services Commission, Goal B, Medicaid, to serve clients receiving Medicaid 1915(c) long-term care waiver program services through the STAR+PLUS program;
- d. 17.00 percent to Strategy A.3.5, Medically Dependent Children Program; and
- e. 1.12 percent to Strategy A.3.4, Deaf-Blind Multiple Disabilities.

The Department of Aging and Disability Services is allowed to update the percentages used to allocate funds from the Consolidated Waiver Program based on the client and cost mix at the time of transfer and must receive approval for the reallocation pursuant to the Department of Aging and Disability Services Rider 9.

- 43. Behavioral Support Specialists in Educational Settings.** Out of funds appropriated above in Strategy A.8.1. MR State Schools Services, Mexia State School shall provide behavioral support specialists to assist the alleged offender residents with any specialized educational needs.
- 44. Program of All-inclusive Care for the Elderly (PACE) Slots.** Out of funds appropriated above for the Department of Aging and Disability Services (DADS) in Strategy A.5.1, All-inclusive Care for the Elderly (PACE), \$1,600,000 in General Revenue and \$2,282,553 in Federal Funds in fiscal year 2010 and \$1,600,000 in General Revenue and \$2,239,693 in Federal Funds in fiscal year 2011 shall be used for up to 150 additional slots at the El Paso, Amarillo, and Lubbock sites. The Commissioner of DADS is authorized to allocate the 150 slots to the appropriate locations.
- 45. Excellence in Nursing Homes.** Out of the funds appropriated above, an amount not to exceed \$2,500,000 in General Revenue Funds shall be set aside for the biennium to implement a system for data collection, analysis, and reporting of facility performance levels for all nursing homes in Texas during the second year of the biennium. The system shall begin operation no later than September 1, 2010. The system and the data collected, analyzed and reported for each facility shall be used as the basis for awarding incentive payments to nursing homes in Texas that meet or

¹³ Incorporates the passage of SB 705, 81st Legislature, Regular Session, relating to long-term care consumer information and Medicaid waiver programs. \$337,744 in All Funds with \$168,872 in General Revenue Funds in FY 2010 and \$368,448 in All Funds with \$184,224 in General Revenue Funds in FY 2011 are reduced above.

DEPARTMENT OF AGING AND DISABILITY SERVICES
(Continued)

exceed targets for superior performance. Domains of performance shall include but not be limited to quality of care, resident and family satisfaction. Participation is required in the first year of operation of the program for nursing homes to be eligible to receive future incentive payments once funds are appropriated for that purpose.

- 46. Program of All-inclusive Care for the Elderly (PACE): Limitations.** Out of funds appropriated above for the Department of Aging and Disability Services in Strategy A.5.1, All-inclusive Care for the Elderly (PACE), all funding provided for PACE slots shall be used only for slots in currently operating sites or designated sites coming on line. Notwithstanding any other provision in this Act, funding appropriated to Strategy A.5.1 may not be transferred to another strategy or used for another purpose.
- 47. Appropriation Authority for General Obligation Bond Proceeds.¹⁴** Appropriated above in Strategy A.9.1, Capital Repairs and Renovations, in fiscal year 2010 is \$26,987,000 in general obligation bond proceeds for projects for the Department of Aging and Disability Services as described in Article IX, Section 17.11, Informational Listing General Obligation Bond Proceeds.

All projects funded herein with general obligation bond proceeds are subject to approval by the Legislative Budget Board prior to issuance of the bond proceeds by the Texas Public Finance Authority. Any unexpended and unobligated balances in general obligation bond proceeds described herein and remaining as of August 31, 2010 are hereby appropriated for the fiscal year beginning September 1, 2010 for the same purpose.

- 48. Waiting List Reduction.** Notwithstanding any other provision in this Act, the Department of Aging and Disability Services is directed to consider factors such as length of time on the interest/waiting list, size of waiting list, demographics, average cost, and crisis stabilization in providing services to waiting list clients on a program-specific basis.
- 49. Appropriation: Medicaid Estate Recovery.** Funds deposited to the credit of Medicaid Estate Recovery (General Revenue - Dedicated Account No. 5109) above the Biennial Revenue Estimate are hereby appropriated to the Department of Aging and Disability Services for community-based care to individuals who are on a waiting or interest list.

This appropriation is contingent upon the department submitting a plan which details the number of clients to be served, estimated expenditures by method of financing by year, as well as any other information requested by the Legislative Budget Board. The plan shall be submitted to the Legislative Budget Board, the Governor, and the Comptroller of Public Accounts 30 days prior to any expenditure of the funds.

¹⁴ Modified to correct reference error.

DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing:¹		
<u>General Revenue Fund</u>		
General Revenue Fund ²	\$ 23,148,698	\$ 22,453,712
GR Match for Medicaid	2,410,787	2,603,072

¹ Appropriations identified above do not include American Recovery and Reinvestment Act (ARRA) funds; please see Article XII of this Act for those appropriations. For this agency, Article XII includes a Federal Funds increase of \$87,600,000 in FY 2010 resulting in a net All Funds appropriation of \$710,764,536 in FY 2010.

² Incorporates the passage of HB 4586, 81st Legislature, Regular Session, which includes \$6,600,000 in General Revenue Funds for the autism program (§ 67) for the two-year period beginning on the effective date of the bill. It is assumed that all of the expenditures would occur in the 2010-11 biennium, and the funding has been split evenly between FY 2010 and FY 2011. Appropriations related to HB 4586 are subject to the appropriation life stated therein and are not extended by inclusion in SB 1, 81st Legislature, 2009. In addition, unless expressly provided by HB 4586, such appropriations are not subject to General Provisions contained in Article IX of SB 1, 81st Legislature, 2009.

DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES

(Continued)

GR for Vocational Rehabilitation	56,082,694	56,082,693
GR Certified as Match for Medicaid	29,340,904	31,739,958
General Revenue for ECI	865,687	865,687
Subtotal, General Revenue Fund	<u>\$ 111,848,770</u>	<u>\$ 113,745,122</u>
General Revenue Fund - Dedicated		
Comprehensive Rehabilitation Account No. 107	11,942,335	11,942,335
Business Enterprise Program Account No. 492	1,850,090	1,850,090
Business Enterprise Program Trust Fund Acct. No. 5043	808,436	808,436
I Love Texas License Plate Acct. No. 5086	13,902	14,098
Subtotal, General Revenue Fund - Dedicated	<u>\$ 14,614,763</u>	<u>\$ 14,614,959</u>
Federal Funds	478,239,156	485,216,047
Other Funds		
Appropriated Receipts	300,058	300,058
Interagency Contracts	414,224	414,224
Blind Endowment Fund No. 493	5,669	11,077
Interagency Contracts - Transfer from Foundation School Fund No. 193	16,498,102	16,498,102
Universal Services Fund Reimbursements	976,422	976,422
Subrogation Receipts	246,000	246,000
Appropriated Receipts for VR	21,372	21,372
Subtotal, Other Funds	<u>\$ 18,461,847</u>	<u>\$ 18,467,255</u>
Total, Method of Financing	<u><u>\$ 623,164,536</u></u>	<u><u>\$ 632,043,383</u></u>
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	\$ 41,541	\$ 42,025
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	3,247.7	3,279.4
Schedule of Exempt Positions:		
Commissioner, Group 7	\$145,860	\$145,860
Items of Appropriation:		
A. Goal: CHILDREN WITH DISABILITIES		
Ensure Children and Their Families Reach Their Developmental Goals.		
A.1.1. Strategy: ECI SERVICES Early Childhood Intervention Services.	\$ 160,280,072	\$ 166,069,128
A.1.2. Strategy: ECI RESPITE SERVICES Respite Services.	\$ 400,000	\$ 400,000
A.1.3. Strategy: ENSURE QUALITY ECI SERVICES Ensure Quality ECI Services by Training, Evaluation and Assistance.	\$ 1,937,252	\$ 1,937,252
A.2.1. Strategy: HABILITATIVE SERVICES FOR CHILDREN Habilitative Services for Blind and Visually Impaired Children.	\$ 4,612,936	\$ 4,593,298
A.3.1. Strategy: AUTISM PROGRAM³	<u>\$ 3,300,000</u>	<u>\$ 3,300,000</u>
Total, Goal A: CHILDREN WITH DISABILITIES	<u>\$ 170,530,260</u>	<u>\$ 176,299,678</u>
B. Goal: PERSONS WITH DISABILITIES		
Rehabilitation Services for Persons with Disabilities.		
B.1.1. Strategy: INDEPENDENT LIVING SERVICES - BLIND	\$ 3,060,225	\$ 3,060,225

³ Incorporates the passage of HB 4586, 81st Legislature, Regular Session, which includes \$6,600,000 in General Revenue Funds for the autism program (§ 67) for the two-year period beginning on the effective date of the bill. It is assumed that all of the expenditures would occur in the 2010-11 biennium, and the funding has been split evenly between FY 2010 and FY 2011. Appropriations related to HB 4586 are subject to the appropriation life stated therein and are not extended by inclusion in SB 1, 81st Legislature, 2009. In addition, unless expressly provided by HB 4586, such appropriations are not subject to General Provisions contained in Article IX of SB 1, 81st Legislature, 2009.

DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES

(Continued)

B.1.2. Strategy: BLINDNESS EDUCATION Blindness Education, Screening and Treatment Program.	\$ 554,997	\$ 565,003
B.1.3. Strategy: VOCATIONAL REHABILITATION - BLIND Voc Rehab Services for Persons Who are Blind or Visually Impaired.	\$ 46,639,519	\$ 46,639,519
B.1.4. Strategy: BUSINESS ENTERPRISES OF TEXAS Provide Employment in Food Service Industry for Persons Who are Blind.	\$ 2,482,449	\$ 2,482,449
B.1.5. Strategy: BUSN ENTERPRISES OF TEX TRUST FUND Admin Trust Funds for Retirement & Benefits. Est & Nontransferrable.	\$ 808,436	\$ 808,436
B.2.1. Strategy: CONTRACT SERVICES - DEAF Contract For Services for Persons Who Are Deaf or Hard of Hearing.	\$ 2,205,792	\$ 2,205,792
B.2.2. Strategy: EDUC, TRAINING, CERTIFICATION-DEAF Ensure the Quality of Programs through Educ., Training, & Regulation.	\$ 672,647	\$ 672,646
B.2.3. Strategy: TELEPHONE ACCESS ASSISTANCE Ensure Telephone Access for Deaf and Persons with Other Disabilities.	\$ 976,422	\$ 976,422
B.3.1. Strategy: VOCATIONAL REHABILITATION - GENERAL Rehabilitate & Place People w/Disabilities in Competitive Employment.	\$ 215,658,934	\$ 215,658,935
B.3.2. Strategy: INDEPENDENT LIVING CENTERS Work w/Independent Living Centers & State Independent Living Council.	\$ 2,689,283	\$ 2,689,283
B.3.3. Strategy: INDEPENDENT LIVING SERVICE - GEN Provide Consumer-driven Independent Living Services.	\$ 5,942,041	\$ 5,942,041
B.3.4. Strategy: COMPREHENSIVE REHABILITATION Provide Services to People with Spinal Cord/Traumatic Brain Injuries.	<u>\$ 18,445,960</u>	<u>\$ 18,445,960</u>
Total, Goal B: PERSONS WITH DISABILITIES	<u>\$ 300,136,705</u>	<u>\$ 300,146,711</u>
C. Goal: DISABILITY DETERMINATION Provide Disability Determination Services within SSA Guidelines.		
C.1.1. Strategy: DISABILITY DETERMINATION SVCS (DDS) Determine Federal SSI and SSDI Eligibility.	\$ 124,916,286	\$ 128,693,870
D. Goal: PROGRAM SUPPORT		
D.1.1. Strategy: CENTRAL PROGRAM SUPPORT	\$ 14,029,671	\$ 14,017,212
D.1.2. Strategy: REGIONAL PROGRAM SUPPORT	\$ 836,397	\$ 836,397
D.1.3. Strategy: OTHER PROGRAM SUPPORT	\$ 5,933,669	\$ 5,933,669
D.1.4. Strategy: IT PROGRAM SUPPORT Information Technology Program Support.	<u>\$ 6,781,548</u>	<u>\$ 6,115,846</u>
Total, Goal D: PROGRAM SUPPORT	<u>\$ 27,581,285</u>	<u>\$ 26,903,124</u>
Grand Total, DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES	<u>\$ 623,164,536</u>	<u>\$ 632,043,383</u>
Object-of-Expense Informational Listing:		
Salaries and Wages	\$ 150,599,455	\$ 152,156,103
Other Personnel Costs	5,877,796	5,877,802
Professional Fees and Services	16,548,798	15,874,094
Fuels and Lubricants	138,403	138,405
Consumable Supplies	1,556,922	1,556,920
Utilities	2,063,301	2,063,300
Travel	4,501,431	4,501,435
Rent - Building	2,683,265	2,683,260
Rent - Machine and Other	2,636,441	2,636,440
Other Operating Expense	41,182,868	41,161,775
Client Services	243,322,838	245,551,777

DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES

(Continued)

Grants	151,204,806	156,993,860
Capital Expenditures	<u>848,212</u>	<u>848,212</u>
Total, Object-of-Expense Informational Listing	<u>\$ 623,164,536</u>	<u>\$ 632,043,383</u>

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits

Retirement	\$ 9,514,707	\$ 9,764,258
Group Insurance	25,519,203	27,900,075
Social Security	11,969,274	12,267,985
Benefits Replacement	<u>1,104,637</u>	<u>1,049,405</u>
Subtotal, Employee Benefits	<u>\$ 48,107,821</u>	<u>\$ 50,981,723</u>

Debt Service

Lease Payments	<u>\$ 1,531,055</u>	<u>\$ 1,466,619</u>
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Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act

<u>\$ 49,638,876</u>	<u>\$ 52,448,342</u>
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- 1. Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Assistive and Rehabilitative Services. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Department of Assistive and Rehabilitative Services. In order to achieve the objectives and service standards established by this Act, the Department of Assistive and Rehabilitative Services shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2010</u>	<u>2011</u>
A. Goal: CHILDREN WITH DISABILITIES		
Outcome (Results/Impact):		
Percent of Population under Age Three Served	3.74%	3.93%
A.1.1. Strategy: ECI SERVICES		
Output (Volume):		
Average Monthly Number of Children Served in Comprehensive Services	30,766	31,880
Efficiencies:		
Average Monthly Cost Per Child: Comprehensive Services/State and Federal Expenditures	504	504
Explanatory:		
Average Monthly Number of Hours of Service Delivered Per Child Per Month	1.69	1.69
A.1.2. Strategy: ECI RESPITE SERVICES		
Output (Volume):		
Average Monthly Number of Children Receiving Respite Services	400	400
A.2.1. Strategy: HABILITATIVE SERVICES FOR CHILDREN		
Output (Volume):		
Average Monthly Number of Children Receiving Habilitative Services	2,796	2,796
Efficiencies:		
Average Monthly Cost Per Child Served	137	137
Explanatory:		
Number of Children Receiving Habilitative Services (End-of-Year)	3,366	3,452
A.3.1. Strategy: AUTISM PROGRAM⁴		
Output (Volume):		
Average Monthly Number of Children Receiving Autism Services	127	127
Efficiencies:		
Average Monthly Cost Per Child Receiving Autism Services	2,185	2,185

⁴ Incorporates the passage of HB 4586, 81st Legislature, Regular Session, which includes \$6,600,000 in General Revenue Funds for the autism program (§ 67) for the two-year period beginning on the effective date of the bill. It is assumed that all of the expenditures would occur in the 2010-11 biennium, and the funding has been split evenly between FY 2010 and FY 2011. Appropriations related to HB 4586 are subject to the appropriation life stated therein and are not extended by inclusion in SB 1, 81st Legislature, 2009. In addition, unless expressly provided by HB 4586, such appropriations are not subject to General Provisions contained in Article IX of SB 1, 81st Legislature, 2009.

DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES
(Continued)

Explanatory:		
Number of Children Receiving Autism Services (End-of-Year)	224	224
B. Goal: PERSONS WITH DISABILITIES		
Outcome (Results/Impact):		
Percent of VR-Blind Consumers Who Achieve Employment Outcomes	72%	72%
Percent of VR-General Consumers Who Achieve Employment Outcomes	55.8%	55.8%
B.1.1. Strategy: INDEPENDENT LIVING SERVICES - BLIND		
Output (Volume):		
Number of Consumers Served	4,259	4,891
Efficiencies:		
Average Cost Per Consumer Served	1,051	891
B.1.2. Strategy: BLINDNESS EDUCATION		
Output (Volume):		
Number of Individuals Receiving Screening and Treatment Services in the BEST Program	9,544	9,717
Efficiencies:		
Average Cost Per Individual Receiving Screening and Treatment Services in the BEST Program	58	58
B.1.3. Strategy: VOCATIONAL REHABILITATION - BLIND		
Output (Volume):		
Number of Consumers Served	9,748	9,940
Efficiencies:		
Average Cost Per Consumer Served	5,000	5,144
B.1.4. Strategy: BUSINESS ENTERPRISES OF TEXAS		
Output (Volume):		
Number of Indiv. Employed by BET Businesses (Managers and Employees)	1,273	1,281
Number of Blind & Disabled Individuals Employed by BET Facility Managers	86	90
B.2.2. Strategy: EDUC, TRAINING, CERTIFICATION-DEAF		
Output (Volume):		
Number of Consumers Educated and Interpreters Trained	1,120	1,120
Efficiencies:		
Average Time for Ethics Complaint Resolution (Certified Interpreter): Days	90	90
B.2.3. Strategy: TELEPHONE ACCESS ASSISTANCE		
Output (Volume):		
Number of Equipment/Service Vouchers Issued	22,600	22,600
B.3.1. Strategy: VOCATIONAL REHABILITATION - GENERAL		
Output (Volume):		
Number of Consumers Served	88,024	88,024
Number of Consumers Who Achieved Employment Outcomes	12,323	12,323
Efficiencies:		
Cost Per Consumer Served	2,450	2,450
B.3.2. Strategy: INDEPENDENT LIVING CENTERS		
Output (Volume):		
Number of People Receiving Services from Independent Living Centers	9,153	10,170
B.3.3. Strategy: INDEPENDENT LIVING SERVICE - GEN		
Output (Volume):		
Average Monthly Number of People Receiving DRS Supported Independent Living Services	227	227
Efficiencies:		
Average Monthly Cost Per Person Receiving DRS Supported Independent Living Services	2,181	2,181
Explanatory:		
Number of People Receiving DRS Supported Independent Living Services (End-of-Year)	1,751	1,751
B.3.4. Strategy: COMPREHENSIVE REHABILITATION		
Output (Volume):		
Average Monthly Number of People Comprehensive Rehabilitation Services	206	209
Efficiencies:		
Average Monthly Cost Per CRS Consumer	7,462	7,355
Explanatory:		
Number of People Receiving Comprehensive Services (End-of-Year)	593	594

DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES

(Continued)

C. Goal: DISABILITY DETERMINATION

Outcome (Results/Impact):

Percent of Case Decisions That Are Accurate 90.6% 90.6%

C.1.1. Strategy: DISABILITY DETERMINATION SVCS (DDS)

Output (Volume):

Number of Disability Cases Determined 298,301 307,520

Efficiencies:

Cost Per Disability Case Determination 417 417

- 2. Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended for the purposes shown and are not available for expenditures for other purposes. Amount appropriated above have been identified in this provision as appropriations either for "Lease Payments to Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	<u>2010</u>	<u>2011</u>
a. Repair or Rehabilitation of Buildings and Facilities		
(1) Building Maintenance	\$ 639,000	\$ 390,800
b. Acquisition of Information Resource Technologies		
(1) Seat Management Services	2,000,000	2,000,000
(2) Infrastructure and Development Platform Refresh	839,346	839,346
(3) Data Center Consolidation	3,438,911	2,773,209
(4) Telecommunications Enhancements	<u>\$ 17,700</u>	<u>\$ 0</u>
Total, Acquisition of Information Resource Technologies	<u>\$ 6,295,957</u>	<u>\$ 5,612,555</u>
c. Transportation Items		
(1) Vehicles	\$ 38,830	\$ 40,680
d. Acquisition of Capital Equipment and Items		
(1) Establish and Refurbish Food Service Facilities	\$ 340,000	\$ 340,000
Total, Capital Budget	<u>\$ 7,313,787</u>	<u>\$ 6,384,035</u>
Method of Financing (Capital Budget):		
General Revenue Fund	\$ 1,170,936	\$ 499,924
Federal Funds	6,123,818	5,865,078
Universal Services Fund Reimbursements	19,033	19,033
Total, Method of Financing	<u>\$ 7,313,787</u>	<u>\$ 6,384,035</u>

- 3. Reimbursement of Advisory Committee Members.** Pursuant to Government Code § 2110.004, reimbursement of expenses for advisory committee members, out of funds appropriated above, not to exceed the amounts stated below per fiscal year, is limited to the following advisory committees:

Early Childhood Intervention Advisory Council	\$16,650
Elected Committee of Managers	\$16,000
Board for Evaluation of Interpreters	\$ 4,500
Rehabilitation Council of Texas	\$58,350

To the maximum extent possible, the department shall encourage the use of videoconferencing and teleconferencing and shall schedule meetings and locations to facilitate the travel of participants so that they may return the same day and reduce the need to reimburse members for overnight stays.

- 4. Reimbursement of Advisory Council Members.** Pursuant to Human Resources Code §117.027, reimbursement of expenses for Assistive and Rehabilitative Services Council members, out of funds appropriated above, is hereby authorized such that the sum total of all reimbursements for members of the Council shall not exceed \$33,182 per fiscal year.

DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES

(Continued)

5. Notification of Federal Funds Distribution.

- a. Redirection of General Revenue Funds. The Department of Assistive and Rehabilitative Services (DARS) shall notify the Legislative Budget Board and the Governor by letter of its intent to redirect General Revenue Funds to obtain additional federal funds for the Vocational Rehabilitation program. The notification shall include the original purpose and item of appropriation for which the General Revenue Funds were appropriated, and the effect on measures and/or full-time equivalent positions for all affected strategies. The notification shall be made at least 30 days prior to requesting additional federal funding for the Vocational Rehabilitation program. Furthermore, it is the intent of the Legislature that no federal funds be drawn and expended by utilizing as matching funds any General Revenue Funds appropriated for the subsequent state fiscal year.
- b. Budgeting of Additional Federal Dollars. DARS shall notify the Legislative Budget Board and the Governor by letter at least 14 days prior to the budgeting of more than \$217,649,555 in fiscal year 2010 and \$217,500,171 in fiscal year 2011 in federal Vocational Rehabilitation funds (CFDA 84.126) included in the "Method of Financing" above. Amounts noted above include any amounts expended in fiscal year 2010 or 2011 that were carried forward from the previous year's allotments.

6. Other Reporting Requirements.

- a. **Federal Reports.** The Department of Assistive and Rehabilitative Services shall submit the following information to the Legislative Budget Board and the Governor no later than the date the respective report is submitted to the federal government:
 - (1) Notification of proposed State Plan amendments or waivers for Vocational Rehabilitation (CFDA 84.126), and Early Childhood Intervention Services [Special Education Grants for Infants and Families with Disabilities (CFDA 84.181) and Developmental Rehabilitation Services (Medicaid)] and any other federal grant requiring a state plan. State Plan amendments and waiver submissions shall also be provided to the Senate Health and Human Services, House Human Services, and House Public Health committees.
 - (2) A copy of each report or petition submitted to the federal government relating to Vocational Rehabilitation (CFDA 84.126), and Early Childhood Intervention Services [Special Education Grants for Infants and Families with Disabilities (CFDA 84.181) and Developmental Rehabilitation Services (Medicaid)].
 - (3) Any other federal reports requested by the Legislative Budget Board or the Governor.
- b. **Federal Issues.** The Department of Assistive and Rehabilitative Services shall notify the Legislative Budget Board and the Governor on a timely basis about emerging issues that could result in the loss of more than \$1 million in federal revenue assumed in the Appropriations Act.
- c. **Monthly Financial Reports.** The Department of Assistive and Rehabilitative Services shall submit the following information to the Legislative Budget Board and the Governor on a monthly basis:
 - (1) Information on appropriated, budgeted, expended, and projected funds, by strategy and method of finance.
 - (2) A report detailing revenues, expenditures, and balances for earned federal funds as of the last day of the prior month.
 - (3) Narrative explanations of significant budget adjustments, ongoing issues, and other items as appropriate.
 - (4) Any other information requested by the Legislative Budget Board or the Governor.

The monthly reports shall be prepared in a format specified by the Legislative Budget Board and the Governor.

DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES

(Continued)

7. **Maintenance of Effort (MOE) and Matching Funds Reporting Requirement.** The Department of Assistive and Rehabilitative Services (DARS) shall report quarterly to the Legislative Budget Board and the Governor on state funds used for match and maintenance of effort (MOE) for federal Vocational Rehabilitation (CFDA 84.126) funds and state funds used for MOE for federal Special Education Grants for Infants and Families with Disabilities (CFDA 84.181) funds. Each report shall detail funds for the current fiscal year and at least the two previous fiscal years. The reports shall specify:

- a. State funds within and outside the department's budget used for match and MOE.
- b. Federal Funds within and outside the department's budget matched by state funds identified in the previous section.

The reports shall be prepared in a format specified by the Legislative Budget Board.

8. **Reporting on Early Childhood Intervention.** The Department of Assistive and Rehabilitative Services shall submit the following to the Legislative Budget Board, the Governor, and the Health and Human Services Commission, as it relates to Strategies A.1.1, Early Childhood Intervention Services and A.1.3, Ensure Quality Early Childhood Intervention Services:

- a. annual report due December 1st of each fiscal year that details:
 - (1) by provider and month of service: the Number of Referrals, Number of Eligibility Determinations, Number of Children Receiving Follow Along Services, Total Number of Children Served in Comprehensive Services, and Total Number of Medicaid-Enrolled Children Served in Comprehensive Services,
 - (2) by provider and month of service: the total amount reimbursed,
 - (3) by provider and month of service: the number of hours of service delivered by service type and Medicaid v. Non-Medicaid within each service type,
 - (4) by provider and month of service: the number of children eligible for Medicaid, TANF, CHIP, and other funding for comprehensive services,
- b. an annual report due December 1st of each fiscal year that specifies for the current fiscal year as well as two fiscal years prior the contracted amount per child and the final amount paid per child per provider. The report should also include the total amount anticipated to be paid to each provider and the number of children anticipated to be served per provider.
- c. a quarterly report that details by quarter of service: the total amount collected from private insurance, and
- d. any other information requested by the Legislative Budget Board or the Governor.

The reports shall be prepared in a format specified by the Legislative Budget Board.

9. **Funding for Early Childhood Intervention (ECI) Services at the Department of Assistive and Rehabilitative Services.**

- a. The Commissioner of the Department of Assistive and Rehabilitative Services (DARS) shall certify, by February 1 of each fiscal year of the biennium, to the Executive Commissioner of Health and Human Services if funding needed to continue to serve all eligible children in Strategies A.1.1, Early Childhood Intervention Services, and A.1.3, Ensure Quality Early Childhood Intervention Services, will exceed revenue available to DARS. The Executive Commissioner of Health and Human Services shall evaluate the projected need and make a determination within 30 days as to whether a transfer of funds will be necessary. If a transfer of funds is necessary, the Health and Human Services Commission and DARS shall submit a written request to the Legislative Budget Board and Governor (copying the Comptroller of Public Accounts), providing the following:

- (1) Caseload and average cost projections showing the additional need;

DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES

(Continued)

- (2) An evaluation of other possible available funding sources that DARS has considered, including federal education funding at the Texas Education Agency, other federal funding sources, and any other possible source;
- (3) An evaluation of the availability and continuation of local funding sources to address the funding need; and
- (4) Documentation of the agency's efforts to seek additional funding based on:
 - i. Cost-sharing by clients;
 - ii. Cost control measures;
 - iii. Maximizing coverage under Medicaid and the Children's Health Insurance Program;
 - iv. Third party recovery;
 - v. Examining the developmental delay criteria; and
 - vi. Maximizing local commitments.
- (5) A discussion of any changes made or considered related to eligibility criteria;

All transfers made shall be subject to the prior written approval of the Governor and Legislative Budget Board.

- b. The Department of Assistive and Rehabilitative Services, in coordination with the Health and Human Services Commission, shall maintain procedures and monitor contractors for compliance to ensure that third-party resources and Medicaid are billed for eligible services provided in Strategies A.1.1, Early Childhood Intervention Services, and A.1.3, Ensure Quality Early Childhood Intervention Services.
 - c. It is the intent of the Legislature that the Department of Assistive and Rehabilitative Services maintain procedures for the selection of providers and renewal of provider contracts based on "best value" practices that maximize the use of federal, private, and local funding.
- 10. Respite Care for Families.** It is the intent of the Legislature that any General Revenue Funds appropriated for the biennium for the purpose of providing respite care for families shall not be included in the State's maintenance of effort (MOE) for the federal Individuals with Disabilities Education Act (IDEA), Part C grant.
- 11. Education Funding.** Included in the Method of Financing in Other Funds above is \$16,498,102 in fiscal year 2010 and \$16,498,102 in fiscal year 2011 set aside from the Special Education Allotment and transferred to the Department of Assistive and Rehabilitative Services.

The Department of Assistive and Rehabilitative Services is hereby required to enter into a Memorandum of Understanding (MOU) with the Texas Education Agency for the purpose of providing funds to ECI contractors. The MOU may include other provisions the agencies deem necessary. DARS shall provide a signed copy of the Memorandum of Understanding to the Legislative Budget Board and the Governor, no later than October 1, 2009 and October 1, 2010.

- 12. Limitation: Transfer Authority for Early Childhood Intervention (ECI) Strategies.** Notwithstanding the transfer provisions in the general provisions (general transfer provisions) and other transfer provisions of this Act, funds appropriated by this Act to the Department of Assistive and Rehabilitative Services (DARS) for the following ECI strategies shall be governed by the specific limitations included in this provision.
- A.1.1, ECI Services;
 - A.1.2, ECI Respite Services;
 - A.1.3, ECI Ensure Quality ECI Services;
- a. **Limitations on Transfers.** Transfers may be made between appropriation items listed above. Transfers may not be made from appropriation items listed above to appropriation items not listed in this provision without prior written approval from the Legislative Budget Board and the Governor. DARS shall provide notification of all transfers pursuant to subsection (b) of this provision.

DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES

(Continued)

- b. **Notification Regarding Transfers that Do not Require Approval.** Authority granted by this provision to transfer funds is contingent upon a written notification from DARS to the Legislative Budget Board and the Governor at least 30 days prior to the transfer, which includes the following information:
- (1) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
 - (2) the name of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;
 - (3) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and
 - (4) the capital budget impact.
- c. **Requests for Transfers that Require Approval.** To request a transfer, DARS shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information:
- (1) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
 - (2) the name of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;
 - (3) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and
 - (4) the capital budget impact.

The Comptroller of Public Accounts shall not allow the transfer of funds in any of the above subsections if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

- 13. Appropriation: Unexpended Balances in Interagency Contracts for Administrative Fees.** Unexpended and unobligated balances remaining as of August 31, 2009, in the appropriation of Interagency Contracts for Administrative Fees made to the Department of Assistive and Rehabilitative Services (DARS) by House Bill 1, Eightieth Legislature, for the purpose of specialized projects for individuals who are hard of hearing, are hereby appropriated to DARS and included in amounts above in Strategy B.2.2, Education, Training, & Certification - Deaf, for the biennium beginning September 1, 2009, and any unexpended balances remaining as of August 31, 2010 are appropriated for the same purpose for the fiscal year beginning September 1, 2010 (estimated to be \$0).
- 14. Appropriation: Unexpended Balances in Summer Camp Program.** Any unexpended and unobligated balances remaining as of August 31, 2009, in the appropriation made to the Department of Assistive and Rehabilitative Services (DARS) by House Bill 1, Eightieth Legislature, Regular Session, Article IX, General Provisions, Acceptance of Gifts of Money, are hereby appropriated to DARS, and included in amounts above in Strategy B.2.2, Education, Training, & Certification - Deaf, for the biennium beginning September 1, 2009, for the purpose of expenses related to the Summer Camp Program (estimated to be \$0). Unexpended and unobligated balances remaining as of August 31, 2010, in the Summer Camp program are hereby appropriated to DARS for fiscal year 2011, and included in amounts above in Strategy B.2.2, Education, Training, & Certification - Deaf, for use in the Summer Camp Program (estimated to be \$0).
- 15. Unexpended Balances for the Board of Evaluation of Interpreters (BEI) Program.** Unexpended and unobligated balances remaining as of August 31, 2009, in certification fees for Strategy B.2.2, Education, Training, & Certification - Deaf, made to the Department of Assistive and Rehabilitative Services (DARS), are hereby appropriated to DARS, for the fiscal year beginning September 1, 2009, for the purpose of developing evaluation materials, validating interpreter evaluation materials, and expenses related to the Department's Certification Program (estimated to be \$0).

DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES

(Continued)

- 16. Appropriations Limited to Revenue Collections.** It is the intent of the Legislature that fees, fines, and other miscellaneous revenues as authorized and generated by the Department of Assistive and Rehabilitative Services cover, at a minimum, \$130,000 in General Revenue in each year of the biennium to support Strategy B.2.2, Education, Training, & Certification - Deaf, as well as the "other direct and indirect costs" associated with these programs, appropriated elsewhere in this Act. "Other direct and indirect costs" for the certification of interpreters are estimated to be \$41,541 in fiscal year 2010 and \$42,025 in fiscal year 2011. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available. Any unexpended balances and additional other revenue collections in excess of the Biennial Revenue Estimate as of August 31, 2010 are hereby appropriated for the fiscal year beginning September 1, 2010.
- 17. Appropriation: GR-Dedicated I Love Texas License Plate Account No. 5086.** Included in funds appropriated above in Strategy B.2.2, Education, Training, & Certification - Deaf, is an estimated appropriation of \$24,000 for the biennium in revenue generated from the sale of specialized "I Love Texas" license plates and collected in GR-Dedicated I Love Texas License Plate Account No. 5086 during the 2010-11 biennium. Any balances on hand (estimated to be \$4,000) as well as any additional revenues generated in 2010-11 by the sale of specialized "I Love Texas" license plates above \$24,000 are hereby appropriated to the agency for the 2010-11 biennium. It is the intent of the Legislature that these funds be expended for direct services programs, training, and education for the deaf and hard of hearing.
- 18. Cash Flow Contingency for the Specialized Telecommunications Assistance Program.** Contingent upon the receipt of Universal Services Funds reimbursements, the Department of Assistive and Rehabilitative Services may temporarily utilize additional General Revenue Funds in an amount not to exceed the anticipated Universal Services Funds reimbursement. The General Revenue Funds accessed under this provision must be repaid within the biennium they are used upon receipt of Universal Services Funds and shall be utilized only for the purpose of temporary cash flow needs. These transfers and repayments shall be credited to the fiscal year being reimbursed and shall be made in accordance with accounting procedures established by the Comptroller of Public Accounts.
- 19. Employee Work Assignments.** Funds appropriated above for payment of salaries for employees assigned to the Criss Cole Rehabilitation Center or to special project facilities operated by the agency, insofar as possible, shall be used to support a policy consistent with the work days and work hours of such employees to be determined according to a system comparable to that used by other state-operated special schools, hospitals, institutions or other facilities providing residential services to eligible individuals.
- 20. Reimbursement of Services.** In order to reimburse equitably the appropriation items hereinabove made from which expenditures are made for services to employees and guests of the Criss Cole Rehabilitation Center or other residential facilities operated by the Department of Assistive and Rehabilitative Services (DARS), DARS shall establish such reimbursement rates and rules as might be necessary to assure reimbursement at rates not less than the rates of reimbursement required by institutions, agencies or offices under the jurisdiction of the Department of State Health Services, the Department of Aging and Disability Services and the Texas Youth Commission.
- 21. Appropriation of Federal Medicaid Receipts.** The Department of Assistive and Rehabilitative Services (DARS) shall certify and/or transfer appropriated state funds to the Texas Medicaid Single State Agency so that federal financial participation can be claimed for Medicaid services. Such federal receipts are hereby appropriated to DARS to provide rehabilitative services to blind and visually impaired children in Strategy A.2.1, Habilitative Services for Children.
- 22. Appropriation of Donations: Blindness Education Screening and Treatment.** Included in the amounts above in Strategy B.1.2 is \$554,997 in fiscal year 2010 and \$565,003 in fiscal year 2011 for the Blindness Education, Screening, and Treatment (BEST) Program, contingent upon the generation of funds through donations. Revenues received from donations made in fiscal year 2010 and fiscal year 2011, in amounts not to exceed \$1,120,000 as provided by § 521.421 (f) or § 521.422 (b), Transportation Code, are appropriated to the Department of Assistive and Rehabilitative Services (DARS) for purposes related to the BEST Program. Any revenue collected in the BEST Program above the amount appropriated each fiscal year is hereby appropriated to DARS for the same purpose. Any unexpended balances remaining as of August 31, 2010 are

DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES

(Continued)

hereby appropriated to DARS for the same purpose for the fiscal year beginning September 1, 2010. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

- 23. Appropriation: GR-Dedicated Business Enterprise Program Trust Fund Account No. 5043.** Amounts above in Strategy B.1.5, Business Enterprises of Texas Trust Fund, are appropriated to the Department of Assistive and Rehabilitative Services (DARS) for the purpose of establishing and maintaining a retirement and benefits plan for blind or visually impaired vendors as defined in the federal Randolph-Sheppard Act (20 USC, § 107). Any amounts in addition to the amount identified in Strategy B.1.5, Business Enterprises of Texas Trust Fund, necessary to make retirement and benefits payments in conformity with the Randolph-Sheppard Act (20 USC, § 107) and Human Resource Code, § 94.016, are hereby appropriated to DARS. None of the funds appropriated in Strategy B.1.5, Business Enterprises of Texas Trust Fund, or through this rider may be transferred to any other strategy. DARS shall report quarterly on deposits into and expenditures out of the GR-Dedicated Business Enterprise Program Trust Fund, Account No. 5043, including identification of the purpose for the expenditure, to the Legislative Budget Board, the Governor, and the Comptroller of Public Accounts.

In addition, DARS shall submit a written report annually to the Legislative Budget Board and Governor on the management of the BET Trust Fund. DARS shall report deposits to the fund, the recommendations of the fund manager regarding investments, performance of investments, and an actuarial analysis of projected disbursements.

- 24. GR-Dedicated Business Enterprise Program Account No. 492.** Included in the amounts appropriated above in Strategy B.1.4, Business Enterprises of Texas, is \$1,850,090 in fiscal year 2010 and \$1,850,090 in fiscal year 2011 from the Business Enterprise Program Account No. 492 from revenue deposited into the account in object codes 3747 and 3802.
- 25. Appropriation: Subrogation Receipts.** Included in amounts appropriated above in Strategy B.3.1, Vocational Rehabilitation - General, and Strategy B.3.4, Comprehensive Rehabilitation, are subrogation collections received during the 2010-11 biennium. Appropriations included in Strategy B.3.1 above, \$69,400 in each fiscal year of the biennium, are from subrogation receipt collections from Vocational Rehabilitation cases. Appropriations included in Strategy B.3.4 above, \$176,600 in each fiscal year of the biennium, are from subrogation receipt collections from Comprehensive Rehabilitation cases. Subrogation receipts collected above the amounts appropriated in each strategy in each year are hereby appropriated to the agency for client services in the program from which the subrogation collections were generated (estimated to be \$0).
- 26. GR-Dedicated Comprehensive Rehabilitation Account No. 107.** Included in the amounts appropriated above in Strategy B.3.4, Comprehensive Rehabilitation, is \$11,942,335 in fiscal year 2010 and \$11,942,335 in fiscal year 2011 from the GR-Dedicated Comprehensive Rehabilitation Account No. 107. These amounts include unexpended and unobligated balances in an amount not to exceed \$1,500,000 of Comprehensive Rehabilitation funds remaining as of August 31, 2009. Any unexpended appropriations for fiscal year 2010 in an amount not to exceed \$1,500,000 of Comprehensive Rehabilitation Funds are hereby appropriated for fiscal year 2011. Appropriations made elsewhere in this Act for employee benefits includes approximately \$35,000 per fiscal year from the GR-Dedicated Comprehensive Rehabilitation Account No. 107. Revenues deposited into GR-Dedicated Account No. 107 are statutorily dedicated for comprehensive rehabilitation services and may not be used for any other purpose. It is the intent of the Legislature that funds from the Comprehensive Rehabilitation Account be used only for direct services in Strategy B.3.4, Comprehensive Rehabilitation (Provide Services to People with Spinal Cord/Traumatic Brain Injuries). The Department of Assistive and Rehabilitative Services is hereby appropriated any additional revenue generated during the 2010-11 biennium and deposited in the General Revenue Fund under General Revenue Dedicated Account No. 107 above the Comptroller of Public Accounts' Biennial Revenue Estimate, for the purpose of providing comprehensive rehabilitation services (estimated to be \$0), subject to written certification by the Comptroller's office that collections for the fiscal year have or will exceed the Biennial Revenue Estimate.
- 27. Enhanced State Funding for Assistive Technologies and Devices.** Included in the amounts appropriated above in Strategy B.3.3, Independent Living Services - General, is \$800,000 in General Revenue Funds in fiscal year 2010 and \$800,000 in General Revenue Funds in fiscal year 2011, and \$200,000 in General Revenue Funds in fiscal year 2010 and \$200,000 in General Revenue Funds in fiscal year 2011 in Strategy B.1.1, Independent Living Services - Blind, for the

DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES

(Continued)

purpose of providing assistive technologies, devices, and related training to Texans with the most significant disabilities. It is the intent of the legislature that these funds be expended to the greatest degree possible on disabled Texans who, without these technologies and devices, would be placed in nursing homes or otherwise removed from their communities.

28. Caseload and Expenditure Reporting Requirements. Pursuant to Article II, Special Provisions, caseload and expenditure reporting, the Department of Assistive and Rehabilitative Services shall submit monthly data for the elements listed below to the Legislative Budget Board and the Governor, at the end of each month. The report shall include data points for at least the preceding 36 months, in a format specified by the Legislative Budget Board.

- 1) Number of Referrals to ECI
- 2) Number of Children that Received a Developmental Screening
- 3) Number of CPS-involved Children that Received a Full Eligibility Determination
- 4) Number of Non-CPS Involved Children that Received a Full Eligibility Determination
- 5) Unduplicated Count of the Number of Children that Received an Eligibility Determination
- 6) Number of Children Enrolled in Follow Along
- 7) Number of Children with Medicaid Served in Comprehensive Services
- 8) Number of Non-Medicaid Children Served in Comprehensive Services
- 9) Number of Children Enrolled in Comprehensive Services
- 10) Total Expended for that Service Month, excluding ECI expenditures for Respite and Indirect Administration
- 11) Number of Hours of Service Delivered

29. Performance Reporting for the Business Enterprises of Texas Program. The Department of Assistive and Rehabilitative Services shall report by October 1st of each year of the biennium, the following information to the Legislative Budget Board and the Governor:

- a. The results of the survey distributed to state host agencies on satisfaction of operational conditions such as pricing requirements, hours of operations, menu items, and product lines; and
- b. The total cost incurred by each state host agency for the operation of Business Enterprises of Texas cafeterias, snack bars, and convenience stores. Reported costs should include the value of the space used, maintenance costs, utility costs, janitorial costs and the method of finance for each cost. An outline of the methodology that was used to determine the final estimate should also be included in the report.

The report shall be prepared in a format specified by the Legislative Budget Board and the Governor.

30. Disability Determination Services Federally Funded Full-Time Equivalent Employees. One hundred percent federally funded FTEs appropriated by this Act to Strategy 3.1.1, Disability Determination Services (DDS), which are indicated below, and any additional FTEs added to strategy 3.1.1, DDS, pursuant to Article IX, § 6.10(g) may not be transferred to any other strategy for any other purpose other than the specific purpose for which the FTEs are appropriated without the prior written approval of the Legislative Budget Board and the Governor. A transfer request shall be considered to be disapproved unless the Legislative Budget Board and the Governor issue written approvals within 45 calendar days of receipt of the request.

	<u>FY 2010</u>	<u>FY 2011</u>
Strategy 3.1.1, DDS	1,056.8	1,088.5

31. Out of State Travel Cap Exemption. Travel expenses incurred by the Department of Assistive and Rehabilitative Services staff associated with 100% federally funded programs and paid with 100% Federal Funds are exempt from the requirements of Article IX, Section 5.08, Limitations on Travel Expenditures, and the limitations on such expenditures as set forth therein.

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing: ¹		
<u>General Revenue Fund</u>		
General Revenue Fund ²	\$ 366,547,141	\$ 413,715,754
GR Match for Medicaid ²	13,424,935	13,466,718
GR MOE for Temporary Assistance for Needy Families	8,124,749	8,124,749
GR Match for Title IVE (FMAP) ²	129,342,810	139,664,078
Subtotal, General Revenue Fund	<u>\$ 517,439,635</u>	<u>\$ 574,971,299</u>
GR Dedicated - Child Abuse and Neglect Prevention Operating Account No. 5084	7,663,848	7,663,848
Federal Funds ²	768,651,417	781,021,587
<u>Other Funds</u>		
DFPS Appropriated Receipts - Child Support Collections	1,120,384	1,120,384
Appropriated Receipts	5,613,897	5,613,897
Interagency Contracts	363,995	363,995
Subtotal, Other Funds	<u>\$ 7,098,276</u>	<u>\$ 7,098,276</u>
Total, Method of Financing	<u>\$ 1,300,853,176</u>	<u>\$ 1,370,755,010</u>
 This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE): ³	11,451.1	11,476.1
Schedule of Exempt Positions:		
Commissioner, Group 7	\$168,000	\$168,000
Items of Appropriation:		
A. Goal: STATEWIDE INTAKE SERVICES		
Provide Access to DFPS Services by Managing a 24-hour Call Center.		
A.1.1. Strategy: STATEWIDE INTAKE SERVICES	\$ 17,976,107	\$ 18,851,465
Provide System to Receive/Assign Reports of Abuse/Neglect/Exploitation.		
B. Goal: CHILD PROTECTIVE SERVICES		
Protect Children Through an Integrated Service Delivery System.		
B.1.1. Strategy: CPS DIRECT DELIVERY STAFF ²	\$ 373,549,411	\$ 423,040,556
Provide Direct Delivery Staff for Child Protective Services.		
B.1.2. Strategy: CPS PROGRAM SUPPORT ²	\$ 45,453,026	\$ 45,710,189
Provide Program Support for Child Protective Services.		
B.1.3. Strategy: TWC FOSTER DAY CARE	\$ 8,390,781	\$ 8,390,781
TWC Foster Day Care Purchased Services.		

¹ Appropriations identified above do not include American Recovery and Reinvestment Act (ARRA) funds; please see Article XII of this Act for those appropriations. For this agency, Article XII includes a Federal Funds increase of \$64,370,942 in FY 2010 resulting in a net All Funds appropriation of \$1,365,224,118 in FY 2010.

² Incorporates the passage of HB 4586, 81st Legislature, Regular Session, which includes \$5,502,108 in All Funds and \$3,151,333 in General Revenue Funds for the 2010-11 biennium for incident management and the protection of state school residents pursuant to a settlement agreement with the U.S. Department of Justice (§ 68), and \$12,353,737 in All Funds and \$4,230,705 in General Revenue Funds for the 2010-11 biennium for financial assistance programs in connection with certain children in the conservatorship of the Department of Family and Protective Services (§ 95). Appropriations related to HB 4586 are subject to the appropriation life stated therein and are not extended by inclusion in SB 1, 81st Legislature, 2009. In addition, unless expressly provided by HB 4586, such appropriations are not subject to the General Provisions contained in Article IX of SB 1, 81st Legislature, 2009.

³ Incorporates the passage of HB 4586, 81st Legislature, Regular Session, which includes 37.0 FTE positions in FY 2010 and 43.0 FTE positions in FY 2011 for incident management and the protection of state school residents pursuant to a settlement agreement with the U.S. Department of Justice (§ 68), and 17.0 FTE positions for each year of the 2010-11 biennium for financial assistance programs in connection with certain children in the conservatorship of the Department of Family and Protective Services (§ 95).

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES

(Continued)

B.1.4. Strategy: TWC RELATIVE DAY CARE TWC Relative Day Care Purchased Services.	\$	6,124,914	\$	6,124,914
B.1.5. Strategy: TWC PROTECTIVE DAY CARE TWC Protective Day Care Purchased Services.	\$	12,739,826	\$	12,739,826
B.1.6. Strategy: ADOPTION PURCHASED SERVICES	\$	4,995,506	\$	4,995,506
B.1.7. Strategy: POST-ADOPTION PURCHASED SERVICES	\$	3,969,521	\$	4,264,307
B.1.8. Strategy: PAL PURCHASED SERVICES Preparation for Adult Living Purchased Services.	\$	7,984,254	\$	7,884,254
B.1.9. Strategy: SUBSTANCE ABUSE PURCHASED SERVICES	\$	4,605,041	\$	4,605,041
B.1.10. Strategy: OTHER CPS PURCHASED SERVICES Other Purchased Child Protective Services.	\$	44,812,893	\$	44,812,893
B.1.11. Strategy: FOSTER CARE PAYMENTS ⁴ Foster Care and Relative Monetary Assistance Payments.	\$	383,695,121	\$	394,620,995
B.1.12. Strategy: ADOPTION SUBSIDY PAYMENTS ⁴	\$	<u>161,146,407</u>	\$	<u>172,876,394</u>
Total, Goal B: CHILD PROTECTIVE SERVICES	\$	<u>1,057,466,701</u>	\$	<u>1,130,065,656</u>
C. Goal: PREVENTION PROGRAMS Prevention and Early Intervention Programs.				
C.1.1. Strategy: STAR PROGRAM Services to At-Risk Youth (STAR) Program.	\$	21,000,860	\$	21,000,860
C.1.2. Strategy: CYD PROGRAM Community Youth Development (CYD) Program.	\$	7,847,599	\$	7,847,599
C.1.3. Strategy: TEXAS FAMILIES PROGRAM Texas Families: Together and Safe Program.	\$	4,121,878	\$	4,121,878
C.1.4. Strategy: CHILD ABUSE PREVENTION GRANTS Provide Child Abuse Prevention Grants to Community-based Organizations.	\$	1,813,365	\$	1,813,365
C.1.5. Strategy: OTHER AT-RISK PREVENTION PROGRAMS Provide Funding for Other At-Risk Prevention Programs.	\$	8,955,910	\$	8,955,910
C.1.6. Strategy: AT-RISK PREVENTION PROGRAM SUPPORT Provide Program Support for At-Risk Prevention Services.	\$	<u>2,143,959</u>	\$	<u>2,143,959</u>
Total, Goal C: PREVENTION PROGRAMS	\$	<u>45,883,571</u>	\$	<u>45,883,571</u>
D. Goal: ADULT PROTECTIVE SERVICES Protect Elder/Disabled Adults Through a Comprehensive System.				
D.1.1. Strategy: APS DIRECT DELIVERY STAFF Provide Direct Delivery Staff for Adult Protective Services.	\$	52,562,643	\$	52,562,644
D.1.2. Strategy: APS PROGRAM SUPPORT Provide Program Support for Adult Protective Services.	\$	5,127,868	\$	5,127,868
D.1.3. Strategy: MH AND MR INVESTIGATIONS ⁴	\$	<u>9,184,660</u>	\$	<u>9,336,200</u>
Total, Goal D: ADULT PROTECTIVE SERVICES	\$	<u>66,875,171</u>	\$	<u>67,026,712</u>
E. Goal: CHILD CARE REGULATION Regulate Child Day Care and Residential Child Care.				
E.1.1. Strategy: CHILD CARE REGULATION	\$	33,049,101	\$	33,049,101
F. Goal: INDIRECT ADMINISTRATION				
F.1.1. Strategy: CENTRAL ADMINISTRATION ⁴	\$	13,721,292	\$	13,704,048

⁴ Incorporates the passage of HB 4586, 81st Legislature, Regular Session, which includes \$5,502,108 in All Funds and \$3,151,333 in General Revenue Funds for the 2010-11 biennium for incident management and the protection of state school residents pursuant to a settlement agreement with the U.S. Department of Justice (§ 68), and \$12,353,737 in All Funds and \$4,230,705 in General Revenue Funds for the 2010-11 biennium for financial assistance programs in connection with certain children in the conservatorship of the Department of Family and Protective Services (§ 95). Appropriations related to HB 4586 are subject to the appropriation life stated therein and are not extended by inclusion in SB 1, 81st Legislature, 2009. In addition, unless expressly provided by HB 4586, such appropriations are not subject to the General Provisions contained in Article IX of SB 1, 81st Legislature, 2009.

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES

(Continued)

F.1.2. Strategy: OTHER SUPPORT SERVICES	\$ 4,648,556	\$ 4,648,556
F.1.3. Strategy: REGIONAL ADMINISTRATION	\$ 1,579,842	\$ 1,579,842
F.1.4. Strategy: IT PROGRAM SUPPORT ⁵	\$ 29,318,152	\$ 30,081,949
F.1.5. Strategy: AGENCY-WIDE AUTOMATED SYSTEMS ⁵	\$ 30,334,683	\$ 25,864,110

Agency-wide Automated Systems (Capital Projects).

Total, Goal F: INDIRECT ADMINISTRATION	<u>\$ 79,602,525</u>	<u>\$ 75,878,505</u>
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Grand Total, DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES	<u>\$ 1,300,853,176</u>	<u>\$ 1,370,755,010</u>
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Object-of-Expense Informational Listing:

Salaries and Wages	\$ 415,101,938	\$ 417,449,436
Other Personnel Costs	10,987,588	10,987,588
Professional Fees and Services	26,213,990	21,745,634
Consumable Supplies	4,492,896	4,578,931
Utilities	5,905,999	5,925,799
Travel	40,194,683	40,428,621
Rent - Building	153,659	153,659
Rent - Machine and Other	14,441,760	14,491,483
Other Operating Expense	88,574,655	137,395,803
Client Services	693,747,644	716,598,292
Food for Persons - Wards of State	183,253	183,253
Capital Expenditures	<u>855,111</u>	<u>816,511</u>

Total, Object-of-Expense Informational Listing	<u>\$ 1,300,853,176</u>	<u>\$ 1,370,755,010</u>
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Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits

Retirement	\$ 25,833,541	\$ 26,380,991
Group Insurance	67,039,593	72,538,759
Social Security	34,297,544	34,849,522
Benefits Replacement	<u>1,897,688</u>	<u>1,802,803</u>

Subtotal, Employee Benefits	<u>\$ 129,068,366</u>	<u>\$ 135,572,075</u>
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Debt Service

Lease Payments	<u>\$ 3,046,474</u>	<u>\$ 2,443,769</u>
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Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	<u>\$ 132,114,840</u>	<u>\$ 138,015,844</u>
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- 1. Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of Family and Protective Services. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Department of Family and Protective Services. In order to achieve the objectives and service standards established by this Act, the Department of Family and Protective Services shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2010</u>	<u>2011</u>
A. Goal: STATEWIDE INTAKE SERVICES		
Outcome (Results/Impact):		
Average Hold Time (in Minutes) for Statewide Intake		
Phone Calls in the English Queue	11.4	11.4

⁵ Incorporates the passage of HB 4586, 81st Legislature, Regular Session, which includes \$5,502,108 in All Funds and \$3,151,333 in General Revenue Funds for the 2010-11 biennium for incident management and the protection of state school residents pursuant to a settlement agreement with the U.S. Department of Justice (§ 68), and \$12,353,737 in All Funds and \$4,230,705 in General Revenue Funds for the 2010-11 biennium for financial assistance programs in connection with certain children in the conservatorship of the Department of Family and Protective Services (§ 95). Appropriations related to HB 4586 are subject to the appropriation life stated therein and are not extended by inclusion in SB 1, 81st Legislature, 2009. In addition, unless expressly provided by HB 4586, such appropriations are not subject to the General Provisions contained in Article IX of SB 1, 81st Legislature, 2009.

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES
(Continued)

A.1.1. Strategy: STATEWIDE INTAKE SERVICES

Output (Volume):

Number of CPS Reports of Child Abuse/Neglect	212,574	216,629
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B. Goal: CHILD PROTECTIVE SERVICES

Outcome (Results/Impact):

Percent Absence of Maltreatment within Six Months of Intake (CPS)	96%	96%
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Percent of Children in FPS Conservatorship for Whom Legal Resolution Was Achieved within 12 Months	54.8%	54.8%
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Child Protective Services Caseworker Turnover Rate	26.7	26.7
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B.1.1. Strategy: CPS DIRECT DELIVERY STAFF

Output (Volume):

Number of Completed CPS Investigations	167,933	171,137
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Number of Confirmed CPS Cases of Child Abuse/Neglect	42,390	43,198
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Number of Children in FPS Conservatorship Who Are Adopted	4,752	4,990
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Efficiencies:

CPS Daily Caseload per Worker: Investigation	21.2	22.4
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CPS Daily Caseload per Worker: Family-Based Safety Services	18.8	18.7
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CPS Daily Caseload per Worker: Substitute Care Services	30.6	31.3
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B.1.3. Strategy: TWC FOSTER DAY CARE

Output (Volume):

Average Number of Days of TWC Foster Day Care Paid per Month	35,383	35,383
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Efficiencies:

Average Daily Cost for TWC Foster Day Care Services	18.77	18.77
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B.1.4. Strategy: TWC RELATIVE DAY CARE

Output (Volume):

Average Number of Days of TWC Relative Day Care Paid per Month	31,085	32,711
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Efficiencies:

Average Daily Cost for TWC Relative Day Care Services	19.78	19.78
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B.1.11. Strategy: FOSTER CARE PAYMENTS

Output (Volume):

Average Number of FPS-paid Days of Foster Care per Month	443,667	443,770
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Average Number of Children (FTE) Served in FPS-paid Foster Care per Month	14,586	14,590
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Average Monthly Number of Children Receiving Monetary Assistance from the Relative and Other Designated Caregiver Program per Month	706	706
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Efficiencies:

Average Monthly FPS Expenditures for Foster Care	28,227,785	28,628,745
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Average Monthly FPS Payment per Foster Child (FTE)	1,935.22	1,962.26
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B.1.12. Strategy: ADOPTION SUBSIDY PAYMENTS

Output (Volume):

Average Number of Children Provided Adoption Subsidy per Month	30,413	33,066
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Efficiencies:

Average Monthly Payment per Adoption Subsidy	433.13	429.98
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C. Goal: PREVENTION PROGRAMS

Outcome (Results/Impact):

Percent of CYD Youth Not Referred to Juvenile Probation	98%	98%
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C.1.1. Strategy: STAR PROGRAM

Output (Volume):

Average Number of STAR Youth Served per Month	6,209	6,209
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Efficiencies:

Average Monthly FPS Cost per STAR Youth Served	281.84	281.84
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C.1.2. Strategy: CYD PROGRAM

Output (Volume):

Average Number of CYD Youth Served per Month	4,233	4,233
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Efficiencies:

Average Monthly FPS Cost per CYD Youth Served	154.48	154.48
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D. Goal: ADULT PROTECTIVE SERVICES

Outcome (Results/Impact):

Percent of Elderly Persons and Persons with Disabilities Found to be in a State of Abuse/Neglect/Exploitation Who Receive Protective Services	80.7	80.8
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Incidence of Abuse/Neglect/Exploitation per 1,000 Persons Receiving Services in Mental Health and Mental Retardation Settings	5.3	5.7
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DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES

(Continued)

Adult Protective Services Caseworker Turnover Rate	16.4	16
D.1.1. Strategy: APS DIRECT DELIVERY STAFF		
Output (Volume):		
Number of Completed APS Investigations	73,534	76,190
Number of Confirmed APS Investigations	51,797	53,668
Efficiencies:		
APS Daily Workload Equivalency Measure (WEM)	21.8	21.9
APS Daily Caseload per Worker (In Home)	30.9	31.1
D.1.3. Strategy: MH AND MR INVESTIGATIONS		
Output (Volume):		
Number of Completed Investigations in Mental Health and Mental Retardation Settings	10,727	11,533
Efficiencies:		
APS Daily Caseload per Worker (MH and MR Investigations)	4.6	4.7
E. Goal: CHILD CARE REGULATION		
Outcome (Results/Impact):		
Percent of Validated Investigations where Children are Placed at High Risk	45.4	52.8
E.1.1. Strategy: CHILD CARE REGULATION		
Output (Volume):		
Number of Inspections	56,801	57,133

- 2. Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2010	2011
a. Acquisition of Information Resource Technologies		
(1) Desktop Services Lease for Computer Hardware and Software	\$ 5,219,588	\$ 5,237,018
(2) IMPACT Operational Enhancement	1,533,450	1,533,450
(3) Tablet PCs for Mobile Casework	11,423,174	11,455,467
(4) Strengthen Residential Contract Oversight System	574,629	574,629
(5) Software Licenses	1,975,387	1,975,387
(6) Data Center Consolidation	3,836,453	2,796,484
(7) CLASSMate	665,789	665,789
(8) Messaging and Collaboration	524,998	524,998
(9) Telecommunications Enhancements	807,150	807,150
(10) IMPACT Youth in Transition Outcome Data	<u>\$ 2,332,481</u>	<u>\$ 243,481</u>
 Total, Acquisition of Information Resource Technologies	 <u>\$ 28,893,099</u>	 <u>\$ 25,813,853</u>
b. Other Lease Payments to the Master Lease Purchase Program (MLPP)		
(1) Lease Payments to the Master Lease Purchase Program	\$ 820,111	\$ 816,511
 Total, Capital Budget	 <u>\$ 29,713,210</u>	 <u>\$ 26,630,364</u>
 Method of Financing (Capital Budget):		
<u>General Revenue Fund</u>		
General Revenue Fund	\$ 15,169,595	\$ 13,396,729
GR Match for Medicaid	714,233	683,188
Subtotal, General Revenue Fund	<u>\$ 15,883,828</u>	<u>\$ 14,079,917</u>
 Federal Funds	 13,829,382	 12,550,447
 Total, Method of Financing	 <u>\$ 29,713,210</u>	 <u>\$ 26,630,364</u>

- 3. Limitation on Expenditures for Conservatorship Suits.** To the extent allowed by federal regulation, federal funds may be used by the department in conjunction with funds provided by counties with which the department has child welfare contracts, to pay for legal representation for children or their parents in suits in which the department is seeking to be named conservator. No

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES

(Continued)

general revenue funds appropriated to the department may be used to make such payments except in situations where the Governor declares it an emergency and with prior written approval of the Legislative Budget Board and the Governor.

To request approval, the department shall submit a written request to the Legislative Budget Board and the Governor that includes the following information:

- a. a detailed explanation of the purpose(s) of the expenditure and whether the expenditure will be one-time or ongoing;
- b. the name of the strategy or strategies affected by the expenditure and the method of financing and FTEs for each strategy by fiscal year;
- c. the impact of the expenditure on performance levels and, where relevant, a comparison to targets included in this Act for the affected strategy or strategies; and
- d. the impact of the expenditure on the capital budget.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

The request shall be considered to be disapproved unless the Legislative Budget Board and the Governor issue written approvals within 45 calendar days of receipt of the request.

- 4. Appropriation of Funds from Counties, Cities, and Other Local Sources.** All funds received by the department from counties, cities, and other local sources and all balances from such sources as of August 31, 2009, are hereby appropriated for the biennium ending August 31, 2011 (estimated to be \$0), for the purpose of carrying out the provisions of this Act.
- 5. Accounting of Support Costs.** The State Comptroller shall establish separate accounts from which certain support costs shall be paid. The Department of Family and Protective Services is hereby authorized to make transfers into separate accounts from line item strategies in order to pay for these expenses in an efficient and effective manner. Only costs not directly attributable to a single program may be budgeted in or paid from these accounts. Items to be budgeted in and paid from these accounts include but are not limited to: postage, occupancy costs, equipment repair, telephones, office printing costs, supplies, freight and transport costs, telephone system costs, and salary and travel costs of staff whose function supports several programs. The department shall be responsible for quarterly allocations of these costs to the original strategies.
- 6. Tertiary Prevention of Child Abuse Programs.** From the amounts appropriated above, the Department of Family and Protective Services shall allocate up to \$120,000 each fiscal year of the biennium for continuation of a statewide network of community-based, volunteer-driven programs for prevention, intervention, and aftercare services of abused children.
- 7. Foster Care Rates.**
 - a. It is the intent of the Legislature that the Department of Family and Protective Services reimburse foster families at least \$17.12 per day for children under 12 years old and \$17.50 per day for children age 12 and older during the 2010-11 biennium. The department may transfer funds into Strategy B.1.11, Foster Care Payments, for the purpose of maintaining these rates. The department may not transfer funds out of Strategy B.1.11, Foster Care Payments, without the prior written approval of the Legislative Budget Board and the Governor.
 - b. The department may also use funds in Strategy B.1.11, Foster Care Payments, to recommend alternate service provision intake and investigation that will consider expansion of contract services, regional planning, service outcomes, and appropriate funding mechanisms to be tested in pilot projects. Such pilot approaches to innovative service delivery shall be designed in conjunction with providers, approved by the Health and Human Services Commission, and funded at no increased cost to the State. The department may include a modification of rates for new pilot approaches implemented in this manner.

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES

(Continued)

- c. The department may utilize up to \$7,263,863 in fiscal year 2010, and up to \$7,263,863 in fiscal year 2011, from funds appropriated above in Strategy B.1.11, Foster Care Payments, for the Relative and Other Designated Caregiver Monetary Assistance Program. The department shall conduct ongoing evaluations of the program.
- 8. Fund Transfers for Funds Consolidation.** For the purpose of funds consolidation, federal and other funds may be transferred into the General Revenue Fund from Department of Family and Protective Services Fund 37. The initial deposit of federal funds shall be made into Fund 37 and no direct expenditures shall be made from this fund.
 - 9. Substitute Care Permanency Goal.** It is the intent of the Legislature that whenever possible, the department shall utilize state and/or federal funds currently being expended for substitute care to cover the cost of assuring permanent homes where appropriate for foster children.
 - 10. Other Reporting Requirements.**
 - a. **Federal Reports.** The Department of Family and Protective Services shall submit the following information to the Legislative Budget Board and the Governor no later than the date the respective report is submitted to the federal government:
 - (1) Notification of proposed State Plan amendments or waivers for the Medicaid program, the Foster Care and Adoption Assistance program, the Temporary Assistance for Needy Families program, the Child Welfare Services program, and any other federal grant requiring a state plan. State plan amendments and waiver submissions shall also be provided to the Senate Health and Human Services, House Human Services, and House Public Health committees.
 - (2) A copy of each report or petition submitted to the federal government relating to the Medicaid program, the Foster Care and Adoption Assistance program, the Temporary Assistance for Needy Families program, the Child Welfare Services program, and any other federal grant requiring a state plan, including expenditure reports and cost allocation revisions.
 - b. **Federal Issues.** The Department of Family and Protective Services shall notify the Legislative Budget Board and the Governor on a timely basis about emerging issues that could result in the loss of more than \$1 million in federal revenue assumed in the appropriations act.
 - c. **Monthly Financial Reports.** The Department of Family and Protective Services shall submit the following information to the Legislative Budget Board and the Governor on a monthly basis:
 - (1) Information on appropriated, budgeted, expended, and projected funds, by strategy and method of finance.
 - (2) A report detailing revenues, expenditures, and balances for earned federal funds as of the last day of the prior month.
 - (3) Narrative explanations of significant budget adjustments, ongoing budget issues, and other items as appropriate.
 - (4) Any other information requested by the Legislative Budget Board or the Governor.

The monthly financial reports shall be prepared in a format specified by the Legislative Budget Board.
 - 11. Appropriation Transfer Between Fiscal Years.** In addition to the transfer authority provided elsewhere in this Act, the Department of Family and Protective Services may transfer appropriations made above for Strategy B.1.11, Foster Care Payments, and Strategy B.1.12, Adoption Subsidy Payments, for fiscal year 2011 to fiscal year 2010, subject to the following conditions provided by this section:
 - a. Transfers under this section may be made only if costs associated with providing foster care or adoption subsidy payments exceed the funds appropriated for these payments for fiscal year 2010;

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES

(Continued)

- b. Transfers from Strategy B.1.11, Foster Care Payments, may not exceed \$12,700,000 in General Revenue Funds and \$8,800,000 in TANF Federal Funds;
- c. Transfers from Strategy B.1.12, Adoption Subsidy Payments, may not exceed \$6,200,000 in General Revenue Funds;
- d. A transfer authorized by this section must receive the prior written approval of the Legislative Budget Board and the Governor; and
- e. The Comptroller of Public Accounts shall cooperate as necessary to assist the completion of a transfer and spending made under this section.

- 12. Limitation on Expenditures for Administrative Overhead.** Funds appropriated above in Strategy B.1.3, TWC Foster Day Care, Strategy B.1.4, TWC Relative Day Care, and Strategy B.1.5, TWC Protective Day Care, may be used only to purchase child day care services through the Texas Workforce Commission.

The Department of Family and Protective Services' expenditures for administrative overhead payments to the Texas Workforce Commission and local workforce boards in connection with any agreement to provide child day care services out of funds appropriated above shall be limited to no more than 5 percent of all amounts paid for child day care services out of funds appropriated above.

- 13. Human Resources Management Plan.** From funds appropriated above, the Texas Department of Family and Protective Services shall develop a Human Resources Management Plan designed to improve employee morale and retention. The plan must focus on reducing employee turnover through better management. The Texas Department of Family and Protective Services shall report semi-annually to the Senate Finance Committee, the House Committee on Appropriations, the Legislative Budget Board, and the Governor the employee turnover rate, by job category, at the agency during the preceding twelve months. The effectiveness of the agency's plan shall be measured by whether there is a reduction in employee turnover rates at the agency, specifically by the reduction in the turnover rates for caseworkers.
- 14. Use of Personal Cellular Telephones.** Out of funds appropriated above, the Department of Family and Protective Services shall pay child and adult protective services program caseworkers, supervisors, directors and residential child-care licensing investigators, an amount not to exceed \$50 per month for work-related use of their personal cellular telephones.
- 15. Adult Protective Services and Mental Health and Mental Retardation Investigations.** Out of the funds appropriated above for Strategy D.1.1, APS Direct Delivery Staff, Strategy D.1.2, APS Program Support, and Strategy D.1.3, MH and MR Investigations, the Department of Family and Protective Services shall maximize the use of federal Medicaid funding.
- 16. Appropriation of Unexpended Balances for Prevention Programs.** All unexpended balances appropriated above for the strategies in Goal C, Prevention Programs, for the fiscal year ending August 31, 2010, are hereby appropriated for the same purposes for the fiscal year beginning September 1, 2010.

Authorization to expend the unexpended balances is contingent upon submission of the following reports to the Legislative Budget Board and the Governor:

- a. a report by September 1, 2009 providing actual expenditures for fiscal years 2008 and 2009, and planned expenditures for fiscal years 2010 and 2011, at the program activity code level; and
- b. a report by March 1 and September 1 of each fiscal year reflecting actual expenditures by program activity code for the previous six months.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The notification and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES

(Continued)

The Comptroller of Public Accounts shall not allow the use of unexpended balances if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

17. Faith-based Foster Family Recruitment and Training. From funds appropriated above, up to \$500,000 in fiscal year 2010 and up to \$706,000 in fiscal year 2011 shall be used for the purposes of developing and implementing a program to recruit and train foster families from faith-based communities.

18. Limitation on Transfers: CPS and APS Direct Delivery Staff.

- a. **Funding.** Notwithstanding any other transfer provision in this Act, none of the funds appropriated by this Act to the Department of Family and Protective Services for Strategy B.1.1, CPS Direct Delivery Staff, and Strategy D.1.1, APS Direct Delivery Staff, may be transferred to any other item of appropriation or expended for any purpose other than the specific purpose for which the funds are appropriated without the prior written approval of the Legislative Budget Board and the Governor.
- b. **Full-time-equivalent (FTE) Positions.** Out of the FTE positions appropriated above to the Department of Family and Protective Services, 8,242.8 positions for fiscal year 2010 and 8,243.6 positions for fiscal year 2011 are allocated to Strategy B.1.1, CPS Direct Delivery Staff, and 804.6 positions for fiscal year 2010 and 804.6 positions for fiscal year 2011 are allocated to Strategy D.1.1, APS Direct Delivery Staff.

Notwithstanding any other transfer provision in this Act, none of the FTEs allocated by this Act to the Department of Family and Protective Services for Strategy B.1.1, CPS Direct Delivery Staff, and Strategy D.1.1, APS Direct Delivery Staff, may be transferred to any other item of appropriation or utilized for any purpose other than the specific purpose for which the FTEs are allocated without the prior written approval of the Legislative Budget Board and the Governor.

- c. **Request for Approval.** To request approval for the transfer of funds and/or FTEs, the department shall submit a written request to the Legislative Budget Board and the Governor that includes the following information:
 - (1) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
 - (2) the name of the originating and receiving strategies, and the method of financing and FTEs for each strategy by fiscal year;
 - (3) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and
 - (4) the capital budget impact.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

The transfer request shall be considered to be disapproved unless the Legislative Budget Board and the Governor issue written approvals within 45 calendar days of receipt of the request.

The Comptroller of Public Accounts shall not allow the transfer of funds if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

19. Reimbursement of Advisory Council Members. Pursuant to Human Resources Code §40.025, reimbursement of expenses for Family and Protective Services Council members, out of funds appropriated above, is hereby authorized such that the sum total of all reimbursements for members of the Council shall not exceed \$10,000 per fiscal year.

20. Caseload Per Worker Reporting Requirements. The Department of Family and Protective Services shall report to the Legislative Budget Board and the Governor, by October 1 of each year

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES

(Continued)

of the biennium, daily caseload per worker data for each protective services program for the previous fiscal year. The report shall be prepared in a format specified by the Legislative Budget Board.

21. **At-Risk Prevention Programs.** The Department of Family and Protective Services may only use funds appropriated above in Strategy C.1.5, Other At-Risk Prevention Programs, for at-risk prevention services that are competitively procured.
22. **Reporting Requirement on Minority Child Removals.** The Department of Family and Protective Services shall report, by October 1 of each year of the biennium, to the House Appropriations Committee, the Senate Finance Committee, the Legislative Budget Board, and the Governor, the number of children removed from their homes by child protective services and the number of children investigated, by ethnic group, in the seven largest urban regions of the state during the preceding fiscal year. The Department may include the information in an existing report or a new report.
23. **Medicaid and Title IV-E Federal Funds.** Out of the funds appropriated above, the Department of Family and Protective Services shall maximize the use of federal entitlement revenue from the Medicaid and Title IV-E Foster Care and Adoption Assistance programs.
 - a. **Appropriations for Child Protective Services.** Included in the amounts appropriated above for child protective services are the following amounts of federal entitlement revenue from the Medicaid and Title IV-E Foster Care and Adoption Assistance programs:
 - (1) Strategy B.1.1, CPS Direct Delivery Staff: \$383,899 in Medicaid Federal Funds and \$59,998,409 in Title IV-E Federal Funds for fiscal year 2010, and \$388,721 in Medicaid Federal Funds and \$60,153,714 in Title IV-E Federal Funds for fiscal year 2011; and
 - (2) Strategy B.1.2, CPS Program Support: \$26,124 in Medicaid Federal Funds and \$10,661,562 in Title IV-E Federal Funds for fiscal year 2010, and \$27,625 in Medicaid Federal Funds and \$10,712,086 in Title IV-E Federal Funds for fiscal year 2011.
 - b. **Appropriations for Adult Protective Services.** Included in the amounts appropriated above for adult protective services are the following amounts of federal entitlement revenue from the Medicaid program:
 - (1) Strategy D.1.1, APS Direct Delivery Staff: \$1,108,889 in Medicaid Federal Funds for fiscal year 2010, and \$1,108,889 in Medicaid Federal Funds for fiscal year 2011; and
 - (2) Strategy D.1.2, APS Program Support: \$1,154,038 in Medicaid Federal Funds for fiscal year 2010, and \$1,154,038 in Medicaid Federal Funds for fiscal year 2011.
 - c. **Limitation on Use of General Revenue Funds and TANF Federal Funds.** In the event that federal entitlement revenues exceed the amounts noted above, the department may spend the General Revenue Funds and TANF Federal Funds thereby made available only to the extent authorized in writing by the Legislative Budget Board and the Governor.
 - d. **Request for Approval to Use General Revenue Funds and TANF Federal Funds.** To request approval pursuant to section (c) above, the department shall submit a written request to the Legislative Budget Board and the Governor that includes the following information:
 - (1) the reason for and amount of federal entitlement revenue that exceeds the amounts noted in section (a) or (b) above;
 - (2) a detailed explanation of the purpose(s) of the expenditure and whether the expenditure will be one-time or ongoing;
 - (3) the name of the strategy or strategies affected by the expenditure and the method of financing and FTEs for each strategy by fiscal year;
 - (4) the impact of the expenditure on performance levels and, where relevant, a comparison to targets included in this Act for the affected strategy or strategies; and
 - (5) the impact of the expenditure on the capital budget.

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES

(Continued)

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

- 24. Reimbursement of Advisory Committee Members.** Pursuant to Government Code § 2110.004, reimbursement of expenses for advisory committee members, out of the funds appropriated above, not to exceed the amounts stated below per fiscal year, is limited to the following advisory committees:

Parental Advisory Committee	\$3,000
Promote Adoption of Minority Children Advisory Committee	\$19,200

To the maximum extent possible, the department shall encourage the use of videoconferencing and teleconferencing and shall schedule meetings and locations to facilitate the travel of participants so that they may return the same day and reduce the need to reimburse members for overnight stays.

- 25. Other At-Risk Prevention Programs and Services.** From the amounts appropriated above in Strategy C.1.5, Other At-Risk Prevention Programs, the Department of Family and Protective Services shall allocate for the state fiscal biennium beginning September 1, 2009, not less than \$4,500,000 for one or more competitively procured established statewide networks of community-based prevention programs that provide evidence-based programs delivered by trained full-time staff, and address conditions resulting in negative outcomes for children and youth. Any vendor selected for funding through this strategy must provide dollar-for-dollar matching funds. The Department of Family and Protective Services shall also allocate for the state fiscal biennium beginning September 1, 2009, from the amounts appropriated above in Strategy C.1.5, Other At-Risk Prevention Programs, not less than \$1,600,000 for competitively procured community-based services for families with low-priority, less serious cases of abuse and neglect and for families with cases in which allegations of abuse or neglect of a child were unsubstantiated but involve families that have been previously investigated for abuse or neglect of a child.
- 26. CPS Investigative Pay.** The Department of Family and Protective Services is authorized to continue to provide the annual amount of \$5,000 established by the Seventy-ninth Legislature for child protective services investigation caseworkers and supervisors. The pay shall be paid at the rate of \$416.67 per month, or pro-rata portion if a partial month is worked in the position. This pay is in addition to the salary rates stipulated by the General Provisions of this Act relating to the position classifications and assigned salary ranges.
- 27. Informational Listing - CPS Reform Continued.** The following is an informational list of the purposes, amounts, and FTEs for CPS Reform Continued, originally funded by House Bill 1, Eightieth Legislature, Regular Session. These amounts are included in the appropriations made above for the Department of Family and Protective Services.

	<u>2010</u>	<u>FTEs</u>	<u>2011</u>	<u>FTEs</u>
Family Group Decision Making During Investigations	\$ 1,630,198	31.0	\$ 1,630,198	31.0
Additional Family Based Safety Services Staff	\$11,004,537	160.0	\$11,004,537	160.0
Strengthen Families Through Enhanced In Home Support	\$ 4,624,750		\$ 4,624,750	
Purchased Client Services to Keep Families Together	\$ 3,311,355		\$ 3,311,355	
Family Group Decision Making after Removal	\$ 2,774,280	53.0	\$ 2,774,280	53.0

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES
(Continued)

Purchased Client Services to Reunify Families	\$ 2,985,696		\$ 2,985,696	
Additional Substitute Care Staff	\$33,478,938	501.0	\$33,478,938	501.0
Additional Staff and Support for Kinship Placements	\$13,916,915	93.0	\$13,916,915	93.0
Additional Staff to Redact Records	\$ 464,696	10.0	\$ 464,696	10.0
Additional Legal Staff	\$ 1,188,422	23.0	\$ 1,188,422	23.0
Tablet PCs for Substitute Care and Licensing Staff	\$ 4,021,694		\$ 4,021,694	
Expand Disproportionality Sites	\$ 456,685	8.0	\$ 456,685	8.0
Strengthen Program Support and Administrative Services	\$ 3,654,177	63.0	\$ 3,654,177	63.0
Records Management	\$ 2,322,419	13.0	\$ 2,322,419	13.0
Strengthen Licensing Oversight	\$ 4,942,389	84.0	\$ 4,942,389	84.0
Strengthen Contract Oversight	\$ 1,619,183	18.0	\$ 1,619,183	18.0
Additional Staff to Process Criminal History Checks	\$ 622,760	31.0	\$ 622,760	31.0
Enhance Community Engagement and Provider Development	\$ 226,945	4.0	\$ 226,945	4.0
Total, CPS Reform Continued	\$93,246,039	1,092.0	\$93,246,039	1,092.0
Method of Financing:				
General Revenue	\$42,664,193		\$43,405,250	
TANF Federal Funds	\$39,182,888		\$38,441,832	
Other Federal Funds	\$11,398,958		\$11,398,957	
Total, All Funds	\$93,246,039		\$93,246,039	

The Department of Family and Protective Services shall submit quarterly expenditure reports to the Legislative Budget Board and the Governor, that list actual and planned expenditures and FTEs for each CPS Reform Continued purpose listed above. The report shall be prepared in a format specified by the Legislative Budget Board and submitted no later than 45 days following the close of each fiscal quarter.

- 28. Limitation on Appropriation for Enhanced In Home Support.** Included in the amounts appropriated above in Strategy B.1.10, Other CPS Purchased Services, is \$4,624,750 in TANF Federal Funds for fiscal year 2010, and \$4,624,750 in TANF Federal Funds for fiscal year 2011, to provide monetary benefits, goods, and services to families that are eligible for enhanced in

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES

(Continued)

home support. The Department of Family and Protective Services may not use these funds for any other purpose without prior written approval from the Legislative Budget Board and the Governor.

To request approval, the department shall submit a written request to the Legislative Budget Board and the Governor that includes the following information:

- a. a detailed explanation of the purpose(s) of the expenditure and whether the expenditure will be one-time or ongoing;
- b. the name of the strategy or strategies affected by the expenditure and the method of financing and FTEs for each strategy by fiscal year;
- c. the impact of the expenditure on performance levels and, where relevant, a comparison to targets included in this Act for the affected strategy or strategies; and
- d. the impact of the expenditure on the capital budget.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

- 29. Child and Family Services Review.** None of the funds appropriated above to the Department of Family and Protective Services may be used to pay for federal penalties associated with the Child and Family Services Review process without the prior written approval of the Legislative Budget Board and the Governor.

To request approval, the department shall submit a written request to the Legislative Budget Board and the Governor that includes the following information:

- a. a copy of the federal document imposing and/or assessing the penalty;
- b. a detailed explanation of the reason for the penalty and the efforts that were undertaken to avoid the penalty;
- c. the name of the strategy or strategies affected by the expenditure and the method of financing and FTEs for each strategy by fiscal year;
- d. the impact of the expenditure on performance levels and, where relevant, a comparison to targets included in this Act for the affected strategy or strategies; and
- e. the impact of the expenditure on the capital budget.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

The request shall be considered to be disapproved unless the Legislative Budget Board and the Governor issue written approvals within 45 calendar days of receipt of the request.

- 30. Special Immigrant Juvenile Status.** Out of the funds appropriated above to the Department of Family and Protective Services in Strategy B.1.1, CPS Direct Delivery Staff, \$149,759 in General Revenue Funds and \$27,115 in Federal Funds for fiscal year 2010, \$135,624 in General Revenue Funds and \$24,555 in Federal Funds for fiscal year 2011, and three full-time equivalents per fiscal year shall be used to support Special Immigrant Juvenile Status and other immigration-related processes.

- 31. Intensive Psychiatric Transition Program.** It is the intent of the Legislature that out of funds appropriated above in Strategy B.1.11, Foster Care Payments, the Department of Family and Protective Services may expand a foster child's eligibility for the Intensive Psychiatric Transition program from having had at least three prior hospitalizations in the preceding 12 months to having had at least one prior psychiatric hospitalization in the preceding 12 months.

- 32. Out-of-State Travel Exemption.** Out-of-state travel expenses incurred by Department of Family and Protective Services staff while transporting children are exempt from the requirements of Article IX, Section 5.08, Limitation on Travel Expenditures, and the limitations on such expenditures as set forth therein. The Department of Family and Protective Services shall work

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES

(Continued)

with the Legislative Budget Board and the Comptroller of Public Accounts to determine a revised travel limitation expenditure amount that does not include the travel exempted under this provision.

33. **Subsidized Guardianship Program.** The Department of Family and Protective Services shall, to the extent authorized by state and federal law, maximize the use of Title IV-E Federal Funds for kinship guardianship assistance payments for children pursuant to the Fostering Connections to Success and Increasing Adoptions Act (Public Law 110-351).
34. **Family Group Decision-making Program.** From funds appropriated above to Strategy B.1.2, CPS Program Support, the Department of Family and Protective Services shall conduct a study to determine the effectiveness of the family group decision-making program for child protective services. The agency shall submit a report with findings and recommended performance measures to the Senate Finance Committee, the House Committee on Appropriations, the Legislative Budget Board, and the Governor, no later than October 1, 2010.
35. **Foster Care Rate Increase for Child-placing Agencies.** It is the intent of the Legislature that the Health and Human Services Commission provide a rate increase for child-placing agencies out of funds appropriated for a rate increase for foster families.

DEPARTMENT OF STATE HEALTH SERVICES

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing:¹		
<u>General Revenue Fund</u>		
General Revenue Fund ^{2, 3, 4, 5, 6, 7}	\$ 677,599,115	\$ 696,441,156
GR Match for Medicaid	9,220,800	9,302,237
GR for Mental Health Block Grant	242,308,708	242,155,182
GR for Substance Abuse Prevention and Treatment Block Grant	24,051,962	24,051,962
GR for Maternal and Child Health Block Grant	40,208,729	40,208,729
GR for HIV Services	46,350,348	46,350,348
GR Certified as Match for Medicaid	45,413,301	45,636,523
General Revenue - Insurance Companies Maintenance Tax and Insurance Department Fees	6,004,209	6,004,209
Vendor Drug Rebates—Public Health	2,000,000	2,000,000
Subtotal, General Revenue Fund	<u>\$ 1,093,157,172</u>	<u>\$ 1,112,150,346</u>
<u>General Revenue Fund - Dedicated</u>		
Vital Statistics Account No. 019 ⁸	5,921,099	6,405,166
Hospital Licensing Account No. 129	1,655,164	1,655,163
Food and Drug Fee Account No. 341	1,702,909	1,702,909
Bureau of Emergency Management Account No. 512	2,263,098	2,263,098
Department of Health Public Health Services Fee Account No. 524	14,012,073	15,212,073
Commission on State Emergency Communications Account No. 5007 ⁹	1,821,575	1,821,575
Asbestos Removal Licensure Account No. 5017	3,197,088	3,197,088
Workplace Chemicals List Account No. 5020	632,638	632,638
Certificate of Mammography Systems Account No. 5021	982,859	975,620
Oyster Sales Account No. 5022	252,000	252,000
Food and Drug Registration Account No. 5024	5,777,985	5,777,985
Animal Friendly Account No. 5032	853,000	853,000

¹ Appropriations identified above do not include American Recovery and Reinvestment Act (ARRA) funds; please see Article XII of this Act for these appropriations. For this agency Article XII includes a net Federal Funds increase of \$8,198,070 (includes Article XII, §25) in FY 2010, resulting in a net All Funds appropriation of \$2,950,378,581 in FY 2010.

² Incorporates Article IX, §17.42, of this Act, due to the enactment of HB 1358, 81st Legislature, Regular Session, relating to the use of bonds for cancer prevention and research, resulting in an increase in Cancer Bond Proceeds (Account No. 780) of \$875,000 in FY 2010 and \$1,000,000 in FY 2011 and a corresponding decrease in General Revenue Funds of \$875,000 in FY 2010 and \$1,000,000 in FY 2011.

³ SB 1877, 81st Legislature, Regular Session, did not pass. See SB 2080, 81st Legislature, Regular Session, which did pass relating to the Texas Medical Child Abuse Resource and Education System, resulting in an increase in General Revenue Funds of \$2,500,000 in each fiscal year, pursuant to Article IX, § 17.115.

⁴ Incorporates Article IX, § 17.41, of this Act, due to the enactment of HB 1357, 81st Legislature, Regular Session, relating to the licensure of freestanding emergency medical care facilities, and creation of the respective licensing fees, resulting in an increase in General Revenue Funds of \$387,346 and 4.5 FTEs in FY 2010 and \$148,713 and 2.5 FTEs in FY 2011.

⁵ Incorporates Article IX, § 17.33, of this Act, due to the enactment of HB 461, 81st Legislature, Regular Session, relating to the regulation of dyslexia practitioners, resulting in an increase in General Revenue Funds of \$152,283 and 2.0 FTEs in FY 2010 and \$172,572 and 2.5 FTEs in FY 2011.

⁶ Incorporates Article IX, § 17.29, of this Act, due to the enactment of HB 216, 81st Legislature, Regular Session, relating to the regulation of certain boarding houses and assisted living facilities and providing penalties, resulting in an increase in General Revenue Funds of \$1,976,250 in FY 2011 and 23 FTEs in each fiscal year.

⁷ Incorporates Article IX, § 17.32, of this Act, due to the enactment of HB 449, 81st Legislature, Regular Session, relating to the licensing and regulation of laser hair removal facilities, resulting in an increase in General Revenue Funds of \$1,254,254 and 15.2 FTEs in FY 2010 and \$1,404,205 and 17.2 FTEs in FY 2011.

⁸ HB 2677, 81st Legislature, Regular Session, did not pass. See SB 703, 81st Legislature, Regular Session, which did pass relating to the amendment of birth certificates, resulting in an increase in General Revenue-Dedicated Vital Statistics Account No. 19 Funds of \$78,685 and 2.0 FTEs in FY 2010 and \$98,297 and 2.0 FTEs in FY 2011, pursuant to Article IX, § 17.62.

⁹ Technical correction to name of account.

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

Permanent Fund for Health and Tobacco Education and Enforcement Account No. 5044	9,328,500	9,328,500
Permanent Fund Children & Public Health Account No. 5045	4,868,500	4,868,500
Permanent Fund for EMS & Trauma Care Account No. 5046	4,741,500	4,741,500
Permanent Hospital Fund for Capital Improvements and the Texas Center for Infectious Disease Account No. 5048	1,195,500	1,195,500
State Owned Multicategorical Teaching Hospital Account No. 5049	10,000,000	10,000,000
EMS, Trauma Facilities, Trauma Care Systems Account No. 5108	2,381,725	2,381,725
Trauma Facility and EMS Account No. 5111	75,000,808	75,000,808
March of Dimes Plates Account No. 5117	4,500	4,500
Childhood Immunization Account No. 5125	144,807	144,807
Be a Blood Donor Plates Account No. 5134	500	500
Health Department Laboratory Financing Fees Account No. 8026	2,878,032	2,877,957
WIC Rebates Account No. 8027	255,986,664	258,575,681
Perpetual Care Account No. 8076	1,432,054	1,260,946
Subtotal, General Revenue Fund - Dedicated	<u>\$ 407,034,578</u>	<u>\$ 411,129,239</u>
Federal Funds	1,248,712,555	1,253,463,556
<u>Other Funds</u>		
Appropriated Receipts	6,289,231	6,289,231
State Chest Hospital Fees and Receipts	1,818,618	1,818,618
DSHS Public Health Medicaid Reimbursements	49,319,922	49,753,842
Interagency Contracts ¹⁰	66,724,835	62,969,808
Bond Proceeds - General Obligation Bonds ¹¹	55,976,437	1,000,000
MH Collections for Patient Support and Maintenance	7,647,163	7,647,163
MH Appropriated Receipts	5,500,000	5,500,000
Subtotal, Other Funds	<u>\$ 193,276,206</u>	<u>\$ 134,978,662</u>
Total, Method of Financing	<u>\$ 2,942,180,511</u>	<u>\$ 2,911,721,803</u>
Other Direct and Indirect Costs Appropriated Elsewhere in this Act	\$ 5,952,061	\$ 6,143,347
This bill pattern represents an estimated 100% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):¹²	12,488.7	12,554.7
Schedule of Exempt Positions:		
Commissioner, Group 7	\$183,750	\$183,750
Items of Appropriation:		
A. Goal: PREPAREDNESS AND PREVENTION		
Preparedness and Prevention Services.		
A.1.1. Strategy: PUBLIC HEALTH PREP. & COORD.		
SVCS	\$ 96,406,050	\$ 96,909,570
Public Health Preparedness and Coordinated Services.		

¹⁰ Incorporates the passage of HB 1093, 81st Legislature, Regular Session, which transfers the administration and oversight of the Poison Control Centers from DSHS to the State Commission on Emergency Communication, resulting in a decrease to Interagency Contracts of \$2,243,831 and 1.0 FTE in FY 2010 and \$6,761,000 and 1.0 FTE in FY 2011.

¹¹ Incorporates Article IX, § 17.42, of this Act, due to the enactment of HB 1358, 81st Legislature, Regular Session, relating to the use of bonds for cancer prevention and research, resulting in an increase in Cancer Bond Proceeds (Account No. 780) of \$875,000 in FY 2010 and \$1,000,000 in FY 2011 and a corresponding decrease in General Revenue Funds of \$875,000 in FY 2010 and \$1,000,000 in FY 2011.

¹² Incorporates §§ 17.29, 17.32, 17.33, 17.41, and 17.62 of Article IX, of this Act, the passage of HB 1093, 81st Legislature, Regular Session, and the Governor's veto of Rider No. 77, Contingency for Regulating Independent Freestanding Emergency Rooms and Urgent Care Clinics, resulting in a net increase of 26.2 FTEs in FY 2010 and 35.2 FTEs in FY 2011.

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

A.1.2. Strategy: REGISTRIES, INFO, & VITAL RECORDS ^{13, 14, 15}	\$	33,132,707	\$	28,965,939
Health Registries, Information, and Vital Records.				
A.2.1. Strategy: IMMUNIZE CHILDREN & ADULTS IN TEXAS	\$	57,418,899	\$	57,418,899
Immunize Children and Adults in Texas.				
A.2.2. Strategy: HIV/STD PREVENTION	\$	168,472,876	\$	168,472,877
A.2.3. Strategy: INFECTIOUS DISEASE PREV/EPI/SURV	\$	37,310,138	\$	37,797,519
Infectious Disease Prevention, Epidemiology and Surveillance.				
A.3.1. Strategy: CHRONIC DISEASE PREVENTION	\$	13,676,431	\$	13,582,822
Health Promotion & Chronic Disease Prevention.				
A.3.2. Strategy: ABSTINENCE EDUCATION	\$	567,046	\$	567,045
A.3.3. Strategy: KIDNEY HEALTH CARE	\$	18,220,190	\$	18,220,274
A.3.4. Strategy: CHILDREN WITH SPECIAL NEEDS	\$	43,471,343	\$	43,612,966
Children with Special Health Care Needs.				
A.3.5. Strategy: EPILEPSY HEMOPHILIA SERVICES	\$	1,264,143	\$	1,264,144
A.4.1. Strategy: LABORATORY SERVICES	<u>\$</u>	<u>42,620,454</u>	<u>\$</u>	<u>43,076,054</u>
Total, Goal A: PREPAREDNESS AND PREVENTION		<u>\$ 512,560,277</u>		<u>\$ 509,888,109</u>
B. Goal: COMMUNITY HEALTH SERVICES				
B.1.1. Strategy: WIC/FARMER'S MARKET NUTRITION SVCS	\$	870,526,293	\$	879,347,250
Provide WIC Services: Benefits, Nutrition Education & Counseling.				
B.1.2. Strategy: WOMEN & CHILDREN'S HEALTH SERVICES	\$	71,175,669	\$	71,244,032
Women and Children's Health Services.				
B.1.3. Strategy: FAMILY PLANNING SERVICES	\$	55,625,790	\$	55,625,790
B.1.4. Strategy: COMMUNITY PRIMARY CARE SERVICES	\$	13,800,434	\$	13,800,434
B.2.1. Strategy: MENTAL HEALTH SVCS-ADULTS	\$	279,201,869	\$	285,668,473
Mental Health Services for Adults.				
B.2.2. Strategy: MENTAL HEALTH SVCS-CHILDREN	\$	66,307,943	\$	66,238,093
Mental Health Services for Children.				
B.2.3. Strategy: COMMUNITY MENTAL HEALTH CRISIS SVCS	\$	83,284,301	\$	82,284,301
Community Mental Health Crisis Services.				
B.2.4. Strategy: NORTHSTAR BEHAV HLTH WAIVER	\$	99,671,496	\$	99,428,131
NorthSTAR Behavioral Health Waiver.				
B.2.5. Strategy: SUBSTANCE ABUSE PREV/INTERV/TREAT	\$	156,239,836	\$	156,239,837
Substance Abuse Prevention, Intervention and Treatment.				
B.2.6. Strategy: REDUCE USE OF TOBACCO PRODUCTS	\$	11,838,932	\$	11,838,932
Develop a Statewide Program to Reduce the Use of Tobacco Products.				
B.3.1. Strategy: EMS AND TRAUMA CARE SYSTEMS ¹⁶	\$	86,647,702	\$	86,647,901
B.3.2. Strategy: FQHC INFRASTRUCTURE GRANTS	\$	5,000,000	\$	5,000,000
Federally Qualified Health Center (FQHC) Infrastructure Grants.				

¹³ HB 2677, 81st Legislature, Regular Session, did not pass. See SB 703, 81st Legislature, Regular Session, which did pass relating to the amendment of birth certificates, resulting in an increase in General Revenue-Dedicated Vital Statistics Account No. 19 Funds of \$78,685 and 2.0 FTEs in FY 2010 and \$98,297 and 2.0 FTEs in FY 2011, pursuant to Article IX, § 17.62.

¹⁴ Incorporates Article IX, § 17.42, of this Act, due to the enactment of HB 1358, 81st Legislature, Regular Session, relating to the use of bonds for cancer prevention and research, resulting in an increase in Cancer Bond Proceeds (Account No. 780) of \$875,000 in FY 2010 and \$1,000,000 in FY 2011 and a corresponding decrease in General Revenue Funds of \$875,000 in FY 2010 and \$1,000,000 in FY 2011.

¹⁵ Incorporates the passage of HB 1093, 81st Legislature, Regular Session, which transfers the administration and oversight of the Poison Control Centers from DSHS to the State Commission on Emergency Communication, resulting in a decrease to Interagency Contracts of \$2,243,831 and 1.0 FTE in FY 2010 and \$6,761,000 and 1.0 FTE in FY 2011.

¹⁶ SB 1877, 81st Legislature, Regular Session, did not pass. See SB 2080, 81st Legislature, Regular Session, which did pass relating to the Texas Medical Child Abuse Resource and Education System, resulting in an increase in General Revenue Funds of \$2,500,000 in each fiscal year, pursuant to Article IX, § 17.115.

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

B.3.3. Strategy: INDIGENT HEALTH CARE REIMBURSEMENT	\$ 10,000,000	\$ 10,000,000
Indigent Health Care Reimbursement (UTMB).		
B.3.4. Strategy: COUNTY INDIGENT HEALTH CARE SVCS	<u>\$ 7,198,442</u>	<u>\$ 7,198,537</u>
County Indigent Health Care Services.		
Total, Goal B: COMMUNITY HEALTH SERVICES	<u>\$ 1,816,518,707</u>	<u>\$ 1,830,561,711</u>
C. Goal: HOSPITAL FACILITIES AND SERVICES		
Hospital Facilities Management and Services.		
C.1.1. Strategy: TX CENTER FOR INFECTIOUS DISEASE	\$ 10,778,627	\$ 10,778,627
Texas Center for Infectious Disease (TCID).		
C.1.2. Strategy: SOUTH TEXAS HEALTH CARE SYSTEM	\$ 7,303,396	\$ 7,303,397
C.1.3. Strategy: MENTAL HEALTH STATE HOSPITALS	\$ 381,931,305	\$ 385,841,872
C.2.1. Strategy: MENTAL HEALTH COMMUNITY HOSPITALS	<u>\$ 30,118,077</u>	<u>\$ 30,118,077</u>
Total, Goal C: HOSPITAL FACILITIES AND SERVICES	<u>\$ 430,131,405</u>	<u>\$ 434,041,973</u>
D. Goal: CONSUMER PROTECTION SERVICES		
D.1.1. Strategy: FOOD (MEAT) AND DRUG SAFETY	\$ 25,810,918	\$ 28,282,694
D.1.2. Strategy: ENVIRONMENTAL HEALTH ¹⁷	\$ 9,307,558	\$ 10,451,369
D.1.3. Strategy: RADIATION CONTROL	\$ 12,570,894	\$ 12,573,959
D.1.4. Strategy: HEALTH CARE PROFESSIONALS ¹⁸	\$ 8,452,756	\$ 8,476,455
D.1.5. Strategy: HEALTH CARE FACILITIES ^{19, 20, 21}	\$ 11,118,442	\$ 13,135,399
D.1.6. Strategy: TEXASONLINE	\$ 1,049,240	\$ 1,049,240
TexasOnline. Estimated and Nontransferable.		
D.1.7. Strategy: SEX OFFENDER TREATMENT/SUPERVISION	<u>\$ 3,183,676</u>	<u>\$ 4,070,817</u>
Sex Offender Treatment and Supervision.		
Total, Goal D: CONSUMER PROTECTION SERVICES	<u>\$ 71,493,484</u>	<u>\$ 78,039,933</u>
E. Goal: INDIRECT ADMINISTRATION		
E.1.1. Strategy: CENTRAL ADMINISTRATION	\$ 18,188,430	\$ 18,188,421
E.1.2. Strategy: IT PROGRAM SUPPORT	\$ 16,582,973	\$ 19,406,214
Information Technology Program Support.		
E.1.3. Strategy: OTHER SUPPORT SERVICES	\$ 14,318,178	\$ 14,317,306
E.1.4. Strategy: REGIONAL ADMINISTRATION	<u>\$ 1,621,491</u>	<u>\$ 1,621,605</u>
Total, Goal E: INDIRECT ADMINISTRATION	<u>\$ 50,711,072</u>	<u>\$ 53,533,546</u>
F. Goal: CAPITAL ITEMS		
F.1.1. Strategy: LABORATORY (AUSTIN) BOND DEBT	\$ 2,878,032	\$ 2,877,957
F.1.2. Strategy: CONSTRUCT HLTH FACILITIES, TCID	\$ 7,182,878	\$ UB
Construction: Health Care Facilities, TCID.		

¹⁷ The passage of HB 1530, 81st Legislature, Regular Session, transfers the regulation of health-related pest control from the Department of State Health Services (DSHS) to the Department of Agriculture (TDA) on September 1, 2009. Any funds appropriated for this purpose to DSHS in Strategy D.1.2, Environmental Health, will be transferred to Strategy A.1.2, Regulate Pesticide Use, of TDA's bill pattern through an Interagency Contract.

¹⁸ Incorporates Article IX, § 17.33, of this Act, due to the enactment of HB 461, 81st Legislature, Regular Session, relating to the regulation of dyslexia practitioners, resulting in an increase in General Revenue Funds of \$152,283 and 2.0 FTEs in FY 2010 and \$172,572 and 2.5 FTEs in FY 2011.

¹⁹ Incorporates Article IX, § 17.29, of this Act, due to the enactment of HB 216, 81st Legislature, Regular Session, relating to the regulation of certain boarding houses and assisted living facilities and providing penalties, resulting in an increase in General Revenue Funds of \$1,976,250 in FY 2011 and 23 FTEs in each fiscal year.

²⁰ Incorporates Article IX, § 17.32, of this Act, due to the enactment of HB 449, 81st Legislature, Regular Session, relating to the licensing and regulation of laser hair removal facilities, resulting in an increase in General Revenue Funds of \$1,254,254 and 15.2 FTEs in FY 2010 and \$1,404,205 and 17.2 FTEs in FY 2011.

²¹ Incorporates Article IX, § 17.41, of this Act, due to the enactment of HB 1357, 81st Legislature, Regular Session, relating to the licensure of freestanding emergency medical care facilities, and creation of the respective licensing fees, resulting in an increase in General Revenue Funds of \$387,346 and 4.5 FTEs in FY 2010 and \$148,713 and 2.5 FTEs in FY 2011.

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

F.1.3. Strategy: REPAIR & RENOVATION: MH FACILITIES	\$ 50,704,656	\$ 2,778,574 & UB
Capital Repair and Renovation: Mental Health Facilities.		
Total, Goal F: CAPITAL ITEMS	<u>\$ 60,765,566</u>	<u>\$ 5,656,531</u>
Grand Total, DEPARTMENT OF STATE HEALTH SERVICES	<u>\$ 2,942,180,511</u>	<u>\$ 2,911,721,803</u>

Object-of-Expense Informational Listing:

Salaries and Wages	\$ 462,844,627	\$ 467,117,750
Other Personnel Costs	20,081,961	20,082,441
Professional Fees and Services	70,969,218	75,678,279
Fuels and Lubricants	2,258,328	2,426,711
Consumable Supplies	12,323,943	12,628,954
Utilities	16,910,717	17,302,961
Travel	13,245,333	14,257,832
Rent - Building	1,536,765	1,539,169
Rent - Machine and Other	13,744,935	13,717,744
Debt Service	2,878,032	2,877,957
Other Operating Expense	322,467,584	330,592,538
Client Services	1,018,594,407	1,004,197,051
Food for Persons - Wards of State	9,334,538	10,754,898
Grants	911,657,594	931,355,718
Capital Expenditures	<u>63,332,529</u>	<u>7,191,800</u>
Total, Object-of-Expense Informational Listing	<u>\$ 2,942,180,511</u>	<u>\$ 2,911,721,803</u>

Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act:

Employee Benefits

Retirement	\$ 27,031,132	\$ 27,678,985
Group Insurance	98,219,263	107,544,405
Social Security	34,472,928	35,135,874
Benefits Replacement	<u>3,396,260</u>	<u>3,226,447</u>
Subtotal, Employee Benefits	<u>\$ 163,119,583</u>	<u>\$ 173,585,711</u>

Debt Service

TPFA GO Bond Debt Service	\$ 17,106,451	\$ 16,598,580
Lease Payments	<u>1,073,475</u>	<u>697,980</u>
Subtotal, Debt Service	<u>\$ 18,179,926</u>	<u>\$ 17,296,560</u>

Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act

<u>\$ 181,299,509</u>	<u>\$ 190,882,271</u>
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- 1. Performance Measure Targets.** The following is a listing of the key performance target levels for the Department of State Health Services. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Department of State Health Services. In order to achieve the objectives and service standards established by this Act, the Department of State Health Services shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2010</u>	<u>2011</u>
A. Goal: PREPAREDNESS AND PREVENTION		
Outcome (Results/Impact):		
Vaccination Coverage Levels among Children Aged 19 to 35 Months	78%	78%
Incidence Rate of TB Among Texas Residents	7.2	7.2
A.1.1. Strategy: PUBLIC HEALTH PREP. & COORD. SVCS		
Output (Volume):		
Number of Educational Hours Provided on Bioterrorism and Public Health Preparedness	41,000	41,000

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

A.1.2. Strategy: REGISTRIES, INFO, & VITAL RECORDS		
Efficiencies:		
Average Number of Days to Certify or Verify Vital Statistics Records	10	10
A.2.1. Strategy: IMMUNIZE CHILDREN & ADULTS IN TEXAS		
Output (Volume):		
Number of Vaccine Doses Administered to Children	14,177,002.3	14,885,852.4
Explanatory:		
Dollar Value (in Millions) of Vaccine Provided by the Federal Government	320	320
A.2.2. Strategy: HIV/STD PREVENTION		
Output (Volume):		
Number of Persons Served by the HIV Medication Program	14,280	14,708
A.2.3. Strategy: INFECTIOUS DISEASE PREV/EPI/SURV		
Output (Volume):		
Number of Communicable Disease Investigations Conducted	125,000	125,000
A.3.1. Strategy: CHRONIC DISEASE PREVENTION		
Output (Volume):		
Number of Diabetes-related Prevention Activities	350,000	350,000
A.3.2. Strategy: ABSTINENCE EDUCATION		
Output (Volume):		
Number of Persons Served in Abstinence Education Programs	5,322	5,322
A.3.3. Strategy: KIDNEY HEALTH CARE		
Output (Volume):		
Number of Kidney Health Clients Provided Services	18,313	18,313
A.3.4. Strategy: CHILDREN WITH SPECIAL NEEDS		
Output (Volume):		
Number of Children with Special Health Care Needs (CSHCN) Clients Receiving Medical Services	2,600	2,600
Explanatory:		
Number of Clients Provided Medical Services at the End of the Year for the Children with Special Health Care Needs (CSHCN) Program	1,737	1,737
B. Goal: COMMUNITY HEALTH SERVICES		
Outcome (Results/Impact):		
Percentage of Eligible WIC Population Served	81%	84%
Number of Infant Deaths Per Thousand Live Births (Infant Mortality Rate)	5.1	5.1
Percentage of Low Birth Weight Births	7.8%	7.8%
Number of Pregnant Females Age 13-19 Per Thousand (Adolescent Pregnancy Rate)	45.4	43.8
Prevalence of Tobacco Use among Middle & High School Youth in Target Areas of Texas	19%	19%
Percent of Youth Who Complete Treatment Programs and Report No Past Month Substance Use at Follow-up	84%	84%
Percent of Adults Who Complete Treatment Programs and Report No Past Month Substance Use at Follow-up	87%	87%
Percent of Adults Receiving Community Mental Health Services Who Were Admitted to a Level of Care (Service Package) Following Assessment	92%	92%
Percent of Adults Receiving Community Mental Health Services Whose Functional Level Stabilized or Improved	83%	83%
Percent of Children Receiving Community Mental Health Services Who Were Admitted to a Level of Care (Service Package) Following Assessment	88%	88%
Percent of Children Receiving Community Mental Health Services Whose Functional Level Stabilized or Improved	82%	82%
B.1.1. Strategy: WIC/FARMER'S MARKET NUTRITION SVCS		
Output (Volume):		
Number of WIC Participants Provided Nutritious Food Supplements Per Month	1,031,671	1,038,471
Explanatory:		
Incidence (Percent) of Low Birth Weight Babies Born to Women, Infants and Children (WIC) Nutrition Program Mothers	5.5	5.5
B.1.2. Strategy: WOMEN & CHILDREN'S HEALTH SERVICES		
Output (Volume):		
Number of Infants <1 and Children Age 1-21 Years		

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

Provided Services by the Maternal and Child Health Program	30,223	30,223
Number of Women over 21 Provided Services by the Maternal and Child Health Program (Title V)	30,163	30,163
B.1.3. Strategy: FAMILY PLANNING SERVICES		
Output (Volume):		
Number of Adults and Adolescents Receiving Family Planning Services	266,600	266,600
B.1.4. Strategy: COMMUNITY PRIMARY CARE SERVICES		
Output (Volume):		
Number of Primary Health Care Eligible Patients Provided Access to Primary Care Services	85,000	85,000
B.2.1. Strategy: MENTAL HEALTH SVCS-ADULTS		
Output (Volume):		
Average Monthly Number of Adults Receiving Community Mental Health Services	52,484	52,484
Average Monthly Number of Persons Receiving Community Mental Health New Generation Medications	19,500	19,500
Efficiencies:		
Average Monthly Cost Per Adult Receiving Community Mental Health Services	361	361
Average Monthly Cost of New Generation Medications Per Person Receiving Community Mental Health New Generation Medications	275	275
B.2.2. Strategy: MENTAL HEALTH SVCS-CHILDREN		
Output (Volume):		
Average Monthly Number of Children Receiving Community Mental Health Services	12,206	12,206
Explanatory:		
Number of Children and Adolescents Served at the End of the Year - Community Mental Health Services	19,073	19,966
B.2.4. Strategy: NORTHSTAR BEHAV HLTH WAIVER		
Explanatory:		
Average Monthly Number of Persons Covered by NorthSTAR Behavioral Health Services Waiver	974,385	974,385
B.2.5. Strategy: SUBSTANCE ABUSE PREV/INTERV/TREAT		
Output (Volume):		
Average Monthly Number of Adults Served in Substance Abuse Prevention Programs	29,000	29,000
Average Monthly Number of Youth Served in Substance Abuse Prevention Programs	106,640	106,640
Average Monthly Number of Adults Served in Substance Abuse Intervention Programs	15,000	15,000
Average Monthly Number of Youth Served in Substance Abuse Intervention Programs	4,875	4,875
Average Monthly Number of Adults Served in Treatment Programs for Substance Abuse	6,013	6,013
Average Monthly Number of Youth Served in Treatment Programs for Substance Abuse	934	934
B.2.6. Strategy: REDUCE USE OF TOBACCO PRODUCTS		
Output (Volume):		
Number of Texas Communities Implementing Comprehensive Tobacco Prevention Programs	8	8
B.3.1. Strategy: EMS AND TRAUMA CARE SYSTEMS		
Output (Volume):		
Number of Emergency Health Care Providers (EMS Firms, Hospitals, RACS) Assisted through EMS/Trauma System Funding Programs	2,587	2,587
C. Goal: HOSPITAL FACILITIES AND SERVICES		
Outcome (Results/Impact):		
Percent of Patients Receiving State Mental Health Facility Services Whose Functional Level Stabilized or Improved	99%	99%
C.1.1. Strategy: TX CENTER FOR INFECTIOUS DISEASE		
Output (Volume):		
Number of Inpatient Days, Texas Center for Infectious Disease	16,000	16,000
C.1.2. Strategy: SOUTH TEXAS HEALTH CARE SYSTEM		
Output (Volume):		
Number of Outpatient Visits, South Texas Health Care System	56,500	56,500
C.1.3. Strategy: MENTAL HEALTH STATE HOSPITALS		
Output (Volume):		
Average Daily Census of State Mental Health Facilities	2,477	2,477

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

Average Monthly Number of State Mental Health Facility Consumers Receiving New Generation Medication Services	3,030	3,030
Efficiencies:		
Average Daily Facility Cost Per Occupied State Mental Health Facility Bed	440	443
Average Monthly Cost of New Generation Medications Per State Mental Health Facility Consumer Receiving New Generation Medication Services	564.5	617.6

D. Goal: CONSUMER PROTECTION SERVICES

Outcome (Results/Impact):

Percentage of Licenses Issued within Regulatory Timeframe	98%	98%
D.1.1. Strategy: FOOD (MEAT) AND DRUG SAFETY		
Efficiencies:		
Average Cost Per Surveillance Activity - Food/Meat and Drug Safety	178.23	178.23
D.1.2. Strategy: ENVIRONMENTAL HEALTH		
Efficiencies:		
Average Cost Per Surveillance Activity - Environmental Health	150.78	150.78
D.1.3. Strategy: RADIATION CONTROL		
Efficiencies:		
Average Cost Per Surveillance Activity - Radiation Control	297.64	297.64
D.1.4. Strategy: HEALTH CARE PROFESSIONALS		
Output (Volume):		
Number of Health Care Professionals and Licensed Chemical Dependency Counselors Licensed, Permitted, Certified, Registered, or Documented	87,524	87,524
D.1.7. Strategy: SEX OFFENDER TREATMENT/SUPERVISION		
Output (Volume):		
Number of Sex Offenders Provided Treatment and Supervision	98	123
Efficiencies:		
Average Cost Per Sex Offender for Treatment and Supervision	32,377	33,009
Explanatory:		
Number of New Civil Commitments	50	50

2. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease Payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code, §1232.103.

	<u>2010</u>	<u>2011</u>
a. Construction of Buildings and Facilities		
(1) Laboratory - Bond Debt Service	\$ 2,878,032	\$ 2,877,957
(2) Hospital Construction - Texas Center for Infectious Disease	7,182,878	UB
Total, Construction of Buildings and Facilities	<u>\$ 10,060,910</u>	<u>\$ 2,877,957</u>
b. Repair or Rehabilitation of Buildings and Facilities		
(1) Repair and Renovation of MH State Hospitals	46,567,734	UB
(2) Sunrise Canyon Hospital Capital Improvements	1,350,825	UB
(3) Laboratory Building Retrofit - Cystic Fibrosis	125,000	UB
Total, Repair or Rehabilitation of Buildings and Facilities	<u>\$ 48,043,559</u>	<u>\$ UB</u>

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

c. Acquisition of Information Resource Technologies		
(1) Information Systems Improvement	8,866,231	8,866,231
(2) WIC Clinic PC Replacement	2,869,756	2,150,406
(3) Seat Management	7,142,479	7,197,197
(4) Data Center Consolidation	11,333,982	10,153,729
(5) Messaging & Collaboration	412,591	412,590
(6) Telecommunications Enhancement	1,212,819	0
(7) Pharmacy Management System Optimization	0	895,000
(8) IT Accessibility	1,079,943	1,087,830
 Total, Acquisition of Information Resource Technologies	 \$ 32,917,801	 \$ 30,762,983
d. Transportation Items		
(1) Vehicles	590,000	0
e. Acquisition of Capital Equipment and Items		
(1) Misc Lab Equipment	2,625,306	1,109,735
f. Other Lease Payments to the Master Lease Purchase Program (MLPP)		
(1) Payment of MLPP - Energy Conservation-MH	2,786,097	2,778,574
(2) Lease Pmts to MLPP MH Facilities Equipment	608,784	582,097
(3) Lease Pmts to MLPP Communications Equip	503,179	500,934
(4) Lease Pmts to MLPP Vehicles	772,975	769,580
 Total, Other Lease Payments to the Master Lease Purchase Program (MLPP)	 \$ 4,671,035	 \$ 4,631,185
 Total, Capital Budget	 \$ 98,908,611	 \$ 39,381,860
Method of Financing (Capital Budget):		
<u>General Revenue Fund</u>		
General Revenue Fund	\$ 23,800,779	\$ 23,051,734
General Revenue - Insurance Companies		
Maintenance Tax and Insurance Department Fees	25,179	0
Subtotal, General Revenue Fund	\$ 23,825,958	\$ 23,051,734
<u>General Revenue Fund - Dedicated</u>		
Vital Statistics Account No. 019	33,256	33,256
Hospital Licensing Account No. 129	3,276	3,276
Food and Drug Fee Account No. 341	4,988	4,988
Bureau of Emergency Management Account No. 512	5,621	5,621
Department of Health Public Health Services Fee Account No. 524	3,241,340	3,222,629
Commission on State Emergency Communications Account No. 5007 ²²	64	64
Asbestos Removal Licensure Account No. 5017	95,403	95,403
Workplace Chemicals List Account No. 5020	1,738	1,738
Certificate of Mammography Systems Account No. 5021	762	762
Food and Drug Registration Account No. 5024	12,720	12,720
Permanent Fund for Health and Tobacco Education and Enforcement Account No. 5044	21,262	21,262
Permanent Fund Children & Public Health Account No. 5045	557	557
Permanent Fund for EMS & Trauma Care Account No. 5046	2,628	2,628
EMS, Trauma Facilities, Trauma Care Systems Account No. 5108	129	129
Trauma Facility and EMS Account No. 5111	740	740
Subtotal, General Revenue Fund - Dedicated	\$ 3,424,484	\$ 3,405,773
 Federal Funds	 15,446,861	 12,857,652

²² Technical correction to name of account.

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

<u>Other Funds</u>		
Appropriated Receipts	1,476	1,477
DSHS Public Health Medicaid Reimbursements	1,071,249	48,346
Interagency Contracts	37,146	16,878
Bond Proceeds - General Obligation Bonds	55,101,437	UB
Subtotal, Other Funds	<u>\$ 56,211,308</u>	<u>\$ 66,701</u>
 Total, Method of Financing	 <u>\$ 98,908,611</u>	 <u>\$ 39,381,860</u>

3. **Criminal Justice/Substance Abuse Initiative.** Out of funds appropriated above in Strategy B.2.5, Substance Abuse Prevention, Intervention, and Treatment, the Department of State Health Services shall transfer \$3,250,000 in each year of the biennium to the Treatment Alternative to Incarceration Program with the Texas Department of Criminal Justice for the provision of outpatient substance abuse treatment services for probationers. The agencies shall enter into an interagency contract to include data reporting provisions to address performance and other data requirements for state and federal reporting.

4. **Client Services.** It is the intent of the Legislature that the Department of State Health Services (DSHS) and the Department of Family and Protective Services (DFPS) enter into a Memorandum of Understanding for providing outpatient treatment services by DSHS to referred DFPS clients. Out of Substance Abuse Prevention and Treatment Block Grant federal funding at DSHS, a maximum of \$2,070,114 for the biennium may be used for qualified services to DFPS clients.

5. **Notification of Intent to Utilize Additional Federal SAPT Block Grant Funds.** The Department of State Health Services (DSHS) shall notify the Legislative Budget Board and the Governor of its intent to use additional federal Substance Abuse Prevention and Treatment (SAPT) block grant funds in excess of the amounts specifically appropriated in the strategies above, which total \$132,914,097 for fiscal year 2010 and \$132,914,097 for fiscal year 2011. This notification shall explain the services to be provided, the original source of funding for the program or services or indicate that programs or services are being expanded beyond levels assumed in the appropriations act, and the grant and amount of the grant funds to be used. The notification shall be submitted at least 45 days prior to allocations made out of funds appropriated above.

6. **Other Reporting Requirements.**
 - a. **Federal Reports.** The Department of State Health Services shall submit the following information to the Legislative Budget Board and the Governor no later than the date the respective report is submitted to the federal government:
 - (1) Notification of proposed State Plan amendments and waivers for the Maternal and Child Health Block Grant (Title V of the Social Security Act), the Special Supplemental Food Program for Women, Infants and Children Program (Child Nutrition Act of 1966), and the Substance Abuse, Prevention and Treatment Block Grant and any other federal grant requiring a state plan. State Plan amendments and waiver submissions shall also be provided to the Senate Health and Human Services, House Human Services, and House Public Health committee.
 - (2) A copy of each report or petition submitted to the federal government relating to the grants and programs noted above under section a (1).

 - b. **Federal Issues.** The Department of State Health Services shall notify the Legislative Budget Board and the Governor on a timely basis about emerging issues that could result in the loss of more than \$1,000,000 in federal revenue assumed in the appropriations act.

 - c. **Monthly Financial Reports.** The Department of State Health Services shall submit the following information to the Legislative Budget Board and the Governor on a monthly basis:
 - (1) Information on appropriated, budgeted, expended and projected funds, by strategy and method of finance.
 - (2) Narrative explanations of significant budget adjustments, ongoing budget issues, and other as appropriate.

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

- (3) Collections, expenditures, and balances for revenues generated by the department as of the last day of the prior month.
 - (4) Any other information requested by the Legislative Budget Board or the Governor.
- d. The monthly financial reports shall be prepared in a format specified by the Legislative Budget Board.

7. Mental Health Community Hospital Medicaid Services. The Harris County Psychiatric Center, Lubbock Community Hospital, and Galveston Community Hospital shall certify appropriated state funds to the Health and Human Services Commission or its designee for the state share of Medicaid reimbursement for the following services:

- a. Inpatient psychiatric services for children.
- b. Inpatient psychiatric services for age 65 and over (Institute for Mental Disease option).

The Department of State Health Services shall report monthly to the Legislative Budget Board and the Governor on the amounts certified by each mental health community hospital.

8. Performance Contracts. Funds in Strategy C.2.1, Mental Health Community Hospitals, shall be allocated through performance contracts with local mental health authorities.

9. Transfers of Appropriation - State Owned Hospitals. The Department of State Health Services shall transfer from non-Medicaid state appropriated funds the following amounts to the Health and Human Services Commission for the Disproportionate Share Hospital Reimbursement Program:

	<u>2010</u>	<u>2011</u>
State Mental Health Hospitals	\$281,523,751	\$ 281,523,751
Harris County Psychiatric Center	5,874,581	5,874,581
Texas Center for Infectious Disease	<u>12,222,255</u>	<u>12,222,255</u>
	\$299,620,587	\$ 299,620,587

The timing and form of such transfers shall be determined by the Comptroller of Public Accounts in consultation with the Health and Human Services Commission. The Legislative Budget Board is authorized to adjust the amounts of such transfers as necessary to match available federal funds. The department shall also transfer non-Medicaid state appropriated funds as necessary for other qualifying state-funded community hospitals including mental health community hospitals. DSHS shall monitor Medicaid utilization rates at these state-owned hospitals to ensure their qualification for the Disproportionate Share Hospital Reimbursement Program.

10. Disposition of Construction Appropriation. Construction appropriations may be used to pay salaries and travel expenses of department engineers and architects and administrative expenses of construction projects (but shall not exceed \$500,000 in a fiscal year that are paid out of General Obligation Bonds); architect's and engineer's fees; and the actual travel expenses incurred by them or their representatives in making trips of inspection at the discretion of the department during construction, renovation, or repair of buildings and systems or the installation of fixed equipment. Job titles and rates of pay for such salaried positions of department personnel paid from construction appropriations shall conform with the Position Classification Plan and Classification Salary Schedule.

11. Community Hospital Funding for Galveston Community Hospital. Out of funds appropriated above, the Department of State Health Services shall allocate \$400,000 in General Revenue for fiscal year 2010 and \$400,000 in General Revenue for fiscal year 2011 for the Galveston Community Hospital, specifically for the purpose of providing outpatient medication services.

12. Appropriation of Local Funds. All funds received by the department from counties, cities, and any other local governmental entities and all balances from such sources as of August 31, 2009, are hereby appropriated for the biennium ending August 31, 2011, for the purpose of carrying out the provisions of this Act. (Estimated to be \$0.)

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

13. Unexpended Construction Balances.

- a. **Mental Health Facilities.** Any unexpended construction, repair, or renovation balances from previous appropriations, estimated to be \$20,690,559 from fiscal year 2009 to fiscal year 2010 and included in the method of finance above as General Obligation Bond proceeds in Strategy F.1.3, Capital Repair and Renovation: Mental Health Facilities, are hereby appropriated to the Department of State Health Services (DSHS) for the same purposes.
- b. **Health Care Facilities.** Any unexpended balances of General Obligation Bonds for health care facilities from previous appropriations, estimated to be \$7,182,878 from fiscal year 2009 to fiscal year 2010 and included in Strategy F.1.3, Construction: Health Care Facilities, TCID, are hereby appropriated to the Department of State Health Services for the same purposes.
- c. **Authorization.** Authorization to expend the unexpended construction balances is contingent upon submission of the following reports to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the reports to the Comptroller of Public Accounts.
 - (1) a report by September 1, 2009 providing actual expenditures for fiscal years 2008 and 2009, and planned expenditures for fiscal years 2010 and 2011 at the project/mental health state hospital level; and
 - (2) a report by March 1 and September 1 of each fiscal year reflecting actual expenditures by project/mental health state hospital for the previous six months. Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The notification and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

The planned expenditures shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the proposal to expend the funds and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

The Comptroller of Public Accounts shall not allow the use of unexpended balances if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

14. Mental Health Appropriation Transfer Between Fiscal Years. In addition to the transfer authority provided elsewhere in this Act, the Department of State Health Services may transfer appropriations made for the fiscal year ending August 31, 2011, to the fiscal year ending August 31, 2010, subject to the following conditions provided by this section:

- a. Transfers under this section may be made only:
 - (1) if costs associated with managing the Mental Health State Hospitals exceed the funds appropriated for these services for fiscal year 2010; or
 - (2) or any emergency expenditure requirements, including expenditures necessitated to ensure the continuation of Medicaid client services to maintain fiscal year 2009 Medicaid caseloads; or
 - (3) if appropriated receipts generated through MH hospital-related programs required to fund appropriations contained in this Act for fiscal year 2010 are less than those contained in the method of financing for the department for fiscal year 2010.
- b. Transfers may not exceed \$15,000,000 in General Revenue.
- c. A transfer authorized by this section must receive the prior approval of the Legislative Budget Board and the Governor.
- d. The Comptroller of Public Accounts shall cooperate as necessary to assist the completion of a transfer and spending made under this section.

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

15. New Generation Medications. Funds expended on New Generation Medications shall be spent in accordance with the practice guidelines developed through the Texas Implementation of Medication Algorithms (TIMA), Children's Medication Algorithm Project (CMAP) or a Department of State Health Services-approved variation or substitute of TIMA or CMAP guidelines.

16. Limitation: Transfer Authority.

a. Limitations on Transfers.

- (1) **Medicaid Strategies.** Notwithstanding the transfer provisions in the General Provisions (general transfer provisions) and other transfer provisions of this Act, funds appropriated by this Act to the Department of State Health Services (DSHS) for the following Medicaid strategies shall be governed by the specific limitations included in this provision.

Transfers may be made between appropriation items listed in this subsection. Transfers may not be made from appropriation items listed in this subsection to appropriation items not listed in this subsection without prior written approval from the Legislative Budget Board and the Governor. DSHS shall provide notification of all transfers pursuant to subsection (b) of this provision, and any transfer approval requests shall be submitted pursuant to subsection (c) of this provision.

B.2.1. Mental Health Services for Adults;
B.2.2. Mental Health Services for Children; and
C.1.3. Mental Health State Hospitals

- (2) **Women and Children's Health.** Notwithstanding any other provisions contained in this Act, no transfers shall be made out of Strategy B.1.2, Women and Children's Health Services without written approval pursuant to subsection (c).
- (3) **Other Strategies.** Transfers may be made between strategies in the goals listed in this subsection. DSHS shall provide notification of all transfers pursuant to subsection (b) of this provision.

Goal A: Preparation and Preparedness
Goal B: Community Health Services (with the exception of B.1.2, Women and Children's Health Services; B.2.1, Mental Health Services for Adults; and B.2.2, Mental Health Services for Children)
Goal C: Hospital Facilities and Services (with the exception of C.1.3, Mental Health State Hospitals)
Goal D: Consumer Protection Services
Goal E: Indirect Administration; and
Goal F: Capital Items

- b. Notification Regarding Transfers that Do Not Require Approval.** Authority granted by this provision to transfer funds is contingent upon a written notification from DSHS to the Legislative Budget Board and the Governor at least 30 days prior to the transfer, which includes the following information:

- (1) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
- (2) the name of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;
- (3) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and
- (4) the capital budget impact.

- c. Requests for Transfers that Require Approval.** To request a transfer, DSHS shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information:

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

- (1) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
 - (2) the name of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;
 - (3) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and
 - (4) the capital budget impact.
- d. **Transfers into Items of Appropriation.** Transfers may be made from any appropriation item to the appropriation items in section (a), subject to the limitations established in section (a) for each appropriation item.
- e. **Cost Pools.** Notwithstanding the above limitations, transfers may be made from the appropriation items in section (a) to separate accounts authorized by agency rider and established by the State Comptroller for payment of certain support costs not directly attributable to a single program.
- f. **Cash Management.** Notwithstanding the above limitations, DSHS may temporarily utilize funds appropriated to the strategies listed in section (a) for cash flow purposes. All funding used in this manner shall be promptly returned to the originating strategy. This authorization is subject to limitations established by the Comptroller of Public Accounts.

The Comptroller of Public Accounts shall not allow the transfer of funds authorized by any of the above subsections if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

In the case of disaster or other emergency, this provision is superseded by the emergency-related transfer authority in Article IX of this Act.

17. Laboratory Funding.

- a. All receipts generated by the Department of State Health Services (DSHS) from laboratory fees during the 2010-11 biennium and deposited in General Revenue-Dedicated Account No. 524 under Revenue Object 3561 are hereby appropriated to the DSHS for transfer to the Texas Public Finance Authority for the payment of debt services on the project revenue bonds.
- b. Appropriations made out of the General Revenue Fund to DSHS in Goal E, Indirect Administration, may be transferred for bond debt service payments only if laboratory fees generated by the laboratory during the biennium are insufficient to support the bond debt service, subject to prior approval of the Governor and the Legislative Budget Board and if no funds appropriated to DSHS by this Act have been transferred into Goal E, Indirect Administration.
- c. Included in the appropriations made above in Strategy A.4.1, Laboratory Services, is \$13,757,453 in fiscal year 2010 and \$14,957,453 in fiscal year 2011 from General Revenue-Dedicated Account No. 524. These amounts include an unexpended balance of \$0 from the 2008-09 biennium.

18. Appropriations Limited to Revenue Collections. The Department of State Health Services (DSHS) shall review all of the fee schedules within its authority on an annual basis. The DSHS shall provide a copy of the report summarizing this review to the Legislative Budget Board and the Governor no later than September 1 of each year in the biennium, with a copy of the final report to be submitted no later than January 1 of each year of the biennium. It is the intent of the Legislature that, to the extent feasible, fees, fines, and other miscellaneous revenues as authorized and generated by the department cover, at a minimum, the cost of the appropriations made for the programs listed in the table below, as well as the "other direct and indirect costs" associated with these programs, appropriated elsewhere in this Act. "Other direct and indirect costs" for these programs are estimated to be \$5,952,061 for fiscal year 2010 and \$6,143,347 for fiscal year 2011.

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available. This rider shall apply to revenues generated in the following strategies and deposited under the following revenue codes or account numbers:

Strategy	Revenue Code or Account
D.1.1. Food (Meat) & Drug Safety	341 Food & Drug Retail Fee 5022 Oyster Sales 5024 Food & Drug Registration Fees deposited into 001 to support D.1.1, Food (Meat) and Drug Safety, including fees deposited under the following Revenue Codes: 3142 (Food Service Worker Training); 3180 (Health Regulation Fees, for Body Piercing and Tattoo Studios, Tanning Facility Fees, and Narcotic Treatment Fees); 3400 (Business Fees-Agriculture, for Renderers Licenses and Milk Industry Products); 3414 (Agriculture Inspection Fees, for Meat Inspection); 3554 (Food and Drug Fees, for Medical Device Wholesalers, Food Drug and Cosmetic Sales, and Frozen Desserts).
D.1.2. Environmental Health	5017 Asbestos Removal Licensure 5020 Workplace Chemical List Fees deposited into 001 to support D.1.2, Environmental Health, including fees deposited under the following Revenue Codes: 3123 (Volatile Chemical Sales Permit); 3141 (Bedding Permit Fees); 3175 (Professional Fees, for Code Enforcement Officers and Mold Assessors); 3180 (Health Regulation Fees, for Lead-Based Paint Certification Program); 3555 (Hazardous Substance Manufacture); 3562 (Health Related Professional Fees, for Sanitarian Registration and Pesticide Use and Application Program); and 3573 (Health Licenses for Camps, for Youth Camps).
D.1.3. Radiation Control	5021 Certification of Mammography Systems Fees deposited into 001 to support D.1.3, Radiation Control, including fees deposited under the following Revenue Codes: 3589 (Radioactive Materials and Devices for Equipment Regulation).
D.1.4. Health Care Professionals	Fees deposited into 001 to support D.1.4, Health Care Professionals, including fees deposited under the following Revenue Codes: 3175 (Professional Fees, for Health Services Providers and Athletic Trainers); 3560 (Medical Examination and Registration, for Perfusionists, Medical Radiologic Technicians, and Respiratory Therapists); 3562 (Health Related Professional Fees, for Medical Physicists, Hearing Aid Dispensers, Marriage and Family Therapists,

DEPARTMENT OF STATE HEALTH SERVICES

(Continued)

Massage Therapists, Respiratory Care Practitioners, Professional Counselors, Dispensing Opticians, Speech Pathologists, Dieticians, and Chemical Dependency Counselors); 3616 (Social Worker Regulation); and 3727 (Fees for Administrative Services, for Council on Sex Offender Treatment Providers).

D.1.5. Health Care Facilities

129 Hospital Licensing

Fees deposited into 001 to support D.1.5, Health Care Facilities, including fees deposited under the following Revenue Codes: 3180 (Health Regulation Fees, for Special Care Facilities); and 3557 (Health Care Facilities Fees, for Abortion Clinics, Ambulatory Surgical Centers, Birthing Centers, End Stage Renal Disease Facilities, Chemical Dependency Facilities, and Drug Abuse Treatment Facilities).

A.1.2 Health Registries, Information, and Vital Records

019 Vital Statistics

- 19. Revolving Fund Services: Canteen Services and Sheltered Workshops.** Out of funds appropriated above in Strategy C.1.3, Mental Health State Hospitals, \$795,500 per fiscal year in General Revenue shall be allocated for the operation of canteen and sheltered workshops. The department shall provide information on related revenues, balances, contracts and profits to the Legislative Budget Board, Governor and Comptroller of Public Accounts. These revenues, expenditures and balances shall be reported and included in agency Operating Budgets, Legislative Appropriation Requests, and Annual Financial Reports. The timetable, format and content for additional monthly reports related to canteen operations and sheltered workshops shall be prescribed by the Legislative Budget Board.
- 20. Funding for Abstinence Sexual Education.** It is the intent of the Legislature that funds appropriated in Strategy A.3.2, Abstinence Education, including \$1,134,091 in General Revenue, be utilized for the purpose of implementing abstinence sexual education programs to reduce the need for future family planning services for unwed minors. Any Federal Funds received by the agency for abstinence education are appropriated to the agency for this purpose. Abstinence education means materials and instruction which:
- a. Present abstinence from sexual activity as the preferred choice of behavior for unmarried persons; and
 - b. Emphasize that abstinence from sexual activity, used consistently and correctly, is the only method that is 100 percent effective in preventing pregnancy, sexually transmitted disease, and infection with human immunodeficiency virus or acquired immunodeficiency syndrome.
- 21. Prohibition on Abortions.**
- a. It is the intent of the Legislature that no funds shall be used to pay the direct or indirect costs (including overhead, rent, phones and utilities) of abortion procedures provided by contractors of the department.
 - b. It is also the intent of the legislature that no funds appropriated under Strategy B.1.3, Family Planning Services, shall be distributed to individuals or entities that perform elective abortion procedures or that contract with or provide funds to individuals or entities for the performance of elective abortion procedures.
 - c. The department shall include in its financial audit a review of the use of appropriated funds to ensure compliance with this section.
- 22. Family Planning.** Of funds appropriated under Strategy B.1.3, Family Planning Services, no state funds may be used to dispense prescription drugs to minors without parental consent.

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

- 23. Reporting of Child Abuse.** The Department of State Health Services may distribute or provide appropriated funds only to recipients which show good faith efforts to comply with all child abuse reporting guidelines and requirements set forth in Chapter 261 of the Texas Family Code.
- 24. Trauma Formula Distribution.** It is the intent of the Legislature that the Department of State Health Services allocate monies from the emergency medical services and trauma care system fund in accordance with all applicable laws including Health and Safety Code, §773.122(c) and §780.004(d). It is further the intent of the Legislature that the Department of State Health Services weight the statutory criteria in such fashion that, in so far as possible, 40 percent of the funds are allocated to urban counties and 60 percent of the funds are allocated to rural and frontier counties.
- 25. Authorization to Receive, Administer, and Disburse Federal Funds.** The appropriations made herein may be used to match Federal Funds granted to the state for the payment of personal services and other necessary expenses in connection with the administration and operation of a state program of health services. Notwithstanding the General Provisions of this Act, the Executive Commissioner of Health and Human Services, the Commissioner of State Health Services, or the designee under statute or by rule is hereby authorized to receive and disburse in accordance with plans acceptable to the responsible federal agency, all federal monies that are made available (including grants, allotments, and reimbursements) to the state and retain their character as Federal Funds for such purposes, and to receive, administer, and disburse Federal Funds for federal regional programs in accordance with plans agreed upon by the Department of State Health Services and the responsible federal agency, and such other activities as come under the authority of the Executive Commissioner of Health and Human Services, the Commissioner of State Health Services, or the designee under statute or by rule, and such monies are hereby appropriated to the specific purpose or purposes for which they are granted or otherwise made available. Earned Federal Funds are not considered to be Federal Funds for the purpose of this section.
- 26. Accounting of Support Costs.** The Comptroller of Public Accounts shall establish separate accounts from which certain support costs shall be paid. The Department of State Health Services is hereby authorized to make transfers into these separate accounts from line item strategies in order to pay for these expenses in an efficient and effective manner. Only costs not directly attributable to a single program may be budgeted in or paid from these accounts. Items to be budgeted in and paid from these accounts include but are not limited to: postage, occupancy costs, equipment repair, telephones, office printing costs, supplies, freight and transport costs, telephone system costs and salary and travel costs of staff whose function supports several programs. The department shall be responsible for quarterly allocations of these costs to the original strategies.
- 27. Medical Treatment.** The Department of State Health Services may distribute funds for medical, dental, psychological, or surgical treatment provided to a minor only if consent to treatment is obtained pursuant to Chapter 32 of the Texas Family Code or other state law. In the event that compliance with this rider would result in the loss of Federal Funds to the state, the department may modify, or suspend this rider to the extent necessary to prevent such loss of funds, provided that 45-day prior notification is provided to the Governor and the Legislative Budget Board.
- 28. Appropriation: WIC (Special Supplemental Nutrition Program for Women, Infants, and Children) Rebates.** The Department of State Health Services (DSHS) is authorized to receive and expend WIC rebates and interest earnings associated with WIC rebates and such funds are appropriated to DSHS. The department shall only expend WIC rebates and interest earnings for the purposes of the WIC program.
- 29. State Health Care Facility Provisions.** The State Health Care Facilities operated by the Department of State Health Services are the South Texas Health Care Center System (formerly known as the South Texas Hospital) and the Texas Center for Infectious Disease. The provisions applying to the State Health Care Facilities are as follows:
- a. The Texas Center for Infectious Disease shall provide utilities and inpatient treatment and care services to the San Antonio State Hospital and the San Antonio State School without reimbursement.
 - b. Out of the funds appropriated above, the South Texas Health Care System shall support medical education through the South Texas Family Practice Residency Program-McAllen with the cooperation of the University of Texas Health Science Center at San Antonio.

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

- c. Third party collections (appropriated receipts) collected by the Department of State Health Services State Health Care Facilities are hereby appropriated to Strategy C.1.1, Texas Center for Infectious Disease, and Strategy C.1.2, South Texas Health Care System, for the provision of services.

- 30. Immunization of Employees.** Monies appropriated above may be expended for any immunization which is required of employees at risk in the performance of their duties.
- 31. Reimbursement of Advisory Committee Members.** Pursuant to Health and Safety Code, §1001.027, reimbursement of expenses for advisory committee members, out of funds appropriated above not to exceed \$200,000 per fiscal year, is limited to the following advisory committees: State Preventive Health Advisory Committee, Texas Radiation Advisory Board, Preparedness Coordinating Council, the Texas Organ, Tissue, and Eye Donor Council, Governor's Emergency Medical Services and Trauma Advisory Council, and Local Authority Network Advisory Committee.

Pursuant to Health and Safety Code, §1001.027, reimbursement of expenses for advisory committee members, out of funds appropriated above, is limited to any advisory committee member who represents either the general public or consumer on the following advisory committees: Texas HIV Medication Program Advisory Committee, Registered Sanitarian Advisory Committee, Code Enforcement Officer's Advisory Committee, Promotora Community Health Worker Training and Certification Committee, Medical Radiological Technologist Advisory Committee, Respiratory Care Practitioner's Advisory Committee, Governor's Emergency Medical Services and Trauma Advisory Council, Drug Demand Reduction Advisory Committee, Texas State Perfusionist Advisory Committee, Youth Camp Advisory Committee, and School Health Advisory Committee.

Pursuant to Health and Safety Code, §1001.027, reimbursement of expenses for advisory committee members, out of funds appropriated above not to exceed \$18,978 per year, is limited to the Mental Health Planning and Advisory Committee.

To the maximum extent possible, the department shall encourage the use of videoconferencing and teleconferencing and shall schedule meetings and locations to facilitate the travel of participants so that they may return the same day and reduce the need to reimburse members for overnight stays.

- 32. Reimbursement of Advisory Council Members.** Pursuant to Health and Safety Code, §1001.027, reimbursement of travel expenses for the State Health Services Advisory Council members, out of funds appropriated above, is hereby authorized such that the sum total of all reimbursements for members of the Council shall not exceed \$25,000 per fiscal year, at the rate specified in the general provisions of this Act.
- 33. Unexpended Balances - Preparedness and Prevention, and Consumer Protection Services.** All unexpended balances, including General Revenue and All Funds, not otherwise restricted from appropriations to Goal A, Preparedness and Prevention Services, and Goal D, Consumer Protection Services, at the close of the fiscal year ending August 31, 2010, are hereby appropriated for the fiscal year beginning September 1, 2010 only upon prior written approval by the Legislative Budget Board and Governor.

For authorization to expend the funds, the agency shall submit a written request to the Legislative Budget Board and the Governor by August 1, 2010. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request must be organized by fiscal year as follows:

- a. The following information shall be provided for the fiscal year with an unexpended balance:
 - (1) an explanation of the causes of the unexpended balance(s);
 - (2) the amount of the unexpended balance(s) by strategy; and
 - (3) an estimate of performance levels and, where relevant, a comparison to targets in this Act.

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

- b. The following information shall be provided for the fiscal year receiving the funds:
- (1) an explanation of purpose for which the unexpended balance(s) will be used and whether the expenditure will be one-time or ongoing;
 - (2) the amount of the expenditure by strategy;
 - (3) an estimate of performance levels, and where relevant, a comparison to targets in this Act ; and
 - (4) the capital budget impact.

The request shall be considered to be disapproved unless the Legislative Budget Board and the Governor issue written approvals within 45 calendar days of receipt of the request.

The Comptroller of Public Accounts shall not allow the use of unexpended balances authorized by any of the above subsections if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

- 34. State Health Programs Drug Manufacturer Rebates.** The Department of State Health Services is authorized to receive and expend drug rebates and interest earnings associated with Kidney Health Care (KHC) drug rebates and Children with Special Health Care Needs (CSHCN) drug rebates. The department shall expend the drug rebates and interest earnings, appropriated above, only for the purpose of client services for the KHC and CSHCN programs.
- 35. Childhood Lead Registry.** Out of funds appropriated above in Strategy A.1.2, Health Registries, Information, and Vital Records, a total of \$80,700 in All Funds and \$65,000 in General Revenue Funds each fiscal year of the 2010-11 biennium shall be used for the Childhood Lead Registry.
- 36. Performance of Licensing Entities.** The Department of State Health Services (DSHS) shall provide performance information to the Legislative Budget Board and the Governor no later than December 1 of each year for each board or other entity that licenses, certifies, or registers health professionals attached to or within the purview of DSHS. For each board or other entity, the department shall provide the following for the previous fiscal year:
- a. Number of Professionals Licensed/Certified/Placed on a Registry;
 - b. Number of New License/Certificate Applications Received;
 - c. Total Number of Complaints Received;
 - d. Total Number of Jurisdictional Complaints Resolved; and
 - e. Total Number and Type of Disciplinary Actions Taken.
- 37. Performance Reporting for Texas Center for Infectious Disease and South Texas Health Care Center System.** The Department of State Health Services shall submit to the Legislative Budget Board and the Governor the following information on an annual basis regarding hospital performance: revenue collections at the hospital, by payor mix; direct and non-direct patient care expenditures; number of inpatient patients served on a monthly basis, by type of service provided; and number of outpatient patients served on a monthly basis, by type of service provided.
- 38. Notification of Regional Funds Distribution.** The Department of State Health Services shall notify the Legislative Budget Board and the Governor of the allocation methodology or formula used to allocate funds and provide an impact analysis of any changes from the previous year's formula or percentage allocations, by public health region, at least 30 days prior to allocations made out of funds appropriated above in Strategy B.1.2, Women and Children's Health Services.
- 39. Transfer for Health Professions Council.** Out of funds appropriated above in Strategy D.1.4, Health Care Professionals, an amount equal to \$11,846 in fiscal year 2010 and \$11,846 in fiscal year 2011 shall be used for transfer to, and expenditure by, the Health Professions Council as the pro-rated assessment of the Professional Licensing and Certification Unit of the Department of State Health Services.

DEPARTMENT OF STATE HEALTH SERVICES

(Continued)

- 40. Rabies Control.** Out of amounts appropriated above, up to \$5,005,594 in fiscal year 2010 and \$4,505,595 in fiscal year 2011 is allocated above to Strategy A.2.3, Infectious Disease Prevention, Epidemiology, and Surveillance, for rabies control.
- 41. Reducing the Incidence of *Vibrio Vulnificus*.** Out of the funds appropriated in Strategy D.1.1, Food (Meat) and Drug Safety, the Department of State Health Services (DSHS) shall allocate up to \$100,000 in fiscal year 2010 and \$100,000 in fiscal year 2011 in the General Revenue Dedicated, Oyster Sales, Account No. 5022, for the purpose of reducing the incidence of *Vibrio Vulnificus*. Appropriation of these funds does not preclude the use of other funds (such as federal or other grants, donations, or awards) to carry out the activities by DSHS as provided for herein.
- 42. Use of Community Primary Care Services, FQHC, and Special Health Initiatives Funds.**
- a. It is the intent of the Legislature that up to \$5,000,000 in fiscal year 2010 and \$5,000,000 in fiscal year 2011 of the funds appropriated in Strategy B.3.2, FQHC Infrastructure Grants, be expended exclusively to establish new Federally Qualified Health Centers (FQHCs), FQHC Look-alikes, or expand sites or capacity at existing FQHCs and to aid FQHCs and organizations through grants to existing or new institutions seeking to become FQHCs for planning, grant writing, initial operating costs, and initial capital costs. Any unused funds after June 1 of each year shall be used solely for the provision of direct primary care services through the continuation of the Primary Healthcare Program for existing FQHCs and non-FQHCs in Strategy B.1.4, Community Primary Care Services.
 - b. It is the intent of the Legislature that a total of \$302,100 for the 2010-11 biennium appropriated in Strategy B.1.4, Community Primary Care Services, be expended exclusively for the Parkland Senior Care Project. No more than \$1,000,000 may be used each year in Strategy B.1.4, Community Primary Care Services, for administrative expenses to support the Community Primary Care and FQHC grant programs.
 - c. It is the intent of the Legislature that all grantees, except Parkland Senior Care Project, receiving funds appropriated in Strategy B.1.4, Community Primary Care Services, be required to coordinate their services with existing FQHCs located in their county or to examine seeking designation as an FQHC if no FQHC is currently available within their county.
 - d. It is the intent of the Legislature that an FQHC that receives funds through this section shall operate extended weekend and evening hours.
- 43. State Owned Multicategorical Teaching Hospital Account.**
- a. Out of funds appropriated above in Strategy B.3.3, Indigent Health Care Reimbursement (UTMB), from the State Owned Multicategorical Teaching Hospital Account No. 5049 ("Account"), and contingent upon \$20,000,000 being collected and deposited in the Account for the 2010-11 biennium, the amount of \$20,000,000 is allocated to the Department of State Health Services (DSHS) for reimbursement to the University of Texas Medical Branch at Galveston (UTMB) for the provision of health care services provided to indigent patients according to the terms set out in subsection (b). Any additional unexpended balances on hand in the accounts as of August 31, 2010 are appropriated to the agency for the fiscal year beginning September 1, 2010 for the same purpose, subject to the department notifying the Legislative Budget Board and the Governor in writing at least 30 days prior to budgeting and expending these balances.
 - b. Funds in the account may be used to reimburse UTMB for the provision of health care services provided to indigent patients from all counties, except that it may be used for indigent patients from Galveston, Brazoria, Harris, Montgomery, Fort Bend, and Jefferson counties only if those counties' County Indigent Health Care income eligibility levels, or those counties' hospital district income eligibility levels, exceed the statutory minimum set for the County Indigent Health Care Program.
 - c. Upon presentation of information supporting UTMB's claim, DSHS shall reimburse UTMB for the health care services provided to indigent patients from the Account established for this purpose. The reimbursement from the Account shall be based upon a rate equal to 90 percent of the Medicaid fee-for-service rate in effect at the time of service for UTMB. This reimbursement shall be made monthly upon the submission to DSHS of a statement of the

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

care provided by UTMB to indigent patients, according to the terms set out in subsection (b). UTMB is authorized to charge patient co-payment amounts for providing health care services, however, UTMB is not entitled to reimbursement from the Account for these co-payment amounts. The Office of the State Auditor may periodically review the statements submitted to DSHS for reimbursement from the Account, as well as the disbursement therefrom, to verify compliance with the criteria established herein.

44. Appropriation of License Plate Revenue. Out of funds appropriated above, the Department of State Health Services shall allocate \$853,000 from revenues deposited in the General Revenue-Dedicated Animal Friendly Plates Account No. 5032, under Health and Safety Code, §828.014 per fiscal year for the purpose of awarding grants for animal sterilization. Any revenues deposited in the account in excess of the amounts estimated above are appropriated to the agency. Amounts appropriated above include an unexpended balance (estimated to be \$0) from the 2008-09 biennium; any additional unexpended balance on hand in the account as of August 31, 2009 is appropriated to the agency. Any unexpended balances as of August 31, 2010, from the amounts appropriated may be carried forward and expended in fiscal year 2011 for the same purposes.

45. Regulating End Stage Renal Disease Facilities. Out of funds appropriated above in Strategy D.1.5, Health Care Facilities, up to \$368,600 in General Revenue per year is allocated for the purpose of regulating End Stage Renal Disease facilities.

46. Informational Listing - Permanent Funds and Endowments. The following is an informational list of the amounts used to capitalize Permanent Funds and Endowments created by House Bill 1676, Seventy-sixth Legislature, and does not make appropriations.

Permanent Fund for Children and Public Health	\$	100,000,000
Permanent Fund for Health and Tobacco Education and Enforcement	\$	200,000,000
Permanent Fund for Emergency Medical Services and Trauma Care	\$	100,000,000
Permanent Hospital Fund for Capital Improvements and the Texas Center for Infectious Disease	\$	25,000,000

47. Estimated Appropriation and Unexpended Balance: Permanent Tobacco Funds. The estimated amounts appropriated above out of the Permanent Fund for Health and Tobacco Education and Enforcement, the Permanent Fund for Children and Public Health, the Permanent Fund for Emergency Medical Services and Trauma Care, and the Permanent Hospital Fund for Capital Improvements and the Texas Center for Infectious Disease are out of the available earnings of the funds. Available earnings in excess of the amounts estimated above are appropriated to the Department of State Health Services. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, this Act may not be construed as appropriating funds to make up the difference. Any additional unexpended balances on hand in the accounts as of August 31, 2010 are appropriated to the agency for the fiscal year beginning September 1, 2010 for the same purposes, subject to the department notifying the Legislative Budget Board and the Governor in writing at least 30 days prior to budgeting and expending these balances.

48. Administration of Public Health Funds. Funds are appropriated above out of the Permanent Fund for Health and Tobacco Education and Enforcement, the Permanent Fund for Children and Public Health, the Permanent Fund for Emergency Medical Services and Trauma Care, and the Permanent Hospital Fund for Capital Improvements and the Texas Center for Infectious Disease for the purpose of implementing Government Code §§403.105, 403.1055, 403.106, and 403.1066. In no event may the administrative costs to implement the provisions of the statute exceed 3 percent. Grants and program costs must compose at least 97 percent of the expenditures to implement the provisions of the statute.

49. Emergency Care Attendant (ECA) Training. Out of funds appropriated above, the Department of State Health Services (DSHS) shall allocate \$50,000 in fiscal year 2010 and \$50,000 in fiscal year 2011 for the purpose of providing training grants to local Emergency Medical Services (EMS) instructors to conduct Emergency Care Attendant courses in or near communities lacking local training resources. DSHS shall contract with certified EMS instructors to conduct the 40-hour Emergency Care Attendant courses.

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

- 50. Funding for the Children's Outreach Heart Program.** Out of funds appropriated above in Strategy A.3.1, Health Promotion and Chronic Disease Prevention, \$247,000 in General Revenue Funds in each fiscal year of the 2010-11 biennium shall be used for the purposes of the Children's Outreach Heart Program in Corpus Christi for the prevention of heart disease and the early detection and intervention for heart defects in the Coastal Bend and South Texas.
- 51. Children with Special Health Care Needs.**
- a. Amounts appropriated above to DSHS in Strategy A.3.4, Children with Special Health Care Needs, may only be transferred if such a transfer would not result in a loss of, or reduction in, services or a loss of, or reduction in, persons otherwise eligible for CSHCN services or that results in higher cost projections for the next fiscal biennium.
 - b. DSHS may exceed the performance measure targets identified above for the Number of CSHCN Clients Receiving Medical Services to the extent funding is available to do so.
 - c. DSHS is directed to:
 - (1) Maintain provider reimbursement rates for Title V providers that mirror reductions in provider reimbursement rates for Medicaid providers.
 - (2) Continue 6 month continuous eligibility limitations consistent with the 6 month continuous eligibility limitations in effect in the Medicaid program.
 - d. DSHS shall submit to the Legislative Budget Board and the Governor the following information on an annual basis (no later than September 30 of each fiscal year) regarding the demographics of the clients served by this program, including income levels, insured status and citizenship.
- 52. County Indigent Health Care.** The Department of State Health Services may not allocate more than 10 percent of the total funds appropriated for the County Indigent Health Care program strategy to any single county. The total distribution of funds to any county may exceed the 10 percent allocation limit if there are no counties below the limit eligible for additional funding.
- 53. Nuisance Surveys for the Economically Disadvantaged Communities Program.** The Commission on Environmental Quality (TCEQ) and the Water Development Board (WDB) shall reimburse the Department of State Health Services (DSHS) for costs incurred by the agency in conducting nuisance surveys for applicants for financial assistance through the Economically Disadvantaged Communities program administered by the Water Development Board. TCEQ and WDB shall each reimburse such costs through Interagency Contracts with DSHS in an amount not to exceed a total of \$125,000 per agency for the biennium beginning on September 1, 2009.
- 54. Medically Fragile Children.** It is the intent of the Legislature that the Department of State Health Services provide appropriate General Revenue funding in fiscal years 2010 and 2011 in Strategy A.3.4, Children with Special Health Care Needs, for programs specifically designed for medically fragile children, the most critical of the children with special health care needs.
- 55. SAPT Maintenance of Effort Calculation.** The Department of State Health Services shall submit by September 1 of each year of the biennium to the Legislative Budget Board and the Governor a detailed analysis of all funds used for the calculation of the Substance Abuse Prevention and Treatment Block Grant Maintenance of Effort requirement for fiscal years 2009, 2010, and 2011. The report shall be in a format prescribed by the Legislative Budget Board and shall be accompanied by any supporting documentation detailing the sources and methodologies utilized in the calculation.
- 56. Family Planning Services at Federally Qualified Health Centers.** Out of funds appropriated in Strategy B.1.3, Family Planning Services, up to \$10,000,000 in each year of the 2010-11 biennium shall be set aside for family planning services provided by Federally Qualified Health Centers (FQHCs). The Department shall implement this provision only to the extent that it will not have an adverse effect on the number served by the family planning program, especially in counties where no FQHC is available. In addition, up to \$1,000,000 per year may be allocated to clinics for core family planning services provided under the auspices of Baylor College of Medicine. Funds will be allocated statewide to counties for family planning services according to DSHS' annual assessment of women-in-need. Any funds not applied for and granted to FQHCs each fiscal year shall be made available to non-FQHC contractors. FQHCs funded under this strategy shall assure

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

that recipients receive comprehensive primary and preventive care in addition to the family planning services. The Department of State Health Services shall work with FQHC contractors to assure that reporting requirements are aligned with FQHC eligibility, payment, and reporting requirements.

The Department of State Health Services shall re-allocate funds which are available to all providers to ensure that the funds appropriated in Strategy B.1.3, Family Planning Services, are fully utilized for family planning services and to prevent the underutilization of the funds appropriated. Any balances available from Title V and Title XX funds on August 31, 2010 are appropriated for fiscal year 2011 for the same purposes.

- 57. Vaccine Education - Inclusion of Information Related to Respiratory Syncytial Virus.** Out of funds appropriated above, the Department of State Health Services is hereby directed to include educational information about respiratory syncytial virus (RSV) in its materials already provided to mothers-to-be about childhood immunizations and illness.
- 58. Texas Cancer Registry.** Out of funds appropriated above in Strategy A.1.2, Health Registries, Information, and Vital Records, the Department of State Health Services shall allocate \$875,000 in fiscal year 2010 and \$1,000,000 in fiscal year 2011 in General Revenue Funds including one FTE in each year for the purpose of enhancing the infrastructure of the cancer registry.
- 59. Appropriation: Contingent Revenue.** The Department of State Health Services (DSHS) is appropriated for the purposes identified below any additional revenue generated by DSHS above the amounts identified in fiscal year 2010 or fiscal year 2011 in the Comptroller of Public Account's Biennial Revenue Estimate (BRE) for each of the accounts or revenue objects identified below. An appropriation from an account or revenue object shall be made available to the department once the amount in the BRE for the account or revenue object for the given fiscal year has been exceeded. An appropriation is limited to revenue generated in fiscal year 2010 or fiscal year 2011 and does not include any balances that have accrued in the account or revenue object code.
- a. Account No. 341, Food and Drug Retail Fees, for restaurant inspections.
 - b. Account No. 524, Public Health Services Fee, excluding any amounts deposited into Revenue Object 3561, which are statutorily dedicated for laboratory debt service. Any additional revenues are appropriated for laboratory operations.
 - c. Revenue Object 3175, Account No. 5017, Asbestos Removal Licensure, for asbestos inspections and regulatory activities.
 - d. Account No. 5021, Certification of Mammography Systems, for the purpose of certification of mammography facilities.
 - e. Revenue Objects 3616, 3560, and 3562 in the General Revenue Fund for the purpose of regulating health professionals.
 - f. Account No. 5024, Food and Drug Registration Fees, for food and drug inspections.
 - g. Account No. 5022, Oyster Sales, for oyster plant inspections.
 - h. Revenue Object 3589 in the General Revenue Fund for Radiation Control regulatory activities.
 - i. Revenue Objects 3123, 3141, 3175, 3555, and 3573 in the General Revenue Fund for environmental regulation.
 - j. Account No. 19, Vital Statistics, for processing birth and death certificates and other vital records.
 - k. Account No. 512, Bureau of Emergency Management, for licensing Emergency Medical Services personnel and providers.
- 60. Mentally Ill Offender Screening.** Pursuant to Health and Safety Code §§614.013 and 614.017, the Department of State Health Services and local mental health or mental retardation authorities shall, through a memorandum of understanding, identify offenders with mental impairments in the

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

criminal justice system, collect and report prevalence data, and accept and disclose information relating to a special needs offenders if the disclosure serves the purpose of Chapter 614, Health and Safety Code.

The Department shall report to the Legislative Budget Board no later than September 1 of each fiscal year its efforts to facilitate the exchange of information between agencies pursuant to Health and Safety Code §614.017. The report shall include, but is not limited to: the manner in which information is exchanged between agencies, the frequency with which information is exchanged, the type of information most frequently exchanged, and the agencies most frequently involved in the exchange of information.

61. TexasOnline Authority Appropriation.

- a. The Department of State Health Services (DSHS) is authorized in accordance with § 2054.252 of the Government Code to increase the occupational license, permit, and registration fees imposed on licensees by an amount sufficient to cover the cost of the subscription fee charged by the TexasOnline Authority.
- b. Amounts appropriated above to DSHS include \$1,049,240 in fiscal year 2010 and \$1,049,240 in fiscal year 2011 in fee revenue in Strategy D.1.6, TexasOnline, for the purpose of paying TexasOnline Authority subscription fees.
- c. In the event that actual and/or projected revenue collections from fee increases to cover the cost of TexasOnline subscription fees are insufficient to offset the costs identified above, the Comptroller is hereby directed to reduce the appropriation authority provided by this Act to DSHS to be within the amount of fee revenue expected to be available.
- d. For new licensing applications, DSHS is hereby appropriated the additional revenue generated from occupational license, permit, or registration fees in excess of the Comptroller's biennial revenue estimate for 2010-11 for the sole purpose of payment to the TexasOnline Authority contractor of subscription fees for implementing and maintaining electronic services for the department. DSHS, upon completion of necessary actions to access or increase fees, shall furnish an annual schedule of the number of license issuances or renewals and associated annual fee total, and any other supporting documentation to the Comptroller. If the Comptroller finds the information sufficient to support the projection of increased revenues, a notification letter will be issued and the contingent appropriation made available for the intended purposes.
- e. DSHS shall notify the Legislative Budget Board and the Comptroller of Public Accounts in writing upon receiving an exemption from participating in TexasOnline. Within 45 days of receiving an exemption, the department shall provide the Legislative Budget Board and the Comptroller with a report of the effective date, the reason for exemption, and all estimated expenditures for TexasOnline costs in the fiscal year in which the exemption is made.

62. Tobacco Prevention.

- a. **Statewide Comprehensive Tobacco Prevention Community Grant Program.** The funds appropriated above in Strategy B.2.6, Reduce Use of Tobacco Products, to the Department of State Health Services shall be used to create a competitive statewide grant program allowing all Texas city and county health departments and local independent school districts to apply for funds from the Texas tobacco settlement earnings and other funding DSHS designates for tobacco prevention activities that is not already designated for Health and Safety Code §161.302 or another statute. Matching local funding may be required by the grant program to ensure as many Texas communities receive funding as possible. Any unexpended balance of these funds remaining as of August 31, 2010 are appropriated to the agency for the fiscal year beginning September 1, 2010 for the same purpose, subject to the department notifying the Legislative Budget Board and the Governor in writing at least 30 days prior to budgeting and expending these balances.
- b. **Tobacco Prevention Reporting Requirements.** The Department of State Health Services shall prepare a report on its progress in the following areas: (1) the number and amount of grants issued to communities to implement comprehensive tobacco prevention efforts, (2) the number of Texas communities implementing a comprehensive tobacco prevention program, (3) the youth and adult tobacco use rate in communities implementing comprehensive programs, (4) the statewide youth and adult tobacco use rates, (5) the number

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

of Texans accessing cessation resources, and (6) the number of Texans exposed to tobacco prevention advertising. The report shall include an overview and evaluation of the state's tobacco prevention and enforcement progress and recommendations to improve the state's efforts and such other information as the Legislative Budget Board may require. The report shall be submitted to the Governor and the Legislative Budget Board by October 1, 2010.

- c. **Publish Evidence-based Interventions for Tobacco Prevention.** The Department of State Health Services (DSHS) shall use funds appropriated by this Act to publish or make available via the Internet a resource list identifying best practice and evidence-based interventions in tobacco prevention, cessation, and enforcement for use by entities receiving state appropriated funds.
 - d. **Use of Evidence-based Interventions for Tobacco Prevention.** The Department of State Health Services (DSHS) and any grant recipient of DSHS using state funds appropriated by this Act for tobacco prevention activities or interventions shall use the funds to implement only best practice or evidence-based tobacco prevention, cessation, and enforcement interventions recommended by the Centers for Disease Control and Prevention, the U.S. Department of Health and Human Services, and the U.S. Department of Health and Human Services' Substance Abuse and Mental Health Services Administration (SAMHSA), or activities proven effective through study and evaluation in the communities in the Texas Tobacco Prevention Initiative areas. The Texas Tobacco Prevention Initiative areas were: (1) the City of Port Arthur during the state fiscal years 2000 and 2001; (2) Harris, Montgomery, Fort Bend, and Jefferson Counties during the state fiscal years 2002 and 2003; and (3) Jefferson County during the state fiscal years 2004, 2005, and 2006.
 - e. **Synar Results Notification for Local Communities.** The Department of State Health Services (DSHS) or the contracted vendor conducting the federally-required Synar survey shall notify the applicable Comptroller of Public Accounts tobacco law enforcement grantee and the applicable local sheriff's department in writing when a Synar violation occurs during the administration of the annual federal Synar survey. The notification shall include: a copy of the Synar survey document with documentation of the violation and any additional details of the violation, such as the name of the clerk and actual cigarettes and/or tobacco product sold. Notification shall occur no later than 30 days after the last Synar survey inspection is conducted for the current Synar survey year.
- 63. School Cafeteria Inspections.** Amounts appropriated above to the Department of State Health Services include fee revenue (General Revenue) estimated to be \$652,100 in fiscal year 2010 and \$652,100 in fiscal year 2011 from school districts for the purpose of conducting inspections of school cafeterias to achieve compliance with federal regulations issued pursuant to Section 111(2)(A) of Public Law 108-265, 118 Stat. 747 (Child Nutrition and WIC Reauthorization Act of 2004).
- 64. Estimated Appropriations: Perpetual Care Account.** General Revenue-Dedicated Perpetual Care Account 8076 funding of \$1,432,054 in fiscal year 2010 and \$1,260,946 in fiscal year 2011 appropriated above to Strategy D.1.3, Radiation Control, includes an unexpended balance (estimated to be \$253,891) from the 2008-09 biennium. Any additional unexpended balance on hand in the account as of August 31, 2009 is appropriated to the agency for the fiscal year beginning September 1, 2009 for the same purpose, subject to the department notifying the Legislative Budget Board and the Governor in writing at least 30 days prior to budgeting and expending these balances.
- 65. Community Mental Health Crisis Services.**
- a. The Department of State Health Services (DSHS) shall allocate \$109,368,602 in funds appropriated above in Strategy B.2.3, Community Mental Health Crisis Services for enhanced services, using a methodology that allocates a portion of the funds to achieve equity in state funding among local mental health authorities, a portion on a per capita basis, and a portion using a competitive process. DSHS shall submit an allocation plan to the Legislative Budget Board and the Governor prior to distributing funding in the strategy.
 - b. DSHS shall report annually to the Legislative Budget Board and the Governor on the following measures to gauge the implementation of community mental health crisis services:
 - (1) percent of persons with Medicaid receiving crisis services that is followed by an ER visit within 30 days;

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

- (2) percent of persons receiving crisis services that is followed by a psychiatric hospitalization within 30 days;
 - (3) percent of persons receiving crisis services that is followed by a jail booking within 7 days;
 - (4) number of persons receiving crisis residential services per year funded by General Revenue;
 - (5) number of persons receiving crisis outpatient services per year funded by General Revenue;
 - (6) average amount of General Revenue spent for crisis residential services; and
 - (7) average amount of General Revenue spent for crisis outpatient services.
- c. The Department of State Health Services (DSHS) shall allocate \$55,000,000 in funds appropriated above in Strategy B.2.3, Community Mental Health Crisis Services for transitional and on-going services, using a methodology that allocates the funds in such a way to achieve equity in state funding among local mental health authorities to the greatest extent possible by using a per capita equity formula that allocates one-half (1/2) of new funds to those below the statewide average in per capita funding and allocates the remaining funds on a per capita basis across all local mental health authorities. DSHS shall submit an allocation plan to the Legislative Budget Board and the Governor prior to distributing this new funding.
- d. Not later than September 1, 2009, DSHS shall contract with an independent entity for an evaluation of community mental health crisis services. The evaluation shall include an analysis of the implementation of crisis services and the impact of crisis services, including on clients, local communities, mental health and health care providers, and law enforcement. The department shall submit the evaluation to the Legislative Budget Board, the Governor, and the standing committees of the Senate and House of Representatives having primary jurisdiction over health and human services not later than January 1, 2010.
- e. Any unexpended balances remaining at August 31, 2010 in Strategy B.2.3, Community Mental Health Crisis Services, are hereby appropriated for the same purposes in fiscal year 2011.

For authorization to expend the funds, the agency shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request must be organized by fiscal year as follows:

- (1) The following information shall be provided for the fiscal year with an unexpended balance:
 - (i) an explanation of the causes of the unexpended balance(s);
 - (ii) the amount of the unexpended balance(s) by strategy; and
 - (iii) the associated incremental change in service levels compared to performance targets in this Act for that fiscal year.
- (2) The following information shall be provided for the fiscal year receiving the funds:
 - (i) an explanation of purpose for which the unexpended balance(s) will be used and whether the expenditure will be one-time or ongoing;
 - (ii) the amount of the expenditure by strategy;
 - (iii) the incremental change in service levels compared to performance targets in this Act for that fiscal year; and to performance targets in this Act for that fiscal year; and
 - (iv) the capital budget impact.

The request shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 15 business days of the date on which the staff

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

of the Legislative Budget Board concludes its review of the proposal to expend the funds and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

The Comptroller of Public Accounts shall not allow the use of unexpended balances authorized by any of the above subsections if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

- 66. Use of Family Planning Funds.** The Department of State Health Services (DSHS) shall use a portion of funds appropriated above in Strategy B.1.3, Family Planning Services, to reimburse contracted providers for family planning services not covered by the Women's Health Program. To the extent funds are available and federal approval has been granted, DSHS shall also use a portion of funds appropriated above in Strategy B.1.3, Family Planning Services, for comprehensive outreach and education about the Women's Health Program and family planning services.
- 67. Revolving Account for the Consolidated Health and Human Services Print Shop.** It is the intent of the Legislature that the Department of State Health Services establish and maintain the "Revolving Account for the Consolidated Health and Human Services Print Shop" to account for the expenditures, revenues, and balances of managing a full-cost recovery Consolidated Print Shop. The expenditures, revenues, and balances included above for this operation shall be maintained separately by the Department of State Health Services within its accounting system. These funds can only be used for the purpose of managing the consolidated print shop. For the purpose of meeting cash flow needs, the Department of State Health Services may temporarily transfer funds from Strategy E.1.3, Other Support Services, to the revolving account. Transfers must be returned by the end of the fiscal year.
- 68. School-based Prevention Services.** The Department of State Health Services (DSHS) shall enter into an interagency contract with the Texas Education Agency for the purpose of the reduction and prevention of the use of tobacco products among school-aged children in grades 4-12. Out of funds appropriated above in Strategy B.2.6, Reduce Use of Tobacco Products, DSHS shall allocate \$3,000,000 in fiscal year 2010 and \$3,000,000 in fiscal year 2011 in General Revenue-Dedicated Funds from Account No. 5044, Permanent Fund for Health and Tobacco Education and Enforcement, for services provided under the required contract.
- 69. Family Planning Affiliate Requirements.** An entity otherwise eligible to receive funds distributed under Strategy B.1.3 (the "family-planning affiliate") will not be disqualified from receipt of such funds because of its affiliation with an entity that performs elective abortions (the "abortion-services affiliate") provided that such affiliation satisfies the following requirements:
- a. **Legal separation.** The family-planning and abortion-services affiliates must be legally separate corporations, with separate articles of incorporation and separate bylaws. State or local governmental entities that are family-planning and abortion-services affiliates must be legally separate organizations and must have separate governing structures.
 - b. **Easily distinguishable names.** The family-planning and abortion-services affiliates must have easily distinguishable names.
 - c. **Separate boards of directors and governing bodies.** The family-planning and abortion-services affiliates must have separate boards of directors or governing bodies which meet separately and maintain separate records.
 - d. **No direct or indirect subsidy.** The family-planning affiliate may not transfer any funds distributed under Strategy B.1.3 to its abortion-services affiliate. The affiliated entities must apportion fair value for any shared expenses or costs (including overhead, rent, phones, equipment, and utilities) in accordance with generally accepted accounting principles.
 - e. **Detailed employee timekeeping.** Any person employed part-time by the family-planning affiliate or part-time by the abortion-service affiliate must maintain detailed time records clearly reflecting the work performed for each affiliate.
 - f. **Clear signage.** If the family-planning and abortion-services affiliates are located at the same physical location, the existence and separate nature of the affiliate relationship must be clearly reflected by appropriate signage in areas accessible to the public.

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

- g. **Separate books.** The family-planning and abortion-services affiliates must each maintain records adequate to show compliance with these requirements.

Annual audit of family planning services providers. At least once every two years, the Executive Commissioner of the Health and Human Services Commission or his agent shall conduct an audit of each family planning affiliate to determine if the affiliate and the Contract Management Branch of the Department of State Health Services, the Bureau of Women's Health of the Department of State Health Services, and the Prevention and Primary Care Unit of the Department of State Health Services have complied with this requirement. The Executive Commissioner of the Health and Human Services Commission shall make the audits available to the Governor, the Lieutenant Governor, the Speaker of the Texas House of Representatives, and the members of the State Legislature.

No later than June 30 of each year, the Executive Commissioner of the Health and Human Services Commission shall submit a report to the Chairman of the Senate Finance Committee and to the Chairman of the House Appropriations Committee regarding the audits filed or conducted pursuant to this section, including the number and findings of such audits, the adequacy of the documentation submitted, and any recommendations to revise the verification process.

- 70. Epilepsy Services.** Out of funds appropriated above, the Department of State Health Services (DSHS) shall allocate \$1,936,310 in All Funds in fiscal year 2010 and \$1,936,310 in All Funds in fiscal year 2011 for epilepsy services. DSHS shall use at least \$1,000,000 per fiscal year of the allocated funds to contract with a non-profit organization to expand epilepsy services.
- 71. Stroke Survival System.** To the extent funds are available, the Department of State Health Services shall allocate up to \$750,000 in General Revenue for fiscal year 2010 and \$750,000 in General Revenue for fiscal year 2011 for the purpose of stroke recognition and treatment training, stroke prevention and community education, and stroke facilities.
- 72. Smokeless Tobacco Use.** Out of funds appropriated above in Strategy B.2.6, Reduce Use of Tobacco Products, the Department of State Health Services shall allocate \$1,000,000 in General Revenue in fiscal year 2010 and \$1,000,000 in General Revenue in fiscal year 2011 to reduce the use of smokeless tobacco by youth in rural areas of the state.
- 73. Pandemic Flu Preparedness.** Using funds appropriated to the agencies elsewhere under this Act, the Department of State Health Services in conjunction with the Governor's Emergency Management Division in the Department of Public Safety shall identify and seek any necessary approvals for federal or other funds available for the purchase of antivirals for pandemic flu preparedness.
- 74. End Stage Renal Disease Prevention Program.** Out of funds appropriated above in Strategy A.3.1, Health Promotion and Chronic Disease Prevention, the Department of State Health Services shall allocate \$500,000 in General Revenue for fiscal year 2010 and \$500,000 in General Revenue for fiscal year 2011 for a statewide program to decrease the number of new End Stage Renal Disease (ESRD) cases in Texas. The program shall work in conjunction with the Texas Renal Coalition and the Chronic Kidney Disease Task Force to provide educational services designed to increase awareness, early diagnosis and treatment of chronic kidney disease (CKD) and its consequences. The program shall outreach to individuals with diabetes mellitus, hypertension, or with a family history of kidney disease, diabetes, or hypertension and to physicians to ensure appropriate treatment for individuals at risk for ESRD.
- 75. Governor's Advisory Council on Physical Fitness.** Out of funds appropriated above, the Department of State Health Services shall make available \$400,000 per year for use by the Governor's Advisory Council on Physical Fitness to provide grants to local mayors' councils to develop and implement wellness and physical fitness programs in communities across the state, and to assist the Council in continuing to develop and promote physical activity and nutrition initiatives. The Governor's Office shall provide administrative support to the Council.
- 76. Civil Commitment and Monitoring and Treatment of Sex Offenders.** It is the intent of the Legislature that the Special Prosecution Unit, Walker County (Strategy D.1.5, Judiciary Section, Comptroller's Department) initiate civil commitment proceedings against sexually violent predators. Included in amounts appropriated elsewhere in this Act to the Judiciary Section, Comptroller's Department is \$5,557,840 for the 2010-11 biennium for this purpose.

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

It is also the intent of the Legislature that the Department of State Health Services (DSHS) Council on Sex Offender Treatment (Strategy D.1.7.) provide monitoring and treatment to those offenders civilly committed. Funding for these services, estimated to be \$7,254,493 for the 2010-11 biennium is appropriated to DSHS through an interagency contract with the Judiciary Section, Comptroller's Department.

- 77. Contingency for Regulating Independent Freestanding Emergency Rooms and Urgent Care Clinics.**²³ Contingent on passage of House Bill 2183, or similar legislation relating to the licensure of independent freestanding emergency rooms and urgent care clinics, and creation of the respective licensing fees, by the Eighty-first Legislature, Regular Session, the Department of State Health Services is appropriated \$1,074,136 for fiscal year 2010 and \$633,658 for fiscal year 2011 from the fees collected and deposited in the General Revenue Fund to implement the provisions of the legislation. The number of "Full-Time Equivalents (FTE)" is increased by 19.5 FTEs in fiscal year 2010 and 11 FTEs in fiscal year 2011.
- 78. Health Statistics Registries.** Out of funds appropriated above to the Department of State Health Services, the agency shall utilize \$1,000,000 for the 2010-11 biennium to upgrade the twelve registries used by the Center for Health Statistics to collect, analyze and disseminate a variety of health information.
- 79. Exemption from Limitation on Travel Expenditures.** The Department of State Health Services is authorized to conduct travel within 150 miles of the border between Texas and the contiguous states of the United States of America and the United Mexican States for the propose of protecting and promoting the public health of Texas residents and such travel is exempted from the provisions, referenced in Article IX of this Act as "Limitation on Travel Expenditures."
- 80. Substance Abuse Treatment.** Contingent on passage of Senate Bill 796, or similar legislation relating to expanding substance abuse treatment for adult Medicaid clients, the Department of State Health Services shall use funds appropriated above in Strategy B.2.5, Substance Abuse Prevention, Intervention, and Treatment, which were previously used to serve Medicaid clients, to provide substance abuse prevention and treatment services for other eligible clients.
- 81. Provision of Psychiatric and Psychotherapy Services.** Out of funds appropriated above in Strategy B.2.3, Community Mental Health Crisis Services, the Department of State Health Services shall expend \$500,000 in All Funds in the 2010-11 biennium to hire psychiatrists and psychotherapists to train third-year medical students and provide psychiatric and psychotherapy services for the uninsured and underinsured populations at existing clinic sites at a community health center working in conjunction with the Texas A&M Health Science Center College of Medicine in Round Rock.
- 82. HIV Testing.** Out of funds appropriated above in Strategy A.2.2, HIV/STD Prevention, the Department of State Health Services shall allocate not less than \$4,419,989 in fiscal 2010 in All Funds and \$4,419,990 in fiscal year 2011 in All Funds for the purpose of increased testing for HIV in high morbidity areas, with Houston and Dallas receiving top consideration, in emergency rooms, or in primary care clinics associated with the large indigent care providers.
- 83. Texas Birth Defects Registry.** Out of funds appropriated above in Strategy A.1.2, Health Registries, Information, and Vital Records, the Department of State Health Services shall allocate \$950,000 in General Revenue Funds in each fiscal year of the 2010-11 biennium for the purpose of enhancing the infrastructure of the Texas Birth Defects Registry.
- 84. The University of Texas Harris County Psychiatric Center.** Out of funds appropriated above in Strategy C.2.1, Mental Health Community Hospitals, the Department of State Health Services shall allocate \$4,250,000 in General Revenue Funds in fiscal year 2010 and \$4,250,000 in General Revenue Funds in fiscal year 2011 for the purpose of funding 24 additional beds at the University of Texas Harris County Psychiatric Center.
- 85. Appropriation Authority for General Obligation Bond Proceeds.**²⁴ Appropriated above in Strategy F.1.3, Repair and Renovation: Mental Health Facilities, in fiscal year 2010 is

²³ This rider was vetoed by the Governor due to non-passage of HB 2183, 81st Legislature, Regular Session, relating to the licensure of independent freestanding emergency rooms and urgent care clinics, and creation of the respective licensing fees, resulting in a decrease in General Revenue Funds of \$1,074,136 and 19.5 FTEs in FY 2010 and \$633,658 and 11.0 FTEs in FY 2011. See the Governor's Veto Proclamation.

²⁴ Modified to correct reference error.

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

\$27,228,000 in general obligation bond proceeds for projects for the Department of State Health Services as described in Article IX, Sec. 17.11, Informational Listing General Obligation Bond Proceeds.

All projects funded herein with general obligation bond proceeds are subject to approval by the Legislative Budget Board prior to issuance of the bond proceeds by the Texas Public Finance Authority. Any unexpended and unobligated balances in general obligation bond proceeds described herein and remaining as of August 31, 2010 are hereby appropriated for the fiscal year beginning September 1, 2010 for the same purpose.

- 86. Community Mental Health Hospital Rates.** Out of amounts appropriated above in Strategy C.2.1, Mental Health Community Hospitals, the Department of State Health Services shall allocate in each fiscal year of the 2010-11 biennium \$325,056 in All Funds to Galveston Community Hospital and \$502,723 in All Funds to Lubbock Community Hospital to increase the allotment for community mental health inpatient services at these facilities.
- 87. Galveston Community Mental Health Center.** Out of amounts appropriated above in Strategy C.2.1, Mental Health Community Hospitals, the Department of State Health Services shall allocate \$1,376,050 in All Funds in each year of the 2010-11 biennium to the Galveston Community Mental Health Center to increase the number of inpatient beds from 20 to 30.
- 88. Exemption from Article IX, Sec. 8.03 (e), Reimbursements and Payments.** The Department of State Health Services is hereby exempted from the provisions contained in Article IX, Sec. 8.03 (e), Reimbursements and Payments, of the General Appropriations Act for the 2010-11 biennium.
- 89. Limitation: Expenditure and Transfer of Additional Public Health Medicaid Reimbursements.**
- a. **Appropriations.** Included in the amounts appropriated above for the Department of State Health Services are the following amounts of Public Health Medicaid Reimbursements (Account 709):
- (1) Strategy A.2.1, Immunize Children and Adults in Texas: \$341,686 in each fiscal year;
 - (2) Strategy A.4.1, Laboratory Services: \$13,020,618 in each fiscal year;
 - (3) Strategy B.1.2, Women and Children's Health Services: \$37,706 in each fiscal year;
 - (4) Strategy C.1.3, Mental Health State Hospitals: \$35,247,627 in fiscal year 2010 and \$35,681,547 in fiscal year 2011 (Funding represents all additional Account 709 revenue anticipated to be available in the 2010-11 biennium (\$70,929,174) based on the agency's estimate; the additional revenue is associated with an anticipated increase in laboratory fee revenue due to a rate change to align with Medicare rates); and
 - (5) Strategy E.1.1, Central Administration: \$672,285 in each fiscal year.
- b. **Limitation on Use of Public Health Medicaid Reimbursements (Account 709).**
- (1) In the event that Public Health Medicaid Reimbursement revenues exceed the amounts noted above, the department may spend the Public Health Medicaid Reimbursement funds thereby made available only to the extent authorized in writing by the Legislative Budget Board and the Governor.
 - (2) Notwithstanding any other provisions contained in this Act, transfers of Public Health Medicaid Reimbursement revenues shall be made only to the extent authorized in writing by the Legislative Budget Board and the Governor.
- c. **Request for Approval to use Additional Public Health Medicaid Reimbursements Funds.** To request approval pursuant to section (b-1) above, the department shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information:
- (1) the reason for and the amount of Public Health Medicaid Reimbursement revenue that exceeds the amounts noted in section (a) above, and whether this additional revenue will continue in future years;

DEPARTMENT OF STATE HEALTH SERVICES

(Continued)

- (2) a detailed explanation of the purpose(s) of the expenditure and whether the expenditure will be one-time or ongoing;
 - (3) the name of the strategy or strategies affected by the expenditure and the FTEs for each strategy by fiscal year;
 - (4) the impact of the expenditure on performance levels and, where relevant, a comparison to targets included in this Act for the affected strategy or strategies; and
 - (5) the impact of the expenditure on the capital budget.
- d. **Requests to Transfer Additional Public Health Medicaid Reimbursements Funds.** To request a transfer pursuant to section (b-2) above, DSHS shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information:
- (1) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
 - (2) the name of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;
 - (3) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and
 - (4) the capital budget impact.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

The Comptroller of Public Accounts shall not allow the expenditure or transfer of funds authorized by any of the above subsections if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

- 90. Trauma Facility Study.** Out of funds appropriated above in Strategy B.3.1, EMS and Trauma Care Systems, the Department of State Health Services shall conduct a study of the state's trauma facilities to assess the need for additional Level I and Level II trauma facilities in the state.
- 91. Purchase of Pandemic Flu Vaccines.** Out of funds appropriated above, the Department of State Health Services shall examine the latest generation of cell culture derived pandemic flu vaccine. The Department of State Health Services is strongly encouraged to consider purchasing the latest generation of cell culture derived pandemic flu vaccine that is available out of state, federal, or other funds.
- 92. Health Information Related to Velocardiofacial Syndrome.** Out of funds appropriated above in Strategy A.1.2, Registries, Information, and Vital Records, the Department of State Health Services (DSHS) shall update health related information distributed by health care coordinators and other service providers with information regarding velocardiofacial syndrome, including the disorders symptoms, qualifications for the early childhood intervention program (ECI), treatment options under ECI programs, and related parent support groups.
- 93. Sunrise Canyon Hospital Capital Improvements.** Out of funds appropriated above, the Department of State Health Services shall expend \$1,350,825 in General Obligation Bond Proceeds (Account No. 780) in the 2010-11 biennium for capital improvements at Sunrise Canyon Hospital.
- 94. Use of Appropriated Funds for Reports on School-based Health Centers.** Money appropriated to the Department of State Health Services may be used by the department to prepare and submit a report to the legislature regarding school-based health centers only if the report:
- a. is submitted not more frequently than once every two years;
 - b. is limited to information relating to school-based health centers that receive funding from the department; and

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

- c. contains only information that the department determines may be provided:
 - (1) in compliance with federal law regarding confidentiality of medical information; and
 - (2) without imposing excessive reporting requirements on school districts.

95. Appropriation for Texas Diabetes Council's Stark Model of Community-based Diabetes Prevention and Control. Out of funds appropriated above in Strategy A.3.1, Health Promotion and Chronic Disease Prevention, the Department of State Health Services shall allocate \$3,000,000 in General Revenue Funds in each fiscal year of the 2010-11 biennium to reduce the health and economic burdens of diabetes through expansion of the Texas Diabetes Council/Stark Diabetes Center model of community-based diabetes care and education. This initiative will utilize the Stark Diabetes Center to establish 4 regional centers located in Webb, Cameron, Nueces, and Galveston counties with staff and programmatic expertise to prevent and control diabetes at the community level. The initiative will build upon existing Texas Diabetes Council resources related to clinical systems change and patient education.

96. Kidney Disease Study. Out of funds appropriated above in Strategy A.3.1, Chronic Disease Prevention, the Department of State Health Services shall allocate \$1,000,000 during the 2010-11 biennium to fund a study conducted by Texas Tech University in consultation with the Kidney Chronic Disease task force. The study shall address kidney disease and its precursors, including but not limited to diabetes and hypertension, and will include the following:

- a. identify statistically significant subgroups who are at risk and recent patterns of change within these subgroups;
- b. identify costs associated with kidney disease and its precursors, including projected costs over the next ten years; and
- c. develop public health policy hypotheses and conclusions.

To achieve study objectives, screenings and/or small demonstration projects may be conducted. A concluding report shall be submitted to the Legislative Budget Board and the Governor by January 31, 2011.

97. Appropriation for Certain Health Care Facilities.

- a. Out of funds appropriated above in Strategy B.2.1, Mental Health Services for Adults, the Department of State Health Services shall allocate \$7,500,000 in General Revenue Funds in fiscal year 2011 to provide mental health services during the period from March 1, 2011, to August 31, 2011, at a facility newly constructed by a county for the purposes of providing contracted mental health services.
- b. To qualify to receive money allocated by this provision, mental health services must be provided at a facility constructed, financed, and operated by a county and private mental health care partners that:
 - (1) has at least 100 beds for patients;
 - (2) is located 50 miles or less from a municipality with a population of no less than 250,000;
 - (3) is accredited by the Joint Commission on Health Care;
 - (4) is monitored by the Department of State Health Services; and
 - (5) is in compliance with state and federal standards, including court orders.
- c. In paying for services under this provision, the Department of State Health Services must ensure that the services are comparable in quality and cost to services provided in other mental health services programs of the department.

DEPARTMENT OF STATE HEALTH SERVICES
(Continued)

98. Mental Health Deputy Program. Out of the funds appropriated above in Strategy B.2.1, Mental Health Services - Adults, up to \$280,000 per fiscal year shall be used to provide grants to Ector, Midland, McLennan and Tom Green counties to establish Mental Health Deputy Programs in these counties. The Mental Health Deputy Programs shall provide funding for two deputies in Ector, Midland, McLennan, and Tom Green counties. The deputies shall promote the diversion of mentally ill individuals from incarceration and facilitate assessments for appropriate treatment.

HEALTH AND HUMAN SERVICES COMMISSION

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing:¹		
<u>GR for Medicaid</u>		
Medicaid Program Income, estimated	\$ 12,172,418	\$ 12,172,418
Vendor Drug Rebates—Medicaid, estimated	281,244,420	295,558,883
GR Match for Medicaid ²	5,636,985,698	5,830,150,244
Tobacco Settlement Receipts Match for Medicaid	236,092,691	227,410,026
Cost Sharing - Medicaid Clients, estimated	9,342	2,368,611
Vendor Drug Rebates-Supplemental Rebates, estimated	47,689,294	49,990,754
Medicare Giveback Provision	350,557,151	380,236,786
 <u>GR for CHIP</u>		
Premium Co-Payments, Low Income Children, estimated	5,206,000	5,146,000
Tobacco Settlement Receipts	21,318,563	21,472,329
GR Match for Title XXI (CHIP)	21,152,324	19,196,844
Tobacco Settlement Receipts Match for CHIP	272,588,746	281,117,645
Experience Rebates-CHIP, estimated	3,942,608	4,071,000
Vendor Drug Rebates—CHIP, estimated	4,623,225	4,713,681
 <u>Other GR</u>		
General Revenue Fund ³	60,244,735	44,760,665
GR MOE for Temporary Assistance for Needy Families	62,851,931	62,851,931
GR Match for Food Stamp Administration	160,950,398	154,271,602
Subtotal, General Revenue Fund	\$ 7,177,629,544	\$ 7,395,489,419
Federal Funds ^{2,3}	10,242,820,343	10,311,457,322
 <u>Other Funds</u>		
Appropriated Receipts - Match for Medicaid	31,669,354	31,669,354
Appropriated Receipts	12,725,156	12,711,620
Interagency Contracts	221,337,330	227,770,220
Medicaid Subrogation Receipts (State Share), estimated	38,417,543	38,417,543

¹ Appropriations identified above do not include American Recovery and Reinvestment Act (ARRA) funds; please see Article XII of this Act for those appropriations. For all health and human service agencies, Article XII includes a General Revenue reduction and identical Federal Funds increase of \$2,513,000,000 for the biennium related to an enhanced federal medical assistance percentage. A portion of these adjustments will be allocated to other Article II agencies during the 2010-11 biennium. Additionally for HHSC, Article XII includes a total of \$47,594,804 in Federal Funds for the biennium for the supplemental nutritional assistance program, the TANF program, and the Office for the Elimination of Health Disparities.

² Incorporates Article IX, § 17.24, of this Act, relating to a reduction in the Medicaid program, resulting in a decrease in General Revenue Funds of \$40,000,000 and a decrease in Federal Funds of \$55,992,321 in FY 2011; SB 7, 81st Legislature, Regular Session, did not pass. However, similar legislation (HB 1218, SB 870, SB 203, 81st Legislature, Regular Session), relating to strategies for and improvements in quality of health care and care management provided through health care facilities and through the child health plan and medical assistance programs designed to improve health outcomes, did pass. Incorporates, consequently, Article IX, § 17.78 of this Act, resulting in an increase of \$4,041,036 in General Revenue Funds and \$10,604,536 in Federal Funds in FY 2010 and \$3,094,764 in General Revenue Funds and \$5,788,637 in Federal Funds in FY 2011.

³ Incorporates Article IX, § 17.03, of this Act, relating to Enterprise Resource Planning, resulting in an increase of \$4,414,663 in General Revenue Funds and \$5,926,000 in All Funds for FY 2010 and \$2,644,626 in General Revenue Funds and \$3,550,000 in All Funds for FY 2011. Also incorporates related capital budget authority.

HEALTH AND HUMAN SERVICES COMMISSION
(Continued)

Bond Proceeds - Revenue Bonds	12,658,228	0
Subtotal, Other Funds	<u>\$ 316,807,611</u>	<u>\$ 310,568,737</u>
Total, Method of Financing	<u><u>\$ 17,737,257,498</u></u>	<u><u>\$ 18,017,515,478</u></u>
This bill pattern represents an estimated 78.9% of this agency's estimated total available funds for the biennium.		
Number of Full-Time-Equivalents (FTE):	12,175.9	12,175.9
Schedule of Exempt Positions:		
Executive Commissioner, Group 8	\$210,000	\$210,000
Items of Appropriation:		
A. Goal: HHS ENTERPRISE OVERSIGHT & POLICY		
HHS Enterprise Oversight and Policy.		
A.1.1. Strategy: ENTERPRISE OVERSIGHT & POLICY Enterprise Oversight and Policy.	\$ 43,759,209	\$ 43,744,627
A.1.2. Strategy: INTEGRATED ELIGIBILITY & ENROLLMENT Integrated Eligibility and Enrollment (IEE).	\$ 682,120,050	\$ 682,120,050
A.2.1. Strategy: CONSOLIDATED SYSTEM SUPPORT⁴	<u>\$ 143,431,391</u>	<u>\$ 140,765,841</u>
Total, Goal A: HHS ENTERPRISE OVERSIGHT & POLICY	<u><u>\$ 869,310,650</u></u>	<u><u>\$ 866,630,518</u></u>
B. Goal: MEDICAID		
B.1.1. Strategy: MEDICARE AND SSI Medicare and Supplemental Security Income Risk Groups.	\$ 2,144,844,120	\$ 2,264,295,457
B.1.2. Strategy: TANF ADULTS & CHILDREN Temp Asst for Needy Families Adults & Children Risk Groups.	\$ 661,392,242	\$ 595,474,106
B.1.3. Strategy: PREGNANT WOMEN Pregnant Women Risk Group.	\$ 1,061,609,491	\$ 1,037,959,418
B.1.4. Strategy: CHILDREN & MEDICALLY NEEDY⁵ Children & Medically Needy Risk Groups.	\$ 4,588,919,314	\$ 4,598,702,074
B.1.5. Strategy: MEDICARE PAYMENTS For Clients Dually Eligible for Medicare and Medicaid.	\$ 1,074,768,326	\$ 1,155,616,739
B.1.6. Strategy: STAR+PLUS (INTEGRATED MANAGED CARE)	\$ 1,249,948,176	\$ 1,288,379,193
B.2.1. Strategy: COST REIMBURSED SERVICES	\$ 470,605,504	\$ 486,770,938
B.2.2. Strategy: MEDICAID VENDOR DRUG PROGRAM	\$ 2,550,155,351	\$ 2,651,218,642
B.2.3. Strategy: MEDICAL TRANSPORTATION	\$ 154,844,362	\$ 133,620,036
B.2.4. Strategy: MEDICAID FAMILY PLANNING	\$ 23,033,468	\$ 23,517,816
B.2.5. Strategy: UPPER PAYMENT LIMIT	\$ 30,332,444	\$ 29,868,578
B.3.1. Strategy: HEALTH STEPS (EPSDT) MEDICAL	\$ 55,671,665	\$ 56,732,356
B.3.2. Strategy: HEALTH STEPS (EPSDT) DENTAL	\$ 793,023,672	\$ 810,355,100
B.3.3. Strategy: EPSDT COMPREHENSIVE CARE PROGRAM Health Steps (EPSDT) Comprehensive Care Program.	\$ 532,614,229	\$ 549,522,237
B.4.1. Strategy: STATE MEDICAID OFFICE	<u>\$ 21,559,111</u>	<u>\$ 21,559,111</u>
Total, Goal B: MEDICAID	<u><u>\$ 15,413,321,475</u></u>	<u><u>\$ 15,703,591,801</u></u>

⁴ Incorporates Article IX, § 17.03, of this Act, relating to Enterprise Resource Planning, resulting in an increase of \$4,414,663 in General Revenue Funds and \$5,926,000 in All Funds for FY 2010 and \$2,644,626 in General Revenue Funds and \$3,550,000 in All Funds for FY 2011. Also incorporates related capital budget authority.

⁵ Incorporates Article IX, § 17.24, of this Act, relating to a reduction in the Medicaid program, resulting in a decrease in General Revenue Funds of \$40,000,000 and a decrease in Federal Funds of \$55,992,321 in FY 2011; SB 7, 81st Legislature, Regular Session, did not pass. However, similar legislation (HB 1218, SB 870, SB 203, 81st Legislature, Regular Session), relating to strategies for and improvements in quality of health care and care management provided through health care facilities and through the child health plan and medical assistance programs designed to improve health outcomes, did pass. Incorporates, consequently, Article IX, § 17.78 of this Act, resulting in an increase of \$4,041,036 in General Revenue Funds and \$10,604,536 in Federal Funds in FY 2010 and \$3,094,764 in General Revenue Funds and \$5,788,637 in Federal Funds in FY 2011.

HEALTH AND HUMAN SERVICES COMMISSION
(Continued)

C. Goal: CHIP SERVICES

Children's Health Insurance Program Services.

C.1.1. Strategy: CHIP Children's Health Insurance Program (CHIP).	\$ 560,959,412	\$ 562,791,345
C.1.2. Strategy: IMMIGRANT HEALTH INSURANCE Immigrant Children Health Insurance.	\$ 15,746,278	\$ 18,698,747
C.1.3. Strategy: SCHOOL EMPLOYEE CHILDREN INSURANCE	\$ 17,593,042	\$ 17,720,015
C.1.4. Strategy: CHIP PERINATAL SERVICES	\$ 282,006,883	\$ 295,499,906
C.1.5. Strategy: CHIP VENDOR DRUG PROGRAM	<u>\$ 123,831,578</u>	<u>\$ 124,869,372</u>

Total, Goal C: CHIP SERVICES	<u>\$ 1,000,137,193</u>	<u>\$ 1,019,579,385</u>
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D. Goal: ENCOURAGE SELF SUFFICIENCY

D.1.1. Strategy: TANF (CASH ASSISTANCE) GRANTS Temporary Assistance for Needy Families Grants.	\$ 99,117,072	\$ 100,564,953
D.1.2. Strategy: REFUGEE ASSISTANCE	\$ 24,515,586	\$ 24,515,586
D.2.1. Strategy: FAMILY VIOLENCE SERVICES	\$ 25,493,696	\$ 25,473,591
D.2.2. Strategy: ALTERNATIVES TO ABORTION Alternatives to Abortion. Nontransferable.	<u>\$ 4,000,000</u>	<u>\$ 4,000,000</u>

Total, Goal D: ENCOURAGE SELF SUFFICIENCY	<u>\$ 153,126,354</u>	<u>\$ 154,554,130</u>
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E. Goal: PROGRAM SUPPORT

E.1.1. Strategy: CENTRAL PROGRAM SUPPORT	\$ 17,124,354	\$ 17,124,355
E.1.2. Strategy: IT PROGRAM SUPPORT Information Technology Program Support.	\$ 20,435,368	\$ 16,489,794
E.1.3. Strategy: REGIONAL PROGRAM SUPPORT	<u>\$ 126,969,965</u>	<u>\$ 126,900,296</u>

Total, Goal E: PROGRAM SUPPORT	<u>\$ 164,529,687</u>	<u>\$ 160,514,445</u>
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F. Goal: INFORMATION TECHNOLOGY PROJECTS

F.1.1. Strategy: TIERS & ELIGIBILITY TECHNOLOGIES Texas Integrated Eligibility Redesign System & Supporting Tech.	\$ 85,507,713	\$ 61,314,610
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G. Goal: OFFICE OF INSPECTOR GENERAL

G.1.1. Strategy: OFFICE OF INSPECTOR GENERAL	\$ 51,324,426	\$ 51,330,589
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Grand Total, HEALTH AND HUMAN SERVICES COMMISSION	<u>\$ 17,737,257,498</u>	<u>\$ 18,017,515,478</u>
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Object-of-Expense Informational Listing:

Salaries and Wages	\$ 472,662,593	\$ 472,662,593
Other Personnel Costs	17,894,366	17,894,366
Professional Fees and Services	647,246,227	632,879,802
Fuels and Lubricants	443,758	443,758
Consumable Supplies	19,367,030	19,367,030
Utilities	38,766,623	38,766,623
Travel	19,759,494	19,759,494
Rent - Building	84,278,727	84,278,727
Rent - Machine and Other	19,172,896	19,177,103
Other Operating Expense	123,153,135	123,152,781
Client Services	16,149,247,945	16,466,172,082
Food for Persons - Wards of State	4,835,329	4,835,329
Grants	90,545,210	90,545,211
Capital Expenditures	<u>49,884,165</u>	<u>27,580,579</u>

Total, Object-of-Expense Informational Listing	<u>\$ 17,737,257,498</u>	<u>\$ 18,017,515,478</u>
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**Estimated Allocations for Employee Benefits and Debt
Service Appropriations Made Elsewhere in this Act:**

<u>Employee Benefits</u>		
Retirement	\$ 21,950,522	\$ 22,287,171
Group Insurance	77,741,814	84,441,411

HEALTH AND HUMAN SERVICES COMMISSION
(Continued)

Social Security	29,691,608	30,136,431
Benefits Replacement	<u>3,606,658</u>	<u>3,426,325</u>
Subtotal, Employee Benefits	<u>\$ 132,990,602</u>	<u>\$ 140,291,338</u>
<u>Debt Service</u>		
Lease Payments	<u>\$ 1,724,685</u>	<u>\$ 1,589,912</u>
Total, Estimated Allocations for Employee Benefits and Debt Service Appropriations Made Elsewhere in this Act	<u>\$ 134,715,287</u>	<u>\$ 141,881,250</u>

- 1. Performance Measure Targets.** The following is a listing of the key performance target levels for the Health and Human Services Commission. It is the intent of the Legislature that appropriations made by this Act be utilized in the most efficient and effective manner possible to achieve the intended mission of the Health and Human Services Commission. In order to achieve the objectives and service standards established by this Act, the Health and Human Services Commission shall make every effort to attain the following designated key performance target levels associated with each item of appropriation.

	<u>2010</u>	<u>2011</u>
A. Goal: HHS ENTERPRISE OVERSIGHT & POLICY		
Outcome (Results/Impact):		
Average Medicaid and CHIP Children Recipient Months Per Month	2,677,484	2,720,740
A.1.2. Strategy: INTEGRATED ELIGIBILITY & ENROLLMENT		
Output (Volume):		
Average Monthly Number of Eligibility Determinations	513,226	522,397
Efficiencies:		
Average Cost Per Eligibility Determination	56.93	57.24
Explanatory:		
Percent of Poverty Met by TANF, Food Stamps, and Medicaid Benefits	76.9%	76.62%
Total Value of Food Stamps Distributed	2,710,000,000	2,716,000,000
B. Goal: MEDICAID		
Outcome (Results/Impact):		
Average Medicaid Acute Care (Includes STAR+PLUS) Recipient Months Per Month	3,105,445	3,168,320
B.1.4. Strategy: CHILDREN & MEDICALLY NEEDY		
Output (Volume):		
Average Number of Legal Permanent Resident Recipient Months per Month	29,323	47,166
B.1.5. Strategy: MEDICARE PAYMENTS		
Output (Volume):		
Average Supplemental Medical Insurance Part B (SMIB) Recipient Months Per Month	536,425	551,479
Efficiencies:		
Average Supplemental Medical Insurance Benefits (SMIB) Premium Per Month	100.33	106.03
B.1.6. Strategy: STAR+PLUS (INTEGRATED MANAGED CARE)		
Output (Volume):		
Average Aged and Medicare-eligible Recipient Months Per Month: STAR+PLUS	86,982	88,595
Average Disabled and Blind Recipient Months Per Month: STAR+PLUS	78,250	81,594
B.2.1. Strategy: COST REIMBURSED SERVICES		
Output (Volume):		
Average Number of Non-citizens Recipient Months Per Month	9,529	9,756
B.2.2. Strategy: MEDICAID VENDOR DRUG PROGRAM		
Output (Volume):		
Total Medicaid Prescriptions Incurred	28,738,441	29,365,160
B.3.3. Strategy: EPSDT COMPREHENSIVE CARE PROGRAM		
Output (Volume):		
Average Number of Texas Health Steps (EPSDT) Comprehensive Care Program Recipient Month per Month (Fee-for-Service Only)	508,835	517,292

HEALTH AND HUMAN SERVICES COMMISSION
(Continued)

B.4.1. Strategy: STATE MEDICAID OFFICE

Output (Volume):

Medicaid Acute Care Recipient Months Per Month: Managed Care	2,178,617	2,207,410
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C. Goal: CHIP SERVICES

Outcome (Results/Impact):

Average CHIP Programs Recipient Months Per Month (Includes all CHIP Programs)	530,501	537,742
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Average CHIP Programs Benefit Cost with Prescription Benefit Per Recipient Month (Includes all CHIP Programs)	152.53	153.34
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C.1.4. Strategy: CHIP PERINATAL SERVICES

Output (Volume):

Average Perinate Recipient Months Per Month	70,017	73,399
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C.1.5. Strategy: CHIP VENDOR DRUG PROGRAM

Output (Volume):

Total Number of CHIP Prescriptions (Includes all CHIP Programs)	1,966,138	1,982,616
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Efficiencies:

Average Cost Per CHIP Prescription (Includes all CHIP Programs)	62.98	62.98
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D. Goal: ENCOURAGE SELF SUFFICIENCY

D.1.1. Strategy: TANF (CASH ASSISTANCE) GRANTS

Output (Volume):

Average Number of TANF Recipients Per Month	105,273	105,273
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Average Number of State Two-Parent Cash Assistance Program Recipients Per Month	4,424	4,589
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Efficiencies:

Average Monthly Grant: Temporary Assistance for Needy Families (TANF)	68.45	69.42
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Average Monthly Grant: State Two-Parent Cash Assistance Program	66.54	67.45
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D.1.2. Strategy: REFUGEE ASSISTANCE

Output (Volume):

Number of Refugees Receiving Contracted Social Services, Financial Assistance, or Medical Assistance	7,800	7,800
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D.2.1. Strategy: FAMILY VIOLENCE SERVICES

Output (Volume):

Number of Women and Children Served by Family Violence Programs/Shelters	80,942	80,942
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Efficiencies:

Health and Human Services Average Cost Per Person Receiving Emergency Shelter and/or Nonresident Services through the Family Violence Program	284.36	284.36
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D.2.2. Strategy: ALTERNATIVES TO ABORTION

Output (Volume):

Number of Persons Receiving Pregnancy Support Services as an Alternative to Abortion	16,000	16,000
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- 2. Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in the provision as appropriations either for "Lease Payments to the Master Equipment Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	2010	2011
a. Acquisition of Information Resource Technologies		
(1) Data Center Consolidation	\$ 51,574,463	\$ 39,307,855
(2) Seat Management Services (PCs, Laptops, & Servers)	9,325,574	9,321,168
(3) Compliance with Federal HIPAA (Health Insurance Portability and Accountability Act) Regulations	4,036,000	2,535,430
(4) Enterprise Messaging and Collaboration	406,575	406,575
(5) Enterprise Telecommunications Enhancements	3,163,705	0
(6) Enterprise Info & Asset Mgt (Data Warehouse)	12,228,522	12,228,522

HEALTH AND HUMAN SERVICES COMMISSION
(Continued)

(7) Integrated Eligibility Technologies (TIERS)	56,499,721	45,806,946
(8) Medicaid Eligibility and Health Information	12,838,075	6,366,442
(9) Information Technology Accessibility	17,540	2,957
(10) Enterprise Resource Planning ⁶	<u>\$ 5,926,000</u>	<u>\$ 3,550,000</u>

Total, Acquisition of Information Resource Technologies	<u>\$ 156,016,175</u>	<u>\$ 119,525,895</u>
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b. Acquisition of Capital Equipment and Items

(1) Facility Support Services – Fleet Operations	\$ 585,250	\$ 0
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c. Other Lease Payments to the Master Lease Purchase Program (MLPP)

(1) TIERS Lease Payments to Master Lease Program	\$ 3,164,351	\$ 2,966,676
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Total, Capital Budget	<u>\$ 159,765,776</u>	<u>\$ 122,492,571</u>
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Method of Financing (Capital Budget):

General Revenue Fund

GR Match for Medicaid	\$ 31,464,624	\$ 24,486,817
GR Match for Title XXI (CHIP)	1,483,753	1,297,982
GR Match for Food Stamp Administration	19,422,184	16,998,331
General Revenue Fund ⁶	18,016,270	14,954,016
Subtotal, General Revenue Fund	<u>\$ 70,386,831</u>	<u>\$ 57,737,146</u>

Federal Funds ⁶	70,120,942	58,155,650
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Interagency Contracts	6,599,775	6,599,775
Bond Proceeds - Revenue Bonds	12,658,228	0
Subtotal, Other Funds	<u>\$ 19,258,003</u>	<u>\$ 6,599,775</u>

Total, Method of Financing	<u>\$ 159,765,776</u>	<u>\$ 122,492,571</u>
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3. Budget Authority for Estimated Pass-through Funds. In addition to the amounts appropriated above for the Health and Human Services Commission, the Commission may establish additional budget authority with the Comptroller of Public Accounts to reflect other estimated income except from the General Revenue Fund.

4. Reimbursement of Advisory Committee Members. Pursuant to Government Code § 2110.004, reimbursement of expenses for advisory committee members, out of funds appropriated above - not to exceed \$63,200 per year, is limited to the following advisory committees: Hospital Payment Advisory Committee, Medical Care Advisory Committee, Physician Payment Advisory Committee, Drug Use Review Board, Pharmaceutical and Therapeutics Committee, Public Assistance Health Benefits Review and Design Committee, and Guardianship Advisory Board.

To the maximum extent possible, the Commission shall encourage the use of videoconferencing and teleconferencing and shall schedule meetings and locations to facilitate the travel of participants so that they may return the same day and reduce the need to reimburse members for overnight stays.

5. Vendor Drug Rebates - Medicaid and CHIP. All references in this rider to rebate revenue refer to vendor drug rebates as well as supplemental rebates earned via the preferred drug lists (methods of finance include Vendor Drug Rebates-Medicaid, Vendor Drug Rebates-CHIP, and Vendor Drug Rebates-Supplemental Rebates).

a. **Medicaid.** The Health and Human Services Commission is authorized to expend Medicaid rebate revenues appropriated above in Strategy B.2.2, Medicaid Vendor Drug Program, pursuant to the federal requirements of the Omnibus Budget and Reconciliation Act of 1990 as well as rebates collected in excess of federal requirements pursuant to state law.

⁶ Incorporates Article IX, § 17.03, of this Act, relating to Enterprise Resource Planning, resulting in an increase of \$4,414,663 in General Revenue Funds and \$5,926,000 in All Funds for FY 2010 and \$2,644,626 in General Revenue Funds and \$3,550,000 in All Funds for FY 2011. Also incorporates related capital budget authority.

HEALTH AND HUMAN SERVICES COMMISSION

(Continued)

- b. **CHIP.** The Health and Human Services Commission is authorized to expend CHIP rebate revenues and related interest earnings appropriated above in Strategy C.1.5, CHIP Vendor Drug Program.
 - c. **Rebates as a First Source of Funding.** Expenditures for the Medicaid and CHIP Vendor Drug Programs shall be made from rebates received in fiscal years 2010 and 2011. As rebates are generated, expenditures to support the Medicaid and CHIP Vendor Drug Programs shall be made from rebate revenues. In the event rebate revenues are not available for expenditure, General Revenue may be used to support both Vendor Drug Programs until rebate revenues are available.
 - d. **Appropriation.** In addition to rebate revenues appropriated above in Strategy B.2.2, Medicaid Vendor Drug Program, and Strategy C.1.5, CHIP Vendor Drug Program, the Health and Human Services Commission is appropriated Medicaid and CHIP vendor drug rebates generated in excess of those amounts, subject to the following requirements:
 - (1) Vendor drug rebates shall be expended prior to utilization of any General Revenue available for the purpose of the CHIP or Medicaid Vendor Drug Programs.
 - (2) In the event General Revenue has been expended prior to the receipt of vendor drug rebates, the Commission shall reimburse General Revenue. The Commission shall reimburse the General Revenue Fund with vendor drug rebates on a monthly basis in order to prevent accumulation of vendor drug rebates.
 - e. **Limited Use of Rebates.** Rebates generated by the Medicaid program shall only be used for the Medicaid program. Rebates generated by the CHIP program shall only be used for the CHIP program.
- 6. Medicaid Subrogation Receipts (State Share).** For the purposes of this provision, Medicaid Subrogation Receipts are defined as tort settlements related to the Medicaid program. Amounts defined as Medicaid Subrogation Receipts are to be deposited into the General Revenue Fund, Object No. 3802. The Commission is authorized to receive and expend Medicaid Subrogation Receipts. Expenditures shall be made from recoupments and interest earnings received in fiscal year 2010 and fiscal year 2011. The use of the state's share of Medicaid Subrogation Receipts is limited to funding services for Medicaid clients. Medicaid Subrogation Receipts shall be expended as they are received as a first source, and General Revenue shall be used as a second source, to support the Medicaid program. In the event that these revenues should be greater than the amounts identified in the method of finance above as Medicaid Subrogation Receipts (State Share), the Commission is hereby appropriated and authorized to expend these Other Funds thereby made available, subject to the following requirements:
- a. Amounts available shall be expended prior to utilization of any General Revenue available for the same purposes.
 - b. In the event General Revenue has been expended prior to the receipt of the state's share of Medicaid Subrogation Receipts, the Commission shall reimburse General Revenue. This process shall be completed on a monthly basis in order to prevent accumulation of Medicaid Subrogation Receipt balances.
- The preceding paragraph shall be the exclusive appropriation authority for receipts from the above identified sources, and none of these receipts shall be appropriated by a provision of Article IX of this Act.
- 7. Appropriation Transfers Between Fiscal Years.** In addition to the transfer authority provided elsewhere in this Act and in order to provide for unanticipated events that increase costs associated with providing Medicaid or CHIP services for eligible clients, the Health and Human Services Commission is authorized to transfer General Revenue from funds appropriated in Medicaid or CHIP strategies in fiscal year 2011 to fiscal year 2010 and such funds are appropriated to the Commission for fiscal year 2010. Such transfers may only be made subject to the following:
- a. Transfers under this section may be made only:
 - (1) if costs associated with providing Medicaid or CHIP services exceed the funds appropriated for these services for fiscal year 2010, or

HEALTH AND HUMAN SERVICES COMMISSION

(Continued)

- (2) for any other emergency expenditure requirements, including expenditures necessitated by public calamity.
 - b. A transfer authorized by this section must receive the prior written approval of the Governor and the Legislative Budget Board.
 - c. The Comptroller of Public Accounts shall cooperate as necessary to assist the completion of a transfer and spending made under this section.
8. **Reporting of Child Abuse.** The Texas Health and Human Services Commission may distribute or provide appropriated funds only to recipients who show good-faith efforts to comply with all child abuse reporting guidelines and requirements set forth in Chapter 261 of the Texas Family Code.
9. **Authorization to Receive, Administer, and Disburse Federal Funds.** The appropriations made herein may be used to match or to meet maintenance of effort requirements for Federal Funds granted to the state for the payment of personal services and other necessary expenses in connection with the administration and operation of state programs of health and public welfare services. Notwithstanding the General Provisions of this Act, the Health and Human Services Commission is hereby authorized to receive and disburse in accordance with plans acceptable to the responsible federal agency, all federal moneys that are made available (including grants, allotments, and reimbursements) to the state and retain their character as Federal Funds for such purposes, and to receive, administer, and disburse Federal Funds for federal regional programs in accordance with plans agreed upon by the Health and Human Services Commission and the responsible federal agency, and such other activities as come under the authority of the Commissioner of Health and Human Services, and such moneys are hereby appropriated to the specific purpose or purposes for which they are granted or otherwise made available. Earned Federal Funds are not considered to be Federal Funds for the purpose of this section.
10. **Accounting of Support Costs.** The Comptroller of Public Accounts shall establish separate accounts from which certain support costs shall be paid. The Health and Human Services Commission is hereby authorized to make transfers into these separate accounts from line item strategies in order to pay for these expenses in an efficient and effective manner. Only costs not directly attributable to a single program may be budgeted in or paid from these accounts. Items to be budgeted in and paid from these accounts include but are not limited to: postage, occupancy costs, equipment repair, telephones, office printing costs, supplies, freight and transport costs, telephone system costs and salary and travel costs of staff whose function supports several programs. The Commission shall be responsible for quarterly allocations of these costs to the original strategies.
11. **Disposition of Appropriation Transfers from State-owned Hospitals.** The Health and Human Services Commission shall use the sums transferred from state owned hospitals as provided elsewhere in the Act as necessary to apply for appropriate matching Federal Funds and to provide the state's share of disproportionate share payments and upper payment limit payments due to state-owned hospitals. Any amounts of such transferred funds not required for these payments shall be deposited by the Health and Human Services Commission to the General Revenue Fund as unappropriated revenue. By October 1 of each fiscal year, the Health and Human Services Commission shall present a schedule of projected transfers and payments to the Comptroller of Public Accounts, the Governor, and the Legislative Budget Board. The Comptroller of Public Accounts shall process all payments and transfers, unless disapproved or modified by the Legislative Budget Board or the Governor.
12. **Transfers: Authority and Limitations.**
 - a. **Limitations on Transfers within/between Goals.** Notwithstanding the transfer provisions in the General Provisions (general transfer provisions) and other transfer provisions of this Act (including Article II Special Provisions, Sec. 11), funds appropriated by this Act to the Health and Human Services Commission (HHSC) for the following goals shall be governed by the specific limitations included in this provision.
 - (1) **Goal B (Medicaid).** Transfers may be made between Medicaid appropriation items in Goal B. Transfers may not be made from appropriation items in Goal B to appropriation items in other goals without prior written approval from the Legislative

HEALTH AND HUMAN SERVICES COMMISSION

(Continued)

Budget Board and the Governor. HHSC shall provide notification of all transfers pursuant to subsection (b) of this provision, and any transfer approval requests shall be submitted pursuant to subsection (c) of this provision.

- (2) **Goal C (CHIP Services).** Transfers may be made between CHIP appropriation items in Goal C. Transfers may not be made from appropriation items in Goal C to appropriation items in other goals without prior written approval from the Legislative Budget Board and the Governor. HHSC shall provide notification of all transfers pursuant to subsection (b) of this provision, and any transfer approval requests shall be submitted pursuant to subsection (c) of this provision.
 - (3) **Other Goals.** Funds appropriated by this Act to the Health and Human Services Commission (HHSC) in Goals A, D, E, F, and G may be transferred from one appropriation item to another appropriation item within or between Goals A, D, E, F, and G in amounts not to exceed 25 percent of the originating appropriation item's All Funds amount for the fiscal year. HHSC shall provide notification of all transfers pursuant to subsection (b) of this provision.
- b. **Notification Regarding Transfers that Do not Require Approval.** Authority granted by this provision to transfer funds is contingent upon a written notification from HHSC to the Legislative Budget Board and the Governor at least 30 days prior to the transfer, which includes the following information:
- (1) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
 - (2) the names of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;
 - (3) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and
 - (4) the capital budget impact.
- c. **Requests for Transfers that Require Approval.** To request a transfer, HHSC shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information:
- (1) a detailed explanation of the purpose(s) of the transfer and whether the expenditure will be one-time or ongoing;
 - (2) the names of the originating and receiving strategies and the method of financing and FTEs for each strategy by fiscal year;
 - (3) an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving strategies; and
 - (4) the capital budget impact.
- A transfer request shall be considered to be disapproved unless the Legislative Budget Board and the Governor issue written approvals within 45 calendar days of receipt of the request.
- d. **Transfers into Items of Appropriation.** Transfers may be made from any appropriation item to the appropriation items in section (a), subject to the limitations established in section (a) for each appropriation item.
- e. **Cost Pools.** Notwithstanding the above limitations, transfers may be made from Medicaid and CHIP appropriation items (Goals B and C) to separate accounts authorized by agency rider and established by the State Comptroller for payment of certain support costs not directly attributable to a single program.

HEALTH AND HUMAN SERVICES COMMISSION

(Continued)

- f. **Cash Management.** Notwithstanding the above limitations, HHSC may temporarily utilize funds appropriated to Medicaid and CHIP (Goals B and C) for cash flow purposes. All funding used in this manner shall be promptly returned to the originating strategy. This authorization is subject to limitations established by the Comptroller of Public Accounts.

The Comptroller of Public Accounts shall not allow the transfer of funds authorized by any of the above subsections if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

In the case of disaster or other emergency, this provision is superseded by the emergency-related transfer authority in Article IX of this Act.

- 13. Use of Additional Medicaid Program Income.** For the purposes of this provision, Medicaid program income is defined as: 1) refunds/rebates of previously paid premiums and interest earnings generated in relationship to accounts listed below; 2) refunds/rebates received from the Medicaid claims payment contractor or other sources; and 3) managed care rebates as described below. Amounts defined as program income are to be deposited into the General Revenue Fund, Object No. 3639. The Health and Human Services Commission is authorized to receive and spend program income and interest earnings generated from fund balances with the Disbursement Account, and the STAR (Managed Care) Account, as defined in the contractual agreement with the fiscal agent and/or insurance carrier for purchased health services except for those interest earnings related to the Cash Management Improvement Act (CMIA). The Commission is also authorized to receive and spend experience rebates generated in accordance with its contractual agreements with health maintenance organizations who participate in Medicaid managed care. Expenditures shall be made from credits, managed care rebates, and interest earnings received in fiscal years 2010 and 2011. The use of the credits, managed care rebates, and interest earnings is limited to funding services for Medicaid clients. Medicaid program income shall be expended as they are received as a first source, and General Revenue shall be used as a second source, to support the Medicaid program. In the event that these revenues should be greater than the amounts identified in the method of finance above as Medicaid Program Income, the commission is hereby appropriated and authorized to expend these General Revenue Funds thereby made available, subject to the following requirements:

- a. Amounts available shall be expended prior to utilization of any General Revenue available for the same purposes; and
- b. In the event General Revenue has been expended prior to the receipt of program income, the Commission shall reimburse General Revenue. This process shall be completed on a monthly basis in order to prevent accumulation of program income balances.

The preceding paragraph shall be the exclusive appropriation authority for receipts from the above identified sources and none of these receipts shall be appropriated by a provision of Article IX of this Act.

- 14. Use of Additional CHIP Experience Rebates.** For the purposes of this provision, CHIP Experience Rebates are defined as: 1) refunds/rebates of previously paid CHIP premiums and related interest earnings; and 2) managed care rebates and related interest earnings as described below. Amounts defined as CHIP Experience Rebates are to be deposited into the General Revenue Fund. The Health and Human Services Commission is authorized to receive and spend experience rebates generated in accordance with its contractual agreements with managed care organizations and other providers who participate in the CHIP, Immigrant Health Insurance, School Employee Health Insurance, and CHIP Perinatal programs. Expenditures shall be made from CHIP Experience Rebates generated in fiscal years 2010 and 2011. The method of financing item, Experience Rebates - CHIP, for appropriations made above, includes unexpended and unobligated balances of Experience Rebates - CHIP remaining as of August 31, 2009, and receipts earned in fiscal years 2010 and 2011.

The use of CHIP Experience Rebates is limited to health care services for CHIP clients. CHIP Experience Rebates shall be expended as they are received as a first source, and General Revenue shall be used as a second source, to support CHIP-related programs. In the event that these revenues should be greater than the amounts identified in the method of finance above as Experience Rebates - CHIP, the department is hereby appropriated and authorized to expend these General Revenue Funds thereby made available, subject to the following requirements:

HEALTH AND HUMAN SERVICES COMMISSION

(Continued)

- a. Amounts available shall be expended prior to utilization of any General Revenue available for the same purposes; and
- b. In the event General Revenue has been expended prior to the receipt of CHIP Experience Rebates, the Commission shall reimburse General Revenue. This process shall be completed on a monthly basis in order to prevent accumulation of CHIP Experience Rebate balances.

The preceding paragraph shall be the exclusive appropriation authority for receipts from the above identified sources and none of these receipts shall be appropriated by a provision of Article IX of this Act.

15. CHIP: Unexpended Balances and Allocation of Funds.

- a. **Unexpended Balances between Biennia.** Unexpended balances in General Revenue Funds appropriated for Goal C (CHIP) strategies to the Health and Human Services Commission (HHSC) for the fiscal year ending August 31, 2009 (estimated to be \$136,400,000) are appropriated to the agency and included above for the fiscal year beginning September 1, 2009, only upon prior written approval by the Legislative Budget Board and the Governor. These General Revenue Funds are contingent on an unexpended balance from fiscal year 2009. The amount of the appropriation is limited to the amount of the unexpended balance.
- b. **Unexpended Balances within the Biennium.** Unexpended balances in General Revenue Funds appropriated for Goal C (CHIP) strategies to HHSC for the fiscal year ending August 31, 2010 (estimated to be \$0) are appropriated to the agency for the fiscal year beginning September 1, 2010, only upon prior written approval by the Legislative Budget Board and the Governor.
- c. For authorization to expend the funds, HHSC shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request must be organized by fiscal year as follows:
 - (1) The following information shall be provided for the fiscal year with an unexpended balance:
 - (i) an explanation of the causes of the unexpended balance(s);
 - (ii) the amount of the unexpended balance(s) by strategy; and
 - (iii) the associated incremental change in service levels compared to performance targets in this Act for that fiscal year.
 - (2) The following information shall be provided for the fiscal year receiving the funds:
 - (i) an explanation of purpose for which the unexpended balance(s) will be used and whether the expenditure will be one-time or ongoing;
 - (ii) the amount of the expenditure by strategy;
 - (iii) the incremental change in service levels compared to performance targets in this Act for that fiscal year; and
 - (iv) the capital budget impact.

The request shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the proposal to expend the funds and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

The Comptroller of Public Accounts shall not allow the use of unexpended balances authorized by any of the above subsections if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

HEALTH AND HUMAN SERVICES COMMISSION

(Continued)

- d. It is the intent of the Legislature that tobacco settlement receipts appropriations made above in Goal C, CHIP Services, include \$293.9 million for fiscal year 2010 and \$302.6 million for fiscal year 2011 in tobacco settlement receipts paid to the State pursuant to the Comprehensive Tobacco Settlement and Release. In the event that the state has not received a tobacco settlements payment for fiscal year 2010 and fiscal year 2011 by September 1 of each year of the biennium, the Comptroller of Public Accounts is hereby authorized to use general revenue funds as needed for program expenditures for cash flow purposes between the beginning of the fiscal year and the receipt by the state of the tobacco settlement payment for the fiscal year. Upon receipt of the tobacco settlement payment, the general revenue fund shall be reimbursed with tobacco settlement receipts for all expenditures made pursuant to this provision.
- 16. Cash Basis Expenditures Authorization.** Notwithstanding any other provision of this Act, the Health and Human Services Commission is authorized to expend Medicaid appropriations in a fiscal year without regard to date of service. The authorization herein is limited to expenditures for claims payments, premiums, cost settlements and other related expenses for Medicaid client services.
- 17. Cost Sharing - Medicaid Clients.** The Health and Human Services Commission is authorized to collect and is hereby appropriated all cost sharing revenues generated by Medicaid clients as authorized in Section 32.064 of the Human Resources Code. These revenues may include enrollment fees, deductibles, coinsurance, and portions of the managed care plan premiums.
- 18. Supplemental Nutritional Assistance Program Funds Appropriated.** The Health and Human Services Commission is hereby designated as the state agency to establish and operate a statewide Supplemental Nutritional Assistance Program and to accept all moneys appropriated for this purpose by the federal or state governments, by the Commissioners' Court of any county, by any political subdivisions of the state, or received from any other source as provided for herein and in Chapter 33, Human Resources Code. The Health and Human Services Commission is authorized to expend such funds for welfare purposes, including the cost of distributing foods to needy people, institutions, school lunch programs, or otherwise as provided by the laws of the United States and the rules and regulations issued pursuant thereto, for the establishment and operation of a statewide Supplemental Nutritional Assistance Program, and for the employment of essential personnel who shall be employed under a merit system basis comparable to the merit principles or standards applicable to all other personnel of the commission.
- 19. Additional Funding Sources, Medicaid.** Notwithstanding any other provisions of this Act, if the appropriations provided for a Medicaid program are not sufficient to provide for expenditures mandated by either state or federal law, after accounting for any appropriations made to the agency operating the Medicaid program, and available for transfer to the Medicaid program, the Legislative Budget Board and the Governor may provide for and are hereby authorized to direct the transfer of sufficient amounts of funds to the Health and Human Services Commission from appropriations made elsewhere in this Act.
- 20. Temporary Emergency Assistance for Families At-Risk of Welfare Dependency.** Out of funds appropriated above in Strategy D.1.1, TANF (Cash Assistance) Grants, the commission shall provide a one-time emergency assistance payment to applicants for a TANF (Cash Assistance) grant who are likely to be employed within a short period of time, without referral to the Choices program. It is the intent of the Legislature that the commission expand the use of one-time emergency payments as a cost-effective deterrence from the ongoing cash assistance grant programs.
- 21. High Performance Bonus for Administration of the Supplemental Nutritional Assistance Program (SNAP).** High Performance Bonuses are annual incentive payments to state agencies that meet standards for high or most improved performance established by the Secretary of the U.S. Department of Agriculture. The authority to receive and expend high performance bonuses is provided in Article IX, Sec. 6.22, Definition, Appropriation, Reporting and Audit of Earned Federal Funds and is subject to the following additional conditions:
- a. A portion of these funds, in each year of the biennium, shall be used by the Health and Human Services Commission for the development and operation of a nutrition education and outreach program, or for activities that otherwise improve low-income consumers' access to basic nutrition and healthy foods.

HEALTH AND HUMAN SERVICES COMMISSION

(Continued)

- b. The commission shall prepare annual reports by October 1 of each year of the biennium summarizing the commission's progress in implementing the outreach program and file those reports with the standing committees of the Senate and House of Representatives having primary jurisdiction over health and human services.
 - c. A portion of these funds, in each year of the biennium, shall be used by the Health and Human Services Commission to provide bonuses to position classifications whose efforts directly contributed to meeting these performance standards, or to position classifications who meet or exceed customer service performance measures developed by the commission, or whose efforts directly contributed to increasing the percentage of eligible persons who receive SNAP benefits.
 - (1) Before an employee can be eligible for a bonus, the employee must have been employed in the program for the related twelve months, remain employed in the program, and demonstrate performance that meets expectations.
 - (2) The commission has the authority to determine whether employees who have received bonuses under this provision are eligible for merit salary increases during a twelve-month period prior to or after receipt of the bonus.
- 22. Temporary Assistance for Needy Families (TANF) Maintenance of Effort.** It is the intent of the Legislature that all General Revenue appropriated above for TANF maintenance of effort shall be expended within the appropriate fiscal year for that purpose in order to secure the TANF federal block grant for the state. Out of funds appropriated above in Strategy D.1.1, TANF (Cash Assistance) Grants, \$62,851,931 in General Revenue is appropriated for TANF maintenance of effort for fiscal year 2010, and \$62,851,931 in General Revenue is appropriated for TANF maintenance of effort for fiscal year 2011. None of the General Revenue appropriated for TANF maintenance of effort in Strategy D.1.1, TANF (Cash Assistance) Grants, may be transferred to any other item of appropriation or expended for any purpose other than the specific purpose for which the funds are appropriated. However, General Revenue appropriated for TANF maintenance of effort may be transferred to Strategy A.1.2, Integrated Eligibility and Enrollment, subject to the following limitations:
- a. Declines or shifts in TANF caseloads prevent the Health and Human Services Commission from expending all General Revenue appropriated for TANF maintenance of effort in Strategy D.1.1, TANF (Cash Assistance) Grants, within the appropriate fiscal year;
 - b. The amount of TANF MOE General Revenue transferred from Strategy D.1.1, TANF Cash Assistance) Grants, shall be expended as TANF maintenance of effort within Strategy A.1.2, Integrated Eligibility and Enrollment, for TANF program operating costs, within the appropriate fiscal year; and
 - c. At least 30 days prior to transferring General Revenue Funds between Strategy D.1.1, TANF (Cash Assistance) Grants, and Strategy A.1.2, Integrated Eligibility and Enrollment, the Health and Human Services Commission shall notify the Legislative Budget Board and the Governor.
- 23. Earned Income Disregard.** Out of amounts appropriated above to Strategy D.1.1, TANF (Cash Assistance) Grants, the Health and Human Services Commission shall maintain the earned income disregard for working TANF families. When determining eligibility and benefits, the commission shall exclude \$120 of earnings and 90 percent of the remaining earnings for each of the first four months of employment by a recipient. After the first four months of employment, the commission shall exclude \$120 of a recipient's earnings each month.
- 24. Performance Reporting for the Prescription Drug Rebate Program.** The Commission shall report on an annual basis the following information to the Legislative Budget Board, the State Auditor's Office and the Governor: the outstanding prescription drug rebate balances for the Medicaid, CHIP, Kidney Health, and Children with Special Health Care Needs programs. The report shall include rebate principal and interest outstanding, age of receivables, and annual collection rates. The reports shall specify amounts billed, dollar value of pricing and utilization adjustments, and dollars collected. The Commission shall report these data on each year for which the Prescription Drug Rebate program has collected rebates and also on a cumulative basis for all years.

HEALTH AND HUMAN SERVICES COMMISSION

(Continued)

- 25. TANF (Cash Assistance) Grants.** Out of funds appropriated above in Strategy D.1.1, TANF (Cash Assistance) Grants, the commission shall adjust the TANF grant amount each year to ensure that the maximum monthly grant for a family of three is at least 17 percent of the federal poverty level and provide a one-time per year grant of up to \$30 for each TANF child on August 1 of each year.
- 26. Texas Integrated Eligibility Redesign Systems (TIERS).** To fund the debt related to TIERS, the commission may seek funding from the most cost-effective type of financing, including but not limited to cash acquisition, commercial financing, and financing provided by the Texas Public Finance Authority. From any funds appropriated to the Health and Human Services Commission for the purpose of implementing the project, an amount not to exceed \$6,131,027 (amounts needed for Master Lease Purchase Program) for the biennium in All Funds may be transferred to the Texas Public Finance Authority for lease payments to the Texas Public Finance Authority to pay debt service on the obligations issued by the Texas Public Finance Authority on behalf of the commission for the above-mentioned project.
- 27. Capital Purchases on Behalf of other Government Entities or Service Providers.** Any capital items purchased by the Health and Human Services Commission (HHSC) for use by local governmental entities for which the commission is reimbursed do not apply to the commission for the purpose of the capital budget rider limitations specified in Article IX, Sec. 14.03, Limitation on Expenditures - Capital Budget, of the General Provisions of this Act, nor to HHSC Rider 2, Capital Budget.
- 28. Reimbursement of Advisory Council Members.** Pursuant to Government Code §531.408, reimbursement of travel expenses for Health and Human Services Council members, out of funds appropriated above, is hereby authorized such that the sum total of all reimbursements for members of the Council shall not exceed \$13,200 per fiscal year, at the rates specified in the general provisions of this Act.
- 29. Other Reporting Requirements.**
- a. Federal Reports. The Health and Human Services Commission shall submit the following information to the Legislative Budget Board, the Governor, and all Members of the Texas Legislature no later than the date the respective report is submitted to the federal government:
 - (1) Notification of proposed State Plan amendments or waivers for Medicaid, CHIP, TANF, and any other federal grant requiring a state plan. State Plan amendments and waiver submissions shall also be provided to the Senate Health and Human Services, House Human Services, and House Public Health committees.
 - (2) A copy of each report or petition submitted to the federal government relating to Medicaid, CHIP, and TANF.
 - b. Federal Issues. The Health and Human Services Commission shall notify the Legislative Budget Board and the Governor on a timely basis about emerging issues that could result in the loss of more than \$1 million in federal revenue assumed in the appropriations act.
 - c. Monthly Financial Reports. The Health and Human Services Commission shall submit the following information to the Legislative Budget Board and the Governor on a monthly basis:
 - (1) Information on appropriated, budgeted, expended, and projected funds and full-time-equivalents, by strategy and method of finance.
 - (2) Information on appropriated, budgeted, expended, and projected revenues, including program income, interest earnings, experience rebates, vendor drug rebates (Medicaid, CHIP and supplemental), Medicaid subrogation receipts, premium co-payments, earned federal funds, cost sharing - Medicaid clients, and appropriated receipts used as match for federal funds.
 - (3) Narrative explanations of significant budget adjustments, ongoing budget issues, and other items as appropriate.
 - (4) Description of specific provisions of managed care contracts and resulting increases or decreases in revenue.

HEALTH AND HUMAN SERVICES COMMISSION

(Continued)

- (5) Narrative and tabular explanation of adjustments made to translate actuarial forecasts of incurred claims into budgeted/expended amounts on a cash basis for the Medicaid program.
- (6) Any other information requested by the Legislative Budget Board or the Governor.
- d. **Additional Monthly Reports.** The Health and Human Services Commission shall provide monthly enrollment totals in all the programs for which there is a performance measure target for the Commission.
- e. **Notification.** The Health and Human Services Commission shall electronically notify the Members of the Legislature that information provided in the sections above is available on the agency's website and shall provide copies as requested.

The monthly financial reports shall be prepared in a format specified by the Legislative Budget Board.

- 30. Office for Prevention of Developmental Disabilities.** The Health and Human Services Commission shall expend, from funds otherwise appropriated to the commission by this Act, an amount not to exceed \$111,805 each fiscal year for salaries, benefits, travel expenses, and other support of the Office for Prevention of Developmental Disabilities. However, grants and donations received through the authority provided by Article IX Sec. 8.01, Acceptance of Gifts of Money, are not subject to this limit and may be expended by the Office.
- 31. Prohibition on Abortions.**
 - a. It is the intent of the Legislature that no funds shall be used to pay the direct or indirect costs (including overhead, rent, phones and utilities) of abortion procedures provided by contractors of the commission.
 - b. It is also the intent of the Legislature that no funds appropriated for Medicaid Family Planning, shall be distributed to individuals or entities that perform elective abortion procedures or that contract with or provide funds to individuals or entities for the performance of elective abortion procedures.
 - c. The commission shall include in its financial audit a review of the use of appropriated funds to ensure compliance with this section.
- 32. Family Planning.** Of funds appropriated for Medicaid Family Planning, no state funds may be used to dispense prescription drugs to minors without parental consent. An exemption shall be allowed for emancipated 16- and 17-year old parents.
- 33. Appropriation of Unexpended Balances - Master Lease Purchase Program (MLPP).** Any unexpended balances of MLPP funds for the TIERS project from previous appropriations, estimated to be \$12,658,228, are hereby authorized for the Health and Human Services Commission. The commission shall provide to the Legislative Budget Board and the Governor a detailed description of the project and cost at least 45 days prior to the expenditure of such funds.
- 34. CHIP Enrollment.** In the event that appropriations are insufficient to sustain enrollment at authorized eligibility and benefit levels in CHIP, it is the intent of the legislature that the Executive Commissioner transfer necessary funds to Goal C, CHIP Services, pursuant to the notification and approval requirements contained in other provisions, and request additional appropriation authority from the Legislative Budget Board prior to establishing a waiting list and suspending enrollment pursuant to Health and Safety Code § 62.101.
- 35. Children's Health Insurance Program Priority.** In the event that the Health and Human Services Commission receives less CHIP Federal Funds than are anticipated above in Goal C, CHIP Services, the commission is authorized to prioritize services to recipients of the traditional CHIP program. Serving those eligible for the CHIP Perinatal program may be a secondary priority.
- 36. Medical Treatments.** The Health and Human Services Commission may distribute funds for medical, dental, psychological or surgical treatment provided to a minor only if consent to treatment is obtained pursuant to Chapter 32 of the Texas Family Code. In the event that

HEALTH AND HUMAN SERVICES COMMISSION

(Continued)

compliance with this rider would result in the loss of Federal Funds to the state, the department may modify, or suspend this rider to the extent necessary to prevent such loss of funds, provided that 45 day prior notification is provided to the Governor and the Legislative Budget Board.

37. Unexpended Balance Authority for Eligibility Determination Services. Unexpended balances in General Revenue Funds appropriated in Strategy A.1.2, Integrated Eligibility and Enrollment, for the fiscal year ending August 31, 2010, are appropriated to the agency for the following fiscal year only upon prior written approval by the Legislative Budget Board and the Governor. For authorization to expend the funds, an agency shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request must be organized by fiscal year as follows:

- a. The following information shall be provided for the fiscal year with an unexpended balance:
 - (1) an explanation of the causes of the unexpended balance(s);
 - (2) the amount of the unexpended balance(s) by strategy; and
 - (3) the associated incremental change in service levels compared to performance targets in this Act for that fiscal year.
- b. The following information shall be provided for the fiscal year receiving the funds:
 - (1) an explanation of purpose for which the unexpended balance(s) will be used and whether the expenditure will be one-time or ongoing;
 - (2) the amount of the expenditure by strategy;
 - (3) the incremental change in service levels compared to performance targets in this Act for that fiscal year; and
 - (4) the capital budget impact.

The request shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the proposal to expend the funds and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

The Comptroller of Public Accounts shall not allow the use of unexpended balances authorized by any of the above subsections if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

38. Continued Medicaid Coverage for Clients Unable to Access Medicare Part D Benefit and for Certain Excluded Medicare Part D Drug Categories. It is the intent of the Legislature that from funds appropriated above in Strategy B.2.2, Medicaid Vendor Drug Program, the Health and Human Services Commission shall continue to provide Medicaid coverage for dual eligible clients who are unable to access their Medicare Part D drug benefit. The Health and Human Services Commission shall recoup funds for these expenditures from Part D drug plans that are determined to be responsible for the dual eligible clients' drug costs. It is also the intent of the Legislature that from funds appropriated above in Strategy B.2.2, Medicaid Vendor Drug Program, the Health and Human Services Commission shall continue to provide Medicaid coverage for certain categories of drugs not covered under the federal Medicare Part D program, under Section 1935(d)(2) of the Social Security Act, for full dual eligible clients. This coverage is limited to only those categories of excluded Medicare Part D drugs that continue to be eligible for federal Medicaid matching funds and that are currently covered under the Medicaid Vendor Drug Program (e.g., prescribed over-the-counter medications, barbiturates, and benzodiazepines).

39. Upper Payment Limit Reimbursement for Children's Hospitals. Out of the funds appropriated above in Strategy B.2.5, Upper Payment Limit, the Health and Human Services Commission shall use the amounts of \$12,500,000 in fiscal year 2010 and \$12,500,000 in fiscal year 2011 in General Revenue to provide upper payment limit reimbursement to children's hospitals (having a separate provider number). The Health and Human Services Commission shall implement Medicaid upper payment limit reimbursement to cover the actual costs incurred in providing Medicaid inpatient and outpatient services and Graduate Medical Education at children's hospitals. In the event that

HEALTH AND HUMAN SERVICES COMMISSION

(Continued)

appropriations are insufficient to cover these Medicaid costs in all children's hospitals, the Health and Human Services Commission shall prioritize this Medicaid upper payment limit reimbursement to reduce the Medicaid losses in any children's hospital with a Medicaid patient load that exceeds 60 percent of the hospital's total inpatient days.

- 40. Hospital Uncompensated Care.** No funds appropriated under this Article for medical assistance payments may be paid to a hospital if the Health and Human Services Commission determines that the hospital has not complied with the Commission's reporting requirements. The Commission shall ensure that the reporting of uncompensated care (defined to include bad debt, charity care and unreimbursed care) by Texas hospitals is consistent for all hospitals and subjected to a standard set of adjustments that account for payments to hospitals that are intended to reimburse uncompensated care. These adjustments are to be made in such a way that a reliable determination of the actual cost of uncompensated care in Texas is produced. In pursuing this objective, the commission, in coordination with the Attorney General, and with advice from representatives from the hospital industry, will:
- a. review the current instruments for reporting uncompensated care by Texas hospitals to ensure that accounting for uncompensated care as well as its reporting is consistent across hospitals;
 - b. coordinate the different instruments for reporting uncompensated care in Texas, e.g., Statement of Community Benefits, Annual Hospital Survey, and DSH Survey, so that there is consistency in reporting among these instruments while maintaining the integrity of each instrument's purpose;
 - c. identify the sources of funding to hospitals that are intended to offset uncompensated care;
 - d. develop a standard set of adjustments that apply the funding sources to reported uncompensated care in such a manner that a reliable determination of the actual cost to a hospital for uncompensated care can be made; and
 - e. identify a standard ratio of cost to charges (RCC) to standardize the conversion of reported charges to costs.

The commission shall conduct an appropriate number of audits to assure the accurate reporting of the cost of uncompensated hospital care.

The commission shall submit a biennial report on uncompensated care costs, which considers the impact of patient specific and lump sum funding as offsets to uncompensated costs, to the Governor and Legislative Budget Board no later than December 1, 2010. The commission may report by hospital type.

- 41. Hospital Reimbursement.** Contingent upon federal approval, and to the extent allowed by law, no funds appropriated under this Article for the payment of inpatient hospital fees and charges under the medical assistance program may be expended, except under a prospective payment methodology for all Medicaid inpatient claims that employs sound cost reimbursement principles and:
- a. enhances the Health and Human Services Commission's ability to be a prudent purchaser of health care;
 - b. reflects costs that are allowable, reasonable and medically necessary to deliver health care services to the state's Medicaid population;
 - c. reduces the variability in the Medicaid reimbursement rates paid to hospitals for treating patients with the same diagnoses;
 - d. promotes and rewards increased efficiency in the operation of hospitals;
 - e. emphasizes and rewards quality of outcomes and improves the treatment of Medicaid patients through pay-for-performance principles;
 - f. recognizes, through add-on payments or other methods, the unique needs of rural hospitals;

HEALTH AND HUMAN SERVICES COMMISSION

(Continued)

- g. reformulates the Disproportionate Share Hospital (DSH) supplemental payment methodology to increase its focus on paying hospitals for uncompensated care and reduces the existence of the inpatient Medicaid shortfall that prevents the State from achieving this objective; and
 - h. reimburses inpatient services in freestanding psychiatric facilities similar to the prospective payment system used by the Centers for Medicare and Medicaid Services.
- 42. Payments to Health Centers for Medicaid Family Planning.** It is the intent of the Legislature that the Health and Human Services Commission shall, to the extent allowed by federal law, reimburse Federally Qualified Health Centers for family planning services under Medicaid, including the Women's Health Program, using a prospective payment system at a per visit rate, not to exceed three payments during a calendar year.
- 43. Payments to Hospital Providers.** Until the Health and Human Services Commission implements a new reimbursement system for Fee-for-Service (FFS) and Primary Care Case Management (PCCM) inpatient services, hospitals that meet one of the following criteria: 1) located in a county with 50,000 or fewer persons, or 2) is a Medicare-designated Rural Referral Center (RRC) or Sole Community Hospital (SCH), that are not located in a metropolitan statistical area (MSA) as defined by the U.S. Office of Management and Budget, or 3) is a Medicare-designated Critical Access Hospital (CAH), shall be reimbursed the greater of the prospective payment system rate or a cost-reimbursement methodology authorized by the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) using the most recent data. Hospitals reimbursed under TEFRA cost principles shall be paid without the imposition of the TEFRA cap. Hospitals that meet the criteria as of September 1, 2009, retain this reimbursement for FFS and PCCM inpatient services.
- 44. Staffing and Capital Authorization in Lieu of Contracted Responsibilities.** Notwithstanding any other provisions in this Act, if the executive commissioner of the Health and Human Services Commission (HHSC) determines that a service performed under a contract as of the effective date of this Act would be more effectively performed by state personnel, the executive commissioner is authorized to adjust the agency's full-time equivalent (FTE) and/or capital authority limitation to the extent necessary to ensure the successful assumption of such contracted duties and to comply with federal performance standards.

Authority granted by this provision is contingent upon a written notification from HHSC to the Legislative Budget Board and the Governor at least 30 days prior to adjusting budgeted FTE levels and/or acquiring capital equipment that includes the following information:

- a. a detailed explanation of the adjustments to the affected contract and the reason(s) for the adjustment;
- b. the estimated reduction in spending in All Funds on the contract by fiscal year;
- c. the increase in both the annual average and end-of-year FTEs by fiscal year;
- d. the estimated increase in expenditures by object of expense and method of financing for each fiscal year; and
- e. the estimated increase in capital expenditures by method of financing by fiscal year for each increased or new project.

The Comptroller of Public Accounts shall not allow the adjustment of FTE or capital authority limitations authorized by this provision if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

- 45. Graduate Medical Education.** The Health and Human Services Commission is authorized to spend Appropriated Receipts - Match for Medicaid and matching Medicaid Federal Funds out of Strategy B.2.1, Cost Reimbursed Services, for Graduate Medical Education payments to state-owned teaching hospitals, contingent upon receipt of allowable funds from state-owned teaching hospitals to be used as the non-federal share for Medicaid Graduate Medical Education. Appropriated Receipts - Match for Medicaid shall be the only source of funds used for the non-federal share for Medicaid Graduate Medical Education, and the Health and Human Services Commission shall develop a payment methodology for Medicaid Graduate Medical Education payments to state-owned teaching hospitals.

HEALTH AND HUMAN SERVICES COMMISSION

(Continued)

- 46. Enterprise Data Warehouse.** Out of funds appropriated above in Strategy A.2.1, Consolidated System Support, the Health and Human Services Commission (HHSC) may expend \$14,899,934 in General Revenue and any associated matching Federal Funds to develop/implement an enterprise data warehouse for data related to Medicaid services, human services, and public health services. In order to ensure maximum accountability, HHSC shall contract with a single vendor for the data warehouse.

HHSC shall submit reports to the Legislative Budget Board and the Governor on September 1, 2009 and September 1, 2010 reflecting actual expenditures and accomplishments to date. The reports shall also reflect an estimate of planned expenditures and accomplishments for the remainder of the 2010-11 biennium.

- 47. Healthy Marriage Development Program.** Out of funds appropriated above in Strategy A.1.2, Integrated Eligibility and Enrollment, the Health and Human Services Commission shall devote \$8,435,044 in All Funds, including \$6,181,722 in General Revenue Funds and \$415,544 in TANF Federal Funds for the biennium to a Healthy Marriage Development Program and similar activities that strengthen families.

- 48. Physician-administered Biologics and Drugs.** To the extent compatible with state and federal law, drugs and biological products are deemed covered benefits of Medicaid if those products are approved for sale by the U.S. Food and Drug Administration and satisfy the criteria of the Omnibus Budget Reconciliation Act of 1990 and the Deficit Reduction Act of 2005. The manufacturers of drugs and biological products which are deemed covered benefits under Medicaid shall obtain a unique HCPCS code of C, Q, or J and a National Drug Code that will enable the state Medicaid office to track the product for the purpose of receiving Medicaid rebates.

HHSC shall develop and make available a process to analyze new, "first-in-class," physician-administered drugs and biological products for the purpose of issuing a Medicaid coverage report or opinion.

For new physician-administered drugs and biological products slated for inclusion in an existing class covered by Medicaid, HHSC shall develop and make available an expedited process to analyze fiscal impact and incremental cost over current drug treatment and therapy.

HHSC shall develop and make available a process for approving new FDA-approved indications of physician-administered drugs and biological products covered by Medicaid.

HHSC may apply any reasonable administrative measures, including medical policy development and utilization controls that it deems prudent as the conditions of coverage that apply to each physician-administered drug or biological product.

- 49. Medicaid Drug Utilization Review Program.** Out of funds appropriated above in Goal B, Medicaid, the Health and Human Services Commission shall develop and submit a report on strategies implemented by the agency after the effective date of this Act to strengthen the Texas Medicaid Drug Utilization Review Program to the Legislative Budget Board and the Governor by December 1, 2009 and provide a follow-up report on December 1, 2010. Each report should include savings realized during the previous fiscal year and anticipated savings for the following fiscal year.

- 50. Behavioral Health Service Delivery in STAR and STAR+PLUS.** Out of funds appropriated above in Goal B, Medicaid, the Health and Human Services Commission shall develop and submit a report on strategies implemented by the agency after the effective date of this Act to improve the transparency and accountability of behavioral health service delivery in STAR and STAR+PLUS Medicaid HMOs to the Legislative Budget Board and the Governor by September 1, 2010.

- 51. Vendor Drug Program E-prescribing Plan.** Out of funds appropriated above in Goal B, Medicaid, the Health and Human Services Commission shall develop an E-prescribing implementation plan, including relevant timeframes and projected expenditures and cost savings per fiscal year, to improve patient safety and to standardize electronic prescribing systems in the state's Vendor Drug Program for the Medicaid and Children's Health Insurance Programs and submit the plan to the Legislative Budget Board and the Governor by January 1, 2010. The Health and Human Services Commission shall also submit a progress report on the E-prescribing implementation plan, including any projected expenditures and cost savings per fiscal year, to the Legislative Budget Board and the Governor by January 1, 2011.

HEALTH AND HUMAN SERVICES COMMISSION

(Continued)

- 52. SAVERR to TIERS.** Out of funds appropriated above in Strategy F.1.1, TIERS & Eligibility Supporting Technologies, the Health and Human Services Commission will convert all the remaining SAVERR cases into the TIERS system, contingent upon receipt of required approval by federal funding partners, no later than August 31, 2011.
- 53. Appropriations Related to Frew Strategic Initiatives.** General Revenue appropriated above in Goal B, Medicaid, for Frew strategic initiatives is contingent on an unexpended balance from fiscal year 2009. The amount of appropriation is limited to the amount of the unexpended balance. Unexpended balances in General Revenue Funds appropriated to the Health and Human Services Commission for Frew strategic initiatives for the fiscal year ending August 31, 2009 (estimated to be \$113,000,000) are appropriated to the agency for the fiscal biennium beginning September 1, 2009. This unexpended balance is the remainder of the one-time appropriation of \$150,000,000 in General Revenue Funds that was appropriated for Strategic Initiatives for the 2008-09 biennium by the Eightieth Legislature.
- 54. Medicaid Substance Abuse Treatment.**⁷ Contingent on passage of Senate Bill 796, or similar legislation relating to substance abuse treatment for adult Medicaid clients, the Health and Human Services Commission shall use funds appropriated above in Goal B, Medicaid, to provide coverage for comprehensive substance abuse treatment services for adult Medicaid clients.
- 55. Medical Transportation.** To the extent allowed by federal and state law, a portion of the funds appropriated above to Strategy B.2.3, Medical Transportation, shall be used to implement a regionalized full-risk brokerage model which utilizes a pre-payment methodology (capitation) to reimburse the broker or brokers. This program will be for all Medicaid non-emergency transportation under the Medical Transportation program in areas of the state that the Commission finds can sustain a regionalized model. To implement this change, the Commission shall apply to the Centers for Medicare and Medicaid Services for a state plan amendment as provided for in the Social Security Act, Section 1902(a)(70), and in accordance with Federal Regulations 42 CFR 440.170(a)(4).
- 56. FTE Authority during Federally-Declared Disasters.** In the event the Health and Human Services Commission determines a need for additional staff related to providing services for federally-declared disasters, the Commission is hereby authorized to increase the number of FTEs, and adjust the agency limitation on FTEs, for this purpose, contingent upon notification to the Legislative Budget Board and the Governor within 30 days of the intent to hire additional staff and quantify the staffing level. Only federal funds may be used to pay salaries and benefits for the FTEs hired for this purpose.
- 57. Local Reporting on UPL, DSH and Indigent Care Expenditures.** Out of funds appropriated above, and as the state Medicaid operating agency, the Health and Human Services Commission shall develop a report that non-state public hospitals, private hospitals, hospital districts, physicians and private administrators shall use to describe any expenditures they make through the Upper Payment Limit (UPL) program, the Disproportionate Share Hospital (DSH) program, and the Indigent Care program. The commission shall determine the format of the report, which must include expenditures by method of finance per year. In addition, the commission annually shall require contracted hospital providers to report payments to entities who provide consultative services regarding revenue maximization under the medical assistance program and any other governmentally funded program, including UPL and DSH. Information included in the reports of payments to entities providing consultative services from contracted hospitals shall include:
- a. the total amount of aggregated payments to all such entities by county;
 - b. the purpose of the payment(s);
 - c. the source of the payment(s);
 - d. the program for which consultative services were provided; and
 - e. any other information the commission believes pertinent.

⁷ Although Senate Bill 796 did not pass, Article IX, § 17.15 Medicaid Substance Abuse Treatment, directs HHSC to implement provisions of the legislation.

HEALTH AND HUMAN SERVICES COMMISSION

(Continued)

- 58. Umbilical Cord Blood Bank Funding.** Out of funds appropriated above in Strategy A.1.1, Enterprise Oversight and Policy, the Health and Human Services Commission shall use \$5,000,000 in General Revenue for the biennium for research and an unrelated donor umbilical cord blood bank, as follows:
- a. The Health and Human Services Commission shall enter into a contract with a public cord blood bank in Texas for \$4,000,000 for the gathering and retention of umbilical cord blood from live births at its unrelated cord blood bank for the primary purpose of making the umbilical cord blood available for transplant purposes. The blood bank must be accredited by the American Association of Blood Banks and the International Organization of Standardization. Any unexpended balances of these funds remaining as of August 31, 2010, are appropriated to the Health and Human Services Commission for the fiscal year beginning September 1, 2010, for the same purposes.
 - b. The Health and Human Services Commission shall enter into a contract with a Texas academic health institution for \$1,000,000 for the primary purpose of research leading to new cures derived by the usage of stem cells from umbilical cord blood. Such funds shall be used only for research from stem cells obtained from umbilical cord blood from a live birth. Any unexpended balances of these funds remaining as of August 31, 2010, are appropriated to the Health and Human Services Commission for the fiscal year beginning September 1, 2010, for the same purposes.
- 59. Medicaid Cost Savings.** The appropriations made above to the Health and Human Services Commission assume savings estimated to be \$107.1 million in General Revenue Funds. The Health and Human Services Commission should consider the following cost savings initiatives in order to achieve these savings.
- a. Managed Care
 - (1) efforts to increase provider participation in managed care networks; and
 - (2) efforts to achieve additional HMO savings; savings amount may include experience rebates.
 - b. Medical Transportation: expand use of broker model.
 - c. Ultra Sound Utilization Project: limit use based on practice guidelines.
 - d. Managed Care for Disabled Children: improve coordination of acute care for existing recipients.
 - e. Market Rating of Managed Care Plans: phase-in market rating that considers the acuity of clients served and whether the hospital is TEFRA reimbursed.
 - f. Third-party Sources: efforts to increase third-party sources of payment for Medicaid payments and Medicaid recipients.
 - g. Additional Initiatives Identified by the Health and Human Services Commission.
- The Commission shall provide a report explaining estimated cost savings measure to be utilized and estimating the savings in General Revenue and All Funds to be achieved during the biennium, including any additional initiatives identified by the Executive Commissioner during the biennium to achieve the targeted savings. The report shall be submitted to the Legislative Budget Board and the Governor by July 1, 2010 prior to implementing any of the saving measures.
- 60. Nurse Family Partnership Federal Funding.** Contingent on receipt of additional Federal Funding specifically for nurse home visitations to families with young children, the Health and Human Services Commission shall budget these funds for the Nurse Family Partnership program in Strategy A.1.1, Enterprise Oversight and Policy.
- 61. Office of Eligibility Services Staffing.** It is the intent of the Legislature that the Executive Commissioner shall ensure that the agency will fill and maintain eligibility staffing at a level necessary to maintain a reasonable workload designed to meet required federal timeliness and reduce error rates.

HEALTH AND HUMAN SERVICES COMMISSION
(Continued)

- a. The Health and Human Services Commission is authorized to maintain staffing, supporting technology and indirect costs at the fiscal year 2009 budgeted level of 9,039 full-time equivalents (FTEs). In determining the need for additional funding, the Commission shall take into account increases in contractor costs and supporting technology to be paid from amounts appropriated in Strategy A.1.2, Integrated Eligibility and Enrollment. Upon a determination that the amounts remaining in Strategy A.1.2 are insufficient to maintain the staffing level of 9,039 FTEs, the Health and Human Services Commission is hereby authorized to transfer from General Revenue appropriations made in Goal B, Medicaid to Strategy A.1.2, Integrated Eligibility and Enrollment, an amount not to exceed \$55 million for the biennium. The Commission shall notify the Governor, the Legislative Budget Board, and the Comptroller 15 days prior to any proposed funding transfer.
 - b. The Commission may request to increase its cap by up to 656 FTEs in fiscal year 2010 and up to 822 FTEs in fiscal year 2011 for anticipated workload and caseload growth. Upon a determination that funding in Strategy A.1.2 is insufficient to maintain the costs associated with staffing levels, contractors, supporting technology or any other related costs, the Executive Commissioner may request to transfer from General Revenue appropriations made in Goal B, Medicaid to Strategy A.1.2, Integrated Eligibility and Enrollment, amounts necessary to maintain the support of up to 9,695 FTEs in fiscal year 2010 and up to 9,861 FTEs in fiscal year 2011. The Commission shall request approval from the Governor, the Legislative Budget Board, and the Comptroller at least 30 days prior to any proposed funding transfer. The request shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the proposal to expend the funds and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.
- 62. Respiratory Syncytial Virus.** Out of funds appropriated above, the Health and Human Services Medicaid Vendor Drug Program shall implement a pharmacy payment based on the state's reimbursement methodology approved by the Centers for Medicare and Medicaid (CMS) as of August 31, 2007, minus five percent, for drugs used for the prevention of Respiratory Syncytial Virus in newborns. Prior authorization criteria must be met. In order to ensure full access to Respiratory Syncytial Virus prophylaxis, the Health and Human Service Commission shall ensure that providers are informed of the availability of a variety of specialty pharmacies dispensing Respiratory Syncytial Virus prophylaxis.
- 63. Dual Diagnosis Pilot.** From funds appropriated by this Act, the Health and Human Services Commission is authorized to utilize up to \$75,000 per year to provide a grant to a non-profit organization to maintain a pilot project directed at enhancing the well being and care of citizens who are dually diagnosed with mental retardation and mental illness.
- 64. Women's Health Services Demonstration Project: Savings and Performance Reporting.** It is the intent of the Legislature that the Health and Human Services Commission submit an annual report to the Legislative Budget Board and the Governor that includes the following information:
- a. enrollment levels of targeted low-income women, including service utilization by geographic region, delivery system, and age;
 - b. savings or expenditures attributable to enrollment levels as reported in section (a) and;
 - c. descriptions of all outreach activities undertaken for the reporting period.
- 65. In-patient Psychiatric Services.** The Health and Human Services Commission shall analyze the benefit to the state of modification of the Intensive Psychiatric Treatment Program and establishment of a program for the provision of Medicaid inpatient psychiatric services in Psychiatric Residential Treatment Facilities for child and adolescent Medicaid beneficiaries (as defined in Section 483.354 of the Code of Federal Regulations, Title 42). Contingent upon findings that a Medicaid state plan amendment is cost effective, the Health and Human Services Commission shall seek approval of this amendment and make necessary regulatory changes.

HEALTH AND HUMAN SERVICES COMMISSION

(Continued)

66. Study Regarding the Need for Community Support and Residential Services for Individuals Suffering from Acquired Brain Injury.

- a. It is the intent of the legislature that, out of General Revenue funds appropriated above, the executive commissioner of the Health and Human Services Commission conduct a study, not later than September 1, 2010, regarding the need for a system of community support and residential services for individuals suffering from acquired brain injury. The study must, at a minimum:
 - (1) evaluate current services and supports provided by the state to persons suffering from acquired brain injury;
 - (2) assess the need in this state for community support and residential services to persons suffering from acquired brain injury;
 - (3) ascertain opportunities available to this state to draw down federal funds for individuals with acquired brain injury for whom the state currently provides services and supports through general revenue funds; and
 - (4) determine the feasibility and cost-effectiveness of implementing a system of community support and residential services through either a Medicaid state plan amendment or medical assistance waiver for persons with acquired brain injury.
- b. The executive commissioner of the Health and Human Services Commission shall submit the results of the study described above to the Governor, Lieutenant Governor, Speaker of the House of Representatives, and the chairs of the Senate Committee on Health and Human Services and the House Committee on Public Health.

67. Fiscal Accountability for Programs for Persons with Intellectual or Developmental Disabilities. Contingent upon the implementation of a rate enhancement system or other appropriate financial performance standards for programs for persons with intellectual or developmental disabilities to ensure prudent use of funding appropriated by this Act, the Health and Human Services Commission is authorized to discontinue fiscal accountability spending requirements. If, before implementing this provision, the Commission determines that a waiver or authorization from a federal agency is necessary for implementation, the commission shall request the waiver or authorization and may delay implementing this provision until the waiver or authorization is granted.

68. Reimbursement of Acute Care Hospital Services.

- a. The Legislature finds that the standard dollar amounts currently used to reimburse acute care hospitals for medical assistance were established under a methodology that is no longer current and does not adequately reflect changes in federal and state laws, regulations, allowable costs, and current economic factors. The Legislature also finds that such standard dollar amounts were determined using cost data that is outdated and therefore does not reflect current costs of providing such medical assistance.
- b. Accordingly, the commission shall ensure that the amounts paid to each acute care hospital for medical assistance, as determined by the standard dollar amount for the hospital and diagnostic related group factors established by the commission in accordance with state law, are proportionately adjusted for each hospital in accordance with:
 - (1) the most current cost data available for each acute care hospital;
 - (2) the amount of funds appropriated elsewhere in this Act for such purpose;
 - (3) consistent with the requirements of federal law and the state plan for medical assistance, regional differences, if any, in the cost of providing medical assistance; and
 - (4) changes to the new system cannot result in expenditures higher than what the previous methodology would have provided.

69. Hemophilia Reimbursement Rates. Contingent upon approval from the Centers for Medicare and Medicaid Services (CMS), the Health and Human Services Commission (HHSC) shall amend the reimbursement methodology provided under the Vendor Drug Program for blood factor

HEALTH AND HUMAN SERVICES COMMISSION
(Continued)

products by adding a \$0.05 furnishing fee to each unit of factor reimbursed in a prescription claim. The furnishing fee will be added to the existing dispensing fee methodology.

70. Healthy Marriage Program: Performance Report. Out of funds appropriated above in Strategy A.1.2, Integrated Eligibility and Enrollment, for the Healthy Marriage Program, the Health and Human Services Commission (HHSC) shall provide an annual report to the Legislative Budget Board, Governor, Senate Finance Committee, House Appropriations Committee, Senate Health and Human Services Committee, and House Human Services Committee that includes the following data elements for the past fiscal year:

- a. unduplicated number of couples who received services;
- b. unduplicated number of couples who requested services, but did not receive them;
- c. amount of expenditures on direct care, broken out by type of service;
- d. amount of expenditures not related to direct care, broken out by category.

The report shall be submitted October 15 of each year of the biennium in a format specified by the Legislative Budget Board.

RETIREMENT AND GROUP INSURANCE

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing: ^{1, 2}		
General Revenue Fund, estimated	\$ 274,589,910	\$ 297,411,736
General Revenue Dedicated Accounts, estimated	5,557,264	5,950,601
Federal Funds, estimated	222,445,253	236,072,109
Other Special State Funds, estimated	410,975	732,513
Total, Method of Financing	\$ 503,003,402	\$ 540,166,959
Items of Appropriation:		
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT CONTRIBUTIONS ¹ Retirement Contributions. Estimated.	\$ 113,281,253	\$ 115,635,013
A.1.2. Strategy: GROUP INSURANCE ² Group Insurance. Estimated.	\$ 389,722,149	\$ 424,531,946
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	\$ 503,003,402	\$ 540,166,959
Grand Total, RETIREMENT AND GROUP INSURANCE	\$ 503,003,402	\$ 540,166,959

¹ Incorporates Article IX, § 17.02(a), of this Act, relating to additional appropriations for employee benefits, which increases Retirement benefits proportionally with the number of full-time equivalents increased in agency bill patterns, resulting in increases of \$569,664 in General Revenue Funds, \$438,084 in Federal Funds, and \$113,004 in Other Funds in FY 2010; and increases of \$877,200 in General Revenue Funds, \$627,456 in Federal Funds, and \$191,952 in Other Funds in FY 2011.

² Incorporates Article IX, § 17.02(a), of this Act, relating to additional appropriations for employee benefits, which increases Group Insurance benefits proportionally with the number of full-time equivalents increased in agency bill patterns, resulting in increases of \$1,502,101 in General Revenue Funds, \$1,155,148 in Federal Funds, and \$297,971 in Other Funds in FY 2010; and increases of \$2,470,302 in General Revenue Funds, \$1,766,993 in Federal Funds, and \$540,561 in Other Funds in FY 2011.

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing: ¹		
General Revenue Fund, estimated	\$ 85,277,054	\$ 86,997,574
General Revenue Dedicated Accounts, estimated	3,168,606	3,198,791
Federal Funds, estimated	75,123,575	75,214,571
Other Special State Funds, estimated	178,704	227,664
Total, Method of Financing	\$ 163,747,939	\$ 165,638,600
Items of Appropriation:		
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT Comptroller - Social Security.		
A.1.1. Strategy: STATE MATCH – EMPLOYER ¹ State Match — Employer. Estimated.	\$ 149,918,818	\$ 152,500,936
A.1.2. Strategy: BENEFIT REPLACEMENT PAY Benefit Replacement Pay. Estimated.	\$ 13,829,121	\$ 13,137,664
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	\$ 163,747,939	\$ 165,638,600
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	\$ 163,747,939	\$ 165,638,600

¹ Incorporates Article IX, § 17.02(a), of this Act, relating to additional appropriations for employee benefits, which increases Social Security benefits proportionally with the number of full-time equivalents increased in agency bill patterns, resulting in increases of \$900,864 in General Revenue Funds, \$692,784 in Federal Funds, and \$178,704 in Other Funds in FY 2010; and increases of \$1,040,400 in General Revenue Funds, \$744,192 in Federal Funds, and \$227,664 in Other Funds in FY 2011.

BOND DEBT SERVICE PAYMENTS

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing:		
General Revenue Fund	\$ 30,638,658	\$ 29,279,710
Federal Funds	2,362,984	2,361,154
<u>Other Funds</u>		
MH Collections for Patient Support and Maintenance	112,122	112,122
MH Appropriated Receipts	15,828	15,828
MR Collections for Patient Support and Maintenance	120,063	120,063
MR Appropriated Receipts	16,949	16,949
Subtotal, Other Funds	\$ 264,962	\$ 264,962
Total, Method of Financing	\$ 33,266,604	\$ 31,905,826
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: BOND DEBT SERVICE	\$ 33,266,604	\$ 31,905,826 & UB
To Texas Public Finance Authority for Payment of Bond Debt Service.		
Grand Total, BOND DEBT SERVICE PAYMENTS	\$ 33,266,604	\$ 31,905,826

LEASE PAYMENTS

	For the Years Ending	
	August 31, 2010	August 31, 2011
Method of Financing:		
General Revenue Fund	\$ 7,526,864	\$ 6,349,892
Total, Method of Financing	<u>\$ 7,526,864</u>	<u>\$ 6,349,892</u>
Items of Appropriation:		
A. Goal: FINANCE CAPITAL PROJECTS		
A.1.1. Strategy: LEASE PAYMENTS	\$ 7,526,864	\$ 6,349,892 & UB
To TFC for Payment to TPFA.		
Grand Total, LEASE PAYMENTS	<u>\$ 7,526,864</u>	<u>\$ 6,349,892</u>

SPECIAL PROVISIONS RELATING TO ALL HEALTH AND HUMAN SERVICES AGENCIES

Sec. 2. Night Shift and Weekend Differential.

- a. Clinical and Support Personnel. The Department of State Health Services and the Department of Aging and Disability Services are authorized to pay an additional night shift salary differential not to exceed 15 percent of the monthly pay rate to personnel who work the 3:00 p.m. to 11:00 p.m. or the 11:00 p.m. to 7:00 a.m. shift or its equivalent. A weekend shift salary differential not to exceed 5 percent of the monthly pay rate may be paid to persons who work weekend shifts. The evening or night shift salary differential may be paid in addition to the weekend shift salary differential for persons working weekend, evening, or night shifts.
- b. Data Processing Personnel. The Department of State Health Services, the Department of Aging and Disability Services, the Department of Family and Protective Services, the Health and Human Services Commission, and the Health and Human Services Consolidated Print Shop may pay an evening or night shift salary differential not to exceed 15 percent of the monthly pay rate to personnel in data processing or printing operations who work the 3:00 p.m. to 11:00 p.m. shift or 11:00 p.m. to 7:00 a.m. shift, or their equivalents. A weekend shift salary differential not to exceed 5 percent of the monthly pay rate may be paid to persons who work weekend shifts. The evening or night shift salary differential may be paid in addition to the weekend shift salary differential for persons working weekend, evening, or night shifts.
- c. Statewide Intake Personnel. The Department of Family and Protective Services is authorized to pay an evening or night shift salary differential not to exceed 15 percent of the monthly pay rate to Statewide Intake personnel who work the 3:00 p.m. to 11:00 p.m. shift or 11:00 p.m. to 7:00 a.m. shift, or their equivalents. A weekend shift salary differential not to exceed 5 percent of the monthly pay rate may be paid to persons who work weekend shifts. The evening or night shift salary differential may be paid in addition to the weekend shift salary differential for persons working weekend, evening, or night shifts.

Sec. 3. Services to Employees. Out of the appropriations authorized, the Department of State Health Services and Department of Aging and Disability Services may expend funds for the provision of first aid or other minor medical attention for employees injured in the course and scope of their employment and for the repair and/or replacement of employees' items of personal property which are damaged or destroyed in the course and scope of their employment so long as such items are medically prescribed equipment. Expenditures for such equipment may not exceed \$500 per employee per incident.

Sec. 4. Charges to Employees and Guests. Collections for services rendered employees and guests shall be made by a deduction from the recipient's salary or by cash payment in advance. Such deductions and other receipts for these services from employees and guests are hereby appropriated to the facility. Refunds of excess collections shall be made from the appropriation to which the collection was deposited.

As compensation for services rendered and notwithstanding any other provision in this Act, any facility under the jurisdiction of the Department of State Health Services or the Department of Aging and

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**
(Continued)

Disability Services may provide free meals for food service personnel and volunteer workers, and may furnish housing facilities, meals, and laundry service in exchange for services rendered by interns, chaplains in training, and student nurses.

Sec. 5. New or Additional Facilities. No funds appropriated may be spent for constructing new or additional facilities or for the purchase of sites without specific authorization of the Legislature. All facilities shall be kept where they are located by the Legislature, and all new buildings to be constructed shall be on these sites unless otherwise specifically authorized by the Legislature. For the purpose of this subsection, specific authorization may be granted either by basic statute or special authorization in this Act.

Sec. 6. Revolving Petty Cash Funds. Each facility under the jurisdiction of the Department of State Health Services or the Department of Aging and Disability Services may establish a petty cash fund to be maintained in cash or at a local bank. The petty cash fund, not to exceed \$25,000, shall be used only for making emergency payments and small purchases which will increase the efficiency of the operation; for payments to client workers on a regular payday basis; for use as change funds in specific locations where financial activities of the agency require a change fund; and for supplies and equipment purchases for sheltered workshops.

Sec. 7. Federal Match Assumptions and Limitations on Use of Available General Revenue Funds.

- a. **Federal Match Assumptions.** The following percentages reflect federal match assumptions used in Article II of this Act.

Federal Medical Assistance Percentage (FMAP)

	2010	2011
Federal Fiscal Year	58.73%	58.29%
State Fiscal Year	58.79%	58.33%

Enhanced Federal Medical Assistance Percentage (EFMAP)

	2010	2011
Federal Fiscal Year	71.11%	70.80%
State Fiscal Year	71.15%	70.83%

- b. **Limitations on Use of Available General Revenue Funds.** In the event the actual FMAP and EFMAP should be greater than shown in section (a), the health and human services agencies listed in Chapter 531, Government Code, are authorized to expend the General Revenue Funds thereby made available only upon prior written approval from the Legislative Budget Board and Governor.

To request authorization to expend available General Revenue Funds, an agency shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information, by fiscal year:

- (1) a detailed explanation of the proposed use(s) of the available General Revenue Funds and whether the expenditure(s) will be one-time or ongoing;
- (2) the amount available by strategy;
- (3) the strategy(ies) in which the funds will be expended and the associated amounts, including any matching federal funds;
- (4) an estimate of performance levels and, where relevant, a comparison to targets included in this Act; and
- (5) the capital budget and/or full-time equivalent impact.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**
(Continued)

The request shall be considered to be approved unless the Legislative Budget Board or the Governor issue a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the proposal to expend the funds and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

The Comptroller of Public Accounts shall not allow the expenditure of General Revenue Funds made available if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

Sec. 8. Contracts for Purchase of Client Services. No funds appropriated to an agency covered by this article may be utilized for contracts for the purchase of program-related client services unless:

- a. such contracts include clearly defined goals, outputs, and measurable outcomes which directly relate to program objectives;
- b. such contracts include clearly defined sanctions or penalties for noncompliance with contract terms and conditions;
- c. such contracts specify the accounting, reporting, and auditing requirements applicable to funds received under the contract;
- d. the agency has implemented a formal program using a risk assessment methodology to monitor compliance with financial and performance requirements under the contract, including a determination of whether performance objectives have been achieved; and
- e. the agency has implemented a formal program to obtain and evaluate program costs information to ensure that all costs, including administrative costs, are reasonable and necessary to achieve program objectives.

Sec. 9. Attorney General Representation. The Attorney General and the respective head of the Health and Human Services Commission or a health and human services agency listed in Chapter 531, Government Code, are hereby authorized to use the funds appropriated above to jointly select one or more Assistant Attorneys General to be assigned to the respective agency.

Sec. 10. Medicaid Managed Care Contracts. Regarding the use of funds appropriated elsewhere in this Act for payment of managed care contracts, the Health and Human Services Commission and the health and human services agencies listed in Chapter 531, Government Code, shall include and award value added points in the scoring of applications submitted for Medicaid managed care contracts. At a minimum, the following considerations are to be considered as items for value added points:

- a. Continuity of care for the Medicaid client;
- b. Graduate Medical Education as part of the delivery system;
- c. Amount of charity care provided by the party applying for a contract award; and
- d. Inclusion of prompt pay provisions for provider payments.

Sec. 11. Limitations on Transfer Authority. Notwithstanding the general transfer provisions of this Act, but in concert with agency-specific limitations on transfer authority in this Article, the Executive Commissioner of the Health and Human Services Commission is authorized to make transfers of funding, full-time equivalents (FTEs), and capital budget authority within and between health and human services agencies as listed in Chapter 531, Government Code, subject to the prior written approval of the Legislative Budget Board and the Governor. No single transfer may exceed 12.5 percent of the originating strategy's appropriation for funding or FTEs for the fiscal year.

To request a transfer, the Executive Commissioner of the Health and Human Services Commission shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information:

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**
(Continued)

- a. a detailed explanation of the purpose(s) of the transfer, including the following:
 - (1) a description of each initiative with funding and FTE information by fiscal year; and
 - (2) an indication of whether the expenditure will be one-time or ongoing.
- b. the names of the originating and receiving agencies and/or strategies and the method of financing and FTEs for each strategy by fiscal year;
- c. an estimate of performance levels and, where relevant, a comparison to targets included in this Act for both the originating and the receiving agencies and/or strategies; and
- d. the capital budget impact.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

The Comptroller of Public Accounts shall not allow the transfer of funds if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

In the case of disaster or other emergency, this provision is superseded by the emergency-related transfer authority in Article IX of this Act.

Sec. 12. Payment for Compensatory Time. It is expressly provided that the Department of State Health Services and the Department of Aging and Disability Services, to the extent permitted by law, may pay FLSA non-exempt employees of state mental health and mental retardation facilities on a straight-time basis for work on a holiday or for regular compensatory time hours when the taking of regular compensatory time off would be disruptive to normal business functions. In addition, any health and human service agency, with the explicit approval of the Health and Human Services Executive Commissioner, to the extent permitted by law, may pay FLSA non-exempt employees required to provide support during a federally declared disaster on a straight-time basis for work on a holiday or for regular compensatory time hours when the taking of regular compensatory time off would be disruptive to normal business functions.

Sec. 13. Access to Health Care Services. It is the intent of the Legislature that all agencies administering or responsible for any part of the medical assistance program under Chapter 32, Human Resources Code or listed in Chapter 531, Government Code, use the funds appropriated by this Act to work together to maximize the number of providers, including providers of pediatric care, primary care, nursing home care, and home health services to promote access to quality health care services for all enrollees.

Sec. 14. Medicaid Informational Rider.¹ This rider is informational only and does not make any appropriations. The Health and Human Services Commission is the single state agency for Title XIX, the Medical Assistance Program (Medicaid) in Texas. Other agencies receive appropriations for and responsibility for the operations of various Medicaid programs. Appropriations made elsewhere in this Act and certain appropriations made in House Bill 4586, Eighty-first Legislature, related to the Medicaid program include the following:

<u>Agency Name</u>	<u>FY 2010</u>	<u>FY 2011</u>
Department of Aging and Disability Services	\$6,205,722,826	\$6,267,709,624

¹ Incorporates certain Article IX adjustments and contingency appropriations. Also incorporates HB 4586, 81st Legislature, Regular Session. Appropriations related to HB 4586 are subject to the appropriation life stated therein and are not extended by inclusion in SB 1, 81st Legislature, 2009. In addition, unless expressly provided by HB 4586, such appropriations are not subject to General Provisions contained in Article IX of SB 1, 81st Legislature, 2009.

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**
(Continued)

Department of Assistive and Rehabilitative Services	74,688,630	79,760,440
Department of Family and Protective Services	20,593,944	20,675,778
Department of State Health Services	171,586,284	170,410,003
Health and Human Services Commission	15,811,441,567	16,081,151,347
Article II, Special Provisions	0	0
Total, Medical Assistance Program	\$22,284,033,251	\$22,619,707,192
 Method of Financing:		
General Revenue for Medicaid Tobacco Settlement Receipts for Medicaid	\$8,949,921,821	\$9,243,209,168
	<u>236,092,691</u>	<u>227,410,026</u>
Subtotal, General Revenue Funds	9,186,014,512	9,470,619,194
General Revenue - Dedicated Federal Funds	62,149,979	61,649,979
	12,942,855,738	12,994,424,995
Interagency Contracts	2,169,092	2,169,092
Medicaid Subrogation Receipts	38,417,543	38,417,543
Appropriated Receipts--Match for Medicaid MR Collections for Patient Support and Maintenance	31,669,354	31,669,354
	<u>20,757,033</u>	<u>20,757,035</u>
Subtotal, Other Funds	93,013,022	93,013,024
Total, All Funds	\$22,284,033,251	\$22,619,707,192

Sec. 15. Caseload and Expenditure Reporting Requirements.

- a. **Quarterly Forecasts.** The Health and Human Services Commission, in cooperation with operating agencies, shall submit to the Legislative Budget Board and the Governor, at the end of each fiscal quarter, reports projecting anticipated caseload and prescription drug data and related expenditure amounts for the 36 month period beginning with the first month after the reports are due, for the following programs:

- (1) Medicaid (acute and long-term care);
- (2) Medicare;
- (3) Children's Health Insurance Program (CHIP) and related programs;
- (4) Temporary Assistance for Needy Families;
- (5) Children with Special Health Care Needs;
- (6) Foster care and adoption subsidies;
- (7) Early Childhood Intervention Services; and
- (8) Other programs upon request of the Legislative Budget Board or the Governor.

The reports shall be prepared in a format specified by the Legislative Budget Board.

- b. **Monthly Data.** The Health and Human Services Commission, in cooperation with operating agencies, shall submit to the Legislative Budget Board and the Governor, at the end of each month, caseload and prescription drug data and related expenditure amounts for the programs identified in subsection (a) for at least the preceding 36 months. The data shall be submitted in a format specified by the Legislative Budget Board.

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**
(Continued)

- c. Each report submitted to the Legislative Budget Board and the Governor pursuant to this provision must be accompanied by supporting documentation detailing the sources and methodologies utilized to develop any caseload or cost projections contained the report and any other supporting material specified by the Legislative Budget Board and the Governor.
- d. Each report submitted pursuant to this provision must contain a certification by the person submitting the report that the information provided is true and correct based upon information and belief together with supporting documentation.
- e. The Comptroller of Public Accounts shall not allow the expenditure of funds appropriated by this Act to the Health and Human Services Commission if the Legislative Budget Board and the Governor certify to the Comptroller of Public Accounts that the Health and Human Services Commission is not in compliance with this provision.

In the event that the forecasting function is transferred to another health and human services agency listed in Chapter 531, Government Code, the requirement for the Health and Human Services Commission to provide quarterly forecasts under subsection (a), monthly data under subsection (b), or supporting documentation under subsection (c) shall apply to the other health and human services agency.

Sec. 16. Rate Limitations and Reporting Requirements. Notwithstanding other provisions of this Act, the use of appropriated funds for a rate paid by a health and human services agency as listed in Chapter 531, Government Code, shall be governed by the specific limitations included in this provision.

For purposes of this provision, "rate" is defined to include all provider reimbursements (regardless of methodology) that account for significant expenditures by a health and human services agency. Additionally, estimates of fiscal impacts should be based on the most current caseload forecast submitted by the Health and Human Services Commission pursuant to other provisions in this Act and should specify General Revenue Funds, TANF Federal Funds, and All Funds. Fiscal estimates that impact multiple risk groups may be reported at an aggregate level.

- a. **Notice of Initial Rates.** No later than September 1 of each fiscal year, the Executive Commissioner of the Health and Human Services Commission shall submit the following information in writing to the Legislative Budget Board, the Governor, and the State Auditor:
 - (1) a list of each rate in effect on September 1 of the fiscal year and each rate in effect at the beginning and the end of the prior fiscal year;
 - (2) an estimate of the fiscal impact, by agency and by year, for each rate change listed for subsection (1); and
 - (3) a schedule and description of the rate-setting process for all rates listed for subsection (1).
- b. **Notice of New or Revised Rates.** At least 30 calendar days prior to the payment of a rate not initially reported in section (a) or to increase a rate that would have an annual fiscal impact greater than \$1,000,000 in General Revenue-related funds or TANF Federal Funds or other non-matching federal funds for the 2010-11 biennium, the Executive Commissioner of the Health and Human Services Commission shall submit the following information in writing to the Legislative Budget Board, the Governor, and the State Auditor:
 - (1) a list of each new rate and/or each rate that will be increased, including the current and proposed rate;
 - (2) an estimate of the fiscal impact, by agency and by year, for each rate listed for subsection (1);
 - (3) a schedule and description of the rate-setting process, if different from the original submission as required by section (a); and
 - (4) an explanation of the factors related to each rate listed for subsection (1).

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**
(Continued)

- c. **Limitation on Rates that Exceed Appropriated Funding.** Without the prior written approval of the Legislative Budget Board and the Governor, no agency listed in Chapter 531, Government Code, may pay a rate that would result in expenditures that exceed, in any fiscal year, the amounts appropriated by this Act to a strategy for the services to which the rate applies, unless the reimbursement level was in effect prior to September 1, 2009.

To request authorization for such a rate, the Executive Commissioner of the Health and Human Services Commission shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information:

- (1) a list of each new rate and/or each rate for which an increase is proposed;
- (2) an estimate of the fiscal impacts of the new rate and/or rate increase, by agency and by fiscal year; and
- (3) the amount of General Revenue Funds, TANF Federal Funds, and All Funds, by fiscal year, by which each rate would exceed appropriated funding for each fiscal year.

The request shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the request for authorization for the rate and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

- d. Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. Notifications, requests and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.
- e. The Office of the State Auditor may review the fiscal impact information provided under sections (a) through (c) along with supporting documentation, supporting records, and justification for the rate increase provided by the Health and Human Services Commission and report back to the Legislative Budget Board and the Governor before the rate is implemented by the Health and Human Services Commission or operating agency.
- f. The Comptroller of Public Accounts shall not allow the expenditure of funds for a new or increased rate if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

Sec. 17. Audit of Medicaid Funds. All transactions involving the payment, transfer, or investment of any funds of the Title XIX Medicaid program for the state by any non-governmental entity shall be subject to audit by the State Auditor's Office.

Sec. 18. Mental Health (MH) and Mental Retardation (MR) Collections for Patient Support and Maintenance.

- a. **Definitions.** For the purposes of this section and appropriation authority for the Department of State Health Services and the Department of Aging and Disability Services: (1) MH Collections for Patient Support and Maintenance are defined as reimbursements received for health and other services provided to individuals in state hospitals from third party payers including insurance companies, clients, relatives, trusts and estates, and government retirement benefit programs including the U.S. Civil Service, Federal Railroad, State, Social Security, Teacher and Veteran's Administration and (2) MR Collections for Patient Support and Maintenance are defined as reimbursements received for health and other services provided to individuals in state operated intermediate care facilities for the mentally retarded (ICF-MR) and state schools from third party payers including insurance companies, clients, relatives, trusts and estates, and government retirement benefit programs including the U.S. Civil Service, Federal Railroad, State, Social Security, Teacher and Veteran's Administration.
- b. **Classification for depositing revenues and reporting of expenditures.** For the purpose of revenue classification for depositing and expending certain collections related to the support and maintenance of patients in state mental health and mental retardation

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**
(Continued)

facilities, the following Revenue Object Codes as defined by the Comptroller of Public Accounts shall be used for recording collections, reporting expenditures, and requesting legislative appropriations by the Department of State Health Services and the Department of Aging and Disability Services:

(1) Revenue Object Codes 3595, 3606, 3614, and 3618 as defined by the Comptroller of Public Accounts shall be used to record collections and deposits from the above defined sources into the General Revenue Fund:

- (i) 3595: Medical Assistance Cost Recovery
- (ii) 3606: Support and Maintenance of Patients
- (iii) 3614: Counseling, Care and Treatment of Outpatients
- (iv) 3618: Welfare/MHMR Service Fees (Child Support)

(2) Automated Budget and Evaluation System of Texas (ABEST) Method of Financing Code 8031- MH Collections for Patient Support and Maintenance, and ABEST Method of Financing Code 8095 - MR Collections for Patient Support and Maintenance, shall be used to report expenditures and request legislative appropriations from collections/deposits related to the support and maintenance of patients in state mental health and mental retardation facilities made to Revenue Object Codes 3595, 3606, 3614, and 3618.

c. **Appropriation authority and accounting for expenditures of MH and MR Collections for Patient Support and Maintenance.** The Department of State Health Services and the Department of Aging and Disability Services are authorized to receive and expend MH and MR Collections for Patient Support and Maintenance as a first source, and general revenue shall be used as a second source, to support mental health state hospitals and state operated intermediate care facilities for the mentally retarded (ICF-MR). In the event that these revenues should be greater than the amounts identified in the method of financing above as MH and MR Collections for Patient Support and Maintenance, the departments are hereby appropriated and authorized to expend these state funds hereby made available. The expenditure of MH and MR Collections for Patient Support and Maintenance is subject to the following requirements:

- (1) Amounts available shall be expended prior to utilization of any general revenue available for the same purpose;
- (2) In the event general revenue has been expended prior to the receipt of MH and MR Collections for Patient Support and Maintenance, the departments shall reimburse general revenue upon receipt of the revenue. This process shall be completed on a monthly basis in order to maintain a minimum balance on hand in excess MH and MR Collections for Patient Support and Maintenance; and
- (3) The departments shall report monthly to the Legislative Budget Board, Comptroller of Public Accounts, and Governor on MH and MR Collections for Patient Support and Maintenance, expenditures and anticipated revenues and balances.

d. **Responsibility for proportionate share of indirect costs and benefits.** The Department of State Health Services and the Department of Aging and Disability Services shall ensure that MH and MR Collections for Patient Support and Maintenance fund their proportionate share of benefits and statewide allocated indirect costs as required and directed in Article IX of this act.

e. **Exclusive appropriation authority.** The preceding subsections of this rider shall be the exclusive appropriation authority for receipts from the above identified sources and none of these receipts shall be appropriated by a provision of Article IX of this Act.

Sec. 19. General Revenue Funds for Medicaid Mental Health and Mental Retardation Services. For the purposes of this section and appropriation authority for the Medicaid mental health and mental retardation program responsibilities of the Department of State Health Services and the Department of Aging and Disability Services, the following subsections provide governance relating to appropriate use, classification and expenditure of funds.

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**

(Continued)

- a. **General Revenue Match for Medicaid.** ABEST Method of Financing Code 758 - GR Match for Medicaid shall be used to report general revenue expenditures and request general revenue appropriations for the state's share of Medicaid payments for the following Medicaid mental health and mental retardation services:
- (1) Community-based Intermediate Care Facilities for the Mentally Retarded (ICF-MR) that are privately operated through contractual arrangements between private providers and the Department of Aging and Disability Services;
 - (2) Community-based Intermediate Care Facilities for the Mentally Retarded (ICF-MR), also known as Bond Homes, that are operated by the Department of Aging and Disability Services;
 - (3) Home and Community-based Services (HCS) authorized by a 1915(c) federal waiver and provided through contractual arrangements between private providers and the Department of Aging and Disability Services;
 - (4) Home and Community-based Services - Omnibus Budget Reconciliation Act of 1981 (HCS-O) authorized by a 1915(c) federal waiver and provided through contractual arrangements between private providers and the Department of Aging and Disability Services;
 - (5) Texas Home Living services authorized by a 1915(c) federal waiver and provided through contractual arrangements between private providers and the Department of Aging and Disability Services;
 - (6) Mental Retardation Local Authority (MRLA) waiver services;
 - (7) Mental health services provided through contracts with Behavioral Health Organizations as a component of the NorthSTAR Project; and
 - (8) Salaries and operating costs related to direct program administration and indirect administration of the departments.
- b. **General Revenue Certified as Match for Medicaid.** The Department of State Health Services and the Department of Aging and Disability Services shall use ABEST Method of Financing code 8032 - General Revenue Certified Match for Medicaid to identify general revenue funds requested and reported as expended for the purpose of drawing federal funds and to document that State funds have been spent for Medicaid mental health and mental retardation services and administrative expenditures for the following services:
- (1) Intermediate care facilities for the mentally retarded that are operated by the State and known as "state schools";
 - (2) Services delivered in mental health state hospitals operated by the Department of State Health Services including inpatient services for clients under the age of 21 and services that qualify under the federally approved Institutions for Mental Diseases (IMD) option for clients over the age of 65;
 - (3) Rehabilitation Services as approved in the State Medicaid Plan which are provided by Mental Health Authorities and Mental Retardation Authorities;
 - (4) Targeted Case Management Services as approved in the State Medicaid Plan provided by Mental Health Authorities and Mental Retardation Authorities;
 - (5) Service Coordination Services as approved in the State Medicaid Plan provided by Mental Health Authorities and Mental Retardation Authorities; and
 - (6) Medicaid Administrative Claims as approved in the State Medicaid Plan which are based on certain activities of Mental Health Authorities and Mental Retardation Authorities.

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**

(Continued)

- c. **Reporting requirements related to General Revenue Matching Funds for Medicaid Mental Health and Mental Retardation Services.** The Department of State Health Services and the Department of Aging and Disability Services shall report monthly to the Legislative Budget Board, Comptroller of Public Accounts and Governor on the expenditures of General Revenue for Medicaid federal matching purposes by the method of financing codes identified above and the amounts of local, non-profit expenditures certified as state match for Medicaid federal funds by the departments for services provided by Mental Health Authorities and Mental Retardation Authorities.
- d. **Medicaid Federal Funds.** The Department of State Health Services and the Department of Aging and Disability Services shall report their expenditures and request legislative appropriations for federal Medicaid matching funds for client services, program administration and agency indirect administration. Automated Budgeting and Evaluation System of Texas (ABEST) Method of Financing Code (MOF) 555 and Medicaid CFDA 93.778 shall be used for the following:
- (1) Federal funds drawn from the U.S. Centers for Medicare and Medicaid Services (CMS) using general revenue funds classified as General Revenue Match for Medicaid (ABEST MOF Code 758), General Revenue Certified as Match for Medicaid (ABEST MOF Code 8032), Tobacco Settlement Receipts Match for Medicaid (ABEST MOF Code 8024) or Tobacco Receipts Certified as Match for Medicaid (ABEST MOF Code 8023);
 - (2) Federal funds drawn from CMS using the departments' certification of local, non-profit expenditures made by the Mental Health Authorities and Mental Retardation Authorities on behalf of Medicaid-eligible individuals;
 - (3) Federal funds received from CMS for services rendered to certain Medicaid-eligible individuals over the age of 65 by federally recognized Institutions for Mental Diseases (IMD Medicaid option) based on billings from mental health state hospitals operated by the Department of State Health Services to the claims processing agent for the Texas Medicaid program in its capacity as the State's fiscal agent for certain Medicaid payments; and
 - (4) Federal funds received from CMS for general Medicaid health services including the Comprehensive Care Program for children based on billings from the state mental health and mental retardation facilities operated by the Department of State Health Services and the Department of Aging and Disability Services to the claims processing agent for the Texas Medicaid program in its capacity as the State's fiscal agent for certain Medicaid payments.
- e. **Appropriation authority and accounting for Federal Funds for Medicaid Mental Health and Mental Retardation Services.** Amounts defined as Medicaid Federal Funds shall be used as a first source, and general revenue which was not used as matching funds shall not be used to fund Medicaid eligible services. In the event that these revenues should be greater than the amounts included above in Federal Funds for mental health and mental retardation services for the Department of State Health Services and the Department of Aging and Disability Services, the departments are hereby appropriated and authorized to expend these federal funds made available, subject to the following requirements:
- (1) Amounts made available shall be expended prior to utilization of any general revenue made available for the same purpose;
 - (2) In the event general revenue has been expended prior to the receipt of Medicaid Federal Funds, the departments shall reimburse general revenue upon receipt of the revenue. This process shall be completed on a monthly basis in order to not have an excess balance of Medicaid Federal Funds; and
 - (3) The departments shall report monthly to the Legislative Budget Board, Comptroller of Public Accounts and Governor on the amounts of Medicaid Federal Funds drawn and expended.

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**

(Continued)

- f. **Responsibility for proportionate share of indirect costs and benefits.** Nothing in this provision shall exempt the departments from provisions of Article IX of this Act which apply equally to direct recoveries of benefits and indirect costs and to amounts recovered through an approved rate structure for services provided. Specifically, the departments do not have appropriation authority for Medicaid federal funds claimed on behalf of services provided by other agencies, including:
- (1) Health and retirement services for active and retired Department of State Health Services and Department of Aging and Disability Services employees paid by the Employee Retirement System;
 - (2) Social Security payments, salary increases authorized in General Provisions, and Benefit Replacement Pay for Department of State Health Services and Department of Aging and Disability Services employees paid by the Comptroller of Public Accounts;
 - (3) Debt service amounts paid on behalf of the Department of State Health Services and Department of Aging and Disability Services by the Texas Public Finance Authority; and
 - (4) Indirect cost allocation plans negotiated with CMS for the purposes of the State-wide Cost Allocation Plan (SWCAP).
- g. **Exclusive Appropriation Authority.** The preceding subsections of this provision shall be the exclusive appropriation authority for Medicaid mental health and mental retardation services Federal Fund receipts from the above identified sources and none of these receipts shall be appropriated by a provision of Article IX of this Act.

Sec. 20. Mental Health (MH) and Mental Retardation (MR) Appropriated Receipts.

- a. **Definition.** For the purposes of this section and appropriation authority for the Department of State Health Services and the Department of Aging and Disability Services, MH Appropriated Receipts are defined as revenues from state mental health facilities deposited by the Department of State Health Services into the following Revenue Object Codes as defined by the Comptroller of Public Accounts, and MR Appropriated Receipts are defined as revenues from state mental retardation facilities deposited by the Department of Aging and Disability Services into the following Revenue Object Codes as defined by the Comptroller of Public Accounts:
- (1) 3628: Dormitory, Cafeteria & Merchandise Sale
 - (2) 3719: Fees for Copies or Filing of Records
 - (3) 3722: Conference, Seminar, and Training Registration Fees
 - (4) 3738: Grants-Cities/Counties
 - (5) 3739: Grants-Other Political Subdivisions
 - (6) 3740: Grants/Donations-Operating/Capital Grants and Contributions
 - (7) 3747: Rental - Other
 - (8) 3750: Sale of Furniture and Equipment
 - (9) 3752: Sale of Publication/Advertising (General)
 - (10) 3754: Other Surplus or Salvage Property/Material Sales
 - (11) 3767: Supplies/Equipment/Services/Federal/Other (General)
 - (12) 3769: Forfeitures
 - (13) 3773: Insurance & Damages
 - (14) 3802: Reimbursements-Third Party
 - (15) 3806: Rental of Housing to State Employees
- b. **Reporting.** ABEST Method of Financing Code 8033 - MH Appropriated Receipts, and ABEST Method of Financing Code 8096 - MR Appropriated Receipts, shall be used to report expenditures and request legislative appropriations for state mental health and mental retardation facilities from the Revenue Object Codes identified above.
- c. **Appropriation authority and accounting for MH and MR Appropriated Receipts.** Amounts defined as MH and MR Appropriated Receipts shall be deposited into the General Revenue Fund according to the identified Revenue Object Codes above. The

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**
(Continued)

Department of State Health Services and the Department of Aging and Disability Services are authorized to receive and expend MH and MR Appropriated Receipts as a first source, and General Revenue shall be used as a second source. In the event that these revenues should be greater than the amounts identified in the method of financing above as MH and MR Appropriated Receipts, the departments are hereby appropriated and authorized to expend these state funds hereby made available. The expenditure of MH and MR Appropriated Receipts is subject to the following requirements:

- (1) Amounts available shall be expended prior to utilization of any General Revenue available for the same purpose. In the event General Revenue must be expended, the agency will provide prior notification to the Legislative Budget Board and the Governor;
 - (2) In the event General Revenue has been expended prior to the receipt of MH and MR Appropriated Receipts as defined above, the departments shall reimburse General Revenue upon receipt of the revenue. This process shall be completed on a monthly basis in order to maintain a minimum balance on hand in excess MH and MR Appropriated Receipts; and
 - (3) The departments shall report monthly to the Legislative Budget Board, Comptroller of Public Accounts and Governor on MH and MR Appropriated Receipts collections by Revenue Object Code, expenditures and anticipated revenues and balances.
- d. **Exclusive appropriation authority.** The preceding subsections of this provision shall be the exclusive appropriation authority for Appropriated Receipts from the above identified sources and none of these receipts shall be appropriated by a provision of Article IX of this Act.

Sec. 21. Texas Capital Trust Fund Account No. 543.

- a. **Definition.** For the purposes of this section and appropriation authority, General Revenue Dedicated-Funds referred to as Texas Capital Trust Fund Account No. 543 (Chapter 2201, Government Code) are defined as revenues deposited by the Department of State Health Services and the Department of Aging and Disability Services into the following Revenue Object Codes as defined by the Comptroller of Public Accounts:
- (1) 3340: Land Easements
 - (2) 3341: Grazing Lease Rental
 - (3) 3344: Sand, Shell, Gravel and Timber Sales
 - (4) 3349: Land Sales
 - (5) 3746: Rental of Lands and Miscellaneous Land Income
 - (6) 3747: Rental - Other
 - (7) 3851: Interest on State Deposits
- b. **Appropriation authority and accounting for Texas Capital Trust Fund Account No. 543.** For the purpose of revenue classification for expending and depositing certain collections related to the Texas Capital Trust Fund Account No. 543, ABEST Method of Finance Code 543 shall be used to report expenditures and request legislative appropriations from collections/deposits made to Revenue Object Codes 3340, 3341, 3344, 3349, 3746, 3747, and 3851 by the departments. Appropriations of the Texas Capital Trust Fund Account No. 543 are limited to the amounts identified above.

Sec. 22. Mental Health (MH) and Mental Retardation (MR) Medicare Receipts.

- a. For the purposes of this section and appropriation authority, MH and MR Medicare Receipts are classified as deposits in Revenue Object Code 3634 that are collected by the Department of State Health Services and the Department of Aging and Disability Services as payment for:
- (1) hospital, physician and other services rendered to Medicare-eligible individuals in state mental health and mental retardation facilities operated by the departments;

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**

(Continued)

- (2) cost settlements for services rendered in state mental health and mental retardation facilities operated by the department as authorized by the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA); and
 - (3) prescription drugs reimbursed through the Medicare, Part D, prescription drug program.
- b. **Accounting and Reporting.** Amounts defined as MH and MR Medicare Receipts shall be deposited into the General Revenue Fund according to the identified Comptroller Revenue Object Code above. The departments shall report monthly to the Legislative Budget Board, Comptroller of Public Accounts and Governor on MH and MR Medicare Receipts collections by Comptroller Revenue Object Code, expenditures and anticipated revenues and balances.
- c. **Mental Health Medicare Receipts.** Included in the General Revenue Funds appropriated above to the Department of State Health Services in Strategy C.1.3, Mental Health State Hospitals, is \$23,821,799 per year for the 2010-11 biennium, contingent upon generation of funds from MH Medicare Receipts collections. These funds shall be expended as collected and only within Strategy C.1.3, Mental Health State Hospitals. Appropriations made elsewhere in this Act for employee benefits include approximately \$2,227,201 per year from MH Medicare Receipts. MH Medicare Receipts collections above \$26,049,000 per year (excluding any amounts needed to comply with Article IX, Sec. 6.08, Benefits Paid Proportional by Fund) are hereby appropriated as Method of Financing Code 8034 - MH Medicare Receipts (General Revenue Funds) to the department for expenditures in Strategy C.1.3, Mental Health State Hospitals, pursuant to the limitations of this provision.
- d. **Mental Retardation Medicare Receipts.** Included in the GR Match for Medicaid Funds appropriated above to the Department of Aging and Disability Services in Strategy A.8.1, MR State Schools Services, is \$21,806,467 per year for the 2010-11 biennium, contingent upon generation of funds from MR Medicare Receipts collections. These funds shall be expended as collected and only within Strategy A.8.1, MR State Schools Services. Appropriations made elsewhere in this Act for employee benefits include approximately \$376,533 per year from MR Medicare Receipts. MR Medicare Receipts collections above \$22,183,000 per year (excluding any amounts needed to comply with Article IX, Sec. 6.08, Benefits Paid Proportional by Fund) are hereby appropriated as Method of Financing Code 8097 - MR Medicare Receipts (General Revenue Funds) to the department for expenditures in Strategy A.8.1, MR State Schools Services, pursuant to the limitations of this provision.

Sec. 23. Community Mental Health and Mental Retardation Centers. Notwithstanding other provisions of this Act, if the Department of State Health Services or the Department of Aging and Disability Services determine that a community mental health and mental retardation center is unable or unwilling to fulfill its contractual obligations to provide services or to exercise adequate control over expenditures and assets, the departments may take necessary steps, including the appointment of a management team as authorized by Health and Safety Code, §§ 534.038 through 534.040 and recoupment of funds, to protect the funds appropriated under this Act and ensure the continued provision of services. Any recouped funds shall be used to achieve equity. In conjunction with the reallocation of funds, the departments shall provide a report to the Legislative Budget Board and the Governor on the amount of funds, the reasons for the recoupment, the local authorities involved, any performance contract requirements that were not met, and the purposes of the reallocation.

Sec. 24. Medicaid and Medicare Collections. The Department of State Health Services and the Department of Aging and Disability Services shall use the funds appropriated by this Act to maximize reimbursement of Medicare and Medicaid funding for all eligible individuals and for all expenditures at the mental health state hospitals, state schools, and state centers.

Sec. 25. Surplus Property. In order to conserve funds appropriated, surplus personal property may be transferred from one state mental health or mental retardation facility to another with or without reimbursement. The Department of State Health Services and the Department of Aging and Disability Services may transfer surplus personal property from a state mental health or mental retardation facility to a community MHMR center with or without reimbursement. Surplus personal property belonging to any state mental health or mental retardation facility may be sold; provided, however, that such transfers or sales shall be made under the same procedure as provided by Government Code, Chapter 2175.

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**
(Continued)

Sec. 26. Employee Meals. Notwithstanding any other provision in this Act, the Department of State Health Services and the Department of Aging and Disability Services may provide free meals to employees of state mental health and mental retardation facilities who are required to eat meals with clients.

Sec. 27. Maximum Security Salaries. As a specific exception to the General Provisions of this Act governing salary rates of classified positions, funds are included above for the Department of State Health Services and the Department of Aging and Disability Services to pay employees working in designated Maximum Security Units or designated specialized Behavioral Management Units of state mental health and mental retardation facilities up to a 6.8 percent increase over those salary rates provided by the General Provisions.

Sec. 28. Fire Prevention and Safety. In instances in which regular employees of state mental health and mental retardation facilities located in remote areas are assigned extra duties in fire prevention programs, the following payments are authorized in addition to the salary rates stipulated by the General Provisions of this Act relating to the position classifications and assigned salary ranges:

Fire Chief	\$ 75 per month
Assistant Fire Chief	\$ 65 per month
Fire Brigade Member	\$ 50 per month

Sec. 29. Patient or Client Assistance. Subject to the approval of rules and regulations of the Department of State Health Services and the Department of Aging and Disability Services, patients or clients in any state mental health or mental retardation facility who are assisting in the operation of the facility as part of their therapy, may receive compensation out of any funds available to the respective facilities.

Sec. 30. Barber and Cosmetology Services. The Department of State Health Services and the Department of Aging and Disability Services may be reimbursed for barber and cosmetology services in state mental health and mental retardation facilities provided the reimbursement is consistent with an individual's ability to pay. These reimbursements are appropriated above to the departments to offset the cost of providing barber and cosmetology services. The departments may also use patient benefit funds to offset the cost of these services for indigent clients.

Sec. 31. Language Interpreter Services. In order to compensate employees of state mental health and mental retardation facilities for assuming the duty of providing interpreter services to consumers whose primary language is not English, facilities of the Department of State Health Services and the Department of Aging and Disability Services, upon written authorization of the commissioner or his/her designee, may, from funds appropriated above, increase the salary of classified employees by an amount equal to a one step increase, or 3.4 percent, so long as the resulting salary rate does not exceed the rate designated as the maximum rate for the applicable salary group. This increase shall be granted only for the regular provision of interpreter services above and beyond the regular duties of the position, and shall be removed when these services are, for whatever reason, no longer provided by the employee or when they are no longer needed by the facility. Salary increases provided for this purpose are not merit increases and shall not affect an employee's eligibility to receive a merit increase. This authorization also includes employees who provide interpreter services in American Sign Language.

Sec. 32. State-Owned Housing. The Superintendent, Medical Director, Assistant Superintendent for Programs, and Director of Plant Maintenance at each state mental health and mental retardation facility are authorized to live in state-owned housing at a rate determined by the Department of State Health Services or the Department of Aging and Disability Services. Other department employees may live in state-owned housing as set forth in Article IX, State Owned Housing - Recover Housing Costs, of this Act. Fees for employee housing are appropriated above to be used for maintaining employee housing.

Sec. 33. Collection of Fees from the Copyright of Training Materials and Patent of Technologies Developed. Pursuant to § 12.020 of the Health and Safety Code, the Health and Human Services Commission is hereby authorized to collect the following fees relating to mental health and mental retardation program activities:

- a. Fees from the sale of written training materials, video tapes, audio tapes and in the form of electronic media, such materials having been developed in part or whole by the commission; and

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**
(Continued)

- b. Licensing fees collected by the department in exchange for allowing individuals and companies to use any patented technology developed, in part or in whole, by the commission.

The commission is authorized to license the use of any copyright-protected material, trademark, trade secrets, and any patented technology relating to mental health or mental retardation program activities. The authorization provided under this provision does not include any mineral royalties. Fees collected in the sale of training materials described under (a) above may be in excess of the actual reproduction cost incurred by the commission and shall be used to recoup the costs associated with developing the training materials. Fifty percent of the fees collected in licensing of any patented technology shall be devoted to further research and development of technologies reasonably believed to be of assistance to priority populations. The remaining 50 percent shall be deposited to the General Revenue Fund.

Sec. 34. Professional Trainees and Interns. The Department of State Health Services and the Department of Aging and Disability Services are authorized to compensate professional trainees or interns in recognized educational programs related to the provision of mental health or mental retardation services, radiation control, or any critical health care profession as determined by the Health and Human Services Executive Commissioner at any salary rate not to exceed the following amounts:

Psychiatrist Interns	\$3,548 per month
Physician Interns	\$3,042 per month
Psychologist Trainees	\$2,859 per month
Registered Nurse Trainees	\$2,387 per month
Chaplain Interns	\$2,247 per month
Physical, Occupational, or Registered Therapist Trainees	\$2,117 per month
Social Worker Trainees	\$1,998 per month
Medical Technologist Trainees	\$1,998 per month
Licensed Vocational Nurse Trainees	\$1,785 per month
Health Physicist Interns	\$2,247 per month
Health Physicist Trainees	\$1,686 per month

Sec. 35. Limit on Spending New Generation Medication Funds.

- a. It is the intent of the Legislature that the Department of State Health Services (DSHS) and the Department of Aging and Disability Services (DADS) utilize funds appropriated for New Generation Medications for no other purpose than the provision, prescribing, and monitoring of New Generation Medications. This limitation shall apply to funds appropriated for New Generation Medications in the following strategies at DSHS: B.2.1, Mental Health Services for Adults, B.2.2, Mental Health Services for Children, B.2.4, NorthSTAR Behavioral Health Waiver, and C.1.3, Mental Health State Hospitals; and in the following strategy at DADS: A.8.1, MR State Schools Services.
- b. Notwithstanding the limitation described above, the department shall allow a local mental health or mental retardation authority to expend an amount not to exceed 15 percent of its New Generation Medication funds on support programs that are related to the administration of New Generation Medications, provided, however, that an authority using its New Generation Medication funds for support services must meet its contracted performance target for persons served with New Generation Medications and that the availability of New Generation Medication funds to expend on services must result from cost efficiencies achieved by the authority.
- c. To the extent that the local authorities or state contracted managed care organizations are able to obtain cost savings associated with state-approved purchasing arrangements, private sector donations of medications for clients and/or financial contributions for the purchase of New Generation Medications in DSHS Strategies B.2.1, Mental Health Services for Adults, B.2.2, Mental Health Services for Children, and B.2.4, NorthSTAR Behavioral Health Waiver, and they meet or exceed their contracted performance targets for persons served with New Generation Medications, they may expend up to an equivalent amount from these strategies on direct services to clients.

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**

(Continued)

Sec. 36. Purchasing of Medication. The Department of State Health Services and the Department of Aging and Disability Services shall require that local mental health and mental retardation authorities, as a condition of receiving funds appropriated by this Act, document their effort to make needed medications available to consumers at the lowest possible prices and to utilize the most cost effective medication purchasing arrangement available. It is the intent of the Legislature that the Department of State Health Services and the Department of Aging and Disability Services shall provide technical assistance to community centers as necessary to maximize efficiency.

Sec. 37. Donations from Individuals, Community Groups and Volunteer Services Councils. It is expressly provided that the Department of State Health Services and the Department of Aging and Disability Services, in accordance with § 533.001 of the Health and Safety Code and to the extent permitted by law, may accept donations for permanent improvements at the state mental health facilities and the state mental retardation facilities from individuals, community groups and local Volunteer Services Councils. Such funds are not subject to limitations on capital budget expenditures as contained in Article IX or any other similar provisions in this Act. Permanent improvements are defined as an improvement to a state facility that involves construction, building system(s), and/or landscaping.

Sec. 38. Contracted Medical Services. Out of funds appropriated above, the Department of State Health Services (DSHS) and the Department of Aging and Disability Services (DADS) shall not pay more than the approved reimbursement rate set by the Health and Human Services Commission for hospital services provided to an indigent DSHS or DADS consumer in a private or public hospital.

Sec. 39. Efficiencies at Local Mental Health and Mental Retardation Authorities. It is the intent of the Legislature that the local mental health and mental retardation authorities that receive allocations from the funds appropriated above to the Department of Aging and Disability Services and the Department of State Health Services shall maximize the dollars available to provide services by minimizing overhead and administrative costs and achieving purchasing efficiencies. Among the strategies that should be considered in achieving this objective are consolidations among local authorities and partnering among local authorities on administrative, purchasing, or service delivery functions where such partnering may eliminate redundancies or promote economies of scale. The Legislature also intends that each state agency which enters into a contract with or makes a grant to local authorities does so in a manner that promotes the maximization of third party billing opportunities, including to Medicare and Medicaid.

It is the Legislature's intent that local authorities not expend funds appropriated to the Department of Aging and Disability Services in Strategy A.4.2, Mental Retardation Community Services, or Strategy A.4.5, Mental Retardation In-Home Services, to supplement the rate-based payments they receive to fund their costs as providers of waiver or ICF-MR services.

Sec. 40. Equal Opportunity Principles in Contracting for Social Services. The Legislature intends that each state agency that contracts with or makes a grant to a nongovernmental entity to provide social services, using money appropriated by this Act, enter the contract or make the grant in a manner that is consistent with the equal opportunity principles and safeguards provided by federal law under 42 U.S.C. § 604a.

Sec. 41. Limitation on Unexpended Balances: General Revenue for Medicaid. Unexpended balances in General Revenue Funds appropriated for the Medicaid program (GR Match for Medicaid and GR Certified as Match for Medicaid) to the Health and Human Services Commission, the Department of Aging and Disability Services, and the Department of State Health Services for fiscal year 2010 are appropriated for the same purposes to the respective agencies for fiscal year 2011 only upon prior written approval by the Legislative Budget Board and the Governor.

For authorization to expend the funds, an agency shall submit a written request to the Legislative Budget Board and the Governor by April 1, 2010. At the same time, the agency shall provide a copy of the request to the Comptroller of Public Accounts. The request must be organized by fiscal year as follows:

- a. The following information shall be provided for fiscal year 2010:
 - (1) a detailed explanation of the cause(s) of the unexpended balance(s);
 - (2) the amount of the unexpended balance(s) by strategy; and

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**
(Continued)

- (3) an estimate of performance levels and, where relevant, a comparison to targets in this Act.
- b. The following information shall be provided for fiscal year 2011:
 - (1) a detailed explanation of the purpose(s) for which the unexpended balance(s) will be used and whether the expenditure will be one-time or ongoing;
 - (2) the amount of the expenditure by strategy;
 - (3) an estimate of performance levels and, where relevant, a comparison to targets in this Act; and
 - (4) the capital budget impact.

An agency shall submit a revised written request by October 1, 2010 if the amount of the estimated unexpended balance(s) varies by more than five percent from the amount estimated in the original request.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

The request shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the proposal to expend the funds and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

The Comptroller of Public Accounts shall not allow the use of unexpended balances if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

Sec. 42. Appropriation of Receipts: Civil Monetary Damages and Penalties. Included in the amounts appropriated above for the 2010-11 biennium are the following:

- a. \$2,660,000 in General Revenue Match for Medicaid for the Department of Aging and Disability Services;
- b. \$1,414,870 in General Revenue Match for Medicaid for the Health and Human Services Commission; and
- c. \$520,000 in General Revenue for the Department of State Health Services.

These amounts are contingent upon the collection of civil monetary damages and penalties under Human Resources Code § 32.021 and Health and Safety Code § 431.047. Any amounts collected above these amounts by the respective agency are hereby appropriated to the respective agency in amounts equal to the costs of the investigation and collection proceedings conducted under those sections, and any amounts collected as reimbursement for claims paid by the agency.

Sec. 43. Financial Monitoring of Community MHMR Centers. The Department of Aging and Disability Services (DADS), the Department of State Health Services (DSHS), and the Health and Human Services Commission (HHSC) shall enter into a written agreement that defines each agency's responsibilities for monitoring the expenditure by community mental health and mental retardation centers of funds appropriated by this Act. The written agreement shall include provisions for monitoring that require community mental health and mental retardation centers to account for state funds separately from other sources of funds.

Sec. 44. Appropriation of Unexpended Balances: Funds Recouped from Local Authorities. Notwithstanding other provisions of this Act, any state funds appropriated for fiscal year 2010 recouped by the Department of Aging and Disability Services or the Department of State Health Services from a

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**
(Continued)

local mental health or mental retardation authority for failing to fulfill its performance contract with the State, are hereby appropriated to the respective agency for the same strategy, to reallocate to other local mental health or mental retardation authorities in fiscal year 2011.

Each agency shall provide a report to the Legislative Budget Board and the Governor by June 1, 2010 that includes the amount of the recoupment by strategy, the reasons for the recoupment, the local authorities involved, any performance contract requirements that were not met, and the purposes of the reallocation.

Sec. 45. Enterprise Support Services. Out of funds appropriated above, the following amounts are allocated for enterprise support services:

<u>Enterprise Support Service Category</u>	<u>2010</u>	<u>2011</u>
1. Regional Cost Pools	\$136,197,671	\$136,677,341
2. Consolidated System Support	\$111,771,968	\$108,215,326
3. Centralized Cost Pools	\$ 35,422,093	\$ 35,422,093
4. Regional Program Support	\$ 16,720,244	\$ 16,720,244
5. Enterprise Oversight and Policy	\$ 16,081,748	\$ 16,081,748
6. Central Program Support	\$ 13,894,027	\$ 13,894,027
7. IT Program Support	\$ 11,909,752	\$ 11,909,752
8. Office of Inspector General	\$ 10,811,479	\$ 10,811,479
9. Seat Management	\$ 9,547,694	\$ 9,585,157
10. Peoplesoft (HHSAS)	\$ 8,774,264	\$ 11,143,264
Total, All Funds for Article II	\$371,130,940	\$370,460,431

- a. **Limitation on Assessments.** The Health and Human Services Commission may not collectively assess agencies more than the total amount per fiscal year indicated above for all enterprise support service categories without prior written approval from the Legislative Budget Board and the Governor.

For authorization to make an assessment that exceeds the total amount per fiscal year indicated above, the Executive Commissioner of the Health and Human Services Commission shall submit a written request to the Legislative Budget Board and the Governor. At the same time, the Executive Commissioner shall provide a copy of the request to the Comptroller of Public Accounts. The request shall include the following information by fiscal year:

- (1) a detailed explanation of the reasons for the assessment and why it exceeds the total amount per fiscal year indicated above;
- (2) the amount of the assessment by enterprise support service category at both the agency and enterprise levels;
- (3) the amount of the assessment by major fund type at both the agency and enterprise levels; and
- (4) the impact of the assessment on each agency's performance levels.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

The request shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the proposed assessment and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**
(Continued)

b. **Reporting Requirements.**

- (1) **Annual Assessments.** The Executive Commissioner of the Health and Human Services Commission shall submit to the Legislative Budget Board and the Governor, by September 1 of each fiscal year, a report that indicates the amounts assessed for enterprise support services for the new and two prior fiscal years. The report shall include the following information at both the agency and enterprise levels:
 - (i) amounts by service category; and
 - (ii) amounts by major fund type.
- (2) **Monthly Expenditures.** No later than 30 days following the close of each fiscal quarter, the Executive Commissioner shall submit to the Legislative Budget Board and the Governor a report that provides information about actual monthly expenditures for enterprise support services for the current and two prior fiscal years by service category.
- (3) **Annual Expenditures.** No later than October 1 of each year, the Executive Commissioner shall submit to the Legislative Budget Board and the Governor a report that provides information about actual annual expenditures for enterprise support services for the two prior fiscal years. The report shall include the following information at both the agency and enterprise levels:
 - (i) amounts by service category; and
 - (ii) amounts by major fund type.

The reports shall be prepared in a format approved by the Legislative Budget Board.

- c. **Controlling Expenditures and Minimizing Use of General Revenue Funds.** The Health and Human Services Commission shall critically examine the current methodologies (including cost allocation plans) used to allocate enterprise support services expenses among agencies and their strategies, including the resulting allocation of expenses to General Revenue Funds.

The examination should compare enterprise support services expenditures across at least three fiscal years and include recommendations and/or cite actions taken to control expenditures and to minimize the General Revenue Fund share of such expenditures.

The report, including supporting analysis and explanation, shall be prepared in a format approved by the Legislative Budget Board and submitted to the Legislative Budget Board and the Governor no later than April 1, 2010.

The Comptroller of Public Accounts shall not allow the expenditure of funds for an increased assessment if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

Sec. 46. Integrated Model of Care - Aged/Blind/Disabled Population. It is the intent of the Legislature that the Health and Human Services Commission implement the most cost effective integrated managed care model for the aged/blind/disabled population in the Dallas and Tarrant service area.

It is specifically provided that funds appropriated for the provision of services to the Medicaid aged/blind/disabled population may not be expended to implement an integrated managed care model which would eliminate the revenues received for hospital and physician payments under the current federal Upper Payment Limit (UPL) program.

Medicaid funds appropriated to the Department of Aging and Disability Services and the Health and Human Services Commission may be transferred between the agencies during the 2010-11 biennium to support the implementation of an integrated model of care under this provision, with prior approval.

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**
(Continued)

The Commission shall request approval from the Governor and the Legislative Budget Board at least 30 days prior to any proposed funding transfer. The request shall indicate the impact to performance measures at both agencies.

The request shall be considered to be approved unless the Legislative Budget Board or the Governor issues a written disapproval within 15 business days of the date on which the staff of the Legislative Budget Board concludes its review of the proposal to expend the funds and forwards its review to the Chair of the House Appropriations Committee, Chair of the Senate Finance Committee, Speaker of the House, and Lieutenant Governor.

Sec. 47. Maintenance of Certain Program Service Levels. Funds appropriated in this Act are based on projections of the amounts needed to maintain current or legislatively authorized eligibility criteria, service or staffing levels, and provider payment levels for the following Article II entitlement and critical health care programs:

- a. Entitlement Programs
 - (1) Medicaid - Acute and Long-term Care
 - (2) Early Childhood Intervention
 - (3) Foster Care
 - (4) Adoption Subsidies
- b. Critical Health Programs
 - (1) State Hospitals
 - (2) Children's Health Insurance (CHIP)

In the event that appropriations made for these purposes are insufficient to sustain enrollments and services for any of the entitlement or critical health programs listed above, it is the intent of the Legislature that the executive commissioner (1) notify the Legislative Budget Board and the Governor of any projected shortfalls and describe factors contributing to costs in excess of appropriated levels, and (2) submit options that may be considered by the Legislative Board and the Governor that would reduce or eliminate projected funding shortfalls and assess the impact that each option would have on enrollments, service or staffing levels, projected payments, or federal funding.

This provision is not intended to prohibit programmatic changes or adjustments that are necessary to ensure prudent and responsible administration of the affected program.

Sec. 48. Contingency Appropriation for the Reshaping of the System for Providing Services to Individuals with Developmental Disabilities. \$207,900,000 in General Revenue Funds and \$256,603,063 in Federal Funds (\$464,503,063 in All Funds) appropriated elsewhere in this Act to the Department of Aging and Disability Services (DADS) and the Health and Human Services Commission (HHSC) for the 2010-11 biennium is contingent upon changes outlined below. These funds are appropriated for home and community-based programs and 1915(c) waivers for persons with mental retardation, intellectual disabilities, and developmental disabilities as an effort to reduce the disproportionately long wait time for services, expand waiver-related community services slots by 7,832 by August 2011, and to provide specific direction related to reshaping the system of care for persons with developmental disabilities.

DADS is required to increase the number of Home and Community-Based Services (HCS) slots during fiscal years 2010 and 2011 for (1) individuals moving out of medium and large ICFs/MR, (2) children aging out of foster care services at the Department of Family and Protective Services, (3) children who are at risk of being institutionalized in ICFs/MR, and (4) individuals who are at imminent risk of institutionalization as a result of emergency or crisis situations.

Additionally, the appropriation is contingent upon the following:

- a. DADS reducing the number of state school residents, through census management, not closure, and limiting the number of residents residing at each state school, without removing

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**

(Continued)

a state school resident from a state school against the resident's will or against the will of the resident's legally authorized guardian for the purpose of meeting any potential capacity limits, and without denying admission to a state school on the basis that the admission would cause the state school to exceed any potential capacity limit. It is the intent of the Legislature that the costs of serving reallocated residents be financed through reduced expenditures for the operation of state schools.

- b. DADS identifying state school residents through the community living options information process who could move into community programs; and
- c. transferring the case management function from HCS providers to local Mental Retardation Authorities (MRAs).

The appropriation includes the following amounts:

- a. \$157,700,000 in General Revenue to expand community service options as identified below for persons with mental retardation.
 - (1) \$37,500,000 in General Revenue to Strategy A.3.3. Community Living Assistance and Support Services (CLASS) to add 1,890 CLASS slots;
 - (2) \$99,400,000 in General Revenue to Strategy A.3.2. Home and Community-Based Services (HCS) to add 5,120 HCS slots;
 - (3) \$100,000 in General Revenue to Strategy A.3.4. Deaf-Blind Multiple Disabilities (DBMD) to add 6 DBMD slots;
 - (4) \$16,100,000 in General Revenue to Strategy A.3.2. Home and Community-Based Services (HCS) to add 620 Promoting Independence slots; and
 - (5) \$4,600,000 in General Revenue to Strategy A.3.2. Home and Community-Based Services (HCS) to add 196 Emergency Institutionalization slots;
- b. \$10,200,000 in General Revenue in A.1.1, Intake, Access, and Eligibility for DADS and MRAs to train and hire case managers to provide targeted case management;
- c. \$15,000,000 in General Revenue to Strategy A.4.2. MR Community Services;
- d. \$2,100,000 in General Revenue to Strategies B.1.1. Facility/Community-Based Regulation;
- e. \$22,900,000 in General Revenue transferred from the Strategy A.3.2. Home and Community-Based Services to A.1.1, Intake, Access, and Eligibility; and
- f. \$22,900,000 in General Revenue to Strategies A.3.2, Home and Community-Based Services and A.1.1, Intake, Access, and Eligibility. HHSC is directed to allocate \$22,900,000 in General Revenue to implement rate increases for Home and Community-Based Services across the supervised living/residential support services, foster/companion care, and supported home living service types and is authorized to allocate funding as appropriate to the direct and indirect portions of each service rate. This authorization is granted to the extent allowed by state and federal law.

Transfers related to reshaping the system of services for individuals with developmental disabilities to meet the objectives described above are subject to DADS Rider 9, Limitation: Medicaid Transfer Authority.

It is the intent of the Legislature that the fiscal impact on each strategy and associated with each initiative be estimated and identified as to fully understand the cost implications to other agencies.

It is the intent of the Legislature that HHSC and DADS shall jointly design a plan to implement a capitated or non-capitated pilot to serve persons with intellectual and developmental disabilities. The agency may contract to conduct a study, which shall include input from individuals receiving services,

SPECIAL PROVISIONS RELATING TO ALL HEALTH AND HUMAN SERVICES AGENCIES

(Continued)

their families, service providers, mental retardation authorities, advocate organizations, and other interested parties. The plan shall include managed care models employed by other states for this population.

HHSC and DADS shall provide a report to the Governor's Office, Lieutenant Governor's Office, Speaker's Office, Senate Finance Committee, House Appropriations Committee, Senate Health and Human Services Committee, House Human Services Committee, and the Legislative Budget Board by December 1, 2010. The report shall include recommendations for the pilot regarding: geographic scope, options for consolidating waiver services, costs and financing, utilization review, provider network, eligibility, service coordination, quality management, waiver development and federal requirements, and other issues as appropriate.

Sec. 49. Client Abuse, Neglect, and Exploitation Reporting in State Schools and State Hospitals.

The Department of Aging and Disability Services, the Department of State Health Services, and the Department of Family and Protective Services shall establish sufficient input, processing, and output controls as well as a system for auditing client abuse/neglect/exploitation data to ensure each agency has accurate, complete data.

Sec. 50. Advisory Committee Limitation and Reporting Requirement. Notwithstanding other provisions of this Act, the use of appropriated funds for a reimbursement to an advisory committee for travel and related expenses that occur during the 2010-11 biennium and are paid by a health and human services agency shall be governed by the following limitation and reporting requirement:

- a. An advisory committee shall be reimbursed for travel and related expenses that occur during the 2010-11 biennium only if that committee has met at least one time between January 1, 2007 and January 1, 2009. A committee created after January 1, 2009 is exempted from this restriction.
- b. Reimbursements made according to section (a) shall not exceed \$10,000 per committee in any given fiscal year unless a higher amount is specifically authorized for the committee by another provision of this Act.
- c. The Health and Human Services Commission shall submit a report to the Legislative Budget Board, the Governor, and the Comptroller of Public Accounts by September 1, 2009 that includes the following information:
 - (1) a list, by agency, of all advisory committees;
 - (2) an indication, for each committee listed, of whether or not the committee is eligible for reimbursement during the 2010-11 biennium; and
 - (3) the amount budgeted, by fiscal year, for each committee eligible for reimbursement.

Sec. 51. Rio Grande State Center. Out of funds appropriated above to the Department of Aging and Disability Services (DADS) in Strategy A.8.1, MR State School Services, DADS shall enter into an interagency contact with the Department of State Health Services (DSHS) to transfer \$2,736,420 in All Funds for each fiscal year of the biennium to DSHS, Strategy C.1.3, Mental Health State Hospitals, to fund 79.5 full-time equivalents and related services at the Rio Grande State Center.

Sec. 52. Expansion of Community-based Services. This section does not make any appropriations. It summarizes appropriations made elsewhere in this Act to expand community-based services.

- a. **Limitations and Reporting.** Funds appropriated elsewhere in this Act, totaling \$190,220,675 in General Revenue Funds and \$433,202,506 in All Funds for the 2010-11 biennium, are contingent upon each agency listed in the tables below providing the following information to the Legislative Budget Board and the Governor:
 - (1) by September 1, 2009, a written report detailing, by month and fiscal year, planned client service levels, average monthly cost per client, and total expenditures for each listed strategy for fiscal year 2010 and fiscal year 2011; and

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**
(Continued)

- (2) no later than 30 days following the close of a fiscal quarter, a written report on actual client service levels, average monthly cost per client, and total expenditures for each listed strategy for the fiscal year.

Each report shall compare the reported service levels, costs, and expenditures to those adopted by the Legislature in this Act.

Additional information requested by the Legislative Budget Board or the Governor should be provided in a timely manner. The request and information provided subsequently shall be prepared in a format specified by the Legislative Budget Board.

The Comptroller of Public Accounts shall not allow the expenditure of funds if the Legislative Budget Board provides notification to the Comptroller of Public Accounts that the requirements of this provision have not been satisfied.

- b. **Appropriations.** Tables 1 and 2 indicate General Revenue Funds and All Funds annual appropriations (made elsewhere in this Act) to expand community-based programs.

Table 1
General Revenue Appropriations

Agency/Strategy/Program	<u>FY 2010</u>	<u>FY 2011</u>	<u>Biennial</u>
DADS			
A.3.1. Community Based Alternatives (CBA)	\$ 1,530,237	\$ 4,619,732	\$ 6,149,969
A.3.2. Home and Community-based Services (HCS)*	\$28,747,802	\$ 81,921,391	\$110,669,193
<i>includes the following:</i>			
- Independent Living	\$22,760,277	\$ 67,236,747	\$ 89,997,024
- Promoting Independence	\$ 4,800,465	\$ 11,318,387	\$ 16,118,852
- Preventing Institutionalization	\$ 1,187,060	\$ 3,366,257	\$ 4,553,317
A.3.3. Community Living Assistance and Support Services (CLASS)*	\$ 7,808,350	\$ 23,467,839	\$ 31,276,189
A.3.4. Deaf-Blind Multiple Disabilities (DBMD)*	\$ 19,682	\$ 79,228	\$ 98,910
A.3.5. Medically Dependent Children Program (MDCP)	\$ 609,506	\$ 1,840,085	\$ 2,449,591
A.3.6. Consolidated Waiver Program	\$ -	\$ -	\$ -
A.4.1. Non-Medicaid Community Services	\$ 294,555	\$ 890,105	\$ 1,184,660
A.4.4. In-home and Family Support	\$ 170,994	\$ 512,981	\$ 683,975
A.4.5. Mental Retardation In-home Services	\$ -	\$ -	\$ -
Primary Home Care/Community Attendant Services Offset	\$ (378,913)	\$ (1,132,600)	\$ (1,511,513)
Administration/FTEs	\$ 598,974	\$ 1,113,821	\$ 1,712,795
Subtotal, DADS	\$39,401,187	\$113,312,582	\$152,713,769
Waiver subset	\$38,715,577	\$111,928,275	\$150,643,852
* related to Special Provisions Sec. 48			
DARS			
B.3.3. Independent Living Services	\$ 190,837	\$ 198,855	\$ 389,692
B.3.4. Comprehensive Rehabilitation Administration/FTEs	\$ 2,016,033	\$ 2,356,402	\$ 4,372,435
	\$ -	\$ -	\$ -
Subtotal, DARS	\$ 2,206,870	\$ 2,555,257	\$ 4,762,127
DSHS			
A.3.4. Children with Special Health Care Needs	\$ 1,987,109	\$ 2,160,940	\$ 4,148,049
B.2.2. Mental Health Services for Children	\$ 2,677,068	\$ 2,677,070	\$ 5,354,138
Administration/FTEs	\$ 290,016	\$ 257,893	\$ 547,909
Subtotal, DSHS	\$ 4,954,193	\$ 5,095,903	\$ 10,050,096

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**
(Continued)

HHSC			
STAR+PLUS	\$ 149,165	\$ 451,230	\$ 600,695
Acute Care for Medical Assistance Waiver Clients	\$ 3,310,933	\$ 10,262,562	\$ 13,573,495
Incremental Vendor Drug cost for Waiver Clients	\$ 1,907,104	\$ 6,277,343	\$ 8,184,447
Administration/FTEs	\$ 114,875	\$ 221,171	\$ 336,046
Subtotal, HHSC	\$ 5,482,377	\$ 17,212,306	\$ 22,694,683
Grand Total	\$52,044,627	\$138,176,048	\$190,220,675

*Table 2
All Funds Appropriations*

Agency/Strategy/Program	<u>FY 2010</u>	<u>FY 2011</u>	<u>Biennial</u>
DADS			
A.3.1. Community Based Alternatives (CBA)	\$ 3,713,265	\$ 11,251,174	\$ 14,964,439
A.3.2. Home and Community-based Services (HCS)* <i>includes the following:</i>	\$67,787,850	\$197,353,830	\$265,141,680
- Independent Living	\$55,041,794	\$163,384,286	\$218,426,080
- Promoting Independence	\$ 9,865,542	\$ 25,771,158	\$ 35,636,700
- Preventing Institutionalization	\$ 2,880,514	\$ 8,198,386	\$ 11,078,900
A.3.3. Community Living Assistance and Support Services (CLASS)*	\$18,901,276	\$ 57,064,945	\$ 75,966,221
A.3.4. Deaf-Blind Multiple Disabilities (DBMD)*	\$ 47,761	\$ 192,956	\$ 240,717
A.3.5. Medically Dependent Children Program (MDCP)	\$ 1,479,024	\$ 4,481,454	\$ 5,960,478
A.3.6. Consolidated Waiver Program	\$ -	\$ -	\$ -
A.4.1. Non-Medicaid Community Services	\$ 294,555	\$ 890,105	\$ 1,184,660
A.4.4. In-home and Family Support	\$ 170,994	\$ 512,981	\$ 683,975
A.4.5. Mental Retardation In-home Services	\$ -	\$ -	\$ -
Primary Home Care/Community Attendant Services Offset	\$ (919,468)	\$ (2,758,402)	\$ (3,677,870)
Administration/FTEs	\$ 993,014	\$ 1,854,892	\$ 2,847,906
Subtotal, DADS	\$92,468,271	\$270,843,935	\$363,312,206
Waiver subset	\$91,929,176	\$270,344,359	\$362,273,535
* related to Special Provisions Sec. 48			
DARS			
B.3.3. Independent Living Services	\$ 190,837	\$ 198,855	\$ 389,692
B.3.4. Comprehensive Rehabilitation	\$ 2,016,033	\$ 2,356,402	\$ 4,372,435
Administration/FTEs	\$ -	\$ -	\$ -
Subtotal, DARS	\$ 2,206,870	\$ 2,555,257	\$ 4,762,127
DSHS			
A.3.4. Children with Special Health Care Needs	\$ 1,987,109	\$ 2,160,940	\$ 4,148,049
B.2.2. Mental Health Services for Children	\$ 2,677,068	\$ 2,677,070	\$ 5,354,138
Administration/FTEs	\$ 290,016	\$ 257,893	\$ 547,909
Subtotal, DSHS	\$ 4,954,193	\$ 5,095,903	\$ 10,050,096
HHSC			
STAR+PLUS	\$ 362,691	\$ 1,098,952	\$ 1,461,643
Acute Care for Medical Assistance Waiver Clients	\$ 8,034,294	\$ 24,994,064	\$ 33,028,358

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**
(Continued)

Incremental Vendor Drug cost for Waiver Clients	\$ 4,627,769	\$ 15,288,219	\$ 19,915,988
Administration/FTEs	\$ 229,749	\$ 442,339	\$ 672,088
Subtotal, HHSC	\$13,254,503	\$ 41,823,574	\$ 55,078,077
Grand Total	\$ 112,883,837	\$320,318,669	\$433,202,506

c. **Targets for Selected Community-based Programs.** Tables 3 through 5 reflect performance targets as established by this Act for each of the strategies/programs listed below. Reports required by section (a) of this provision and by other provisions of this Act shall include comparisons and variance explanations relative to these targets.

- (1) Table 3, Continuing Clients/Slots, indicates the number of client/slots in fiscal year 2009 who will continue to receive services in the 2010-11 biennium.
- (2) Table 4, Expansion Clients/Slots indicates the number of additional clients/slots who will be served as a result of increased funding specified in subsection (a).
- (3) Table 5 indicates the combined continuing and new clients/slots.

The "End of Year Clients" column indicates the number of clients/slots who will be served in the final month of the fiscal year. The "Average Monthly" column indicates the number of clients/slots to be served on average for the fiscal year overall. Average monthly values reflect the approved rollout of new slots and tie to performance targets established within each agency's bill pattern.

Table 3
Continuing Client/Slots

Agency/Strategy/Program	End of Year Clients		Average Monthly Caseload	
	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2010</u>	<u>FY 2011</u>
DADS				
A.3.1. Community Based Alternatives (CBA)	26,087	26,087	26,087	26,087
A.3.2. Home and Community-based Services (HCS)	15,516	15,516	15,516	15,516
A.3.3. Community Living Assistance and Support Services (CLASS)	4,199	4,199	4,199	4,199
A.3.4. Deaf-Blind Multiple Disabilities (DBMD)	154	154	154	154
A.3.5. Medically Dependent Children Program (MDCP)	2,745	2,745	2,745	2,745
A.3.6. Consolidated Waiver Program	160	160	160	160
A.3.7. Texas Home Living Waiver	994	994	994	994
A.4.1. Non-Medicaid Community Services	39,005	39,005	39,005	39,005
A.4.2. Mental Retardation Community Services	12,927	12,927	12,927	12,927
A.4.4. In-home and Family Support	4,590	4,590	4,590	4,590
A.4.5. Mental Retardation In-home Services	3,060	3,060	3,060	3,060
Primary Home Care/Community Attendant Services Offset	0	0	0	0
Subtotal, DADS	109,437	109,437	109,437	109,437
Waiver subset	49,855	49,855	49,855	49,855
DARS				
B.3.3. Independent Living Services	1,743	1,743	221	221
B.3.4. Comprehensive Rehabilitation	581	581	185	185
Subtotal, DARS	2,324	2,324	406	406

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**
(Continued)

DSHS				
A.3.4. Children with Special Health Care Needs	1,650	1,650	2,600	2,600
B.2.2. Mental Health Services for Children	18,661	19,554	12,100	12,100
Subtotal, DSHS	20,311	21,204	14,700	14,700
Grand Total	132,072	132,965	124,543	124,543

*Table 4
Expansion Client/Slots*

Agency/Strategy/Program	End of Year Clients		Average Monthly Caseload	
	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2010</u>	<u>FY 2011</u>
DADS				
A.3.1. Community Based Alternatives (CBA)	430	861	215	645
A.3.2. Home and Community-based Services (HCS)* <i>includes the following:</i>	2,968	5,936	1,501	4,469
- Independent Living	2,560	5,120	1,280	3,840
- Promoting Independence	310	620	168	478
- Preventing Institutionalization	98	196	53	151
A.3.3. Community Living Assistance and Support Services (CLASS)*	945	1,890	472	1,417
A.3.4. Deaf-Blind Multiple Disabilities (DBMD)*	3	6	1	4
A.3.5. Medically Dependent Children Program (MDCP)	174	348	87	261
A.3.6. Consolidated Waiver Program	0	0	0	0
A.3.7. Texas Home Living Waiver	0	0	0	0
A.4.1. Non-Medicaid Community Services	249	498	125	374
A.4.2. Mental Retardation Community Services	0	0	0	0
A.4.4. In-home and Family Support	326	651	163	489
A.4.5. Mental Retardation In-home Services	0	0	0	0
Primary Home Care/Community Attendant Services Offset	(215)	(431)	(108)	(323)
Subtotal, DADS	4,880	9,759	2,456	7,336
Waiver subset	4,520	9,041	2,276	6,796
* related to Special Provisions Sec. 48				
DARS				
B.3.3. Independent Living Services	8	8	6	6
B.3.4. Comprehensive Rehabilitation	12	13	21	24
Subtotal, DARS	20	21	27	30
DSHS				
A.3.4. Children with Special Health Care Needs	87	87	87	87
B.2.2. Mental Health Services for Children	412	412	412	412
Subtotal, DSHS	499	499	499	499
Grand Total	5,399	10,279	2,982	7,865

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**
(Continued)

Table 5
Total Client/Slots (Continuing and Expansion)

Agency/Strategy/Program	End of Year Clients		Average Monthly Caseload	
	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2010</u>	<u>FY 2011</u>
DADS				
A.3.1. Community Based Alternatives (CBA)	26,517	26,948	26,302	26,732
A.3.2. Home and Community-based Services (HCS)	18,484	21,452	17,017	19,985
A.3.3. Community Living Assistance and Support Services (CLASS)	5,144	6,089	4,671	5,616
A.3.4. Deaf-Blind Multiple Disabilities (DBMD)	157	160	155	158
A.3.5. Medically Dependent Children Program (MDCP)	2,919	3,093	2,832	3,006
A.3.6. Consolidated Waiver Program	160	160	160	160
A.3.7. Texas Home Living Waiver	994	994	994	994
A.4.1. Non-Medicaid Community Services	39,254	39,503	39,130	39,379
A.4.2. Mental Retardation Community Services	12,927	12,927	12,927	12,927
A.4.4. In-home and Family Support	4,916	5,241	4,753	5,079
A.4.5. Mental Retardation In-home Services	3,060	3,060	3,060	3,060
Primary Home Care/Community Attendant Services Offset	(215)	(431)	(108)	(323)
Subtotal, DADS	114,317	119,196	111,893	116,773
Waiver subset	54,375	58,896	52,131	56,651
DARS				
B.3.3. Independent Living Services	1,751	1,751	227	227
B.3.4. Comprehensive Rehabilitation	593	594	206	209
Subtotal, DARS	2,344	2,345	433	436
DSHS				
A.3.4. Children with Special Health Care Needs	1,737	1,737	2,687	2,687
B.2.2. Mental Health Services for Children	19,073	19,966	12,512	12,512
Subtotal, DSHS	20,810	21,703	15,199	15,199
Grand Total	137,471	143,244	127,525	132,408

Sec. 53. Informational Listing of Stimulus Funds in Article II Agencies. The following is an informational list of the amounts in Article XII, American Recovery and Reinvestment Act funding related to agencies in Article II, Health and Human Services, and does not make appropriations.

Department of Aging and Disability Services:

Senior Nutrition Program - Congregate Nutrition	\$ 4,000,000
Senior Nutrition Program - Home Delivered Meals	\$ 2,000,000
Title XX	\$ 4,200,000
Title XX- Reduce GR	\$ (4,200,000)

Department of Assistive and Rehabilitative Services:

IDEA, Part C, Special Education Grants for Infants and Families	\$ 39,400,000
Independent Living Services - State Grants	\$ 1,100,000
Independent Living Services - Elderly/Blind	\$ 2,300,000
Vocational Rehabilitation Services	\$ 44,800,000

**SPECIAL PROVISIONS RELATING TO
ALL HEALTH AND HUMAN SERVICES AGENCIES**

(Continued)

Department of Family and Protective Services:

Child Care and Development Block Grant (CCDBG)	\$ 16,388,233
Temporary Assistance for Needy Families (TANF)	\$ 47,982,709

Department of State Health Services:

Section 317 Immunizations (Prevention and Wellness)	\$ 3,160,681
Prevention and Wellness Fund: Prevention Services and Programs	\$ 400,000
Infection Reduction Activities	\$ 2,137,389
Temporary Assistance for Needy Families (TANF) to Title XX	\$ 4,200,000
Reduce Federal Funds - Title XX	\$ (4,200,000)

Health and Human Services Commission:

Food Stamps (Supplemental Nutritional Assistance Program)	\$ 27,600,000
Medicaid Enhanced FMAP	\$ 2,513,000,000
Medicaid Enhanced FMAP- Reduce GR	\$(2,513,000,000)
Prevention and Wellness Fund: Prevention Services and Programs	\$ 2,126,424

Sec. 54. Information on Funding Provided for One-time Attendant Wage and Provider Rate Increases.

- a. Appropriations made elsewhere in this Act for the 2010-11 biennium, totaling \$229.2 million in General Revenue and \$524.5 million in All Funds, include \$129.5 million in General Revenue and \$300.2 million in All Funds for a one step and temporary attendant wage increase and \$99.7 million in General Revenue and \$224.3 million in All Funds for a one step and temporary provider rate increase. The following biennial amounts (in millions) are allocated to the health and human services agencies as listed below (All Funds amounts are estimated):
 - (1) Department of Aging and Disability Services: \$186.8 in General Revenue, \$439.6 in All Funds
 - (i) Attendant Wage Increase: \$118.6 in General Revenue, \$273.8 in All Funds
 - (ii) Provider Rate Increase: \$68.2 in General Revenue, \$165.8 in All Funds
 - (2) Department of Family and Protective Services: \$20.8 in General Revenue, \$32.2 in All Funds for foster care provider rate increases
 - (3) Health and Human Services Commission: \$21.6 in General Revenue, \$52.6 in All Funds
 - (i) Attendant Wage Increase: \$10.9 in General Revenue, \$26.4 in All Funds
 - (ii) Provider Rate Increase: \$10.7 in General Revenue, \$26.2 in All Funds
- b. Article XII of this Act includes \$29 million for Early Childhood Intervention (ECI) temporary provider rate increases at the Department of Assistive and Rehabilitative Services, subject to certain conditions. The estimated one step increase in rates is 8%.

**RECAPITULATION - ARTICLE II
HEALTH AND HUMAN SERVICES
(General Revenue)¹**

	For the Years Ending	
	August 31, 2010	August 31, 2011
	<u> </u>	<u> </u>
Department of Aging and Disability Services	\$ 2,728,616,248	\$ 2,770,489,406
Department of Assistive and Rehabilitative Services	111,848,770	113,745,122
Department of Family and Protective Services	517,439,635	574,971,299
Department of State Health Services	1,093,157,172	1,112,150,346
Health and Human Services Commission	<u>7,177,629,544</u>	<u>7,395,489,419</u>
 Subtotal, Health and Human Services	 <u>\$ 11,628,691,369</u>	 <u>\$ 11,966,845,592</u>
 Retirement and Group Insurance	 274,589,910	 297,411,736
Social Security and Benefit Replacement Pay	<u>85,277,054</u>	<u>86,997,574</u>
 Subtotal, Employee Benefits	 <u>\$ 359,866,964</u>	 <u>\$ 384,409,310</u>
 Bond Debt Service Payments	 30,638,658	 29,279,710
Lease Payments	<u>7,526,864</u>	<u>6,349,892</u>
 Subtotal, Debt Service	 <u>\$ 38,165,522</u>	 <u>\$ 35,629,602</u>
 TOTAL, ARTICLE II - HEALTH AND HUMAN SERVICES	 <u>\$ 12,026,723,855</u>	 <u>\$ 12,386,884,504</u>

¹ Appropriation figures in SB 1, Conference Committee Report, 81st Legislature, Regular Session, have been adjusted to incorporate certain provisions elsewhere in agency bill patterns, certain Article IX appropriations, Governor's vetoes, HB 4586, and other miscellaneous bills, including those of the First Called Session. For specific adjustments, please see agency bill patterns.

**RECAPITULATION - ARTICLE II
HEALTH AND HUMAN SERVICES
(General Revenue - Dedicated)¹**

	For the Years Ending	
	August 31, 2010	August 31, 2011
	<u> </u>	<u> </u>
Department of Aging and Disability Services	\$ 55,064,625	\$ 54,564,624
Department of Assistive and Rehabilitative Services	14,614,763	14,614,959
Department of Family and Protective Services	7,663,848	7,663,848
Department of State Health Services	<u>407,034,578</u>	<u>411,129,239</u>
Subtotal, Health and Human Services	<u>\$ 484,377,814</u>	<u>\$ 487,972,670</u>
Retirement and Group Insurance	5,557,264	5,950,601
Social Security and Benefit Replacement Pay	<u>3,168,606</u>	<u>3,198,791</u>
Subtotal, Employee Benefits	<u>\$ 8,725,870</u>	<u>\$ 9,149,392</u>
TOTAL, ARTICLE II - HEALTH AND HUMAN SERVICES	<u>\$ 493,103,684</u>	<u>\$ 497,122,062</u>

¹ Appropriation figures in SB 1, Conference Committee Report, 81st Legislature, Regular Session, have been adjusted to incorporate certain provisions elsewhere in agency bill patterns, certain Article IX appropriations, Governor's vetoes, HB 4586, and other miscellaneous bills, including those of the First Called Session. For specific adjustments, please see agency bill patterns.

**RECAPITULATION - ARTICLE II
HEALTH AND HUMAN SERVICES
(Federal Funds)¹**

	For the Years Ending	
	August 31, 2010	August 31, 2011
	<u> </u>	<u> </u>
Department of Aging and Disability Services	\$ 3,817,692,334	\$ 3,831,655,712
Department of Assistive and Rehabilitative Services	478,239,156	485,216,047
Department of Family and Protective Services	768,651,417	781,021,587
Department of State Health Services	1,248,712,555	1,253,463,556
Health and Human Services Commission	<u>10,242,820,343</u>	<u>10,311,457,322</u>
Subtotal, Health and Human Services	<u>\$ 16,556,115,805</u>	<u>\$ 16,662,814,224</u>
Retirement and Group Insurance	222,445,253	236,072,109
Social Security and Benefit Replacement Pay	<u>75,123,575</u>	<u>75,214,571</u>
Subtotal, Employee Benefits	<u>\$ 297,568,828</u>	<u>\$ 311,286,680</u>
Bond Debt Service Payments	<u>2,362,984</u>	<u>2,361,154</u>
Subtotal, Debt Service	<u>\$ 2,362,984</u>	<u>\$ 2,361,154</u>
 TOTAL, ARTICLE II - HEALTH AND HUMAN SERVICES	 <u>\$ 16,856,047,617</u>	 <u>\$ 16,976,462,058</u>

¹ Appropriation figures in SB 1, Conference Committee Report, 81st Legislature, Regular Session, have been adjusted to incorporate certain provisions elsewhere in agency bill patterns, certain Article IX appropriations, Governor's vetoes, HB 4586, and other miscellaneous bills, including those of the First Called Session. For specific adjustments, please see agency bill patterns.

**RECAPITULATION - ARTICLE II
HEALTH AND HUMAN SERVICES
(Other Funds)¹**

	For the Years Ending	
	August 31, 2010	August 31, 2011
Department of Aging and Disability Services	\$ 89,201,991	\$ 32,688,728
Department of Assistive and Rehabilitative Services	18,461,847	18,467,255
Department of Family and Protective Services	7,098,276	7,098,276
Department of State Health Services	193,276,206	134,978,662
Health and Human Services Commission	316,807,611	310,568,737
Subtotal, Health and Human Services	\$ 624,845,931	\$ 503,801,658
Retirement and Group Insurance	410,975	732,513
Social Security and Benefit Replacement Pay	178,704	227,664
Subtotal, Employee Benefits	\$ 589,679	\$ 960,177
Bond Debt Service Payments	264,962	264,962
Subtotal, Debt Service	\$ 264,962	\$ 264,962
Less Interagency Contracts	\$ 308,925,984	\$ 311,653,848
TOTAL, ARTICLE II - HEALTH AND HUMAN SERVICES	\$ 316,774,588	\$ 193,372,949

¹ Appropriation figures in SB 1, Conference Committee Report, 81st Legislature, Regular Session, have been adjusted to incorporate certain provisions elsewhere in agency bill patterns, certain Article IX appropriations, Governor's vetoes, HB 4586, and other miscellaneous bills, including those of the First Called Session. For specific adjustments, please see agency bill patterns.

**RECAPITULATION - ARTICLE II
HEALTH AND HUMAN SERVICES
(All Funds)¹**

	For the Years Ending	
	August 31, <u>2010</u>	August 31, <u>2011</u>
Department of Aging and Disability Services	\$ 6,690,575,198	\$ 6,689,398,470
Department of Assistive and Rehabilitative Services	623,164,536	632,043,383
Department of Family and Protective Services	1,300,853,176	1,370,755,010
Department of State Health Services	2,942,180,511	2,911,721,803
Health and Human Services Commission	<u>17,737,257,498</u>	<u>18,017,515,478</u>
Subtotal, Health and Human Services	<u>\$ 29,294,030,919</u>	<u>\$ 29,621,434,144</u>
Retirement and Group Insurance	503,003,402	540,166,959
Social Security and Benefit Replacement Pay	<u>163,747,939</u>	<u>165,638,600</u>
Subtotal, Employee Benefits	<u>\$ 666,751,341</u>	<u>\$ 705,805,559</u>
Bond Debt Service Payments	33,266,604	31,905,826
Lease Payments	<u>7,526,864</u>	<u>6,349,892</u>
Subtotal, Debt Service	<u>\$ 40,793,468</u>	<u>\$ 38,255,718</u>
Less Interagency Contracts	<u>\$ 308,925,984</u>	<u>\$ 311,653,848</u>
TOTAL, ARTICLE II - HEALTH AND HUMAN SERVICES	<u>\$ 29,692,649,744</u>	<u>\$ 30,053,841,573</u>
Number of Full-Time-Equivalents (FTE)	57,352.8	57,493.0

¹ Appropriation figures in SB 1, Conference Committee Report, 81st Legislature, Regular Session, have been adjusted to incorporate certain provisions elsewhere in agency bill patterns, certain Article IX appropriations, Governor's vetoes, HB 4586, and other miscellaneous bills, including those of the First Called Session. For specific adjustments, please see agency bill patterns.